SENATE BILL No. 235

By Committee on Health Care Strategies

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AN ACT concerning hospitals; instituting a moratorium on establishment of certain hospitals prior to July 1, 2006; amending K.S.A. 65-450, 65-451, 65-452 and 65-454 and repealing the existing sections; also repealing K.S.A. 65-453.

 Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 65-450 is hereby amended to read as follows: 65-450. As used in this act K.S.A. 65-450, 65-451, 65-452 and 65-454 and amendments thereto, the term "hospital" means a general hospital, a critical access hospital or a special hospital licensed under K.S.A. 65-425 to 65-441, inclusive, and amendments thereto; and "critical access hospital" has the meaning ascribed thereto by subsection (i) of K.S.A. 65-425, and amendments thereto.

- Sec. 2. K.S.A. 65-451 is hereby amended to read as follows: 65-451. The following construction or modifications shall not be commenced prior to July 1, $\frac{1986}{2006}$:
- (a) Any erections, building, alteration, reconstruction, modernization, improvement, extension, lease or other acquisition by or on behalf of a hospital that increases the licensed bed capacity of a hospital or relocates hospital beds from one physical facility or site to another, or
- (b) The establishment of a new hospital, other than a critical access hospital.
 - Sec. 3. K.S.A. 65-452 is hereby amended to read as follows: 65-452. This act *The provisions of K.S.A.* 65-450, 65-451, 65-452 and 65-454, and amendments thereto, shall not apply to the following:
 - (a) The total relocation of a hospital's licensed beds from one physical facility or site within the community to another physical facility or site within the same community if the relocating hospital is the only hospital in the community;
 - (b) consolidation of two or more hospitals located within the same community, if the maximum licensed bed capacity after consolidation is set at a level which would accommodate a 70% rate of occupancy based on the aggregate average daily census of the consolidating hospitals during the previous fiscal year of each hospital;
 - (c) the relocation or redistribution of hospital beds within a hospital

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- building or identifiable complex of buildings on the same site if the relocation or redistribution does not result in an increase in the overall
- 3 licensed bed capacity at that site the establishment of a critical access 4 hospital or the conversion of any general hospital to a critical access
- 4 hospital or the conversion of any general hospital to a critical access
 5 hospital;
 6 (d) a project for which a hospital holds a valid certificate of need
 - (d) a project for which a hospital holds a valid certificate of need under K.S.A. 65-4801 *et seq.*, and amendments thereto, and which project is not yet completed; or
- 9 $\frac{\text{(e)}}{\text{(d)}}$ a hospital which is owned or operated by the federal or state 10 government.
- Sec. 4. K.S.A. 65-454 is hereby amended to read as follows: 65-454.
- 12 The secretary of health and environment or a hospital may bring an action
- 13 to enjoin any alleged violation of this act K.S.A. 65-450, 65-451, 65-452
- 14 and 65-454, and amendments thereto.
- 15 Sec. 5. K.S.A. 65-450, 65-451, 65-452, 65-453 and 65-454 are hereby 16 repealed.
- Sec. 6. This act shall take effect and be in force from and after its publication in the Kansas register.