HOUSE BILL No. 3013

By Committee on Appropriations

3-14

AN ACT concerning hospitals; concerning certain licensing requirements for general hospitals; definitions; amending K.S.A. 21-4017, 65-425, 65-429 and 75-5923 and repealing the existing sections.

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

Section 1. K.S.A. 21-4017 is hereby amended to read as follows: 21-4017. (a) As used in this section:

- (1) "Medical care facility" means a general hospital, special hospital, ambulatory surgery center or recuperation limited care center, as defined by K.S.A. 65-425 and amendments thereto, and any psychiatric hospital licensed under K.S.A. 75-3307b and amendments thereto; and
- (2) "Smoking" means possession of a lighted cigarette, cigar, pipe or burning tobacco in any other form or device designed for the use of tobacco.
- (b) On and after July 1, 1994, smoking in a medical care facility is hereby prohibited except that a smoking area may be established within a licensed long-term care unit of a medical care facility if such smoking area is well-ventilated. On and after July 1, 1994, the chief administrative officer of each medical care facility shall cause to be posted in conspicuous places signs stating that smoking in the medical care facility is prohibited by state law.
- (c) Any person found guilty of smoking in violation of subsection (b) of this section is guilty of a misdemeanor punishable by a fine of not more than \$20 for each violation. Any person found guilty of failing to post signs as required by subsection (b) of this section, is guilty of a misdemeanor punishable by a fine of not more than \$50. In addition, the department of health and environment, or local department of health, may institute an action in any court of competent jurisdiction to enjoin repeated violations of subsection (b) of this section.
- Sec. 2. K.S.A. 65-425 is hereby amended to read as follows: 65-425. As used in this act:
- (a) "General hospital" means an establishment with an organized medical staff of physicians; with permanent facilities that include inpatient beds and a dedicated emergency department; and with medical services, including physician services, and continuous registered professional nurs-

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ing services and emergency department services for not less than 24 hours of every day, to provide diagnosis and treatment for patients who have a variety of medical conditions that participates in and is part of the statewide trauma system plan and any plan for the delivery of emergency medical services applicable to its region; and that is primarily engaged in providing treatment for patients who require inpatient care. In addition, the diagnosis-related groups of inpatient discharges from the establishment, determined by the methodology used for the medicare and medicaid programs, shall meet the following requirements: (1) No more than 44% of such discharges may relate to patients with a disease or disorder in any one major diagnostic category; and (2) the sum of inpatient discharges for the establishment's two highest major diagnostic categories shall not exceed 65% of all inpatient discharges. For purposes of this subsection (a), "major diagnostic category" means a cardiac-related disease or disorder, an orthopedic-related disease or disorder, or any surgical procedure not related to a cardiac or orthopedic disease or disorder.

- (b) "Special hospital" means an establishment with an organized medical staff of physicians; with permanent facilities that include inpatient beds; and with medical services, including physician services, and continuous registered professional nursing services for not less than 24 hours of every day, to provide diagnosis and treatment for patients who have specified medical conditions children exclusively or for rehabilitation or long-term care.
- (c) "Person" means any individual, firm, partnership, corporation, company, association, or joint-stock association, and the legal successor thereof.
- (d) "Governmental unit" means the state, or any county, municipality, or other political subdivision thereof; or any department, division, board or other agency of any of the foregoing.
- (e) "Licensing agency" means the department of health and environment.
- (f) "Ambulatory surgical center" means an establishment with an organized medical staff of one or more physicians; with permanent facilities that are equipped and operated primarily for the purpose of performing surgical procedures; with continuous physician services during surgical procedures and until the patient has recovered from the obvious effects of anesthetic and at all other times with physician services available whenever a patient is in the facility; with continuous registered professional nursing services whenever a patient is in the facility; and which does not provide services or other accommodations for patient to stay more than 24 hours. Before discharge from an ambulatory surgical center, each patient shall be evaluated by a physician for proper anesthesia recovery. Nothing in this section shall be construed to require the office of a phy-

 sician or physicians to be licensed under this act as an ambulatory surgical center.

- (g) "Recuperation center" means an establishment with an organized medical staff of physicians; with permanent facilities that include inpatient beds; and with medical services, including physician services, and continuous registered professional nursing services for not less than 24 hours of every day, to provide treatment for patients who require inpatient care but are not in an acute phase of illness, who currently require primary convalescent or restorative services, and who have a variety of medical conditions: "Limited care center" means an establishment with an organized medical staff of physicians, with permanent facilities that include multi-use beds, with medical services, including physician and nursing services, to provide focused treatment for patients who have a medical condition involving an orthopedic or cardiac related disease or disorder or requiring surgery or to provide treatment for patients who require convalescent or restorative services.
- (h) "Medical care facility" means a hospital, ambulatory surgical center or recuperation center limited care center, but shall not include a hospice which is certified to participate in the medicare program under 42 code of federal regulations, chapter IV, section 418.1 et seq. and amendments thereto and which provides services only to hospice patients.
- (i) "Critical access hospital" shall have the meaning ascribed to such term under K.S.A. 65-468 and amendments thereto.
- (j) "Hospital" means "general hospital," " critical access hospital," or "special hospital."
- $\sp(k)$ "Physician" means a person licensed to practice medicine and surgery in this state.
- Sec. 3. K.S.A. 65-429 is hereby amended to read as follows: 65-429. Upon receipt of an application for license, the licensing agency shall issue with the approval of the state fire marshal a license provided the applicant and the physical facilities of the medical care facility meet the requirements established under this act. An application for a license as a general hospital, including renewal of a license, shall not be issued by the licensing agency unless such general hospital is a participating provider in the Kansas medicaid plan throughout the term of such license. A license, unless suspended or revoked, shall be renewable annually without charge upon the filing by the licensee, and approval by the licensing agency, of an annual report upon such uniform dates and containing such information in such form as the licensing agency prescribes by rules and regulations. A medical care facility which has been licensed by the licensing agency and which has received certification for participation in federal reimbursement programs and which has been accredited by the joint commission on accreditation of health care organizations or the American

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osteopathic association may be granted a license renewal based on such certification and accreditation. The cost of administration of the medical care facilities licensure and risk management program provisions of this act pursuant to K.S.A. 65-433 and 65-4921 et seq., and amendments thereto, shall be funded by an annual assessment from the health care stabilization fund, which assessment shall not exceed \$200,000 in any one fiscal year. The licensing agency shall make an annual report to the health care stabilization fund regarding the use of these funds. Each license shall be issued only for the premises and persons or governmental units named in the application and shall not be transferable or assignable except with the written approval of the licensing agency. A separate license is not required for two separate establishments which are located in the same or contiguous counties, which provide the services required by K.S.A. 65-431 and amendments thereto and which are organized under a single owner or governing board with a single designated administrator and medical staff. Licenses shall be posted in a conspicuous place on the licensed premises.

- Sec. 4. K.S.A. 75-5923 is hereby amended to read as follows: 75-5923. (a) The secretary of aging shall establish a telephone system to assist older Kansans, friends and relatives of older Kansans and other persons in obtaining information about and access to services available to both institutionalized and non-institutionalized older Kansans. The telephone system shall be designed to permit any person in the state to place a toll-free call into the system.
 - (b) The secretary of aging shall:
- (1) Publicize the existence and purpose of the toll-free telephone system established by this section and the telephone number of such system;
- (2) develop policies and procedures to document requests for assistance and monitor follow-up on such requests;
- (3) develop policies and procedures to maintain confidentiality of requests for assistance;
- (4) develop a program to train and coordinate the use of older Kansans within the toll-free telephone system;
- (5) provide as part of the toll-free telephone system a call-forward system to assist in providing access to information; and
- (6) develop a handbook of information to answer requests and for further referral.
- (c) Upon written notification by the secretary of aging, every adult care home, as defined in subsection (a)(1) of K.S.A. 39-923, and amendments thereto, title XX adult residential home licensed under K.S.A. 75-3307b, and amendments thereto, recuperation center, as defined in subsection (g) of K.S.A. 65-425, intermediate care facility, as defined in

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- $1 \quad section \ 1905(c)$ of the federal social security act, skilled nursing facility,
- as defined in section 1861(j) of the federal social security act, and any
- 3 other institution or facility which is licensed or certified by the state,
- 4 which offers health, social or dietary care to elderly persons on a regular
- 5 basis, and which is financed in whole or in part by funds from the federal
- 6 government, the state of Kansas, or any political subdivision thereof, shall
- 7 prominently display notice of the existence of the toll-free telephone sys-
- 8 tem established under this section and the telephone number of such
- 9 system.
- 10 Sec. 5. K.S.A. 21-4017, 65-425, 65-429 and 75-5923 are hereby
- 11 repealed.
- Sec. 6. This act shall take effect and be in force from and after its
- 13 publication in the statute book.