

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 2441
98TH GENERAL ASSEMBLY

6253H.02C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 197.315, RSMo, and to enact in lieu thereof one new section relating to certificates of need, with an emergency clause.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 197.315, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 197.315, to read as follows:

197.315. 1. Any person who proposes to develop or offer a new institutional health service within the state must obtain a certificate of need from the committee prior to the time such services are offered.

2. Only those new institutional health services which are found by the committee to be needed shall be granted a certificate of need. Only those new institutional health services which are granted certificates of need shall be offered or developed within the state. No expenditures for new institutional health services in excess of the applicable expenditure minimum shall be made by any person unless a certificate of need has been granted.

3. After October 1, 1980, no state agency charged by statute to license or certify health care facilities shall issue a license to or certify any such facility, or distinct part of such facility, that is developed without obtaining a certificate of need.

4. If any person proposes to develop any new institutional health care service without a certificate of need as required by sections 197.300 to 197.366, the committee shall notify the attorney general, and he shall apply for an injunction or other appropriate legal action in any court of this state against that person.

5. After October 1, 1980, no agency of state government may appropriate or grant funds to or make payment of any funds to any person or health care facility which has not first obtained every certificate of need required pursuant to sections 197.300 to 197.366.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

19 6. A certificate of need shall be issued only for the premises and persons named in the
20 application and is not transferable except by consent of the committee.

21 7. Project cost increases, due to changes in the project application as approved or due
22 to project change orders, exceeding the initial estimate by more than ten percent shall not be
23 incurred without consent of the committee.

24 8. Periodic reports to the committee shall be required of any applicant who has been
25 granted a certificate of need until the project has been completed. The committee may order the
26 forfeiture of the certificate of need upon failure of the applicant to file any such report.

27 9. A certificate of need shall be subject to forfeiture for failure to incur a capital
28 expenditure on any approved project within six months after the date of the order. The applicant
29 may request an extension from the committee of not more than six additional months based upon
30 substantial expenditure made.

31 10. Each application for a certificate of need must be accompanied by an application fee.
32 The time of filing commences with the receipt of the application and the application fee. The
33 application fee is one thousand dollars, or one-tenth of one percent of the total cost of the
34 proposed project, whichever is greater. All application fees shall be deposited in the state
35 treasury. Because of the loss of federal funds, the general assembly will appropriate funds to the
36 Missouri health facilities review committee.

37 11. In determining whether a certificate of need should be granted, no consideration shall
38 be given to the facilities or equipment of any other health care facility located more than a
39 fifteen-mile radius from the applying facility.

40 12. When a nursing facility shifts from a skilled to an intermediate level of nursing care,
41 it may return to the higher level of care if it meets the licensure requirements, without obtaining
42 a certificate of need.

43 13. In no event shall a certificate of need be denied because the applicant refuses to
44 provide abortion services or information.

45 14. A certificate of need shall not be required for the transfer of ownership of an existing
46 and operational health facility in its entirety.

47 15. A certificate of need may be granted to a facility for an expansion, an addition of
48 services, a new institutional service, or for a new hospital facility which provides for something
49 less than that which was sought in the application.

50 16. The provisions of this section shall not apply to facilities operated by the state, and
51 appropriation of funds to such facilities by the general assembly shall be deemed in compliance
52 with this section, and such facilities shall be deemed to have received an appropriate certificate
53 of need without payment of any fee or charge. **The provisions of this subsection shall not**

54 **apply to hospitals operated by the state and licensed under chapter 197, except for**
55 **department of mental health state-operated psychiatric hospitals.**

56 17. Notwithstanding other provisions of this section, a certificate of need may be issued
57 after July 1, 1983, for an intermediate care facility operated exclusively for the intellectually
58 disabled.

59 18. To assure the safe, appropriate, and cost-effective transfer of new medical technology
60 throughout the state, a certificate of need shall not be required for the purchase and operation of:

61 (1) Research equipment that is to be used in a clinical trial that has received written
62 approval from a duly constituted institutional review board of an accredited school of medicine
63 or osteopathy located in Missouri to establish its safety and efficacy and does not increase the
64 bed complement of the institution in which the equipment is to be located. After the clinical trial
65 has been completed, a certificate of need must be obtained for continued use in such facility; **or**

66 (2) **Equipment that is to be used by an academic health center operated by the state**
67 **in furtherance of its research or teaching missions.**

Section B. Because immediate action is necessary to preserve access to quality health
2 care facilities for the citizens of Missouri, the repeal and reenactment of section 197.315 of
3 section A of this act is deemed necessary for the immediate preservation of the public health,
4 welfare, peace, and safety, and is hereby declared to be an emergency act within the meaning of
5 the constitution, and the repeal and reenactment of section 197.315 of section A of this act shall
6 be in full force and effect upon its passage and approval.

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