

FIRST REGULAR SESSION

HOUSE BILL NO. 786

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HUBRECHT.

1694H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 197, RSMo, by adding thereto two new sections relating to certificates of need for long-term care facilities.

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

Section A. Chapter 197, RSMo, is amended by adding thereto two new sections, to be known as sections 197.321 and 197.322, to read as follows:

197.321. 1. For the purposes of this section, the following terms shall mean:

(1) "Affiliated", under common control or ownership;

(2) "Campus", a contiguous parcel or parcels of land used for a common purpose;

(3) "Committee", the Missouri health facilities review committee;

(4) "Department", the department of health and senior services;

(5) "Facility", as defined in subdivision (11) of section 198.006.

2. Notwithstanding any provision of sections 197.300 to 197.367 to the contrary, there is hereby imposed a suspension on the issuance of certificates of need by the committee for additional beds in any facility on or after August 28, 2017, until December 31, 2020. No additional beds in such facilities shall be licensed by the department, except for those additional beds approved by the committee under this section or pursuant to a certificate of need issued by the committee prior to August 28, 2017, subject to the limitations of subsection 4 of this section.

3. The suspension shall not apply to:

(1) Bed additions, expansions, transfers, relocations, or replacements as described in paragraphs (e) and (g) of subdivision (9) of section 197.305 and section 197.318;

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.

17 **(2) Renovation, repair, or replacement of existing facilities and beds located on a**
18 **single campus, that does not result in an increase in the number of beds licensed to the**
19 **facility prior to the renovation, repair, or replacement; and**

20 **(3) Reallocation of licensed beds among licensed facilities with common ownership**
21 **and common or affiliated operators located on the same campus; provided that, the total**
22 **number of licensed beds on the campus does not increase.**

23 **4. For the duration of the suspension imposed under this section, except for cost**
24 **increases and extensions under subsections 7 and 9 of section 197.315, the committee shall**
25 **not amend, modify, reissue, transfer, or grant a site change or change of owner or operator**
26 **for a certificate of need issued prior to August 28, 2017.**

197.322. 1. There is hereby created within the department of social services the
2 **"Missouri Task Force on Certificate of Need". The task force shall be composed of the**
3 **following sixteen members:**

4 **(1) Two members of the senate from different political parties, appointed by the**
5 **president pro tempore of the senate;**

6 **(2) Two members of the house of representatives from different political parties,**
7 **appointed by the speaker of the house of representatives;**

8 **(3) The director of the department of health and senior services, or the director's**
9 **designee;**

10 **(4) The director of the department of social services, or the director's designee;**

11 **(5) Two representatives of an organization of operators of long-term care facilities**
12 **organized primarily as for-profit entities;**

13 **(6) Two representatives of an organization of operators of long-term care facilities**
14 **organized primarily as nonprofit or benevolent entities;**

15 **(7) Two representatives of an organization of operators of assisted living facilities**
16 **and residential care facilities;**

17 **(8) Two members who have expertise in lending to the long-term care industry; and**

18 **(9) Two members who are certified public accountants with expertise in**
19 **reimbursement systems and in providing financial cost reporting and related services to**
20 **providers of long-term care services.**

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22 **Members of the task force, other than the legislative members and department directors,**
23 **shall be appointed by the governor with the advice and consent of the senate no later than**
24 **October 1, 2017.**

25 **2. A majority of the task force membership shall constitute a quorum and shall**
26 **elect a chair and vice-chair of the task force.**

27 **3. A majority vote of a quorum of the task force is required for any action.**

28 **4. The director of the department of social services, or his or her designee, shall**
29 **convene the initial meeting of the task force no later than October 31, 2017. The task force**
30 **shall meet at least every other month. Meetings may be held by telephone or video**
31 **conference at the discretion of the chair.**

32 **5. Members shall serve on the task force without compensation but may, subject**
33 **to appropriations, be reimbursed for actual and necessary expenses incurred in the**
34 **performance of their official duties as members of the task force. Subject to**
35 **appropriations, the task force may engage the services of a consulting firm with expertise**
36 **in consulting for providers of long-term care regarding quality and efficiency of care. No**
37 **consulting firm that has a direct or indirect financial relationship with a member of the**
38 **task force or his or her family members shall be engaged by the task force.**

39 **6. The goal of the task force is to develop a comprehensive proposal to reform**
40 **Missouri's certificate of need law, sections 197.300 to 198.367, as applied to long-term care**
41 **facilities.**

42 **7. No later than October 1, 2018, the task force shall:**

43 **(1) Review practices in other states regarding certificates of need for long-term care**
44 **facilities and consider how certificates of need support or detract from quality of care, cost**
45 **containment, reasonable access, consumer choice, average occupancy, and public**
46 **accountability;**

47 **(2) Review the current occupancy, utilization of long-term care beds, and staffing**
48 **in the state as compared to other states, and evaluate the impact of certificate of need laws**
49 **on such occupancy, utilization, and staffing;**

50 **(3) Evaluate the relationship between the certificate of need laws and their impact**
51 **on senior care;**

52 **(4) Evaluate MO HealthNet reimbursement rates on the long-term care**
53 **marketplace and possible changes in reimbursement structure;**

54 **(5) Develop appropriate factors to determine the need for new or additional long-**
55 **term care beds if necessary to support the findings and recommendations of the task force;**
56 **and**

57 **(6) Propose to the appropriate public and private organizations goals, objectives,**
58 **strategies, and tactics designed to end or improve the certificate of need process.**

59 **8. On or before October 1, 2018, the task force shall submit a report on its findings**
60 **to the governor and general assembly. The report shall include any dissenting opinions in**
61 **addition to any majority opinions.**

62 **9. The task force shall expire on January 1, 2020, or upon submission of a report**
63 **as provided under subsection 8 of this section, whichever is earlier.**

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