

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO HEALTH CARE FACILITIES - LICENSING

Introduced By: Senators Sosnowski, Sheehan, Miller, Crowley, and Goldin

Date Introduced: March 15, 2017

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 23-17-4 of the General Laws in Chapter 23-17 entitled "Licensing
2 of Health-Care Facilities" is hereby amended to read as follows:

3 **23-17-4. License required for health-care facility operation.**

4 (a) No person acting severally or jointly with any other person shall establish, conduct, or
5 maintain a health-care facility in this state without a license under this chapter; provided,
6 however, that any person, firm, corporation, or other entity that provides volunteer, registered and
7 licensed practical nurses to the public shall not be required to have a license as a health-care
8 facility.

9 (b) Each location at which a health-care facility provides services shall be licensed;
10 provided, however, that a hospital or organized ambulatory-care facility, or their wholly owned
11 and controlled affiliates, shall be permitted to provide medical services at additional locations
12 without the requirement of a separate additional premise, organized ambulatory care facility,
13 physical space or other department license or approval ~~shall be permitted to provide, solely on an~~
14 ~~ambulatory basis, limited physician services, other limited, professional health care services,~~
15 ~~and/or other limited, professional mental health care services in conjunction with services~~
16 ~~provided by and at community health centers, community mental health centers, organized~~
17 ~~ambulatory care facilities or other licensed health care facilities, physicians' offices, and facilities~~
18 ~~operated by the department of corrections without establishing such locations as additional~~
19 ~~licensed premises of the hospital or organized ambulatory care facility; provided, that a health-~~

1 ~~care facility licensed as an organized ambulatory care facility in the state, may provide services at~~
2 ~~other locations operated by that licensed organized ambulatory care facility, without the~~
3 ~~requirement of a separate, organized ambulatory care facility license for such other locations. The~~
4 department is further authorized to adopt rules and regulations to accomplish the purpose of this
5 section, including, but not limited to, defining minimum requirements applicable to all locations
6 where medical services are rendered, and affirming that the medical service provider remains
7 subject to discipline for failure to comply with applicable professional and legal standards, as
8 long as such regulations apply equally to all medical service providers. For purposes of this
9 section, an organized ambulatory-care facility or other licensed health-care facility shall not
10 include a freestanding, emergency-care facility. The department is further authorized to adopt
11 rules and regulations to accomplish the purpose of this section, ~~including, but not limited to,~~
12 ~~defining "limited physician services, other limited, professional health care services, and/or other~~
13 ~~limited, professional mental health care services."~~

14 (c) The reimbursement rates for the services rendered in the settings listed in subsection
15 (b) shall be subject to negotiations between the hospitals, organized, ambulatory-care facilities,
16 and the payors, respectively, as defined in § 23-17.12-2.

17 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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- 1 This act would allow physician practices to maintain their license standards, even if a
- 2 hospital system owns the practice.
- 3 This act would take effect upon passage.

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