

2018 -- S 2437

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

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A N A C T

RELATING TO HEALTH AND SAFETY -- THE HOSPITALS CONVERSIONS ACT

Introduced By: Senators Crowley, Nesselbush, and Conley

Date Introduced: February 15, 2018

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 23-17.14-18 of the General Laws in Chapter 23-17.14 entitled "The  
2 Hospital Conversions Act" is hereby amended to read as follows:

3 **23-17.14-18. Prior approval -- Closings or significant reduction of medical services.**

4 (a) No hospital emergency department or primary care services which existed for at least  
5 one year and which significantly serve uninsured or underinsured individuals shall be eliminated  
6 or significantly reduced without the prior approval of the director in accordance with this section.

7 (b) Prior to the elimination or significant reduction of an emergency department or  
8 primary care services which existed for at least one year and which significantly serve uninsured  
9 or underinsured individuals, the hospital shall provide a written plan to the director which shall  
10 describe the impact of the proposal on:

11 (1) Access to healthcare services for traditionally underserved populations;

12 (2) The delivery of healthcare services on the affected community; and

13 (3) Other licensed hospitals or healthcare providers in the affected community or in the  
14 state.

15 (c)(1) Upon receipt of the written proposal, the director shall appoint a special master to  
16 protect the long-term stability of the delivery of health care services including exploring all  
17 options prior to closure, such as parties interested in acquiring the hospital, use of the hospital's  
18 property and facility and its financial stability at the expense of the hospital.

19 (2) The hospital shall also pay the expense for a financial consultant to perform a study

1 determining the economic impact of the closure on the host municipality. The director, the  
2 municipality and the hospital shall chose the financial consultant collectively within ten (10) days  
3 of the submission of the written proposal.

4 (3) The hospital shall submit a written plan dealing with the future of its employees,  
5 including retirement plan benefits, a timeline for their last day of employment, transition services,  
6 job fairs and other critical employment information at the time of the reverse certificate of need.

7 (4) An ad hoc group of community leaders consisting of the mayor or town administrator  
8 of the municipality, state representatives and state senators of the municipality, city or town  
9 council representatives of the municipality, representatives of health care professionals and  
10 representatives of other interested groups and organizations shall be established and the  
11 department of health shall facilitate relations with the hospital consisting of meetings to provide  
12 local officials with up-to-date information, present plans and answer questions from residents.

13 (5) In order for the closure of an emergency room and/or hospital to be approved, the  
14 hospital shall pay to the municipality an amount of funds or take other actions in order to make  
15 the closure have zero economic impact on the municipality for a period of five (5) years. Among  
16 the economic items to be addressed are the following:

- 17 (i) Loss of tax revenue, direct and indirect;
- 18 (ii) Additional transportation costs for emergency medical services;
- 19 (iii) Loss of statutory pilot payments from the state; and
- 20 (iv) Any other economic item causing loss to the municipality related to the closure.

21 ~~(e)~~(d) Notwithstanding any other provision in the general laws, the director shall have the  
22 sole authority to review all plans submitted under this section and the director shall issue a  
23 decision within ninety (90) days or the request shall be deemed approved. The director may if  
24 deemed appropriate, issue public notice and allow a written comment period within sixty (60)  
25 days of receipt of the proposal.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO HEALTH AND SAFETY -- THE HOSPITALS CONVERSIONS ACT

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1           This act would require hospitals seeking to close emergency departments or primary care  
2 services to pay for the services of a special master and a financial consultant to assist the director  
3 of health in considering the closure, submit a written plan for dealing with its employees, the  
4 establishment of an ad hoc group of community leaders, and offset the economic impact on the  
5 municipality for a period of five (5) years.

6           This act would take effect upon passage.

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