

2022 -- H 8287

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LC006032
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

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A N A C T

RELATING TO HEALTH AND SAFETY -- LICENSING OF HEALTHCARE FACILITIES

Introduced By: Representatives Craven, and Shanley

Date Introduced: May 26, 2022

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 23-17-44 of the General Laws in Chapter 23-17 entitled "Licensing
2 of Healthcare Facilities" is hereby amended to read as follows:

3 **23-17-44. Moratorium on new initial nursing-facility licensed beds and on increases**
4 **to the licensed capacity of existing nursing-facility licenses.**

5 (a) The licensing agency shall issue no new initial licenses for nursing facilities prior to
6 July 1, ~~2022~~ 2025; provided, however, that any person holding a nursing facility license may
7 undertake activities to construct and operate a replacement nursing facility with the same or lower
8 bed capacity as is presently licensed, provided that the replacement facility may only be licensed
9 upon the otherwise unconditional cessation of operation of the previously licensed nursing facility.

10 (b) Prior to July 1, ~~2022~~ 2025, and with the exception of the culture initiative pursuant to
11 subsection (d), the licensing agency shall not increase the licensed bed capacity of any existing
12 licensed nursing facility, including any nursing facility approved for change in ownership pursuant
13 to §§ 23-17-14.3 and 23-17-14.4, to greater than the level of the facility's licensed bed capacity as
14 of August 21, 1996, plus the greater of ten (10) beds or ten percent (10%) of the licensed bed
15 capacity. Any person holding a previously issued and valid certificate of need as of the date of
16 passage of this section, or who shall subsequently be granted a certificate of need pursuant to
17 subsection (a), shall be permitted to effect a prior certificate from the licensing agency consistent
18 with any other statutory and regulatory provisions that may further apply. Notwithstanding any
19 other provision of the law to the contrary, including any moratorium on increasing bed capacity in

1 nursing facilities that may otherwise apply, the licensing agency shall be permitted to increase the
2 licensed bed capacity of an existing nursing facility by no more than the number of beds previously
3 licensed to one or more other licensed nursing facilities provided that:

4 (1) All nursing facilities involved in any such transaction must be located within the same
5 municipality;

6 (2) The owner of a licensed nursing care facility seeking to increase its licensed bed
7 capacity must receive approval, following review by the health services council from the licensing
8 agency for change in owner of the nursing facility or facilities;

9 (3) The nursing facility's licensed bed capacity may only be increased upon the otherwise
10 unconditional cessation of operation of the previously licensed other nursing facility or facilities
11 and the return of the license of the nursing facility or nursing facilities to the licensing agency; and

12 (4) The licensed nursing care facility seeking to increase its licensed bed complement must
13 comply with any requirements of the health care certificate of need act, chapter 15 of this title.

14 (c) Notwithstanding any other provision of the law to the contrary, including any
15 moratorium on increasing bed capacity in nursing facilities that may otherwise apply, a nursing
16 facility may take out of service any or all beds of its licensed capacity without impediment to its
17 right to place back into service those beds at a future date under the same terms and conditions as
18 applied at the time of taking them out of service.

19 (d) Culture-change initiative. Notwithstanding any other provision of the law to the
20 contrary, including any moratorium on increasing bed capacity in nursing facilities that may
21 otherwise apply, the licensing agency may increase the licensed bed capacity of any existing
22 licensed nursing facility, including any nursing facility approved for change in ownership pursuant
23 to §§ 23-17-14.3 and 23-17-14.4, for the purposes of nursing facility culture change, in accordance
24 with the following criteria and procedures:

25 (1) Culture-change definitions and criteria shall be established through regulation to restrict
26 beds added under this initiative only to beds that are designed to provide enhanced quality of life
27 to nursing facility residents through the adoption of principles and building designs established by
28 the "Eden Alternative," "Green House," or "Small House" programs or other like means;

29 (2) Only beds taken out of service due to facility closure after January 1, 2010, shall be
30 available for facility expansion under this culture-change initiative subsection. The total number of
31 beds that may be licensed to increase capacity under this culture-change initiative shall be limited
32 to ninety percent (90%) of the first fifty (50) beds that are taken out of service, to seventy percent
33 (70%) of the next fifty (50) beds that are taken out of service, and to fifty percent (50%) of any
34 additional beds taken out of service;

1 (3) Only nursing facilities licensed in the state are eligible to expand under the culture-
2 change initiative;

3 (4) The department shall promulgate regulations to govern an open and competitive process
4 to determine the licensure of expansion beds under this culture-change initiative, and shall consider
5 the impact on the regional distribution of, and access to, nursing facility beds in the state; and

6 (5) Any facility seeking to expand its licensed bed capacity under this initiative, that will
7 result in an expenditure that meets or exceeds the criteria for determination of need review under
8 chapter 15 of this title, shall be required to receive approval under chapter 15 of this title.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO HEALTH AND SAFETY -- LICENSING OF HEALTHCARE FACILITIES

- 1 This act would extend the moratorium on the issuance of licenses for new initial nursing
- 2 facilities and any increases to nursing facilities capacity to July 1, 2025.
- 3 This act would take effect upon passage.

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