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## **HOUSE BILL NO. 842**

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Health, Welfare and Institutions on February 9, 2010)

(Patron Prior to Substitute—Delegate Hope)

A BILL to amend and reenact §§ 32.1-130, 32.1-162.3, and 32.1-162.9 of the Code of Virginia, relating to health facility licensing fees.

Be it enacted by the General Assembly of Virginia:

1. That §§ 32.1-130, 32.1-162.3, and 32.1-162.9 of the Code of Virginia are amended and reenacted as follows:

§ 32.1-130. Licensure fees.

- A. A service charge of \$1.50 per patient bed for which the hospital or nursing home is licensed, but not less than \$75 nor more than \$500, shall be paid for each license upon issuance and renewal. The service charge for a license for a hospital or nursing home which does not provide overnight inpatient care shall be \$75. Upon application for an initial license or renewal of a license, the following fees shall apply:
  - 1. For each hospital, a fee of \$500 plus \$2 per bed;
  - 2. For each critical access hospital, a fee of \$500;
  - 3. For each outpatient surgical hospital, a fee of \$700; and
  - 4. For each nursing home and nursing facility, a fee of \$950 plus \$8 per bed.
- B. All service charges fees received under the provisions of this article shall be nonrefundable. Such fees shall be paid into a special fund of the Department and are appropriated to the Department solely for the operation of the hospital and nursing home licensure and inspection program.
- § 32.1-162.3. License required for hospice programs; fees; notice of denial of license; renewal thereof.
- A. No person shall establish or operate a hospice or a hospice facility without a license issued pursuant to this article.
- B. The Commissioner shall issue or renew a license to establish or operate a hospice or a hospice facility upon application therefor on a form and accompanied by a fee prescribed by the Board if the Commissioner finds that the hospice or hospice facility is in compliance with the provisions of this article and regulations of the Board. The Commissioner shall notify by certified mail any applicant denied a license of the reasons for such denial.
- C. Upon application for issuance of an initial license, renewal of a license, or replacement of a license for a hospice or hospice facility, the following fees shall apply:
- 1. For an initial license or renewal of a license for a hospice or hospice facility, a fee of \$650, to be paid at the time of application.
- 2. For reissuance of a license upon change of ownership of a hospice or hospice facility, a fee of \$325, to be paid at the time of application.
- 3. For replacement of a license certificate that has been misplaced or destroyed, a fee of \$50, to be paid at the time of application for a replacement certificate.
- 4. For each application for renewal of a license that is not filed in a timely manner, as determined by the Board, a fee of \$50 in addition to the fee for renewal of a license, to be paid at the time of application.
- All fees received pursuant to this subsection shall be nonrefundable. Such fees shall be paid into a special fund of the Department and appropriated to the Department solely for the operation of the Department's hospice licensure and inspection program.
- D. Every such license shall expire at midnight December 31 of the year issued, or as otherwise specified by the Board, and shall be required to be renewed annually.
- DE. The activities and services of each applicant for issuance or renewal of a hospice license shall be subject to an inspection and examination by the Commissioner to determine if the hospice is in compliance with the provisions of this article and regulations of the Board.

  - § 32.1-162.9. Licenses required; fees; renewal thereof.
- A. No person shall establish or operate a home care organization without a license issued pursuant to this article unless he is exempt from licensure pursuant to § 32.1-162.8.
- B. The Commissioner shall issue or renew a license to establish or operate a home care organization upon application therefor on a form and accompanied by a feeprescribed by the Board if the Commissioner finds that the home care organization is in compliance with the provisions of this article and regulations of the Board, unless the Commissioner determines that no reciprocal agreement for the

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licensing of home care organizations has been entered into by the Commonwealth with the state in which the applicant resides or with the state in which the applicant's home care organization is licensed to operate.

- Ĉ. Upon application for issuance of an initial license, renewal of a license, or replacement of a license for a home care organization, the following fees shall apply:
  - 1. For an initial license or renewal of a license, a fee of \$650, to be paid at the time of application.
- 2. For reissuance of a license upon change of ownership, a fee of \$325, to be paid at the time of application.
- 3. For replacement of a license certificate for a home care organization, when a license certificate has been misplaced or destroyed, a fee of \$50, to be paid at the time of application.
- 4. For an application for renewal of a license that is not filed in timely manner, as determined by the Board, a fee of \$50 in addition to the fee for renewal of a license, to be paid at the time of application.

Every home care organization that is exempt from licensure under this chapter shall pay a one-time home care organization licensure exemption processing fee of \$75 to be paid at the time that the exemption request letter is submitted to the Department.

All fees received pursuant to this subsection shall be nonrefundable. Such fees shall be paid into a special fund of the Department and appropriated to the Department solely for the operation of the Department's home care organization licensure and inspection program.

D. Every such license shall expire on the anniversary of its issuance or renewal.

DE. The activities and services of each applicant for issuance or renewal of a home care organization license shall be subject to an inspection or examination by the Commissioner to determine if the home care organization is in compliance with the provisions of this article and regulations of the Board.

**E**F. No license issued pursuant to this article may be transferred or assigned.

2. That the State Health Commissioner shall convene a task force to examine the state licensure process for the following health care providers: inpatient hospitals, outpatient surgical hospitals, nursing homes, nursing facilities, hospice programs, hospice facilities, and home care organizations. The task force shall examine the licensure fee structure, state licensure survey and inspection processes, and the resources necessary for the Virginia Department of Health to carry out its statutory and regulatory responsibilities. In addition, the task force shall identify any state requirements that may be (i) duplicative of federal requirements or accreditation standards, or (ii) not necessary to protect public health and safety. The task force shall include, at a minimum, representatives of the following organizations: Virginia Hospital and Healthcare Association, Virginia Health Care Association, Virginia Association of Nonprofit Homes for the Aging, Virginia Association for Home Care and Hospice, Virginia Association for Hospices and Palliative Care, and Virginia Association of Personal Care Providers. The State Health Commissioner shall report by October 1, 2010 to the Governor and General Assembly on the findings and recommendations of the task force. Staffing for the task force shall be provided by the Virginia Department of Health.