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HOUSE BILL NO. 1900**AMENDMENT IN THE NATURE OF A SUBSTITUTE**(Proposed by the Governor
on March 27, 2023)

(Patron Prior to Substitute—Delegate Hope)

A BILL to amend and reenact § 37.2-415 of the Code of Virginia, relating to provisional licenses for providers of behavioral health and developmental services; notice requirement; waiver of appeal right by consent agreement.

Be it enacted by the General Assembly of Virginia:**1. That § 37.2-415 of the Code of Virginia is amended and reenacted as follows:****§ 37.2-415. Provisional and conditional licenses.**

The Commissioner may issue a provisional license at any time to a provider that has previously been fully licensed when the provider is temporarily unable to comply with all licensing standards. The maximum term of a provisional license shall be six months. A provisional license may be renewed for a period not to exceed six months if the provider is not able to demonstrate compliance with all licensing regulations but demonstrates progress towards compliance. However, in no case shall the total period of provisional licensure exceed 12 successive months. A provisional license shall be prominently displayed by the provider in a format determined by the Commissioner at the site of the affected service and shall indicate thereon the violations of licensing standards to be corrected and the expiration date of the license. *The Department shall direct any provider who is issued a provisional license to review all pertinent state and federal regulations and other contractual agents with payor sources to determine any limitations that may be placed on such provider by any other agency of the Commonwealth, including restrictions on reimbursement that may be imposed by the Department of Medical Assistance Services.* Whenever the Commissioner issues a provisional license, the provisions of the Administrative Process Act (§ 2.2-4000 et seq.) shall apply. Any person aggrieved by the final decision of the Commissioner to issue a provisional license shall be entitled to judicial review of such decision in accordance with the provisions of the Administrative Process Act (§ 2.2-4000 et seq.). *If the provider waives his right to appeal by signing a consent agreement, the consent agreement shall direct the provider to review all pertinent state and federal regulations and contractual agents to determine any restrictions on reimbursement that may be imposed by other state agencies or payor sources, and the Commissioner shall provide a copy of the consent agreement to the Department of Medical Assistance Services.*

The Commissioner may issue a conditional license to a provider to operate a new service in order to permit the provider to demonstrate compliance with all licensing standards. The maximum term of a conditional license shall be six months. A conditional license may be renewed, but in no case, whether renewed or not, shall the total period of conditional licensing be longer than 12 successive months.