

HB 543 -- Licensure of Hospitals

Co-Sponsors: LeVota, Dougherty, Young

This bill prohibits the Department of Health and Senior Services from granting an initial license to establish an acute care hospital or a license to maintain an acute care hospital unless:

- (1) The department determines the suitability and responsibility of a prospective licensee;
- (2) All financial transactions, including the compensation paid to officers affected by these transactions, are publicly disclosed;
- (3) A public hearing is held according to rules established by the department;
- (4) An applicant agrees to maintain or increase the percentage of gross receipts allocated to the provision of free care, with adjustments if it is determined that a hospital's service area has experienced demographic or other changes;
- (5) An applicant submits a plan approved by the department for the provision of community benefits, including the identification and provision of essential services; and
- (6) A board of trustees or board of directors of a hospital publicly presents and evaluates all proposals in connection with a hospital merger or acquisition.

Additional provisions contained in the bill require any hospital planning to close or discontinue any essential services to inform the department 120 days prior to the closing or discontinuance of essential health services.

The department may order any licensee to correct deficiencies found during an on-site inspection or found through information in its possession. If a hospital is ordered to correct deficiencies, the department may assess a penalty ranging from \$1,000 to \$10,000 per deficiency each day the deficiency is not corrected. Hospitals may file a written request with the department for administrative reconsideration of an order to correct deficiencies within seven days of receipt of the order.