

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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SENATE BILL 1072

Short Title: Hospital License Changes.-AB

(Public)

Sponsors: Senator Rand.

Referred to: Health Care.

March 24, 2005

A BILL TO BE ENTITLED

AN ACT TO MAKE CHANGES TO CHANGE THE DEFINITION OF "PRIMARY CARE HOSPITAL" TO CONFORM TO FEDERAL CHANGES; TO AUTHORIZE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO SUSPEND ADMISSIONS OR SERVICES IN HOSPITALS AS PART OF TAKING ADVERSE ACTION AGAINST A HOSPITAL'S LICENSE; AND TO AUTHORIZE THE MEDICAL CARE COMMISSION TO ESTABLISH STAFF QUALIFICATIONS FOR HOSPITAL STAFF.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 131E-76(1a) reads as rewritten:

"§ 131E-76. **Definitions.**

As used in this article, unless otherwise specified:

...

(1a) "Critical access hospital" means a hospital which has been designated as a critical access hospital by the North Carolina Department of Health and Human Services, Office of Research, Demonstrations and Rural Health Development. To be designated as a critical access hospital under this subdivision, the hospital must ~~meet the requirements of federal law for certification as a critical access hospital~~ be certified as a critical access hospital pursuant to 42 CFR Part 485 Subpart F."

SECTION 2. G.S. 131E-78 reads as rewritten:

"§ 131E-78. **Adverse action on a license.**

(a) The Department shall have the authority to deny, suspend, revoke, annul, withdraw, recall, cancel, or amend a license in any case when it finds a substantial failure to comply with the provisions of this Part or any rule promulgated under this Part.

~~(b) The Department shall conduct a hearing in accordance with Chapter 150A of the General Statutes, the Administrative Procedure Act, when:~~

1 (1) ~~The Department denies an application and the applicant requests a~~
2 ~~hearing; or~~

3 (2) ~~The Department initiates proceedings under subsection (a).~~

4 (e) ~~Any applicant or operator who is dissatisfied with the decision of the~~
5 ~~Department as a result of the hearing provided in this section and after a written copy of~~
6 ~~the decision is served, may request a judicial review under Chapter 150A of the General~~
7 ~~Statutes, the Administrative Procedure Act.~~

8 **(b1) The Department may suspend the admission of any new patients to specific**
9 **areas of a facility or suspend specific services of a facility licensed under this Article**
10 **where the conditions of the facility are detrimental to the health or safety of the patients.**
11 **When the Department suspends admissions or specific services, the suspension shall be**
12 **limited to the smallest possible components of the facility, and the Department shall**
13 **provide consultation to assist the facility in correcting the conditions which led to the**
14 **suspension in order that the suspension can be lifted at the earliest possible time and the**
15 **Department is satisfied that conditions or circumstances merit removal of the**
16 **suspension. In suspending admissions or services under this subsection, the Department**
17 **shall consider the following factors:**

18 (1) The degree of sanctions necessary to ensure compliance with this
19 section and rules adopted to implement this subsection, and

20 (2) The character and degree of impact of the conditions at the facility on
21 the health or safety of its residents.

22 (c1) A facility may contest any adverse action on its license under this subsection
23 in accordance with Chapter 150B of the General Statutes. In contesting the adverse
24 action, the facility must file a petition for a contested case within 20 days after the
25 Department mails notice of the adverse action on the licensee."

26 **SECTION 3.** G.S. 131E-79 reads as rewritten:

27 **"§ 131E-79. Rules and enforcement.**

28 (a) The Commission shall promulgate-adopt rules necessary to implement this
29 Article. In addition, the Commission shall adopt rules to establish staff qualifications
30 including professional requirements for hospital staff. The rules may require that one or
31 more staff of a hospital be either licensed or certified. The rules may establish minimum
32 training and education qualifications for staff and may include the recognition of
33 professional certification boards for those professions not licensed or certified under
34 other provisions of the North Carolina General Statutes provided that the professional
35 certification board evaluates applicants on a basis which protects the public health,
36 safety, or welfare.

37 (b) The Department shall enforce this Article and the rules of the Commission."

38 **SECTION 4.** This act is effective when it becomes law.