



Reprinted
March 4, 1999

HOUSE BILL No. 1145

DIGEST OF HB 1145 (Updated March 2, 1999 2:59 pm - DI 88)

Citations Affected: IC 16-27.

Synopsis: Home health care administrators. Requires a person to obtain a license from the state health commissioner to administer a home health agency unless the person is exempted by a rule adopted by the state department of health. Provides certain requirements an individual must meet to administer a home health agency. Requires the state department of health to determine the qualifications, skill, and fitness of an individual who is employed as an administrator of a home health agency. Requires the state department of health to issue a home health agency administrator's license to an individual who meets the standards developed by the state department. Allows the state department of health to adopt rules regarding continuing education requirements for individuals who hold a home health agency administrator's license.

Effective: July 1, 1999.

Gregg

(SENATE SPONSOR — MILLER)

January 6, 1999, read first time and referred to Committee on Public Health.
January 25, 1999, amended, reported — Do Pass.
February 15, 1999, read second time, amended, ordered engrossed.
February 16, 1999, engrossed.
March 2, 1999, read third time, recommitted to a Committee of One, amended; passed.
Yeas 91, nays 0.

HB 1145—LS 6676/DI 88+



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Reprinted
March 4, 1999

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

HOUSE BILL No. 1145

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 16-27-1-7 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) The state
3 department shall adopt rules under IC 4-22-2 to do the following:
4 (1) Protect the health, safety, and welfare of patients.
5 (2) Govern the qualifications of applicants for licenses.
6 (3) Govern the operating policies, supervision, and maintenance
7 of service records of home health agencies.
8 (4) Govern the procedure for issuing, renewing, denying, or
9 revoking an annual license to a home health agency, including the
10 following:
11 (A) The form and content of the license.
12 (B) The collection of an annual license fee of not more than
13 two hundred dollars (\$200) that the state department may
14 waive.
15 (5) Exempt persons who do not provide home health services
16 under this chapter.
17 (b) **The state department may adopt rules under IC 4-22-2 to**

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1 **implement IC 16-27-1-8(c), IC 16-27-1-8(d), IC 16-27-1-12(d), and**
 2 **IC 16-27-1-12(e).**

3 SECTION 2. IC 16-27-1-8 IS AMENDED TO READ AS
 4 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) To operate a
 5 home health agency, **the following must occur: a person must first**
 6 **obtain a license from the state**

7 **(1) A person must obtain a license from the state health**
 8 **commissioner, unless the person is exempted by a rule**
 9 **adopted by the state department.**

10 **(2) The individual who will administer the home health**
 11 **agency must obtain a home health agency administrator's**
 12 **license as provided under IC 16-27-4, be a licensed**
 13 **administrator under IC 25-19-1, or be a registered nurse**
 14 **under IC 25-23 who was a home health care administrator**
 15 **as of the effective date of this act.**

16 health commissioner, unless the person is exempted by a rule adopted
 17 by the state department.

18 (b) The state health commissioner may also permit persons who are
 19 not required to be licensed under this chapter to be voluntarily licensed
 20 if:

21 (1) the services provided by the person are substantially similar
 22 to those provided by licensed home health agencies under this
 23 chapter; and

24 (2) licensure will assist the person in obtaining:

25 (A) payment for services; or

26 (B) certification.

27 **(c) The commissioner shall require submission of the following**
 28 **information regarding the owner of the home health agency, the**
 29 **individual who will serve as administrator of the home health**
 30 **agency, and the individual who will serve as an alternative**
 31 **administrator if the administrator candidate is not acceptable to**
 32 **the commissioner:**

33 **(1) The owner's or individual's name.**

34 **(2) Any applicable license number.**

35 **(3) Postsecondary education and health related experience.**

36 **(4) A description of any convictions for criminal offenses**
 37 **relating to or associated with a dependent population.**

38 **(5) A description of any lapses, suspensions, or revocations of**
 39 **any applicable licenses, including the action taken and the**
 40 **reason.**

41 **(d) An individual may not serve as an administrator of a home**
 42 **health agency unless the individual has been approved by the**

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1 **commissioner. An individual who violates this subsection commits**
 2 **a Class C infraction.**

3 SECTION 3. IC 16-27-1-12 IS AMENDED TO READ AS
 4 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 12. (a) The state health
 5 commissioner may take one (1) or more of the following actions on any
 6 ground listed in subsection (b):

- 7 (1) Issue a letter of correction.
 8 (2) Issue a probationary license.
 9 (3) Conduct a resurvey.
 10 (4) Deny renewal of a license.
 11 (5) Revoke a license.
 12 (6) Impose a civil penalty in an amount not to exceed ten
 13 thousand dollars (\$10,000).

14 (b) The state health commissioner may take action under subsection
 15 (a) on any of the following grounds:

- 16 (1) Violation of any of the provisions of this chapter or rules
 17 adopted under this chapter.
 18 (2) Permitting, aiding, or abetting the commission of an illegal act
 19 in a home health agency.
 20 (3) Conduct or practice found by the state department to be
 21 detrimental to the welfare of the patients of the home health care
 22 agency.

23 (c) IC 4-21.5 applies to an action under ~~this section~~: **subsection (a).**

24 **(d) The commissioner shall revoke the authority of an owner to**
 25 **possess a home health agency license or an individual to serve as**
 26 **administrator of a licensed home health agency if the owner or**
 27 **individual is convicted of any of the following offenses:**

- 28 **(1) Any criminal offense (as defined in 42 U.S.C. 1320a-7(l))**
 29 **or an exclusion action.**
 30 **(2) Any criminal offense relating to health care or a**
 31 **dependent population.**
 32 **(3) Exclusion, debarment, or other ineligibility for**
 33 **participation in a federal health care program (as defined in**
 34 **42 U.S.C. 1320a-7b(f)).**

35 **However, an individual described in this subsection who has been**
 36 **officially reinstated into the Medicare and Medicaid programs and**
 37 **who submits to the commissioner proof of the reinstatement may**
 38 **be considered for approval to obtain a home health agency license**
 39 **or authority to serve as administrator of a home health agency.**

40 **(e) The commissioner shall suspend, pending resolution of the**
 41 **matter, the authority of an owner to possess a home health agency**
 42 **license or an individual to serve as administrator of a licensed**



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1 home health agency if an indictment or information is filed against
2 the owner or individual for any of the following offenses:

- 3 (1) Any criminal offense (as defined in 42 U.S.C. 1320a-7(l))
4 or an exclusion action.
5 (2) Any criminal offense relating to health care or a
6 dependent population.
7 (3) Exclusion, debarment, or other ineligibility for
8 participation in a federal health care program (as defined in
9 42 U.S.C. 1320a-7b(f)).

10 SECTION 4. IC 16-27-4 IS ADDED TO THE INDIANA CODE AS
11 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
12 1, 1999]:

13 **Chapter 4. Home Health Agency Administrator's License**

14 **Sec. 1. The state department shall determine the qualifications,
15 skill, and fitness of an individual who is employed as an
16 administrator of a home health agency.**

17 **Sec. 2. (a) The state department shall issue a home health agency
18 administrator's license to an individual who:**

- 19 (1) meets the standards developed by the state department
20 under section 3 of this chapter; and
21 (2) pays a fee determined by the state department.

22 **The fee may not exceed one hundred dollars (\$100).**

23 (b) A license issued under this chapter is valid for two (2) years.
24 The state department may establish a uniform expiration date for
25 a license issued under this chapter.

26 (c) The state department shall establish renewal procedures for
27 a home health agency administrator's license.

28 **Sec. 3. The state department shall adopt rules under IC 4-22-2
29 to establish standards for an individual to be granted a home
30 health agency administrator's license. The rules must include the
31 following:**

- 32 (1) Standards to determine that the applicant for a home
33 health agency administrator's license:
34 (A) has not committed an act of moral turpitude or an act
35 that would be cause for revocation or suspension of a home
36 health agency administrator's license; and
37 (B) is qualified to serve as a home health agency
38 administrator by training or experience.
39 (2) Develop appropriate techniques to determine if an
40 individual is qualified to serve as a home health agency
41 administrator. The techniques may include investigations and
42 examinations.



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(3) Develop standards of practice and procedures to ensure compliance with the standards of practice and to revoke or suspend a license for failure to conform to the standards of practice.

(4) Establish procedures to receive, investigate, and take appropriate action against an individual who does not comply with the provisions of this chapter.

Sec. 4. An individual may not serve as an administrator of a home health agency unless the individual has a home health agency administrator's license, is a licensed administrator under IC 25-19-1, or is a registered nurse under IC 25-23 who was a home health care administrator as of the effective date of this act. An individual who violates this section commits a Class C infraction.

Sec. 5. The state department may adopt rules under IC 4-22-2 to establish continuing education requirements for individuals who hold a home health agency administrator's license.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1145, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 16-18-2-173 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 173. (a) "Home health agency", for purposes of IC 16-27-1 **and IC 16-27-4**, has the meaning set forth in IC 16-27-1-2.

(b) "Home health agency", for purposes of IC 16-27-2, has the meaning set forth in IC 16-27-2-2."

Page 1, line 8, delete "health facility and".

Page 1, line 9, delete "IC 25-19-1" and insert "**IC 16-27-4**".

Page 2, delete lines 2 through 42, begin a new paragraph and insert:
"SECTION 2. IC 16-27-4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

Chapter 4. Home Health Agency Administrator's License

Sec. 1. The state department shall determine the qualifications, skill, and fitness of an individual who is employed as an administrator of a home health agency.

Sec. 2. (a) The state department shall issue a home health agency administrator's license to an individual who:

- (1) meets the standards developed by the state department under section 3 of this chapter; and
- (2) pays a fee determined by the state department.

The fee may not exceed one hundred dollars (\$100).

(b) A license issued under this chapter is valid for two (2) years. The state department may establish a uniform expiration date for a license issued under this chapter.

(c) The state department shall establish renewal procedures for a home health agency administrator's license.

Sec. 3. The state department shall adopt rules under IC 4-22-2 to establish standards for an individual to be granted a home health agency administrator's license. The rules must include the following:

- (1) Standards to determine that the applicant for a home health agency administrator's license:
 - (A) has not committed an act of moral turpitude or an act that would be cause for revocation or suspension of a home



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health agency administrator's license; and

(B) is qualified to serve as a home health agency administrator by training or experience.

(2) Develop appropriate techniques to determine if an individual is qualified to serve as a home health agency administrator. The techniques may include investigations and examinations.

(3) Develop standards of practice and procedures to ensure compliance with the standards of practice and to revoke or suspend a license for failure to conform to the standards of practice.

(4) Establish procedures to receive, investigate, and take appropriate action against an individual who does not comply with the provisions of this chapter.

Sec. 4. An individual may not serve as an administrator of a home health agency unless the individual has a home health agency administrator's license. An individual who violates this section commits a Class C infraction.

Sec. 5. The state department may adopt rules under IC 4-22-2 to establish continuing education requirements for individuals who hold a home health agency administrator's license."

Delete pages 3 through 9.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1145 as introduced.)

BROWN C, Chair

Committee Vote: yeas 10, nays 0.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1145 be amended to read as follows:

Page 1, delete lines 1 through 6, begin a new paragraph and insert:

"SECTION 1. IC 16-27-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) The state department shall adopt rules under IC 4-22-2 to do the following:

- (1) Protect the health, safety, and welfare of patients.
- (2) Govern the qualifications of applicants for licenses.
- (3) Govern the operating policies, supervision, and maintenance of service records of home health agencies.
- (4) Govern the procedure for issuing, renewing, denying, or revoking an annual license to a home health agency, including the following:

- (A) The form and content of the license.
- (B) The collection of an annual license fee of not more than two hundred dollars (\$200) that the state department may waive.

- (5) Exempt persons who do not provide home health services under this chapter.

(b) The state department may adopt rules under IC 4-22-2 to implement IC 16-27-1-8(c), IC 16-27-1-8(d), IC 16-27-1-12(d), and IC 16-27-1-12(e).

Page 1, line 9, delete "the following must first occur:".

Page 1, line 10, delete "(1) A" and insert "a".

Page 1, run in lines 9 through 10.

Page 1, delete lines 13 through 15.

Page 2, between lines 7 and 8, begin a new paragraph and insert:

"(c) The commissioner shall require submission of the following information regarding the owner of the home health agency, the individual who will serve as administrator of the home health agency, and the individual who will serve as an alternative administrator if the administrator candidate is not acceptable to the commissioner:

- (1) The owner's or individual's name.**
- (2) Any applicable license number.**
- (3) Postsecondary education and health related experience.**
- (4) A description of any convictions for criminal offenses relating to or associated with a dependent population.**
- (5) A description of any lapses, suspensions, or revocations of any applicable licenses, including the action taken and**



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the reason.

(d) An individual may not serve as an administrator of a home health agency unless the individual has been approved by the commissioner. An individual who violates this subsection commits a Class C infraction.

SECTION 2. IC 16-27-1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 12. (a) The state health commissioner may take one (1) or more of the following actions on any ground listed in subsection (b):

- (1) Issue a letter of correction.
- (2) Issue a probationary license.
- (3) Conduct a resurvey.
- (4) Deny renewal of a license.
- (5) Revoke a license.
- (6) Impose a civil penalty in an amount not to exceed ten thousand dollars (\$10,000).

(b) The state health commissioner may take action under subsection (a) on any of the following grounds:

- (1) Violation of any of the provisions of this chapter or rules adopted under this chapter.
- (2) Permitting, aiding, or abetting the commission of an illegal act in a home health agency.
- (3) Conduct or practice found by the state department to be detrimental to the welfare of the patients of the home health care agency.

(c) IC 4-21.5 applies to an action under ~~this section~~: **subsection (a).**

(d) The commissioner shall revoke the authority of an owner to possess a home health agency license or an individual to serve as administrator of a licensed home health agency if the owner or individual is convicted of any of the following offenses:

- (1) Any criminal offense (as defined in 42 U.S.C. 1320a-7(l)) or an exclusion action.**
- (2) Any criminal offense relating to health care or a dependent population.**
- (3) Exclusion, debarment, or other ineligibility for participation in a federal health care program (as defined in 42 U.S.C. 1320a-7b(f)).**

However, an individual described in this subsection who has been officially reinstated into the Medicare and Medicaid programs and who submits to the commissioner proof of the reinstatement may be considered for approval to obtain a home



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health agency license or authority to serve as administrator of a home health agency.

(e) The commissioner shall suspend, pending resolution of the matter, the authority of an owner to possess a home health agency license or an individual to serve as administrator of a licensed home health agency if an indictment or information is filed against the owner or individual for any of the following offenses:

- (1) Any criminal offense (as defined in 42 U.S.C. 1320a-7(l)) or an exclusion action.
- (2) Any criminal offense relating to health care or a dependent population.
- (3) Exclusion, debarment, or other ineligibility for participation in a federal health care program (as defined in 42 U.S.C. 1320a-7b(f))."

Page 2, delete lines 8 through 42.

Delete page 3.

Renumber all SECTIONS consecutively.

(Reference is to HB 1145 as printed January 26, 1999.)

GREGG

HOUSE MOTION

Mr. Speaker: I move that House Bill 1145 be amended to read as follows:

Page 1, line 15, delete "." and insert ", be a licensed administrator under IC 25-19-1, or be a registered nurse under IC 25-23 who was a home health care administrator as of the effective date of this act."

Page 3, line 8, delete "." and insert ", is a licensed administrator under IC 25-19-1, or is a registered nurse under IC 25-23 who was a home health care administrator as of the effective date of this act."

(Reference is to HB1145 as printed January 26, 1999.)

TURNER



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HOUSE MOTION

Mr. Speaker: I move that House Bill 1145 be recommitted to a Committee of One, Representative Turner, with specific instructions to amend as follows:

Page 2, line 5, after "agency," insert "**the following must occur:**", strike "a person must first obtain a license from the state", double indent and insert the following:

"(1) A person must obtain a license from the state health commissioner, unless the person is exempted by a rule adopted by the state department.

(2) The individual who will administer the home health agency must obtain a home health agency administrator's license as provided under IC 16-27-4, be a licensed administrator under IC 25-19-1, or be a registered nurse under IC 25-23 who was a home health care administrator as of the effective date of this act."

Page 3, after line 41, insert the following:

"SECTION 4. IC 16-27-4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

Chapter 4. Home Health Agency Administrator's License

Sec. 1. The state department shall determine the qualifications, skill, and fitness of an individual who is employed as an administrator of a home health agency.

Sec. 2. (a) The state department shall issue a home health agency administrator's license to an individual who:

(1) meets the standards developed by the state department under section 3 of this chapter; and

(2) pays a fee determined by the state department.

The fee may not exceed one hundred dollars (\$100).

(b) A license issued under this chapter is valid for two (2) years. The state department may establish a uniform expiration date for a license issued under this chapter.

(c) The state department shall establish renewal procedures for a home health agency administrator's license.

Sec. 3. The state department shall adopt rules under IC 4-22-2 to establish standards for an individual to be granted a home health agency administrator's license. The rules must include the following:

(1) Standards to determine that the applicant for a home health agency administrator's license:

(A) has not committed an act of moral turpitude or an act



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that would be cause for revocation or suspension of a home health agency administrator's license; and

(B) is qualified to serve as a home health agency administrator by training or experience.

(2) Develop appropriate techniques to determine if an individual is qualified to serve as a home health agency administrator. The techniques may include investigations and examinations.

(3) Develop standards of practice and procedures to ensure compliance with the standards of practice and to revoke or suspend a license for failure to conform to the standards of practice.

(4) Establish procedures to receive, investigate, and take appropriate action against an individual who does not comply with the provisions of this chapter.

Sec. 4. An individual may not serve as an administrator of a home health agency unless the individual has a home health agency administrator's license, is a licensed administrator under IC 25-19-1, or is a registered nurse under IC 25-23 who was a home health care administrator as of the effective date of this act. An individual who violates this section commits a Class C infraction.

Sec. 5. The state department may adopt rules under IC 4-22-2 to establish continuing education requirements for individuals who hold a home health agency administrator's license."

(Reference is to HB 1145 as reprinted February 16, 1999.)

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COMMITTEE REPORT

Mr. Speaker: Your Committee of One, to which was referred House Bill 1145, begs leave to report that said bill has been amended as directed.

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