

## SENATE BILL No. 527

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 16-18-2; IC 16-21-1-8; IC 16-21-2-11; IC 16-21-2-14.

**Synopsis:** Master licensure of hospitals. Provides that a hospital licensed under Indiana law may provide health care services within the hospital without additional licensure or an additional licensure inspection by the state department of health.

**Effective:** Upon passage.

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**Miller**

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January 19, 1999, read first time and referred to Committee on Health and Provider Services.

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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.

## SENATE BILL No. 527

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A BILL FOR AN ACT to amend the Indiana Code concerning health.

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

1 SECTION 1. IC 16-18-2-179 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 179. (a) "Hospital",  
3 except as provided in subsections (b) through (f), means a hospital that  
4 is licensed under IC 16-21-2.

5 (b) "Hospital", for purposes of IC 16-21, means an institution, a  
6 place, a building, or an agency that holds out to the general public that  
7 it provides care, accommodations, facilities, and equipment, in  
8 connection with the services of a physician, to individuals who may  
9 need medical or surgical services. The term does not include the  
10 following:

- 11 (1) Freestanding health facilities.  
12 (2) Hospitals or institutions specifically intended to diagnose,  
13 care, and treat the following:  
14 (A) Mentally ill individuals (as defined in IC 12-7-2-131).  
15 (B) Individuals with developmental disabilities (as defined in  
16 IC 12-7-2-61).  
17 (3) Offices of physicians where patients are not regularly kept as



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- 1 bed patients.  
 2 (4) **Freestanding** convalescent homes, boarding homes, or homes  
 3 for the aged.  
 4 (c) "Hospital", for purposes of IC 16-22-8, has the meaning set forth  
 5 in IC 16-22-8-5.  
 6 (d) "Hospital" or "tuberculosis hospital", for purposes of IC 16-24,  
 7 means an institution or a facility for the treatment of individuals with  
 8 tuberculosis.  
 9 (e) "Hospital", for purposes of IC 16-34, means a hospital (as  
 10 defined in subsection (b)) that:  
 11 (1) is required to be licensed under IC 16-21-2; or  
 12 (2) is operated by an agency of the United States.  
 13 (f) "Hospital", for purposes of IC 16-41-12, has the meaning set  
 14 forth in IC 16-41-12-6.

15 SECTION 2. IC 16-18-2-180 IS AMENDED TO READ AS  
 16 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 180. "Hospital  
 17 based health facility", for purposes of IC 16-21 and IC 16-28, means  
 18 that part of a hospital that:

- 19 (1) provides long term care services;  
 20 (2) **receives payment for those services under 42 U.S.C. 1396a**  
 21 **or 42 U.S.C. 1396k;** and  
 22 (3) functions as a health facility.

23 SECTION 3. IC 16-18-2-182 IS AMENDED TO READ AS  
 24 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 182. "Hospital  
 25 purposes" means providing inpatient or outpatient diagnostic and  
 26 treatment facilities and services generally recognized as hospital  
 27 services to the public, under the direction and supervision of the  
 28 patient's attending physician, including, at the discretion of the  
 29 governing board, the following:

- 30 (1) Extended care facilities.  
 31 (2) The provision of services to other health care entities.  
 32 (3) Other health care services and facilities **including any health**  
 33 **care services provided under a hospital license as provided in**  
 34 **IC 16-21-2-14(b).**

35 **The term does not include health care services provided by a**  
 36 **freestanding health facility (as described in IC 16-28) that is**  
 37 **operated by a hospital.**

38 SECTION 4. IC 16-21-1-8 IS AMENDED TO READ AS  
 39 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. For that part of  
 40 a hospital that functions as a health facility described by IC 16-28,  
 41 IC 16-28 applies **if payment is received for services rendered by the**  
 42 **health facility under 42 U.S.C. 1396a or 42 U.S.C. 1396k.** The health

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1 facilities council does not have greater authority to adopt rules  
 2 concerning facilities that are licensed under this article than the health  
 3 facilities council has with regard to health facilities licensed under  
 4 IC 16-28.

5 SECTION 5. IC 16-21-2-11 IS AMENDED TO READ AS  
 6 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) An  
 7 applicant must submit an application for a license on a form prepared  
 8 by the state department showing that:

- 9 (1) the applicant is of reputable and responsible character;  
 10 (2) the applicant is able to comply with the minimum standards  
 11 for a hospital or an ambulatory outpatient surgical center and with  
 12 rules adopted under this chapter; and  
 13 (3) the applicant has complied with section 15.4 of this chapter.

14 (b) The application must contain the following additional  
 15 information:

- 16 (1) The name of the applicant.  
 17 (2) The type of institution to be operated.  
 18 (3) The location of the institution.  
 19 (4) The name of the person to be in charge of the institution.  
 20 (5) **If the applicant is a hospital, the range and types of**  
 21 **services to be provided under the general hospital license,**  
 22 **including any service that would otherwise require licensure**  
 23 **by the state department under the authority of IC 16-19.**  
 24 (6) Other information the state department requires.

25 SECTION 6. IC 16-21-2-14 IS AMENDED TO READ AS  
 26 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) A license  
 27 to operate a hospital or an ambulatory outpatient surgical center:

- 28 (1) expires one (1) year after the date of issuance;  
 29 (2) is not assignable or transferable;  
 30 (3) is issued only for the premises named in the application;  
 31 (4) must be posted in a conspicuous place in the facility; and  
 32 (5) may be renewed each year upon the payment of a renewal fee  
 33 at the rate adopted by the council under IC 4-22-2.

34 (b) **A license to operate a hospital may provide that health care**  
 35 **services that would otherwise require licensure by the state**  
 36 **department under the authority of IC 16-19 may be provided**  
 37 **under the hospital license subject to only one (1) general licensure**  
 38 **inspection under IC 16-21-1-10 that covers all health care services**  
 39 **provided by the hospital.**

40 SECTION 7. An emergency is declared for this act.

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