



SENATE BILL No. 432

DIGEST OF SB 432 (Updated March 1, 2005 6:14 pm - DI 84)

Citations Affected: Noncode.

Synopsis: Moratorium on comprehensive care beds. Imposes a moratorium on the construction or addition of comprehensive care beds through June 30, 2006 and makes certain exemptions. Requires the office of the secretary of family and social services to develop a plan concerning specified issues relating to long term care and Medicaid costs and submit the plan to legislative council.

Effective: July 1, 2005.

Miller

(HOUSE SPONSOR — BECKER)

January 13, 2005, read first time and referred to Committee on Health and Provider Services.
February 24, 2005, amended, reported favorably — Do Pass.
February 28, 2005, read second time, amended, ordered engrossed.
March 1, 2005, engrossed. Read third time, passed; yeas 47, nays 1. Pursuant to Senate Rule 77(b) technical amendment. Engrossed.

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Senate Rule 77(b) Technical Amendment
March 2, 2005

First Regular Session 114th General Assembly (2005)

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 2004 Regular Session of the General Assembly.

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SENATE BILL No. 432

A BILL FOR AN ACT concerning health.

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

- 1 SECTION 1. [EFFECTIVE JULY 1, 2005] (a) As used in this
2 SECTION, "comprehensive care bed" means a bed that:
3 (1) is licensed or is to be licensed under IC 16-28-2;
4 (2) functions as a bed licensed under IC 16-28-2; or
5 (3) is subject to IC 16-28.
6 The term does not include a comprehensive care bed that will be
7 used solely to provide specialized services and is subject to
8 IC 16-29.
9 (b) Subsections (e) through (h) do not apply to a health facility
10 licensed under IC 16-28 if the following conditions are met:
11 (1) Construction plans for the project to construct, add, or
12 convert comprehensive care beds are approved by the state
13 department of health and the department of fire and building
14 safety.
15 (2) The health facility can provide documentation to the state
16 department that the facility:
17 (A) has adequate financing or proof of the facility's
18 financial ability to complete the project as approved; and

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1 **(B) has incurred financial liability for the project to**
 2 **construct, add, or convert comprehensive care beds.**
 3 **(3) The health facility has completed construction of:**
 4 **(A) the conversion; or**
 5 **(B) the project's foundation if the comprehensive care bed**
 6 **concerns a new construction;**
 7 **in conformity with the approved plans as certified by an**
 8 **independent architect licensed under IC 25-4 or an**
 9 **independent professional engineer licensed under IC 25-31.**
 10 **(c) Subsections (e) through (h) do not apply to a health facility**
 11 **licensed under IC 16-28 that has:**
 12 **(1) maintained; and**
 13 **(2) reported to the office of Medicaid policy and planning**
 14 **established by IC 12-8-6-1;**
 15 **a comprehensive care bed occupancy rate of at least ninety-five**
 16 **percent (95%) for two (2) consecutive quarters.**
 17 **(d) The office of the secretary of family and social services**
 18 **established by IC 12-8-1-1 shall develop a plan that does the**
 19 **following:**
 20 **(1) Determines the number of comprehensive care beds that**
 21 **the state:**
 22 **(A) currently needs; and**
 23 **(B) will need in the future.**
 24 **(2) Makes recommendations, after studying the successful**
 25 **programs used in other states, in addressing the cost of the**
 26 **Medicaid program and long term care.**
 27 **(3) Recommends methods to encourage individuals to plan for**
 28 **the family's long term care needs.**
 29 **(4) Recommends ways to limit individuals from using**
 30 **loopholes to acquire or maintain Medicaid eligibility.**
 31 **(5) Recommends alternative payment systems and provider**
 32 **systems for the state's Medicaid program, including the**
 33 **feasibility of competitive bidding, vouchers, and other**
 34 **systems.**
 35 **(6) Makes recommendations concerning reducing Medicaid**
 36 **oversight costs.**
 37 **(7) Develops and sets forth a long term care budget for the**
 38 **state.**
 39 **(8) Recommends other savings sources for the Medicaid**
 40 **program.**
 41 **(9) Sets forth other long term care needs for the state.**
 42 **The office shall submit the plan in electronic format under**

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1 **IC 5-14-6 to the legislative council not later than December 1, 2005.**
2 **(e) Comprehensive care beds may not be added or constructed**
3 **in Indiana.**
4 **(f) Residential beds licensed under IC 16-28-2 and unlicensed**
5 **beds may not be converted to comprehensive care beds.**
6 **(g) Notwithstanding IC 16-29-3, hospital acute care beds may**
7 **not be converted to comprehensive care beds.**
8 **(h) The Indiana health facilities council may not recommend**
9 **and the state department of health may not approve the**
10 **certification of new or converted comprehensive care beds for**
11 **participation in a state or federal reimbursement program,**
12 **including programs under Title XVIII or Title XIX of the federal**
13 **Social Security Act (42 U.S.C. 1395 et seq. or 42 U.S.C. 1396 et**
14 **seq.).**
15 **(i) This SECTION expires June 30, 2006.**

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COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill No. 432, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 9, delete "This SECTION does not apply to the following:" and insert "**The office of the secretary of family and social services established by IC 12-8-1-1 shall develop a plan that does the following:**

(1) Determines the number of comprehensive care beds that the state:

(A) currently needs; and

(B) will need in the future.

(2) Makes recommendations, after studying the successful programs used in other states, in addressing the cost of the Medicaid program and long term care.

(3) Recommends methods to encourage individuals to plan for the family's long term care needs.

(4) Recommends ways to limit individuals from using loopholes to acquire or maintain Medicaid eligibility.

(5) Recommends alternative payment systems and provider systems for the state's Medicaid program, including the feasibility of competitive bidding, vouchers, and other systems.

(6) Makes recommendations concerning reducing Medicaid oversight costs.

(7) Develops and sets forth a long term care budget for the state.

(8) Recommends other savings sources for the Medicaid program.

(9) Sets forth other long term care needs for the state.

The office shall submit the plan in electronic format under IC 5-14-6 to the legislative council not later than December 1, 2005."

Page 1, delete lines 10 through 17.

Page 2, line 12, delete "2007." and insert "**2006.**"

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Page 2, delete lines 13 through 30.
and when so amended that said bill do pass.
(Reference is to SB 432 as introduced.)

MILLER, Chairperson

Committee Vote: Yeas 9, Nays 2.

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SENATE MOTION

Madam President: I move that Senate Bill 432 be amended to read as follows:

Page 1, line 9, after "(b)" insert "**Subsections (d) through (g) do not apply to a health facility licensed under IC 16-28 if the following conditions are met:**

(1) Construction plans for the project to construct, add, or convert comprehensive care beds are approved by the state department of health and the department of fire and building safety.

(2) The health facility can provide documentation to the state department that the facility:

(A) has adequate financing or proof of the facility's financial ability to complete the project as approved; and

(B) has incurred financial liability for the project to construct, add, or convert comprehensive care beds.

(3) The health facility has completed construction of:

(A) the conversion; or

(B) the project's foundation if the comprehensive care bed concerns a new construction;

in conformity with the approved plans as certified by an independent architect licensed under IC 25-4 or an independent professional engineer licensed under IC 25-31.

(c)".

Page 2, line 18, delete "(c)" and insert "**(d)**".

Page 2, line 20, delete "(d)" and insert "**(e)**".

Page 2, line 22, delete "(e)" and insert "**(f)**".

Page 2, line 24, delete "(f)" and insert "**(g)**".

Page 2, line 30, delete "(g)" and insert "**(h)**".

(Reference is to SB 432 as printed February 25, 2005.)

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SENATE MOTION

Madam President: I move that Senate Bill 432 be amended to read as follows:

Page 1, line 9, after "(b)" insert "**Subsections (d) through (g) do not apply to a health facility licensed under IC 16-28 that has:**

(1) maintained; and

(2) reported to the office of Medicaid policy and planning established by IC 12-8-6-1;

a comprehensive care bed occupancy rate of at least ninety-five percent (95%) for two (2) consecutive quarters.

(c)".

Page 2, line 18, delete "(c)" and insert "**(d)**".

Page 2, line 20, delete "(d)" and insert "**(e)**".

Page 2, line 22, delete "(e)" and insert "**(f)**".

Page 2, line 24, delete "(f)" and insert "**(g)**".

Page 2, line 30, delete "(g)" and insert "**(h)**".

(Reference is to SB 432 as printed February 25, 2005.)

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SENATE MOTION
TECHNICAL AMENDMENT

Madam President: I move that, due to a printing error which resulted in the omission of Amendment #3 (adopted February 28, 2005) from the reprinted bill, the following Technical Amendment be made to Engrossed Senate Bill 432 pursuant to Senate Rule 77(b):

Page 1, line 9, delete "(d)" and insert "(e)".

Page 1, line 9, delete "(g)" and insert "(h)".

Page 2, between lines 9 and 10, begin a new paragraph and insert:

"(c) Subsections (e) through (h) do not apply to a health facility licensed under IC 16-28 that has:

(1) maintained; and

(2) reported to the office of Medicaid policy and planning established by IC 12-8-6-1;

a comprehensive care bed occupancy rate of at least ninety-five percent (95%) for two (2) consecutive quarters."

Page 2, line 10, delete "(c)" and insert "(d)".

Page 2, line 37, delete "(d)" and insert "(e)".

Page 2, line 39, delete "(e)" and insert "(f)".

Page 2, line 41, delete "(f)" and insert "(g)".

Page 3, line 1, delete "(g)" and insert "(h)".

Page 3, line 8, delete "(h)" and insert "(i)".

(Reference is to ESB 432 as reprinted March 1, 2005.)

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COMMITTEE REPORT

Madam President: The Senate Committee on Rules and Legislative Procedure, to which was referred the Motion for Technical Amendment to Engrossed Senate Bill 432 pursuant to Senate Rule 77(b), has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said Motion be adopted.

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