

TITLE 410 INDIANA DEPARTMENT OF HEALTH

Final Rule LSA Document # (F)

DIGEST

Adds 410 IAC 15.2 to add provisions governing licensing requirements for rural emergency hospitals. Effective 30 days after filing with the Publisher.

410 IAC 15.2

SECTION 1. 410 IAC 15.2 IS ADDED TO READ AS FOLLOWS:

ARTICLE 15.2. Rural Emergency Hospitals

Rule 1. Definitions

410 IAC 15.2-1-1 Applicability

Authority: 16-19-3-4

Affected: 16-21-2-2

Sec. 1. The definitions in this rule apply throughout this article. *(Indiana Department of Health; 410 IAC 15.2-1-1)*

410 IAC 15.2-1-2 “CMS” defined

Authority: 16-19-3-4

Affected: 16-21-2-2

Sec. 2. “CMS” means the United States Centers for Medicare and Medicaid Services. *(Indiana Department of Health; 410 IAC 15.2-1-2)*

410 IAC 15.2-1-3 “Commissioner” defined

Authority: 16-19-3-4

Affected: 16-21-2-2

Sec. 3. “Commissioner” means the state health commissioner or the state health commissioner's designee. *(Indiana Department of Health; 410 IAC 15.2-1-3)*

410 IAC 15.2-1-4 “Department” defined

Authority: 16-19-3-4

Affected: 16-21-2-2

Sec. 4. “Department” means the Indiana department of health. *(Indiana Department of Health; 410 IAC 15.2-1-4)*

410 IAC 15.2-1-5 “Hospital” defined

Authority: 16-19-3-4

Affected: 16-21-2-2

Sec. 5. “Hospital” has the meaning set forth in IC 16-18-2-179. (Indiana Department of Health; 410 IAC 15.2-1-5)

410 IAC 15.2-1-6 “Rural emergency hospital” defined

Authority: 16-19-3-4

Affected: 16-21-2-2

Sec. 6. “Rural emergency hospital” has the meaning set forth in IC 16-18-2-320.5. (Indiana Department of Health; 410 IAC 15.2-1-6)

Rule 2. Licensure of Rural Emergency Hospitals

410 IAC 15.2-2-1 License

Authority: 16-19-3-4

Affected: 16-21-2-2

Sec. 1. (a) A license must be obtained from the state health commissioner under IC 4-21.5-3-5 before:

- (1) establishing;**
- (2) conducting;**
- (3) operating; or**
- (4) maintaining;**

a rural emergency hospital. A rural emergency hospital may not operate without a license issued by the commissioner.

(b) A license to operate a rural emergency hospital:

- (1) expires two (2) years after the date of issuance unless otherwise stated in this article;**
- (2) is not assignable or transferable;**
- (3) is issued only for the premises named in the application; and**
- (4) must be posted in a conspicuous place in the facility.**

(b) A license is valid for only one (1) location. Multiple facilities may not be operated under one (1) license.

(c) Upon closure of the rural emergency hospital, the license shall be returned to the department. (Indiana Department of Health; 410 IAC 15.2-2-1)

410 IAC 15.2-2-2 Compliance with federal and state law

Authority: 16-19-3-4

Affected: 16-21-2-2

Sec. 2. (a) Rural emergency hospitals must comply with the following:

(1) The terms and participation requirements of rural emergency hospitals as set forth by CMS. (2) Applicable Indiana statutes and regulations relating to outpatient

services for hospitals, including emergency rooms, radiology services, and laboratory services.

(b) The department must be immediately notified if the rural emergency hospital is no longer operating as a rural emergency hospital under CMS. (*Indiana Department of Health; 410 IAC 15.2-2-2*)

410 IAC 15.2-2-3 Application for license

Authority: 16-19-3-4

Affected: 16-21-2-2

Sec. 3. (a) To obtain a license to operate a rural emergency hospital, an application for license to operate must be submitted to the department within thirty (30) days of receiving certification as a rural emergency hospital by CMS.

(b) The license application shall include the following:

(1) An application for a license to operate a rural emergency hospital on a form prescribed by the department.

(2) Documents required by the department as prescribed on the application for a license to operate a rural emergency hospital, including, but not limited to, a copy of the documentation of certification of rural emergency hospital status by CMS.

(3) The appropriate license fee.

(c) An eligible facility shall report on the application all inpatient services that will cease when the facility is licensed as a rural emergency hospital. (*Indiana Department of Health; 410 IAC 15.2-2-3*)

410 IAC 15.2-2-4 Review and approval of license application

Authority: 16-19-3-4

Affected: 16-21-2-2

Sec. 4. (a) Upon determination by the commissioner that the applicant has complied with the licensing requirements for a rural emergency hospital under this article, the commissioner will issue a license to operate a rural emergency hospital.

(b) A hospital license shall serve as the state license for the rural emergency hospital until the commissioner issues a license to operate as a rural emergency hospital. The effective date of the rural emergency hospital state license shall be the date that CMS certifies the facility to be a rural emergency hospital. A hospital license shall be revoked on the same date the rural emergency hospital state license becomes effective.

(c) Upon determination by the commissioner that the applicant has failed to comply with this article, the commissioner may:

(1) request additional information concerning the application; or

(2) deny the application.

(Indiana Department of Health; 410 IAC 15.2-2-4)

410 IAC 15.2-2-5 Denial of license

Authority: 16-19-3-4

Affected: 16-21-2-2

Sec. 5. The commissioner may deny a license to operate a rural emergency hospital for any of the following reasons:

- (1) If the licensee or licensees are not of reputable and responsible character.**
- (2) If the rural emergency hospital is not in compliance with the minimum standards for a rural emergency hospital adopted under this article.**
- (3) For violation of any of the applicable provisions of IC 16-21 or this article.**
- (4) For permitting, aiding, or abetting the commission of any illegal act in the rural emergency hospital.**
- (5) For knowingly collecting or attempting to collect from:**
 - (A) a subscriber (as defined in IC 27-13-1-32); or**
 - (B) an enrollee (as defined in IC 27-13-1-12);**
of a health maintenance organization (as defined in IC 27-13-1-19) any amounts that are owed by the health maintenance organization.
- (6) If conduct or practices of the rural emergency hospital are found to be detrimental to the welfare of the patients of the rural emergency hospital.**
- (7) If the application for a license to operate a rural emergency hospital or supporting documentation provided inaccurate statements or information.**

(Indiana Department of Health; 410 IAC 15.2-2-5)

410 IAC 15.2-2-6 Issuance of license

Authority: 16-19-3-4

Affected: 16-21-2-2

Sec. 6. (a) The rural emergency hospital shall file an application that meets the requirements of this article for licensure on a biennial basis with the department thirty (30) days prior to the expiration of the current license. The initial license may be issued for a period of less than two (2) years to ensure the rural emergency hospital is on the same two (2) year cycle as all other rural emergency hospitals and hospitals.

(b) A license is not transferable or assignable and shall be issued only for the premises named in the application.

(c) Reapplication shall be filed when a change of fifty percent (50%) or greater ownership occurs.

(d) An application for license from a newly constructed rural emergency hospital shall be obtained from the department and submitted after the physical plant plans have been approved under 410 IAC 15-1.5-8. Upon receipt of a design release from the state building commissioner, an application shall be submitted to the department on the form provided, along with the documents required by the application form.

(e) All rural emergency hospitals shall meet the provisions of 410 IAC 15-1.5-8.

(f) Any full or partial replacement of the physical plant of a rural emergency hospital, any addition or renovation to the physical plant of a rural emergency hospital, or any acquisitions of additional buildings under the current license of an existing rural emergency hospital, shall meet the provisions of 410 IAC 15-1.5-8. *(Indiana Department of Health; 410 IAC 15.2-2-6)*

410 IAC 15.2-2-7 Rural emergency hospital license fees

Authority: 16-19-3-4; 16-21-2-14

Affected: IC 16-21-2-2

Sec. 7. (a) Each rural emergency hospital licensed under IC 16-21-2 and this article shall pay a biennial renewal fee as directed by the department.

(b) An initial application for a rural emergency hospital license does not require an accompanying licensing fee. The biennial renewal of a rural emergency hospital must be accompanied by a licensing fee at the rate set in the fee schedule in this subsection. Biennial renewal fees will be due upon biennial renewal of a rural emergency hospital's license based upon total operating expenses as reported to the department on the application form that meets the requirements of this article. The fee schedule shall be as follows:

Total Operating Expenses	Fee
0 – \$49,999,999	\$1,000
\$50,000,000 – \$99,999,999	\$2,000
\$100,000,000 – \$199,999,999	\$3,000
\$200,000,000 – \$299,999,999	\$4,000
\$300,000,000 and above	\$5,000

(Indiana Department of Health; 410 IAC 15.2-2-7)

410 IAC 15.2-2-8 Notice

Authority: 16-19-3-4

Affected: 16-21-2-2

Sec. 8. (a) An eligible facility shall provide a minimum of sixty (60) days written notice to the department that it intends to become certified as a rural emergency hospital by CMS.

(b) The notice shall be written by the highest officer in charge of the eligible facility.

(c) The notice may be sent via mail or electronic means. *(Indiana Department of Health; 410 IAC 15.2-2-8)*

410 IAC 15.2-2-9 Enforcement actions

Authority: 16-19-3-4; IC 16-21-3

Affected: 16-21-2-2

Sec. 9. (a) The commissioner may take any of the following actions on any of the grounds listed in subsection (b):

(1) Issue a letter of correction.

(2) Issue a probationary license.

(3) Conduct a resurvey.

(4) Deny the renewal of a license.

(5) Revoke a license.

(6) Impose a civil penalty in an amount not to exceed ten thousand dollars (\$10,000) per violation.

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

(1) Violation of any provision of this article.

- (2) Permitting, aiding, or abetting the commission of any illegal act in the rural emergency hospital.**
- (3) Knowingly collecting or attempting to collect from:**
 - (A) a subscriber (as defined in IC 27-13-1-32); or**
 - (B) an enrollee (as defined in IC 27-13-1-12);****of a health maintenance organization (as defined in IC 27-13-1-19) any amounts that are owed by the health maintenance organization.**
- (4) Conduct or practice found by the department to be detrimental to the welfare of the patients of a rural emergency hospital. (Indiana Department of Health; 410 IAC 15.2-2-9)**

410 IAC 15.2-2-10 Probationary license
Authority: 16-19-3-4; IC 16-21-3
Affected: 16-21-2-2

Sec. 10. A probationary license may be:

- (1) issued for a period of three (3) months; and**
- (2) reissued;**

but not more than three (3) probationary licenses may be issued during a twelve (12) month period. The issuance of a probationary license results in the automatic expiration of any other license held under this article. (Indiana Department of Health; 410 IAC 15.2-2-10)

410 IAC 15.2-2-11 Licensing surveys
Authority: 16-19-3-4
Affected: 16-21-2-2

Sec. 11. (a) The department will conduct a licensing survey of each rural emergency hospital at least once every two (2) years. The licensing survey is conducted to ensure that the rural emergency hospital is operating in compliance with this article.

(b) The department will notify the rural emergency hospital of the results of the licensing survey in writing. (Indiana Department of Health; 410 IAC 15.2-2-11)

410 IAC 15.2-2-12 Complaint surveys
Authority: 16-19-3-4
Affected: 16-21-2-2

Sec. 12. (a) The department will investigate credible complaints received by the department that allege noncompliance with this article.

(b) Complaints will be assigned a priority for investigation in accordance with department policy.

(c) A licensing survey may be conducted simultaneously with and in addition to a complaint survey.

(d) The department shall notify the rural emergency hospital of the results of the complaint survey in writing. (Indiana Department of Health; 410 IAC 15.2-2-12)

410 IAC 15.2-2-13 Survey procedures

Authority: 16-19-3-4
Affected: 16-21-2-2

Sec. 13. (a) The rural emergency hospital shall fully cooperate with surveys conducted by representatives of the department.

(b) Documents, registers, reports, records, and minutes of the rural emergency hospital must be made available to the department upon request for inspection and copying.

(c) The rural emergency hospital must file an acceptable plan of correction with the department within ten (10) days of receipt of a survey report that documents noncompliance with this article. (*Indiana Department of Health; 410 IAC 15.2-2-13*)