

SENATE BILL NO. 900

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/14/02

Referred:

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to certificates of need for certain facilities; and providing for an**
2 **effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 18.07.031 is amended to read:

5 **Sec. 18.07.031. Certificate of need required; relocations.** (a) Except as
6 provided in (c) of this section, a person may not make an expenditure of **\$2,000,000**
7 **[\$1,000,000]** or more for any of the following unless authorized under the terms of a
8 certificate of need issued by the department:

- 9 (1) construction of a health care **center** [FACILITY];
10 (2) alteration of the bed capacity of a health care **center** [FACILITY];

11 or

- 12 (3) addition of a category of health services provided by a health care
13 **center** [FACILITY].

14 (b) Notwithstanding the expenditure threshold in (a) of this section, a person

1 may not convert a building or part of a building to a nursing **or assisted living** home
 2 that requires licensure under AS 18.20.020 unless authorized under the terms of a
 3 certificate of need issued by the department.

4 (c) Notwithstanding (a) of this section, a person who is lawfully operating a
 5 health care **center** [FACILITY] that is an ambulatory surgical facility at a site may
 6 make an expenditure of any amount in order to relocate the services of that facility to a
 7 new site in the same community without obtaining a certificate of need as long as
 8 neither the bed capacity nor the number of categories of health services provided at the
 9 new site is greater. However, notwithstanding the expenditure threshold in (a) of this
 10 section, a person may not use the site from which the health care **center** [FACILITY]
 11 relocated for another health care **center** [FACILITY] unless authorized under a
 12 certificate of need issued by the department.

13 * **Sec. 2.** AS 18.07.041 is amended to read:

14 **Sec. 18.07.041. Standard of review for applications for certificates of need**
 15 **relating to non-nursing home beds and services.** The department shall grant a
 16 sponsor a certificate of need or modify a certificate of need that authorizes beds other
 17 than nursing home beds or that is for a health care **center** [FACILITY] other than a
 18 nursing home if the availability and quality of existing health care resources or the
 19 accessibility to those resources is less than the current or projected requirement for
 20 health services required to maintain the good health of citizens of this state.

21 * **Sec. 3.** AS 18.07.111(8) is amended to read:

22 (8) "health care **center** [FACILITY]" means a private, municipal, state
 23 or federal hospital, psychiatric hospital, tuberculosis hospital, skilled nursing facility,
 24 kidney disease treatment center (including freestanding hemodialysis units),
 25 intermediate care facility, and ambulatory surgical facility; the term excludes

26 (A) an Alaska Pioneers' Home administered by the Department
 27 of Administration under AS 44.21.020(09) and AS 47.55; and

28 (B) the offices of private physicians or dentists whether in
 29 individual or group practice;

30 * **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).