

HOUSE BILL NO. 287

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES LYNN, Coghill, Chenault, Kohring

Introduced: 4/27/05

Referred: Health, Education and Social Services, Labor and Commerce. Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act amending the certificate of need requirements to apply only to health care
2 facilities and nursing homes located in a borough with a population of not more than
3 25,000, in the unorganized borough, or in a community with a critical access hospital."

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

5 * **Section 1.** AS 18.07.031(a) is amended to read:

6 (a) Except as provided in (c) and (d) of this section, a person may not make an
7 expenditure of \$1,000,000 or more for any of the following **in a borough with a**
8 **population of not more than 25,000, in the unorganized borough, or in a**
9 **community in which a facility has been designated by the department as a critical**
10 **access hospital,** unless authorized under the terms of a certificate of need issued by
11 the department:

- 12 (1) construction of a health care facility;
13 (2) alteration of the bed capacity of a health care facility; or
14 (3) addition of a category of health services provided by a health care

1 facility.

2 * **Sec. 2.** AS 18.07.031(b) is amended to read:

3 (b) Notwithstanding the expenditure threshold in (a) of this section, a person
 4 may not convert a building or part of a building to a nursing home that requires
 5 licensure under AS 18.20.020 **located in a borough with a population of not more**
 6 **than 25,000, in the unorganized borough, or in a community in which a facility**
 7 **has been designated as a critical access hospital** unless authorized under the terms
 8 of a certificate of need issued by the department.

9 * **Sec. 3.** AS 18.07.031 is amended by adding a new subsection to read:

10 (f) In this section, reference to the department's designation of a facility as a
 11 critical access hospital means action taken by regulatory authority exercised under
 12 AS 18.05 or AS 18.20 by which a facility eligible for designation as a critical access
 13 hospital has been so identified.

14 * **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to
 15 read:

16 APPLICABILITY. Sections 1 - 3 of this Act apply to health care facilities and
 17 nursing homes in existence or proposed on or after the effective date of this Act. A decision
 18 of the Department of Health and Social Services denying or granting a certificate of need that
 19 has been applied for or issued for a health care facility or nursing home located in an area of
 20 the state other than in a borough with a population of not more than 25,000, the unorganized
 21 borough, or a community in which a facility has been designated as a critical access hospital
 22 before the effective date of this Act shall be void and unnecessary. A pending application for
 23 a certificate of need for a health care facility or nursing home located in an area of the state
 24 other than in a borough with a population of not more than 25,000, the unorganized borough,
 25 or a community in which a facility has been designated as a critical access hospital before the
 26 effective date of this Act shall be returned to the applicant.