

Sexton
Fink
Schuerer

SSB-1129
State Government
Succeeded By
SENATE/HOUSE FILE (SF/HF 278)

BY (PROPOSED DEPARTMENT OF
INSPECTIONS AND APPEALS BILL)

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to hospital license fees and creating a hospital
2 education fund.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 135B.1, Code 1999, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 5. "Off-site premises" means any facility
4 or organization that is operated at a location other than at a
5 main hospital campus but which functions as a department of
6 the hospital.

7 Sec. 2. Section 135B.4, Code 1999, is amended by striking
8 the section and inserting in lieu thereof the following:

9 135B.4 LICENSES -- APPLICATION, FEES, ISSUANCE, AND
10 RENEWAL.

11 1. Licenses shall be obtained from the department.
12 Applications shall be upon forms and shall contain information
13 as the department may require, which may include affirmative
14 evidence of ability to comply with standards and rules
15 prescribed under this chapter. Each application for license
16 shall be accompanied by the license fee, which shall be
17 deposited into the hospital education fund created pursuant to
18 section 135B.5.

19 2. Each hospital shall pay an initial license fee of one
20 hundred dollars. Hospitals with off-site premises shall pay
21 an additional license fee of twenty-five dollars for each off-
22 site premises maintained by the hospital.

23 3. Licenses shall be renewed annually. The annual license
24 renewal fee is one hundred dollars for each hospital.
25 Hospitals with off-site premises shall pay an additional
26 renewal fee of twenty-five dollars per off-site premises
27 maintained by the hospital.

28 4. Licenses shall be general, specific, or restricted in
29 form. Each license shall be issued only for the premises and
30 persons or governmental units approved by the department and
31 is not transferable or assignable except with the written
32 approval of the department. Licenses shall be posted in a
33 conspicuous place on the licensed premises as prescribed by
34 the department by rule.

35 5. Upon receipt of an application for a license and the

1 license fee, the department shall issue a license if the
2 applicant and hospital facilities comply with this chapter and
3 the rules of the department.

4 6. Each licensee shall receive annual reapproval upon
5 payment of the appropriate license fee and upon filing of an
6 application form available from the department.

7 Sec. 3. Section 135B.5, Code 1999, is amended by striking
8 the section and inserting in lieu thereof the following:

9 135B.5 HOSPITAL EDUCATION FUND.

10 A hospital education fund is created within the department.
11 All hospital license fees collected under this chapter shall
12 be deposited into the fund. Amounts deposited shall be
13 utilized by the department to defray the costs of education
14 activities or services provided by the department to licensed
15 hospitals within the state.

16 Sec. 4. Section 135G.4, subsection 3, Code 1999, is
17 amended to read as follows:

18 3. Each application for a birth center license or renewal
19 of a license shall be accompanied by a license fee. The fee
20 amount shall be ~~equivalent to the fee amount established for a~~
21 ~~hospital in accordance with section 135B.4~~ fifteen dollars.
22 The fees shall be deposited in the general fund of the state.

23 EXPLANATION

24 This bill changes the hospital license fee structure
25 charged by the department of inspections and appeals to
26 hospitals licensed by the state, and establishes a hospital
27 education fund into which license fees shall be deposited.
28 Previously, hospital license fees varied based upon the number
29 of beds in the hospital applying for licensure. The bill
30 provides a new fee structure consisting of an initial
31 application fee and annual renewal fee of \$100 per hospital.
32 An additional initial application and renewal fee of \$25 is
33 established for off-site premises maintained by a hospital
34 which are considered a department of the hospital. The bill
35 provides that license and renewal fees payable by a birth

1 center which, pursuant to Code section 135G.4, subsection 3,
2 currently corresponds to the level applicable to a hospital,
3 will be \$15, which is the level specified in Code section
4 135B.4 prior to the effective date of the bill for hospitals
5 with 50 or fewer beds.

6 License fees collected by the department under the bill are
7 to be deposited into a hospital education fund which is also
8 established in the bill. Moneys in the hospital education
9 fund are to be utilized by the department to defray the costs
10 of providing educational activities and services by the
11 department to licensed hospitals within the state.

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TERRY E. BRANSTAD, GOVERNOR

DEPARTMENT OF INSPECTIONS AND APPEALS
KIM D. SCHMETT, DIRECTOR
JOHN T. SCHAFFNER, DEPUTY DIRECTOR

January 11, 1999

TO: Members of the General Assembly

FR: Kim D. Schmett *KDS*

The Iowa Department of Inspections and Appeals (DIA) is proposing legislation related to the functions performed by its Health Facilities Division. The bill proposes a new hospital licensing fee as well as establishes a fee for 'off-site' premises.

Section 1 of the bill provides a definition for the term 'off-site premise'. The definition is consistent with the federal Medicare regulations and definitions.

Section 2 of the bill changes the annual/initial hospital licensing fee from the varied schedule based on the number of beds in the hospital to a uniform fee of \$100 per hospital. In addition, the section changes the annual license renewal fee from \$10 to \$100. This section, too, provides for an additional new licensing fee of \$25 per 'off-site' premise operated by the hospital.

Section 3 of the bill establishes a hospital education fund and specifies that all fee collected by the Department for the licensing of hospitals and off-site premises shall be deposited into the fund. The section also stipulates that monies deposited into the fund shall be used to defray costs of education activities provided by the Department to Iowa-licensed hospitals.

For additional information regarding this proposal, or other questions, please contact David Werning, Legislative Liaison, at 281-7376 or e-mail at dwernin@max.state.ia.us.

3/22/99 Referred to State Gov
~~3/22~~ way + reason

FILED MAR 2 1999

SENATE FILE 278
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO SSB 1129)

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SF 278

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