

135.61 Definitions.

As used in [this subchapter](#), unless the context otherwise requires:

1. “*Affected persons*” means, with respect to an application for a certificate of need:
 - a. The person submitting the application.
 - b. Consumers who would be served by the new institutional health service proposed in the application.
 - c. Each institutional health facility or health maintenance organization which is located in the geographic area which would appropriately be served by the new institutional health service proposed in the application. The appropriate geographic service area of each institutional health facility or health maintenance organization shall be determined on a uniform basis in accordance with criteria established in rules adopted by the department.
 - d. Each institutional health facility or health maintenance organization which, prior to receipt of the application by the department, has formally indicated to the department pursuant to [this subchapter](#) an intent to furnish in the future institutional health services similar to the new institutional health service proposed in the application.
 - e. Any other person designated as an affected person by rules of the department.
 - f. Any payer or third-party payer for health services.
2. “*Ambulatory surgical center*” means a distinct facility that operates primarily for the purpose of providing surgical services to patients not requiring hospitalization and in which the expected duration of services does not exceed twenty-four hours following an admission. “*Ambulatory surgical center*” includes a facility certified or seeking certification as an ambulatory surgical center under the federal Medicare program or under the medical assistance program established pursuant to [chapter 249A](#). “*Ambulatory surgical center*” does not include the individual or group practice office of a private physician, podiatrist, or dentist who there engages in the lawful practice of surgery, or the portion of a licensed hospital designated for outpatient surgical treatment.
3. “*Consumer*” means any individual whose occupation is other than health services, who has no fiduciary obligation to an institutional health facility, health maintenance organization or other facility primarily engaged in delivery of services provided by persons in health service occupations, and who has no material financial interest in the providing of any health services.
4. “*Department*” means the department of health and human services.
5. “*Develop*”, when used in connection with health services, means to undertake those activities which on their completion will result in the offer of a new institutional health service or the incurring of a financial obligation in relation to the offering of such a service.
6. “*Financial reporting*” means reporting by which hospitals and health care facilities shall respectively record their revenues, expenses, other income, other outlays, assets and liabilities, and units of services.
7. “*Health care facility*” means health care facility as defined in [section 135C.1](#).
8. “*Health care provider*” means a person licensed or certified under [chapter 147](#), [148](#), [148A](#), [148C](#), [149](#), [151](#), [152](#), [153](#), [154](#), [154B](#), [154F](#), or [155A](#) to provide in this state professional health care service to an individual during that individual’s medical care, treatment, or confinement.
9. “*Health maintenance organization*” means health maintenance organization as defined in [section 514B.1, subsection 6](#).
10. “*Health services*” means clinically related diagnostic, curative, or rehabilitative services, and includes substance use disorder and mental health services.
11. “*Hospital*” means hospital as defined in [section 135B.1, subsection 3](#).
12. “*Institutional health facility*” means any of the following, without regard to whether the facilities referred to are publicly or privately owned or are organized for profit or not or whether the facilities are part of or sponsored by a health maintenance organization:
 - a. A hospital.
 - b. A health care facility.
 - c. An organized outpatient health facility.
 - d. An ambulatory surgical center.
 - e. A community mental health facility.

13. “*Institutional health service*” means any health service furnished in or through institutional health facilities or health maintenance organizations, including mobile health services.

14. “*Mobile health service*” means equipment used to provide a health service that can be transported from one delivery site to another.

15. “*Modernization*” means the alteration, repair, remodeling, replacement or renovation of existing buildings or of the equipment previously installed therein, or both.

16. “*New institutional health service*” or “*changed institutional health service*” means any of the following:

a. The construction, development or other establishment of a new institutional health facility regardless of ownership.

b. Relocation of an institutional health facility.

c. Any capital expenditure, lease, or donation by or on behalf of an institutional health facility in excess of one million five hundred thousand dollars within a twelve-month period.

d. A permanent change in the bed capacity, as determined by the department, of an institutional health facility. For purposes of this paragraph, a change is permanent if it is intended to be effective for one year or more.

e. Any expenditure in excess of five hundred thousand dollars by or on behalf of an institutional health facility for health services which are or will be offered in or through an institutional health facility at a specific time but which were not offered on a regular basis in or through that institutional health facility within the twelve-month period prior to that time.

f. The deletion of one or more health services, previously offered on a regular basis by an institutional health facility or health maintenance organization or the relocation of one or more health services from one physical facility to another.

g. Any acquisition by or on behalf of a health care provider or a group of health care providers of any piece of replacement equipment with a value in excess of one million five hundred thousand dollars, whether acquired by purchase, lease, or donation.

h. Any acquisition by or on behalf of a health care provider or group of health care providers of any piece of equipment with a value in excess of one million five hundred thousand dollars, whether acquired by purchase, lease, or donation, which results in the offering or development of a health service not previously provided. A mobile service provided on a contract basis is not considered to have been previously provided by a health care provider or group of health care providers.

i. Any acquisition by or on behalf of an institutional health facility or a health maintenance organization of any piece of replacement equipment with a value in excess of one million five hundred thousand dollars, whether acquired by purchase, lease, or donation.

j. Any acquisition by or on behalf of an institutional health facility or health maintenance organization of any piece of equipment with a value in excess of one million five hundred thousand dollars, whether acquired by purchase, lease, or donation, which results in the offering or development of a health service not previously provided. A mobile service provided on a contract basis is not considered to have been previously provided by an institutional health facility.

k. Any air transportation service for transportation of patients or medical personnel offered through an institutional health facility at a specific time but which was not offered on a regular basis in or through that institutional health facility within the twelve-month period prior to the specific time.

l. Any mobile health service with a value in excess of one million five hundred thousand dollars.

m. Any of the following:

(1) Cardiac catheterization service.

(2) Open heart surgical service.

(3) Organ transplantation service.

(4) Radiation therapy service applying ionizing radiation for the treatment of malignant disease using megavoltage external beam equipment.

17. “*Offer*”, when used in connection with health services, means that an institutional health facility, health maintenance organization, health care provider, or group of health care

providers holds itself out as capable of providing, or as having the means to provide, specified health services.

18. “*Organized outpatient health facility*” means a facility, not part of a hospital, organized and operated to provide health care to noninstitutionalized and nonhomebound persons on an outpatient basis; it does not include private offices or clinics of individual physicians, dentists or other practitioners, or groups of practitioners, who are health care providers.

19. “*Technologically innovative equipment*” means equipment potentially useful for diagnostic or therapeutic purposes which introduces new technology in the diagnosis or treatment of disease, the usefulness of which is not well enough established to permit a specific plan of need to be developed for the state.

[C79, 81, §135.61; 82 Acts, ch 1194, §1, 2]

87 Acts, ch 215, §39; 91 Acts, ch 225, §1; 97 Acts, ch 93, §1, 2; 2002 Acts, ch 1162, §77; 2008 Acts, ch 1088, §86; 2019 Acts, ch 24, §104; 2023 Acts, ch 16, §32 – 34; 2023 Acts, ch 19, §140, 1443, 1584 – 1587

C2024, §10A.711

2024 Acts, ch 1012, §1; 2025 Acts, ch 43, §1, 2; 2025 Acts, ch 120, §27, 40, 42, 43

C2026, §135.61

Referred to in §135.62, 135P1, 280.13F, 505.27

Section transferred from §10A.711 in Code 2026 pursuant to directive in 2025 Acts, ch 120, §40

Unnumbered paragraph 1 amended

Subsection 1, paragraph d amended

Subsection 3 stricken and former subsection 4 renumbered as 3

Subsection 5 stricken, rewritten, and renumbered as 4

Former subsections 6 – 12 renumbered as 5 – 11

Former subsection 13 amended and renumbered as 12

Former subsections 14 – 20 renumbered as 13 – 19