

House Study Bill 199

Bill Text

PAG LIN

1 1 Section 1. Section [135B.4](#), Code 1997, is amended by
1 2 striking the section and inserting in lieu thereof the
1 3 following:
1 4 135B.4 LICENSES - APPLICATION, FEES, ISSUANCE, AND
1 5 RENEWAL.
1 6 1. Licenses shall be obtained from the department.
1 7 Applications shall be upon forms and shall contain information
1 8 as the department may require, which may include affirmative
1 9 evidence of ability to comply with standards and rules
1 10 prescribed under this chapter. Each application for license
1 11 shall be accompanied by the license fee, which shall be
1 12 deposited in the general fund.
1 13 2. Each hospital shall pay an initial license fee of fifty
1 14 dollars.
1 15 3. Licenses shall be renewed annually. The annual license
1 16 renewal fee is fifty dollars for each hospital.
1 17 4. Licenses shall be general, specific, or restricted in
1 18 form. Each license shall be issued only for the premises and
1 19 persons or governmental units approved by the department and
1 20 is not transferable or assignable except with the written
1 21 approval of the department. Licenses shall be posted in a
1 22 conspicuous place on the licensed premises as prescribed by
1 23 rule of the department.
1 24 Sec. 2. Section [135B.5](#), Code 1997, is amended by striking
1 25 the section and inserting in lieu thereof the following:
1 26 135B.5 INSPECTION FEES.
1 27 1. In addition to the license fee prescribed pursuant to
1 28 section 135B.4, each hospital not accredited by the joint
1 29 commission on the accreditation of health care organizations
1 30 or the American osteopathic association shall pay an
1 31 inspection fee for each licensing inspection, not including
1 32 follow up visits and complaint investigations, conducted for
1 33 the hospital during a license period.
1 34 2. a. For the fiscal year July 1, 1997, through June 30,
1 35 1998, the inspection fee for each nonaccredited hospital
2 1 inspected during a license period is seven hundred dollars.
2 2 b. For the fiscal year July 1, 1998, through June 30,
2 3 1999, and each fiscal year thereafter, the inspection fee
2 4 shall be adjusted annually to reflect the actual state costs
2 5 for all inspections conducted the previous fiscal year divided
2 6 by the number of inspections conducted. The department shall
2 7 receive approval from the hospital licensing board of the
2 8 adjusted fee prior to notifying each nonaccredited hospital.
2 9 Each nonaccredited hospital shall be notified of the adjusted
2 10 inspection fee annually by October 1.
2 11 3. The hospital receiving the inspection shall remit the
2 12 inspection fee to the department within ten days following
2 13 receipt of the inspection report.
2 14 4. The inspection fees collected shall be deposited in the
2 15 general fund of the state.
2 16 Sec. 3. Section [135C.36](#), subsection 2, Code 1997, is
2 17 amended to read as follows:
2 18 2. A Class II violation is one which has a direct or
2 19 immediate relationship to the health, safety or security of
2 20 residents of a health care facility, but which presents no
2 21 imminent danger nor substantial probability of death or

2 22 physical harm to them. A physical condition or one or more
2 23 practices within a facility, including either physical abuse
2 24 of any resident or failure to treat any resident with
2 25 consideration, respect and full recognition of the resident's
2 26 dignity and individuality, in violation of a specific rule
2 27 adopted by the department, may constitute a Class II
2 28 violation. A violation of section 135C.14, subsection 8, or
2 29 section 135C.31 and rules adopted under those sections shall
2 30 be at least a Class II violation and may be a Class I
2 31 violation. A Class II violation shall be corrected within a
2 32 stated period of time determined by the department and
2 33 specified in the citation issued under section 135C.40. The
2 34 stated period of time specified in the citation may
2 35 subsequently be modified by the department for good cause
3 1 shown. A licensee is subject to a penalty of not less than one
3 2 hundred nor more than

~~five hundred~~

- ~~two thousand~~ dollars for

3 3 each Class II violation for which the licensee's facility is
3 4 cited, however the director may waive the penalty if the
3 5 violation is corrected within the time specified in the
3 6 citation.

3 7 EXPLANATION

3 8 This bill makes changes in the hospitals and health care
3 9 facilities chapters of the Code.

3 10 Sections 1 and 2 of the bill revise the licensing and
3 11 inspection fees for hospitals. The initial licensing fee for
3 12 hospitals is revised to \$50 for all hospitals in place of the
3 13 current fees, based on the number of beds in the hospital,
3 14 ranging from \$15 to \$50. Additionally, the annual renewal
3 15 licensing fee is increased from \$10 to \$50. The bill also
3 16 establishes a new inspection fee for all hospitals not
3 17 accredited by the Joint Commission on Accreditation of Health
3 18 Care Organizations (JCAHO) or the American Osteopathic
3 19 Association (AOA). The fee is \$700 for the fiscal year
3 20 beginning July 1, 1997, and is to be adjusted based upon the
3 21 actual state cost of inspections performed in the previous
3 22 fiscal year. The adjusted fee must be approved by the
3 23 hospital licensing board and notice must be provided to all
3 24 hospitals by October 1 of each state fiscal year.

3 25 Section 3 of the bill revises the maximum penalty for a
3 26 Class II violation, which is one which has a direct or
3 27 immediate relationship to the health, safety, or security of
3 28 residents of a health care facility but which presents no
3 29 imminent danger or substantial probability of death or
3 30 physical harm to them. The maximum penalty is increased from
3 31 \$500 to \$2,000.

3 32 LSB 1273DP 77

3 33 pf/sc/14.1