



HB 1105

2003

1 A bill to be entitled

2 An act relating to health care facilities; amending s.
3 408.032, F.S.; revising the definition of "tertiary health
4 service" under the Health Facility and Services
5 Development Act; amending s. 408.036, F.S., relating to
6 health-care-related projects subject to review for a
7 certificate of need; removing certain projects from
8 expedited review and revising requirements for other
9 projects subject to expedited review; removing the
10 exemption from review for certain projects; revising
11 requirements for certain projects that are exempt from
12 review; exempting certain projects from review; amending
13 s. 408.038, F.S.; increasing fees to fund the activities
14 of the certificate-of-need program; amending s. 408.039,
15 F.S.; providing for approval of recommended orders of the
16 Division of Administrative Hearings when the Agency for
17 Health Care Administration fails to take action on an
18 application for a certificate of need within a specified
19 time period; creating s. 400.244, F.S.; allowing nursing
20 homes to convert beds to alternative uses as specified;
21 providing restrictions on uses of funding under assisted-
22 living Medicaid waivers; providing procedures; providing
23 for the applicability of certain fire and life-safety
24 codes; providing applicability of certain laws; requiring
25 a nursing home to submit a request to the Agency for
26 Health Care Administration; providing conditions for
27 disapproving such a request; providing for periodic
28 review; providing for retention of nursing-home licensure
29 for converted beds; providing for reconversion of the
30 beds; providing an effective date.



HB 1105

2003

31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (17) of section 408.032, Florida Statutes, is amended to read:

408.032 Definitions relating to Health Facility and Services Development Act.--As used in ss. 408.031-408.045, the term:

(17) "Tertiary health service" means a health service which, due to its high level of intensity, complexity, specialized or limited applicability, and cost, should be limited to, and concentrated in, a limited number of hospitals to ensure the quality, availability, and cost-effectiveness of such service. Examples of such service include, but are not limited to, organ transplantation, adult and pediatric open heart surgery, specialty burn units, neonatal intensive care units, comprehensive rehabilitation, and medical or surgical services which are experimental or developmental in nature to the extent that the provision of such services is not yet contemplated within the commonly accepted course of diagnosis or treatment for the condition addressed by a given service. The agency shall establish by rule a list of all tertiary health services.

Section 2. Section 408.036, Florida Statutes, is amended to read:

408.036 Projects subject to review; exemptions.--

(1) APPLICABILITY.--Unless exempt under subsection (3), all health-care-related projects, as described in paragraphs (a)-(h), are subject to review and must file an application for a certificate of need with the agency. The agency is exclusively



HB 1105

2003

61 responsible for determining whether a health-care-related
 62 project is subject to review under ss. 408.031-408.045.

63 (a) The addition of beds by new construction or
 64 alteration.

65 (b) The new construction or establishment of additional
 66 health care facilities, including a replacement health care
 67 facility when the proposed project site is not located on the
 68 same site as the existing health care facility.

69 (c) The conversion from one type of health care facility
 70 to another.

71 (d) An increase in the total licensed bed capacity of a
 72 health care facility.

73 (e) The establishment of a hospice or hospice inpatient
 74 facility, except as provided in s. 408.043.

75 (f) The establishment of inpatient health services by a
 76 health care facility, or a substantial change in such services.

77 (g) An increase in the number of beds for acute care,
 78 nursing home care beds, specialty burn units, neonatal intensive
 79 care units, comprehensive rehabilitation, mental health
 80 services, or hospital-based distinct part skilled nursing units,
 81 or at a long-term care hospital.

82 (h) The establishment of tertiary health services.

83 (2) PROJECTS SUBJECT TO EXPEDITED REVIEW.--Unless exempt
 84 pursuant to subsection (3), projects subject to an expedited
 85 review shall include, but not be limited to:

86 (a) Research, education, and training programs.

87 ~~(b) Shared services contracts or projects.~~

88 (b)(e) A transfer of a certificate of need, except when an
 89 existing hospital is acquired by a purchaser, in which case all
 90 pending certificates of need filed by the existing hospital and



HB 1105

2003

91 all approved certificates of need owned by that hospital would
92 be acquired by the purchaser.

93 (c)(d) A 50-percent increase in nursing home beds for a
94 facility incorporated and operating in this state for at least
95 60 years on or before July 1, 1988, which has a licensed nursing
96 home facility located on a campus providing a variety of
97 residential settings and supportive services. The increased
98 nursing home beds shall be for the exclusive use of the campus
99 residents. ~~Any application on behalf of an applicant meeting~~
100 ~~this requirement shall be subject to the base fee of \$5,000~~
101 ~~provided in s. 408.038.~~

102 (d)(e) Replacement of a health care facility when the
103 proposed project site is located in the same district and within
104 a 1-mile radius of the replaced health care facility.

105 (e)(f) The conversion of mental health services beds
106 licensed under chapter 395 ~~or hospital-based distinct part~~
107 ~~skilled nursing unit beds~~ to general acute care beds; ~~the~~
108 ~~conversion of mental health services beds between or among the~~
109 ~~licensed bed categories defined as beds for mental health~~
110 ~~services;~~ or the conversion of general acute care beds to beds
111 for mental health services.

112 1. Conversion under this paragraph shall not establish a
113 new licensed bed category at the hospital but shall apply only
114 to categories of beds licensed at that hospital.

115 2. Beds converted under this paragraph must be licensed
116 and operational for at least 12 months before the hospital may
117 apply for additional conversion affecting beds of the same type.

118
119 The agency shall develop rules to implement the provisions for
120 expedited review, including time schedule, application content



HB 1105

2003

121 which may be reduced from the full requirements of s.
122 408.037(1), and application processing.

123 (3) EXEMPTIONS.--Upon request, the following projects are
124 subject to exemption from the provisions of subsection (1):

125 (a) For replacement of a licensed health care facility on
126 the same site, provided that the number of beds in each licensed
127 bed category will not increase.

128 (b) For hospice services or for swing beds in a rural
129 hospital, as defined in s. 395.602, in a number that does not
130 exceed one-half of its licensed beds.

131 (c) For the conversion of licensed acute care hospital
132 beds to Medicare and Medicaid certified skilled nursing beds in
133 a rural hospital, as defined in s. 395.602, so long as the
134 conversion of the beds does not involve the construction of new
135 facilities. The total number of skilled nursing beds, including
136 swing beds, may not exceed one-half of the total number of
137 licensed beds in the rural hospital as of July 1, 1993.
138 Certified skilled nursing beds designated under this paragraph,
139 excluding swing beds, shall be included in the community nursing
140 home bed inventory. A rural hospital which subsequently
141 decertifies any acute care beds exempted under this paragraph
142 shall notify the agency of the decertification, and the agency
143 shall adjust the community nursing home bed inventory
144 accordingly.

145 (d) For the addition of nursing home beds at a skilled
146 nursing facility that is part of a retirement community that
147 provides a variety of residential settings and supportive
148 services and that has been incorporated and operated in this
149 state for at least 65 years on or before July 1, 1994. All



HB 1105

2003

150 nursing home beds must not be available to the public but must
 151 be for the exclusive use of the community residents.

152 (e) For an increase in the bed capacity of a nursing
 153 facility licensed for at least 50 beds as of January 1, 1994,
 154 under part II of chapter 400 which is not part of a continuing
 155 care facility if, after the increase, the total licensed bed
 156 capacity of that facility is not more than 60 beds and if the
 157 facility has been continuously licensed since 1950 and has
 158 received a superior rating on each of its two most recent
 159 licensure surveys.

160 (f) For an inmate health care facility built by or for the
 161 exclusive use of the Department of Corrections as provided in
 162 chapter 945. This exemption expires when such facility is
 163 converted to other uses.

164 (g) For the termination of an inpatient health care
 165 service, upon 30 days' written notice to the agency.

166 (h) For the delicensure of beds, upon 30 days' written
 167 notice to the agency. A request for exemption submitted under
 168 this paragraph must identify the number, the category of beds,
 169 and the name of the facility in which the beds to be delicensed
 170 are located.

171 (i) For the provision of adult inpatient diagnostic
 172 cardiac catheterization services in a hospital.

173 1. In addition to any other documentation otherwise
 174 required by the agency, a request for an exemption submitted
 175 under this paragraph must comply with the following criteria:

176 a. The applicant must certify it will not provide
 177 therapeutic cardiac catheterization pursuant to the grant of the
 178 exemption.



HB 1105

2003

179 b. The applicant must certify it will meet and
180 continuously maintain the minimum licensure requirements adopted
181 by the agency governing such programs pursuant to subparagraph
182 2.

183 c. The applicant must certify it will provide a minimum of
184 2 percent of its services to charity and Medicaid patients.

185 2. The agency shall adopt licensure requirements by rule
186 which govern the operation of adult inpatient diagnostic cardiac
187 catheterization programs established pursuant to the exemption
188 provided in this paragraph. The rules shall ensure that such
189 programs:

190 a. Perform only adult inpatient diagnostic cardiac
191 catheterization services authorized by the exemption and will
192 not provide therapeutic cardiac catheterization or any other
193 services not authorized by the exemption.

194 b. Maintain sufficient appropriate equipment and health
195 personnel to ensure quality and safety.

196 c. Maintain appropriate times of operation and protocols
197 to ensure availability and appropriate referrals in the event of
198 emergencies.

199 d. Maintain appropriate program volumes to ensure quality
200 and safety.

201 e. Provide a minimum of 2 percent of its services to
202 charity and Medicaid patients each year.

203 3.a. The exemption provided by this paragraph shall not
204 apply unless the agency determines that the program is in
205 compliance with the requirements of subparagraph 1. and that the
206 program will, after beginning operation, continuously comply
207 with the rules adopted pursuant to subparagraph 2. The agency



HB 1105

2003

208 shall monitor such programs to ensure compliance with the
209 requirements of subparagraph 2.

210 b.(I) The exemption for a program shall expire immediately
211 when the program fails to comply with the rules adopted pursuant
212 to sub-subparagraphs 2.a., b., and c.

213 (II) Beginning 18 months after a program first begins
214 treating patients, the exemption for a program shall expire when
215 the program fails to comply with the rules adopted pursuant to
216 sub-subparagraphs 2.d. and e.

217 (III) If the exemption for a program expires pursuant to
218 sub-sub-subparagraph (I) or sub-sub-subparagraph (II), the
219 agency shall not grant an exemption pursuant to this paragraph
220 for an adult inpatient diagnostic cardiac catheterization
221 program located at the same hospital until 2 years following the
222 date of the determination by the agency that the program failed
223 to comply with the rules adopted pursuant to subparagraph 2.

224 (j) For the provision of percutaneous coronary
225 intervention for patients presenting with emergency myocardial
226 infarctions in a hospital without an approved adult open heart
227 surgery program. In addition to any other documentation required
228 by the agency, a request for an exemption submitted under this
229 paragraph must comply with the following:

230 1. The applicant must certify that it will meet and
231 continuously maintain the requirements adopted by the agency for
232 the provision of these services. These licensure requirements
233 are to be adopted by rule pursuant to ss. 120.536(1) and 120.54
234 and are to be consistent with the guidelines published by the
235 American College of Cardiology and the American Heart
236 Association for the provision of percutaneous coronary



HB 1105

2003

237 interventions in hospitals without adult open heart services. At
238 a minimum, the rules shall require the following:

239 a. Cardiologists must be experienced interventionalists
240 who have performed a minimum of 75 interventions within the
241 previous 12 months.

242 b. The hospital must provide a minimum of 36 emergency
243 interventions annually in order to continue to provide the
244 service.

245 c. The hospital must offer sufficient physician, nursing,
246 and laboratory staff to provide the services 24 hours a day, 7
247 days a week.

248 d. Nursing and technical staff must have demonstrated
249 experience in handling acutely ill patients requiring
250 intervention based on previous experience in dedicated
251 interventional laboratories or surgical centers.

252 e. Cardiac care nursing staff must be adept in hemodynamic
253 monitoring and Intra-aortic Balloon Pump (IABP) management.

254 f. Formalized written transfer agreements must be
255 developed with a hospital with an adult open heart surgery
256 program, and written transport protocols must be in place to
257 ensure safe and efficient transfer of a patient within 60
258 minutes. Transfer and transport agreements must be reviewed and
259 tested, with appropriate documentation maintained at least every
260 3 months.

261 g. Hospitals implementing the service must first undertake
262 a training program of 3 to 6 months which includes establishing
263 standards, testing logistics, creating quality assessment and
264 error management practices, and formalizing patient selection
265 criteria.



HB 1105

2003

266 2. The applicant must certify that it will utilize at all
267 times the patient selection criteria for the performance of
268 primary angioplasty at hospitals without adult open heart
269 surgery programs issued by the American College of Cardiology
270 and the American Heart Association. At a minimum, these criteria
271 would provide for the following:

272 a. Avoidance of interventions in hemodynamically stable
273 patients presenting with identified symptoms or medical
274 histories.

275 b. Transfer of patients presenting with a history of
276 coronary disease and clinical presentation of hemodynamic
277 instability.

278 3. The applicant must agree to submit a quarterly report
279 to the agency detailing patient characteristics, treatment, and
280 outcomes for all patients receiving emergency percutaneous
281 coronary interventions pursuant to this paragraph. This report
282 must be submitted within 15 days after the close of each
283 calendar quarter.

284 4. The exemption provided by this paragraph shall not
285 apply unless the agency determines that the hospital has taken
286 all necessary steps to be in compliance with all requirements of
287 this paragraph, including the training program required pursuant
288 to sub-subparagraph 1.g.

289 5. Failure of the hospital to continuously comply with the
290 requirements of sub-subparagraphs 1.c.-f. and subparagraphs 2.
291 and 3. will result in the immediate expiration of this
292 exemption.

293 6. Failure of the hospital to meet the volume requirements
294 of sub-subparagraphs 1.a.-b. within 18 months after the program



HB 1105

2003

295 begins offering the service will result in the immediate
 296 expiration of the exemption.

297 7. If the exemption for this service expires pursuant to
 298 subparagraph 5. or subparagraph 6., the agency shall not grant
 299 another exemption for this service to the same hospital for a
 300 period of 2 years and then only upon a showing that the hospital
 301 will remain in compliance with the requirements of this
 302 paragraph through a demonstration of corrections to the
 303 deficiencies which caused expiration of the exemption.
 304 Compliance with the requirements of this paragraph includes
 305 compliance with the rules adopted pursuant to this paragraph.

306 (k)(j) For mobile surgical facilities and related health
 307 care services provided under contract with the Department of
 308 Corrections or a private correctional facility operating
 309 pursuant to chapter 957.

310 (l)(k) For state veterans' nursing homes operated by or on
 311 behalf of the Florida Department of Veterans' Affairs in
 312 accordance with part II of chapter 296 for which at least 50
 313 percent of the construction cost is federally funded and for
 314 which the Federal Government pays a per diem rate not to exceed
 315 one-half of the cost of the veterans' care in such state nursing
 316 homes. These beds shall not be included in the nursing home bed
 317 inventory.

318 (m)(l) For combination within one nursing home facility of
 319 the beds or services authorized by two or more certificates of
 320 need issued in the same planning subdistrict. An exemption
 321 granted under this paragraph shall extend the validity period of
 322 the certificates of need to be consolidated by the length of the
 323 period beginning upon submission of the exemption request and
 324 ending with issuance of the exemption. The longest validity



HB 1105

2003

325 period among the certificates shall be applicable to each of the
 326 combined certificates.

327 (n)~~(m)~~ For division into two or more nursing home
 328 facilities of beds or services authorized by one certificate of
 329 need issued in the same planning subdistrict. An exemption
 330 granted under this paragraph shall extend the validity period of
 331 the certificate of need to be divided by the length of the
 332 period beginning upon submission of the exemption request and
 333 ending with issuance of the exemption.

334 (o)~~(n)~~ For the addition of hospital beds licensed under
 335 chapter 395 for acute care, ~~mental health services,~~ or a
 336 hospital-based distinct part skilled nursing unit in a number
 337 that may not exceed 10 total beds or 10 percent of the licensed
 338 capacity of the bed category being expanded, whichever is
 339 greater; for the addition of medical rehabilitation beds
 340 licensed under chapter 395 in a number that may not exceed eight
 341 total beds or 10 percent of capacity, whichever is greater; or
 342 for the addition of mental health services beds licensed under
 343 chapter 395 in a number that may not exceed 10 total beds or 10
 344 percent of the licensed capacity of the bed category being
 345 expanded, whichever is greater. Beds for specialty burn units
 346 or, neonatal intensive care units, ~~or comprehensive~~
 347 ~~rehabilitation,~~ or at a long-term care hospital, may not be
 348 increased under this paragraph.

349 1. In addition to any other documentation otherwise
 350 required by the agency, a request for exemption submitted under
 351 this paragraph must:

352 a. Certify that the prior 12-month average occupancy rate
 353 for the category of licensed beds being expanded at the facility
 354 meets or exceeds 75 ~~80~~ percent or, for a hospital-based distinct



HB 1105

2003

355 part skilled nursing unit, the prior 12-month average occupancy
356 rate meets or exceeds 96 percent.

357 b. Certify that any beds of the same type authorized for
358 the facility under this paragraph before the date of the current
359 request for an exemption have been licensed and operational for
360 at least 12 months.

361 2. The timeframes and monitoring process specified in s.
362 408.040(2)(a)-(c) apply to any exemption issued under this
363 paragraph.

364 3. The agency shall count beds authorized under this
365 paragraph as approved beds in the published inventory of
366 hospital beds until the beds are licensed.

367 (p)~~(e)~~ For the addition of acute care beds, as authorized
368 by rule consistent with s. 395.003(4), in a number that may not
369 exceed 30 ~~10~~ total beds or 10 percent of licensed bed capacity,
370 whichever is greater, for temporary beds in a hospital that has
371 experienced high seasonal occupancy within the prior 12-month
372 period or in a hospital that must respond to emergency
373 circumstances.

374 (q)~~(p)~~ For the addition of nursing home beds licensed
375 under chapter 400 in a number not exceeding 10 total beds or 10
376 percent of the number of beds licensed in the facility being
377 expanded, whichever is greater.

378 1. In addition to any other documentation required by the
379 agency, a request for exemption submitted under this paragraph
380 must:

381 a. Effective until June 30, 2001, certify that the
382 facility has not had any class I or class II deficiencies within
383 the 30 months preceding the request for addition.



HB 1105

2003

384 b. Effective on July 1, 2001, certify that the facility
385 has been designated as a Gold Seal nursing home under s.
386 400.235.

387 c. Certify that the prior 12-month average occupancy rate
388 for the nursing home beds at the facility meets or exceeds 96
389 percent.

390 d. Certify that any beds authorized for the facility under
391 this paragraph before the date of the current request for an
392 exemption have been licensed and operational for at least 12
393 months.

394 2. The timeframes and monitoring process specified in s.
395 408.040(2)(a)-(c) apply to any exemption issued under this
396 paragraph.

397 3. The agency shall count beds authorized under this
398 paragraph as approved beds in the published inventory of nursing
399 home beds until the beds are licensed.

400 ~~(q) For establishment of a specialty hospital offering a~~
401 ~~range of medical service restricted to a defined age or gender~~
402 ~~group of the population or a restricted range of services~~
403 ~~appropriate to the diagnosis, care, and treatment of patients~~
404 ~~with specific categories of medical illnesses or disorders,~~
405 ~~through the transfer of beds and services from an existing~~
406 ~~hospital in the same county.~~

407 (r) For the conversion of hospital-based Medicare and
408 Medicaid certified skilled nursing beds to acute care beds, if
409 the conversion does not involve the construction of new
410 facilities.

411 (s) For the replacement of a statutory rural hospital when
412 the proposed project site is located in the same district and
413 within 10 miles of the existing facility and within the current



HB 1105

2003

414 primary service area, defined as the least number of zip codes
415 comprising 75 percent of the hospital's inpatient admissions.
416 ~~For fiscal year 2001-2002 only, for transfer by a health care~~
417 ~~system of existing services and not more than 100 licensed and~~
418 ~~approved beds from a hospital in district 1, subdistrict 1, to~~
419 ~~another location within the same subdistrict in order to~~
420 ~~establish a satellite facility that will improve access to~~
421 ~~outpatient and inpatient care for residents of the district and~~
422 ~~subdistrict and that will use new medical technologies,~~
423 ~~including advanced diagnostics, computer assisted imaging, and~~
424 ~~telemedicine to improve care. This paragraph is repealed on July~~
425 ~~1, 2002.~~

426 (t) For the conversion of mental health services beds
427 between or among the licensed bed categories defined as beds for
428 mental health services.

429 (u) For the creation of at least a 10-bed Level II
430 neonatal intensive care unit upon demonstrating to the agency
431 that the applicant hospital had a minimum of 1,500 live births
432 during the previous 12 months.

433 (v) For the addition of Level II or Level III neonatal
434 intensive care beds in a number not to exceed six beds or 10
435 percent of licensed capacity in that category, whichever is
436 greater, provided that the hospital certifies that the prior 12-
437 month average occupancy rate for the category of licensed
438 neonatal intensive care beds meets or exceeds 75 percent.

439 (4) A request for exemption under subsection (3) may be
440 made at any time and is not subject to the batching requirements
441 of this section. The request shall be supported by such
442 documentation as the agency requires by rule. The agency shall



HB 1105

2003

443 assess a fee of \$250 for each request for exemption submitted
444 under subsection (3).

445 Section 3. Section 408.038, Florida Statutes, is amended
446 to read:

447 408.038 Fees.--

448 (1) The agency shall assess fees on certificate-of-need
449 applications. Such fees shall be for the purpose of funding ~~the~~
450 ~~functions of the local health councils and~~ the activities of the
451 agency. Except as otherwise provided in subsection (2), such
452 fees ~~and~~ shall be allocated as provided in s. 408.033. The fee
453 shall be determined as follows:

454 (a)(1) A minimum base fee of \$10,000 ~~\$5,000~~.

455 (b)(2) In addition to the base fee of \$10,000 ~~\$5,000~~,
456 0.015 of each dollar of proposed expenditure, except that a fee
457 may not exceed \$50,000 ~~\$22,000~~.

458 (2) The proceeds from half of each minimum base fee under
459 paragraph (1)(a) and the proceeds from each additional amount
460 assessed under paragraph (1)(b) which is in excess of \$22,000
461 shall be used to fund activities of the certificate-of-need
462 program.

463 Section 4. Paragraph (e) of subsection (5) and paragraph
464 (c) of subsection (6) of section 408.039, Florida Statutes, are
465 amended to read:

466 408.039 Review process.--The review process for
467 certificates of need shall be as follows:

468 (5) ADMINISTRATIVE HEARINGS.--

469 (e) The agency shall issue its final order within 45 days
470 after receipt of the recommended order. If the agency fails to
471 take action within 45 days, the recommended order of the
472 Division of Administrative Hearings is deemed approved ~~such~~



HB 1105

2003

473 ~~time, or as otherwise agreed to by the applicant and the agency,~~
474 ~~the applicant may take appropriate legal action to compel the~~
475 ~~agency to act.~~ When making a determination on an application for
476 a certificate of need, the agency is specifically exempt from
477 the time limitations provided in s. 120.60(1).

478 (6) JUDICIAL REVIEW.--

479 (c) The court, in its discretion, may award reasonable
480 attorney's fees and costs to the prevailing party if the court
481 finds that there was a complete absence of a justiciable issue
482 of law or fact raised by the losing party. If the losing party
483 is a hospital, the court shall order it to pay the reasonable
484 attorney's fees and costs, which shall include fees and costs
485 incurred as a result of the administrative hearing and the
486 judicial appeal, of the prevailing hospital party.

487 Section 5. Section 400.244, Florida Statutes, is created
488 to read:

489 400.244 Alternative use of nursing home beds.--

490 (1) It is the intent of the Legislature to allow nursing
491 home facilities to take licensed nursing home beds out of
492 operation for alternative use for extended periods of time
493 exceeding 48 hours.

494 (2) Nursing homes may use a contiguous portion of the
495 nursing home facility to meet the needs of the elderly through
496 the use of less restrictive and less institutional methods of
497 long-term care, including, but not limited to, adult day care,
498 assisted living, extended congregate care, or limited nursing
499 services as defined in s. 400.402.

500 (3) Funding under assisted living Medicaid waivers for
501 nursing home beds used to provide extended congregate care or
502 limited nursing services pursuant to this section may only be



HB 1105

2003

503 provided for residents who have resided in the nursing home
504 facility for a minimum of 90 consecutive days.

505 (4) Any nursing home beds used to provide alternative
506 services may share common areas, services, and staff with beds
507 designated for nursing home care. For purposes of this section,
508 fire and life safety codes applicable to nursing home facilities
509 shall apply. Any alternative use must meet other requirements as
510 specified in law for that alternative.

511 (5) A nursing home facility shall submit a request to the
512 agency to take nursing home beds out of operation for
513 alternative use. The agency shall approve the request unless it
514 determines such action will adversely impact access to nursing
515 home care in the nursing home facility's geographical area. The
516 agency shall review the alternative use request at each annual
517 license renewal.

518 (6) The nursing home facility shall retain its license for
519 all nursing home beds taken out of service in accordance with
520 this section and shall be allowed to return those beds to
521 nursing home facility operation upon notice to the agency.

522 Section 6. This act shall take effect July 1, 2003.

523