

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 1669 of the Regular Session

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005
4

As Engrossed: H3/24/05

A Bill

HOUSE BILL 2414

5 By: Representatives S. Prater, Bond
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For An Act To Be Entitled

9 *AN ACT TO LIMIT THE TRANSFERABILITY OF PERMITS OF*
10 *APPROVAL FOR LONG-TERM CARE FACILITIES; TO PLACE*
11 *A MORATORIUM ON NEW RESIDENTIAL CARE FACILITIES;*
12 *TO PLACE A MORATORIUM ON NEW OR ADDITIONAL*
13 *RESIDENTIAL CARE FACILITY BEDS; AND FOR OTHER*
14 *PURPOSES.*

Subtitle

16 *AN ACT TO LIMIT THE NUMBER AND*
17 *TRANSFERABILITY OF PERMITS OF APPROVAL*
18 *FOR LONG-TERM CARE FACILITIES.*
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 *SECTION 1. Arkansas Code § 20-8-106(a) and (b), concerning transfer of*
25 *permits of approval by the Health Services Permit Agency, are amended to read*
26 *as follows:*

27 *20-8-106. Health Services Program - Permits generally.*

28 *(a)(1)(A) From March 8, 1989, until June 1, 1989, there shall be no*
29 *new home health care agencies or nursing homes, with the exception of*
30 *intermediate care facilities for the mentally retarded with fifteen (15) or*
31 *fewer beds and with the exception of nursing home applications under review*
32 *by the Health Services Permit Agency on June 2, 1987, and except for nursing*
33 *homes with thirty-five (35) beds or fewer attached to or a part of hospitals*
34 *located in cities or towns where no nursing home exists, provided applicants*
35 *for such nursing homes must obtain a permit of approval from the proper*



1 authority pursuant to the provisions of this subchapter, nor shall there be
2 any additional beds licensed for existing nursing homes or intermediate care
3 facilities in this state.

4 (B) The Health Services Permit Commission may remove any
5 or all of the moratoria anytime after June 1, 1988, provided the commission
6 has duly adopted and promulgated standards for the review of the health
7 facility for which the moratorium is removed.

8 (C) Nursing home applications under review by the agency
9 on June 2, 1987, shall be considered under § 20-8-101 et seq. under updated
10 standards on a county-by-county basis.

11 (2) No permit of approval shall be required by the agency or the
12 commission for any applicant to qualify for a Class "B" license, as provided
13 for in § 20-10-801 et seq., to operate a home health care services agency, if
14 the agency was serving patients on or before June 30, 1988, and if the agency
15 serves the residents of the county where the principal office is located.

16 (3) Nursing home applications under review by the agency on June
17 2, 1987, shall be considered under the provisions of § 20-8-101 et seq. under
18 updated standards on a county-by-county basis.

19 (4)(A) Beginning July 1, 2005, the agency may not accept
20 applications for permits of approval for the construction of new residential
21 care facilities.

22 (B) Applications for replacement of residential care
23 facilities may not be accepted and processed after July 1, 2005.

24 (C) However, applications for replacement of residential
25 care facilities shall be accepted for residential care facilities of sixteen
26 (16) beds or fewer, but only if the number of beds required for replacement
27 is less than or equal to the number of beds for which the residential care
28 facility was licensed before the application for replacement.

29 (b)(1)(A) The alteration or renovation of a health facility
30 having an associated capital expenditure of less than five hundred thousand
31 dollars (\$500,000) for nursing homes and not resulting in additional bed
32 capacity shall not require a permit of approval.

33 (B) ~~however~~ However, the agency shall not allow hospital
34 acute care beds to be converted to or allow their license classification to
35 be changed to long-term care beds without going through the permit of
36 approval process.

1 ~~However, permits, legal title, and right of ownership may be~~
 2 ~~transferred to another entity with the approval of the commission.~~

3 (2)(A) Permits, legal title, and right of ownership may be
 4 transferred with the approval of the Health Services Permit Commission if the
 5 entity presently holding the permit, legal title, or right of ownership has
 6 tangible assets of at least two thousand five hundred dollars (\$2,500) that
 7 will be transferred with the permit, legal title, or right of ownership.

8 (3) The application for the permit of approval shall include,
 9 but need not be limited to, such information as is necessary to determine:

10 ~~(1)~~(A) Whether the proposed project is needed or projected
 11 as being necessary to meet the needs of the locale or area in terms of the
 12 health care required for the population or geographic region;

13 ~~(2)~~(B) Whether the proposed project can be adequately
 14 staffed and operated when completed;

15 ~~(3)~~(C) Whether the proposed project is economically
 16 feasible; and

17 ~~(4)~~(D) Whether the project will foster cost containment
 18 through improved efficiency and productivity.

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 20 SECTION 2. Arkansas Code § 20-8-107, concerning expansion of health
 21 care facilities or services, is amended to add an additional subsection to
 22 read as follows:

23 (d) Beginning July 1, 2005, the Health Services Permit Agency may not
 24 accept applications or requests for permits of approval to add new beds or to
 25 expand existing bed capacity of residential care facilities.

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 27 /s/ S. Prater, et al
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APPROVED: 4/05/2005

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