

Act 665 of the 1989 Regular Session.

Act 665

SB184

By: Senator Bearden

"AN ACT TO AMEND TITLE 20, CHAPTER 10, SUBCHAPTER 2, OF THE ARKANSAS CODE OF 1987 TO ESTABLISH CRITERIA FOR LICENSURE FOR NEW OR EXPANDED LONG TERM CARE FACILITIES; AND FOR OTHER PURPOSES."

BE IT ENACTED THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Ark. Code 20-10-224 is hereby amended to read as follows:

"20-10-224. License required - Administration by Department of Human Services.

(a) No long-term care facility or related institution shall be established, conducted, or maintained in this state without obtaining a license.

(b) The department may, by properly promulgating rules and regulations, provide for the issuance of long term care facility licenses.

(c) The department may provide, by properly promulgating rules and regulations, for the issuance of permanent type licenses, subject to revocation.

(d) No license shall be issued or renewed for any long-term care facility unless the applicant has included in the application the name and such other information required for licensure and disclosure. This requirement as well as any other requirement determined appropriate by the department, shall be in accordance with the guidelines provided by the Department.

(e)(1) Whenever ownership or controlling interest in the operation of a facility is sold by the person(s) named in the license to any other person(s), the buyer must obtain a license to operate the facility. The buyer shall notify the Department of the sale and apply for a license at least 30 days prior to the completed sale.

(2) Except as provided by Ark. Code 20-10-901 et seq., the seller shall notify the Department at least 30 days prior to the completed sale. The seller shall remain responsible for the operation of the facility until such time as a license is issued to the buyer.

(3) The buyer shall be subject to any plan of correction submitted by the previous licensee and approved by the Department.

(4) The seller shall remain liable for all penalties assessed against the facility which are imposed for violations or deficiencies occurring prior to sale of ownership or operational control.

(5) Before approval of the application for licensure of the buyer the Department shall consider and may deny a license based upon the following:

(A) whether the administrator, officers, directors or partners have ever been convicted of a felony; or

(B) whether, within twelve (12) months prior to the license application, any facility(s) owned or operated by the applicant(s) has been found, after final administrative decision, to have committed a class A long term care violation;

(C) whether during the three (3) years prior to the application the applicant(s) has had a license revoked;

(D) whether the applicant(s) has demonstrated to the satisfaction of the Department that any other facility owned, operated, or administered by the applicant(s) has been in substantial compliance with the standards as set

by applicable state and federal law for the previous twelve (12) month period prior to application for licensure.

(f)(1) Before issuing a license or approving the operation of any long-term care facility which was not licensed at the time of application or any additional bed capacity of a licensed facility, the Department shall consider and may deny a license based upon the criteria established in subsection (e)(5)(A)-(F) above.

(2) This subsection is not intended to circumvent or alter the requirements set forth in Ark. Code Ann. 20-8-101 et seq."

SECTION 2. All provisions of this Act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 3. All laws and parts of laws in conflict with this Act are hereby repealed.

APPROVED: March 20, 1989

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