

1.1 Senator moves to amend S.F. No. 3249 as follows:

1.2 Page 2, after line 24, insert:

1.3 "Sec. 2. Minnesota Statutes 2020, section 144.55, subdivision 4, is amended to read:

1.4 Subd. 4. **Routine inspections; presumption.** Any hospital surveyed and accredited
1.5 under the standards of the hospital accreditation program of an approved accrediting
1.6 organization that submits to the commissioner within a reasonable time copies of (a) its
1.7 currently valid accreditation certificate and accreditation letter, together with accompanying
1.8 recommendations and comments and (b) any further recommendations, progress reports
1.9 and correspondence directly related to the accreditation is presumed to comply with
1.10 application requirements of subdivision 1 and the standards requirements of subdivision 3
1.11 and no further routine inspections or accreditation information shall be required by the
1.12 commissioner to determine compliance. Notwithstanding the provisions of sections 144.54
1.13 and 144.653, subdivisions 2 and 4, hospitals shall be inspected only as provided in this
1.14 section. The provisions of section 144.653 relating to the assessment and collection of fines
1.15 shall not apply to any hospital. The commissioner of health shall annually conduct, with
1.16 notice, validation inspections of a selected sample of the number of hospitals accredited by
1.17 an approved accrediting organization, not to exceed ten percent of accredited hospitals, for
1.18 the purpose of determining compliance with the provisions of subdivision 3. If a validation
1.19 survey discloses a failure to comply with subdivision 3, the provisions of section 144.653
1.20 relating to correction orders, reinspections, and notices of noncompliance shall apply. The
1.21 commissioner shall also conduct any inspection necessary to determine whether hospital
1.22 construction, addition, or remodeling projects comply with standards for construction
1.23 promulgated in rules pursuant to subdivision 3. The commissioner may also conduct
1.24 inspections to determine whether a hospital or hospital corporate system continues to satisfy
1.25 the conditions on which a hospital construction moratorium exception was granted under
1.26 section 144.551, subdivision 1a. Pursuant to section 144.653, the commissioner shall inspect
1.27 any hospital that does not have a currently valid hospital accreditation certificate from an
1.28 approved accrediting organization. Nothing in this subdivision shall be construed to limit
1.29 the investigative powers of the Office of Health Facility Complaints as established in sections
1.30 144A.51 to 144A.54.

1.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.1 Sec. 3. Minnesota Statutes 2020, section 144.55, subdivision 6, is amended to read:

2.2 Subd. 6. **Suspension, revocation, and refusal to renew.** (a) The commissioner may
2.3 refuse to grant or renew, or may suspend or revoke, a license on any of the following grounds:

2.4 (1) violation of any of the provisions of sections 144.50 to 144.56 or the rules or standards
2.5 issued pursuant thereto, or Minnesota Rules, chapters 4650 and 4675;

2.6 (2) permitting, aiding, or abetting the commission of any illegal act in the institution;

2.7 (3) conduct or practices detrimental to the welfare of the patient; or

2.8 (4) obtaining or attempting to obtain a license by fraud or misrepresentation; or

2.9 (5) with respect to hospitals and outpatient surgical centers, if the commissioner
2.10 determines that there is a pattern of conduct that one or more physicians or advanced practice
2.11 registered nurses who have a "financial or economic interest," as defined in section 144.6521,
2.12 subdivision 3, in the hospital or outpatient surgical center, have not provided the notice and
2.13 disclosure of the financial or economic interest required by section 144.6521.

2.14 (b) The commissioner shall not renew a license for a boarding care bed in a resident
2.15 room with more than four beds.

2.16 (c) The commissioner shall not renew licenses for hospital beds issued to a hospital or
2.17 hospital corporate system pursuant to a hospital construction moratorium exception under
2.18 section 144.551, subdivision 1a, if the commissioner determines the hospital or hospital
2.19 corporate system is not satisfying the conditions on which the exception was granted.

2.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.21 Sec. 4. Minnesota Statutes 2020, section 144.551, is amended by adding a subdivision to
2.22 read:

2.23 Subd. 1a. **Exception for increased mental health bed capacity.** (a) From August 1,
2.24 2022, to July 31, 2027, subdivision 1, paragraph (a), and sections 144.552 and 144.553, do
2.25 not apply to:

2.26 (1) those portions of any erection, building, alteration, reconstruction, modernization,
2.27 improvement, extension, lease, or other acquisition by or on behalf of a hospital that increase
2.28 the mental health bed capacity of a hospital; or

2.29 (2) the establishment of a new psychiatric hospital.

2.30 (b) Any hospital that increases its bed capacity or is established under this subdivision
2.31 must use all the newly licensed beds exclusively for mental health services.

3.1 (c) The commissioner shall monitor the implementation of exceptions under this
3.2 subdivision. Each hospital or hospital corporate system granted an exception under this
3.3 subdivision shall submit to the commissioner each year a report on how the hospital or
3.4 hospital corporate system continues to satisfy the conditions on which the exception was
3.5 granted.

3.6 (d) Any hospital found to be in violation of this subdivision is subject to sanction under
3.7 section 144.55, subdivision 6, paragraph (c).

3.8 (e) By January 15, 2027, the commissioner of health shall submit to the chairs and
3.9 ranking minority members of the legislative committees and divisions with jurisdiction over
3.10 health a report containing the location of every hospital that has expanded its capacity or
3.11 been established under this subdivision and summary data by location of the patient
3.12 population served in the newly licensed beds, including age, duration of stay, and county
3.13 of residence. A hospital that expands its capacity or is established under this subdivision
3.14 must provide the patient information the commissioner requests to fulfill the requirements
3.15 of this paragraph. For the purposes of section 144.55, subdivision 6, paragraph (c), a hospital's
3.16 failure to provide data requested by the commissioner is a failure to satisfy the conditions
3.17 on which an exception is granted under this subdivision.

3.18 **EFFECTIVE DATE.** This section is effective the day following final enactment."

3.19 Renumber the sections in sequence and correct the internal references

3.20 Amend the title accordingly