

LEGISLATIVE BILL 697

Approved by the Governor April 18, 2022

Introduced by Kolterman, 24; Wayne, 13.

A BILL FOR AN ACT relating to health care facilities; to amend sections 71-401 and 71-403, Revised Statutes Cumulative Supplement, 2020; to define terms; to provide for licensure of rural emergency hospitals; to require coverage for rural emergency hospital services; to harmonize provisions; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 71-401, Revised Statutes Cumulative Supplement, 2020, is amended to read:

71-401 Sections 71-401 to 71-476 and sections 3 to 7 of this act shall be known and may be cited as the Health Care Facility Licensure Act.

Sec. 2. Section 71-403, Revised Statutes Cumulative Supplement, 2020, is amended to read:

71-403 For purposes of the Health Care Facility Licensure Act, unless the context otherwise requires, the definitions found in sections 71-404 to 71-431 and sections 3 and 4 of this act shall apply.

Sec. 3. Rural emergency hospital means a facility that:

- (1) Meets the eligibility requirements described in section 5 of this act;
- (2) Provides rural emergency hospital services;
- (3) Maintains an emergency department to provide rural emergency hospital services in the facility twenty-four hours per day that is staffed twenty-four hours per day and seven days per week, with a physician, nurse practitioner, clinical nurse specialist, or physician assistant;

(4) Has a transfer agreement in effect with a comprehensive level trauma center or an advanced level trauma center as defined in the Statewide Trauma System Act and any other transfer agreement necessary for patient care; and

(5) Meets such other requirements as the department finds necessary in the interest of the health and safety of individuals who are provided rural emergency hospital services and to implement licensure under the Health Care Facility Licensure Act that satisfies requirements for reimbursement by federal health care programs as a rural emergency hospital.

Sec. 4. Rural emergency hospital services means the following services, provided by a rural emergency hospital, that do not require in excess of an annual per-patient average of twenty-four hours in such rural emergency hospital:

- (1) Emergency department services and observation care; and
- (2) At the election of the rural emergency hospital, for services provided on an outpatient basis, other medical and health services as specified in regulations adopted by the United States Secretary of Health and Human Services and authorized by the Nebraska Department of Health and Human Services.

Sec. 5. (1) A facility shall be eligible to apply for a license as a rural emergency hospital if such facility is:

- (a) Licensed as a critical access hospital;
- (b) Licensed as a general hospital with not more than fifty licensed beds located in a county in a rural area as defined in section 1886(d)(2)(D) of the federal Social Security Act; or
- (c) Licensed as a general hospital with not more than fifty licensed beds that is deemed as being located in a rural area pursuant to section 1886(d)(8)(E) of the federal Social Security Act.

(2) A facility applying for licensure as a rural emergency hospital shall include with the application:

(a) An action plan for initiating rural emergency hospital services, including a detailed transition plan that lists the specific services that the facility will retain, modify, add, and discontinue;

(b) A description of services that the facility intends to provide on an outpatient basis; and

(c) Such other information as required by rules and regulations adopted and promulgated by the department.

(3) A rural emergency hospital shall not have inpatient beds, except that such hospital may have a unit that is a distinct part of such hospital and that is licensed as a skilled nursing facility to provide post-hospital extended care services.

(4) A rural emergency hospital may own and operate an entity that provides ambulance services.

(5) A licensed general hospital or critical access hospital that applies for and receives licensure as a rural emergency hospital and elects to operate as a rural emergency hospital shall retain its original license as a general hospital or critical access hospital. Such original license shall remain inactive while the rural emergency hospital license is in effect.

Sec. 6. A licensed rural emergency hospital may enter into any contracts required to be eligible for federal reimbursement as a rural emergency hospital.

Sec. 7. The department shall adopt and promulgate rules and regulations

establishing minimum standards for the establishment and operation of rural emergency hospitals in accordance with the Health Care Facility Licensure Act, including licensure of rural emergency hospitals.

Sec. 8. Any individual or group sickness and accident insurance policy or subscriber contract, nonprofit hospital or medical service policy or plan contract, or health maintenance organization contract and any self-funded employee benefit plan to the extent not preempted by federal law or exempted by state law shall provide benefits for services when performed by a licensed rural emergency hospital if such services would be covered under such policies, contracts, or coverage if performed by a general hospital.

Sec. 9. Original sections 71-401 and 71-403, Revised Statutes Cumulative Supplement, 2020, are repealed.