

Introduced by

Senators Myrdal, Klein, Kreun

Representatives Dockter, Porter, Richter

1 A BILL for an Act to create and enact chapter 23-17.6 of the North Dakota Century Code,
2 relating to the licensure of extended stay centers.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1.** Chapter 23-17.6 of the North Dakota Century Code is created and enacted as
5 follows:

6 **23-17.6-01. Definitions.**

7 In this chapter, unless the context and subject matter otherwise require:

8 1. "Department" means the state department of health.

9 2. "Extended stay center" means a facility that provides extended stay services.

10 3. "Extended stay services" means postsurgical and postdiagnostic medical and nursing
11 services provided to a patient recovering from a surgical procedure performed in an
12 ambulatory surgical center.

13 4. "Operating room" has the meaning given that term in rules adopted by the health
14 council.

15 **23-17.6-02. License required - Rules.**

16 A person may not conduct, maintain, or operate an extended stay center without a license
17 issued by the department. The health council shall adopt rules for the application, issuance, and
18 renewal of a license.

19 **23-17.6-03. Issuance and renewal of licenses - Evaluation.**

20 Upon receipt of an initial or renewal licensure application, the department or the
21 department's authorized agent shall evaluate the extended stay center. If minimum standards
22 described in section 23-17.6-04 are met, the department shall issue the license.

23 **23-17.6-04. Standards of licensure.**

24 1. An extended stay center shall meet the following minimum standards for licensure:

- 1 a. Must be affiliated with a facility certified by the centers for Medicare and Medicaid
- 2 services as an ambulatory surgical center;
- 3 b. Must have no more than two recovery beds for each operating room in the
- 4 affiliated ambulatory surgical center, not to exceed a total of sixteen recovery
- 5 beds;
- 6 c. Shall discharge patients within forty-eight hours from the time of admission to the
- 7 extended stay center;
- 8 d. Shall conform to all patient safety and facility requirements adopted by the health
- 9 council by rule;
- 10 e. Shall use admission criteria based only on the extended stay center's:
- 11 (1) Medical screening criteria;
- 12 (2) Evidence-based surgery guidelines; or
- 13 (3) Patient safety standards;
- 14 f. Orally and in writing, shall clearly notify patients with Medicare coverage of the
- 15 services provided by the extended stay center which are not covered by
- 16 Medicare; and
- 17 g. Shall report data and metrics to the department as prescribed by rule, including
- 18 the:
- 19 (1) Types of procedures performed at the affiliated ambulatory surgical center
- 20 for which patients are transferred to the extended stay center for recovery;
- 21 (2) Average duration of patient stays at the extended stay center;
- 22 (3) Medical acuity of the patients served by the extended stay center; and
- 23 (4) Frequency and cause of patient transfers from the extended stay center to a
- 24 hospital.
- 25 2. An extended stay center only may accept a patient from an ambulatory surgical center.
- 26 Each ambulatory surgical center must:
- 27 a. Be separated physically from the extended stay center operations;
- 28 b. Have demonstrated safe operating procedures in an outpatient surgery setting for
- 29 no less than twenty-four consecutive months; and

1 c. Be certified by the centers for Medicare and Medicaid services as participating in
2 the ambulatory surgical center quality reporting program administered by the
3 centers for Medicare and Medicaid services.

4 **23-17.6-05. Denial, suspension, or revocation of license.**

5 The department may deny, suspend, or revoke the license of an extended stay center for
6 noncompliance with this chapter in accordance with the administrative hearing provisions of
7 chapter 28-32.

8 **23-17.6-06. Rulemaking.**

9 The health council shall adopt necessary rules relating to the extended stay centers,
10 including rules governing:

- 11 1. Licensure qualifications of professional and ancillary personnel;
- 12 2. Standards for the organization and quality of patient care performed at the extended
13 stay center;
- 14 3. Procedures for maintaining records;
- 15 4. Procedures for application, issuance, and renewal of license;
- 16 5. Procedures for denial, suspension, or revocation of license; and
- 17 6. Reviews of licensed extended stay centers.

18 **23-17.6-07. Application and renewal fees.**

19 The department shall adopt by rule the fee for licensing an extended stay center, not to
20 exceed an application fee of fifteen thousand dollars and an annual renewal fee of fifteen
21 thousand dollars.

22 **23-17.6-08. Reviews of extended stay center.**

23 Before the issuance or renewal of an extended stay center license, the department shall
24 inspect the extended stay center for compliance with the standards established under this
25 chapter. To the maximum extent possible, the department shall coordinate reviews made under
26 this chapter with those made for the purposes of determining compliance with other licensing
27 requirements.