

CHAPTER 159**(SB 164)**

AN ACT relating to the use of national accreditation for hospital licensure.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

- (1) The Office of the Inspector General shall accept accreditation by the Joint Commission on Accreditation of Healthcare Organizations or another nationally recognized accrediting organization with comparable standards and survey processes, that has been approved by the United States Centers on Medicare and Medicaid Services, as evidence that a hospital demonstrates compliance with all licensure requirements under this chapter. An annual on-site licensing inspection of a hospital shall not be conducted if the Office of the Inspector General receives from the hospital:
 - (a) A copy of the accreditation report within thirty (30) days of the initial accreditation and all subsequent reports; or*
 - (b) Documentation from a hospital that holds full accreditation from an approved accrediting organization on or before the effective date of this Act.**
- (2) Nothing in this section shall prevent the Office of the Inspector General from making licensing validation inspections and investigations as it deems necessary related to any complaints. The cabinet shall promulgate the necessary administrative regulations to implement the licensing validation process. Any administrative regulations shall reflect the validation procedures for accredited hospitals participating in the Medicare program.*
- (3) A hospital shall pay any licensing fees required by the cabinet in order to maintain a license.*
- (4) A new hospital shall not be exempt from the on-site inspection until meeting the requirements of subsection (1) of this section and administrative regulations promulgated under KRS 216B.040, 216B.042, and 216B.105 for acute, critical access, psychiatric, and rehabilitation facility requirements.*
- (5) Before beginning construction for the erection of a new building, the alteration of an existing building, or a change in facilities for a hospital, the hospital shall submit plans to the Office of Inspector General for approval.*
- (6) To the extent possible, the cabinet shall consider all national standards when promulgating administrative regulations for hospital licensure.*

Approved April 2, 2002