

1 AN ACT relating to hospitals.

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

3 ➔Section 1. KRS 216B.065 is amended to read as follows:

- 4 (1) Before any person enters into a contractual agreement to acquire a licensed health
5 facility, the person shall notify the cabinet of the intent to acquire the facility or
6 major medical equipment and of the services to be offered in the facility and its bed
7 capacity or the use of the medical equipment. The notice shall be in writing and
8 shall be filed at least thirty (30) days prior to entry into a contract to acquire the
9 health facility or major medical equipment with respect to which the notice is given.
- 10 (2) A certificate of need shall be required for the acquisition of a health facility or
11 major medical equipment, only if:
- 12 (a) The notice required in this section is not filed and the arrangement will
13 require the obligation of a capital expenditure which exceeds the capital
14 expenditure minimum; or
- 15 (b) The cabinet finds within thirty (30) days after the date it received notice that
16 the health services or bed capacity of the health facility will be substantially
17 changed in being acquired.
- 18 (3) Donations, transfers, and leases of major medical equipment and health facilities
19 shall be considered acquisitions of equipment and facilities, and an acquisition of
20 medical equipment or a facility for less than fair market value shall be considered
21 an acquisition if the fair market value exceeds the expenditure minimum.
- 22 (4) Before any health facility reduces or terminates a health service or reduces its bed
23 capacity, the facility shall notify the cabinet of its intent. The notice shall be in
24 writing and shall be filed at least thirty (30) days prior to the reduction or
25 termination. A certificate of need shall be required for the reduction or termination
26 only if the notice required in this section is not filed.
- 27 **(5) *Before acquiring a hospital that is required to be licensed under KRS 216B.042,***

1 *the University of Kentucky or the University of Louisville, or a medical system*
2 *thereof, shall first obtain the approval of the General Assembly by means of an*
3 *act or joint resolution explicitly identifying and authorizing the acquisition of the*
4 *specific hospital. The approval required under this subsection shall be in addition*
5 *to any certificate of need required to acquire a health facility under this section.*