

# State of South Dakota

SEVENTY-SECOND SESSION  
LEGISLATIVE ASSEMBLY, 1997

891A0414

## HOUSE BILL NO. 1233

Introduced by: Representatives Putnam, Barker, Brooks, Duenwald, Duxbury, Fischer-Clemens, Gabriel, Haley, Hunt, Jorgensen, Koskan, Kredit, Lucas, Monroe, Munson (Donald), Pederson (Gordon), Pummel, Schaubman, Van Gerpen, and Wetz and Senators Whiting, Brown (Arnold), Drake, Everist, Halverson, Hunhoff, Hutmacher, Johnson (William), Lawler, Munson (David), Olson, and Symens

1 FOR AN ACT ENTITLED, An Act to prohibit the expansion of the number of certain licensed  
2 hospital beds.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 34-12-1.1 be amended by adding thereto NEW SUBDIVISIONS to read  
5 as follows:

6 "General hospital," a hospital that provides at least medical, surgical, obstetrical, and  
7 emergency services;

8 "Specialized hospital," a hospital that provides only one service or a combination of services  
9 but does not provide all of the services required to qualify as a general hospital.

10 Section 2. That subdivision (4) of § 34-12-1.1 be amended to read as follows:

11 (4) "Health care facility," any ~~institution, sanitarium, maternity home, ambulatory surgery~~  
12 ~~center, chemical dependency treatment facility, hospital, nursing facility, assisted~~  
13 ~~living center, rural primary care hospital, place, building, institution; sanitarium;~~

1 maternity home; ambulatory surgery center; chemical dependency treatment facility;  
2 hospital, including general hospital, specialized hospital, and rural primary care  
3 hospital; nursing facility; assisted living center; place; building; or agency in which any  
4 accommodation is maintained, furnished, or offered for the hospitalization, nursing  
5 care, or supervised care of the sick or injured;

6 Section 3. That chapter 34-12 be amended by adding thereto a NEW SECTION to read as  
7 follows:

8 Each specialized hospital licensed pursuant to this chapter and to rules promulgated under  
9 this chapter may operate no more than the number of beds for which the hospital is licensed and  
10 which are in existence on the effective date of this Act. After the effective date of this Act,  
11 except as provided in section 4 of this Act, the Department of Health may only issue a new  
12 hospital license if the hospital complies with all of the requirements of this chapter and the rules  
13 promulgated under this chapter for licensure as a general hospital or a rural primary care  
14 hospital.

15 Section 4. That chapter 34-12 be amended by adding thereto a NEW SECTION to read as  
16 follows:

17 Nothing in this Act or this chapter and the rules promulgated under this chapter prohibits the  
18 following licensure:

- 19 (1) Conversion of a general hospital which has been licensed as a general hospital for at  
20 least five years to a specialized hospital with no more licensed beds than those  
21 licensed as general beds as of the date of conversion;
- 22 (2) Conversion of a rural primary care hospital to a specialized hospital with no more  
23 licensed beds than those licensed immediately before the hospital was licensed as a  
24 rural primary care hospital;
- 25 (3) A specialized hospital which serves as a replacement for an existing specialized

1 hospital for one or more of the following reasons:

2 (a) To eliminate or prevent imminent safety hazards as defined by federal, state,  
3 or local fire, building, or life safety codes or regulations;

4 (b) To comply with state licensure standards;

5 (c) To comply with accreditation or certification standards which shall be met to  
6 receive reimbursement under Title XVIII or XIX of the Social Security Act as  
7 amended to December 31, 1996;

8 (d) To respond to an emergency situation created by a natural disaster such as  
9 tornado, flood, fire, or explosions; or

10 (e) To improve physical conditions which are related to operational or functional  
11 deficiencies.