

**ONE HUNDREDTH LEGISLATURE - SECOND SESSION -
2008**

COMMITTEE STATEMENT

LB765

Hearing Date: January 24, 2008

Committee On: Health and Human Services

Introducer(s): (Gay)

Title: Change provisions relating to certificates of need

Roll Call Vote - Final Committee Action:

Placed on General File with Amendments

Vote Results:

6 Yes Senators Erdman, Gay, Hansen, Howard, Pankonin,
Stuthman

0 No

1 Absent Senator Johnson

0 Present, not voting

Proponents:

Michael Munro
Roger Lempke
Carol Beran
Brady Beran
Marsha Lommel

Representing:

Madonna Rehabilitation Hospital
Self
Madonna Rehabilitation Hospital
Madonna Rehabilitation Hospital
Madonna Rehabilitation Hospital

Opponents:

Brad Sher
Rhondel J. McCann

Representing:

Bryan LGH Medical Center
Bryan LGH Medical Center

Neutral:

Brendon Polt

Representing:

Nebraska Health Care Association

Summary of purpose and/or change:

LB 765 changes provisions relating to certificate of need (CON). The bill amends section 71-5829.03. Current law prohibits any person acting for or on behalf of a health care facility to engage in various activities without first obtaining a certificate of need. Current CON law applies only to (1) the initial establishment of long-term care beds or rehabilitation beds, (2) increases in the number of long-term care beds or rehabilitation beds, and (3) relocation of long-term care beds or rehabilitation beds.

A certificate of need will be required under current law when such activities involve an increase of ten beds or ten percent of the “total bed capacity” over a two-year period, whichever is less.

LB 765 changes provisions relating to an increase in long-term care beds or rehabilitation beds. The bill clarifies that a proposed increase in long-term care beds for purposes of CON will be measured against the current total bed capacity of long-term care beds, and a proposed increase in rehabilitation beds will be measured against the current total bed capacity of rehabilitation beds. A Nebraska court has recently ruled that a proposed increase in either long-term care beds or rehabilitation beds must be measured against the total bed capacity of the facility, including both long-term care beds and rehabilitation beds.

The bill also changes provisions relating to the conversion of hospital beds to long-term care beds or rehabilitation beds. The bill clarifies that a CON will be required for the initial establishment of long-term care beds or rehabilitation beds through conversion of any type of existing hospital bed if the total number of converted beds is more than ten or more than ten percent of the total bed capacity of the facility, whichever is less, over a two-year period.

Explanation of amendments, if any:

The committee amendment (AM 1755) is a technical redrafting of the bill to provide additional clarity. Certificate of need requirements relating to long-term care beds and rehabilitation beds are drafted in separate subsections to clearly distinguish the two classifications and levels of care. The amendment also deletes existing subsections (6) and (7) of section 71-5829.03 as obsolete.

Senator Joel Johnson, Chairperson