

# S.B. NO. 1151

JAN 27 2021

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## A BILL FOR AN ACT

RELATING TO HOSPITAL LICENSING.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The purpose of this Act is to authorize the  
2 department of health to recognize additional nationally  
3 recognized accreditation or certification organizations to  
4 demonstrate a hospital's compliance with all licensing  
5 inspections required by the State. Although hospitals generally  
6 use the Joint Commission for accreditation, other organizations  
7 are available and are accepted by the U.S. Centers for Medicare  
8 and Medicaid Services (CMS). These include but are not limited  
9 to the Accreditation Association for Hospitals and Health  
10 Systems/Healthcare Facilities Accreditation Program, the Center  
11 for Improvement in Healthcare Quality, and DNV GL - Healthcare  
12 National Integrated Accreditation for Healthcare Organizations:

13           SECTION 2. Section 321-14.5, Hawaii Revised Statutes, is  
14 amended to read as follows:

15           "**§321-14.5 Hospitals; licensing.** (a) All hospitals shall  
16 be licensed by the department to ensure the health, safety, and  
17 welfare of the individuals placed therein.

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1 (b) The director shall adopt rules in accordance with  
2 chapter 91 that shall provide for the licensing of hospitals.

3 (c) The rules may provide that accreditation by [~~the joint~~  
4 ~~commission~~] nationally recognized accreditation or certification  
5 organizations demonstrates a hospital's compliance with all  
6 licensing inspections required by the State. The rules may  
7 exempt a hospital from a licensing inspection on a continuing  
8 basis throughout the term of the accreditation or certification  
9 under the following conditions:

10 (1) The hospital provides the department with a certified  
11 copy of the hospital's official accreditation or  
12 certification report [~~from the joint commission on~~  
13 ~~accreditation of healthcare organizations~~];

14 (2) The hospital continuously holds full accreditation or  
15 certification [~~by The Joint Commission~~]; and

16 (3) The hospital holds a current and valid state license.

17 (d) The rules shall provide that the department may  
18 conduct inspections and investigations of exempt hospitals to  
19 investigate complaints, follow up on adverse accreditation  
20 findings, or conduct periodic validation surveys.

21 (e) Information contained in reports of survey and  
22 official accreditation letters made by the [~~the joint commission~~

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1 ~~on accreditation of healthcare organizations]~~ accreditation or  
2 certification organization used in determining compliance with  
3 licensing requirements shall be public information.

4 (f) All other records maintained by the department shall  
5 be governed by chapter 92F."

6 SECTION 3. Statutory material to be repealed is bracketed  
7 and stricken. New statutory material is underscored.

8 SECTION 4. This Act, upon its approval, shall take effect  
9 on July 1, 2021.

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INTRODUCED BY: 

12

BY REQUEST

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**Report Title:**

Hospital Licensing

**Description:**

Authorizes the Department of Health to recognize additional national accreditation or certification organizations.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: HEALTH

TITLE: A BILL FOR AN ACT RELATING TO HOSPITAL LICENSING.

PURPOSE: Authorize the Department of Health to recognize additional nationally recognized accreditation or certification organizations to demonstrate a hospital's compliance with all licensing inspections required by the State.

MEANS: Amend subsection 321-14.5, Hawaii Revised Statutes.

JUSTIFICATION: The U.S. Centers for Medicare and Medicaid Services accepts accreditation and certification standards in addition to the Joint Commission on Accreditation of Healthcare Organizations, including the Accreditation Association for Hospitals and Health Systems/Healthcare Facilities Accreditation Program, the Center for Improvement in Healthcare Quality, and DNV GL National Integrated Accreditation for Healthcare Organizations.

Impact on the public: N/A.

Impact on the department and other agencies: N/A.

GENERAL FUND: N/A.

OTHER FUNDS: N/A.

PPBS PROGRAM DESIGNATION: HTH-720.

OTHER AFFECTED AGENCIES: N/A.

EFFECTIVE DATE: July 1, 2021.