
A BILL FOR AN ACT

RELATING TO AMENDING SECTION 323D-54, HAWAII REVISED STATUTES,
TO EXEMPT THE DEPARTMENT OF HEALTH FROM CERTIFICATE OF NEED
REQUIREMENTS.

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

SECTION 1. Section 323D-54, Hawaii Revised Statutes, is
amended to read as follows:

**"§323D-54 Exemptions from certificate of need
requirements.** Nothing in this part or rules with respect to the
requirement for certificates of need applies to:

(1) Offices of physicians, dentists, or other
practitioners of the healing arts in private practice
as distinguished from organized ambulatory health care
facilities, except in any case of purchase or
acquisition of equipment attendant to the delivery of
health care service and the instruction or supervision
for any private office or clinic involving a total
expenditure in excess of the expenditure minimum;

(2) Laboratories, as defined in section 321-11(12), except
in any case of purchase or acquisition of equipment
attendant to the delivery of health care service and



1 the instruction or supervision for any laboratory
2 involving a total expenditure in excess of the
3 expenditure minimum;

4 (3) Dispensaries and first aid stations located within
5 business or industrial establishments and maintained
6 solely for the use of employees; provided [~~such~~] that
7 those facilities do not regularly provide inpatient or
8 resident beds for patients or employees on a daily
9 twenty-four-hour basis;

10 (4) Dispensaries or infirmaries in correctional or
11 educational facilities;

12 (5) Dwelling establishments, such as hotels, motels, and
13 rooming or boarding houses that do not regularly
14 provide health care facilities or health care
15 services;

16 (6) Any home or institution conducted only for those who,
17 pursuant to the teachings, faith, or belief of any
18 group, depend for healing upon prayer or other
19 spiritual means;

20 (7) Dental clinics;



- 1 (8) Nonpatient areas of care facilities such as parking
2 garages and administrative offices;
- 3 (9) Bed changes that involve ten per cent or ten beds of
4 existing licensed bed types, whichever is less, of a
5 facility's total existing licensed beds within a
6 two-year period;
- 7 (10) Projects that are wholly dedicated to meeting the
8 State's obligations under court orders, including
9 consent decrees, that have already determined that
10 need for the projects exists;
- 11 (11) Replacement of existing equipment with its modern-day
12 equivalent;
- 13 (12) Primary care clinics under the expenditure thresholds
14 referenced in section 323D-2;
- 15 (13) Equipment and services related to that equipment, that
16 are primarily invented and used for research purposes
17 as opposed to usual and customary diagnostic and
18 therapeutic care;
- 19 (14) Capital expenditures that are required:



(A) To eliminate or prevent imminent safety hazards as defined by federal, state, or county fire, building, or life safety codes or regulations;

(B) To comply with state licensure standards;

(C) To comply with accreditation standards, compliance with which is required to receive reimbursements under Title XVIII of the Social Security Act or payments under a state plan for medical assistance approved under Title XIX of ~~such~~ that Act;

(15) Extended care adult residential care homes and assisted living facilities; ~~or~~

(16) Other facilities or services that the agency through the statewide council chooses to exempt, by rules pursuant to section 323D-62~~(-)~~;

(17) Health care facilities operated or services provided by the department of health;

(18) Chronic renal dialysis centers; or

(19) Psychiatric behavioral health services."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.



1 SECTION 3. This Act shall take effect upon its approval.



Report Title:

DOH; SHPDA; Chronic Renal Dialysis Centers; Psychiatric
Behavioral Health Services; Certificate of Need; Exemption

Description:

Exempts health care facilities operated or services provided by
the Department of Health, chronic renal dialysis centers, and
psychiatric behavioral health services from the State Health
Planning and Development Agency's certificate of need
requirements. (SD1)

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not legislation or evidence of legislative intent.*

