

GENERAL ASSEMBLY OF NORTH CAROLINA  
1993 SESSION

CHAPTER 376  
SENATE BILL 950

AN ACT TO REQUIRE THAT ALL NEW HOSPICES RECEIVE A CERTIFICATE  
OF NEED.

The General Assembly of North Carolina enacts:

Section 1. G.S. 131E-176(9b) reads as rewritten:

"(9b) 'Health service facility' means a hospital; psychiatric facility; rehabilitation facility; long term care facility; kidney disease treatment center, including freestanding hemodialysis units; intermediate care facility for the mentally retarded; home health agency office; chemical dependency treatment facility; hospice, hospice inpatient facility, hospice residential care facility; and ambulatory surgical facility."

Sec. 2. G.S. 131E-176(9c) reads as rewritten:

"(9c) 'Health service facility bed' means a bed licensed for use in a health service facility in the categories of (i) acute care beds; (ii) psychiatric beds; (iii) rehabilitation beds; (iv) nursing care beds; (v) intermediate care beds for the mentally retarded; ~~and~~ (vi) chemical dependency treatment ~~beds.~~ beds; (vii) hospice inpatient facility beds; and (viii) hospice residential care facility beds."

Sec. 3. G.S. 131E-176 is amended by inserting the following new subdivisions to read:

"(13b) 'Hospice inpatient facility' means a freestanding licensed hospice facility or a designated inpatient unit in an existing health service facility which provides palliative and supportive medical and other health services to meet the physical, psychological, social, spiritual, and special needs of terminally ill patients and their families in an inpatient setting. For purposes of this Article only, a hospital which has a contractual agreement with a licensed hospice to provide inpatient services to a hospice patient as defined in G.S. 131E-201(4) and provides those services in a licensed acute care bed is not a hospice inpatient facility and is not subject to the requirements in G.S. 131E-176(5)(ii) for hospice inpatient beds.

(13c) 'Hospice residential care facility' means a freestanding licensed hospice facility which provides palliative and supportive medical and other health services to meet the physical, psychological, social, spiritual, and special needs of terminally ill patients and their families in a group residential setting."

Sec. 4. G.S. 131E-176(16)n. reads as rewritten:

"n. The construction, development or other establishment of a ~~hospice if the operating budget thereof is in excess of one hundred thousand dollars (\$100,000).—hospice, hospice inpatient facility, or hospice residential care facility;~~".

Sec. 5. G.S. 131E-201 is amended by inserting the following new subdivisions to read:

"(3a) 'Hospice inpatient facility' means a freestanding licensed hospice facility or a designated inpatient unit in an existing health service facility which provides palliative and supportive medical and other health services to meet the physical, psychological, social, spiritual, and special needs of terminally ill patients and their families in an inpatient setting.

(5a) 'Hospice residential care facility' means a freestanding licensed hospice facility which provides palliative and supportive medical and other health services to meet the physical, psychological, social, spiritual, and special needs of terminally ill patients and their families in a group residential setting.

(5b) 'Hospice services' means the provision of palliative and supportive medical and other health services to meet the physical, psychological, social, spiritual, and special needs of patients and their families, which are experienced during the final stages of terminal illness and during dying and bereavement."

Sec. 6. G.S. 131E-202(a) reads as rewritten:

"(a) The Commission shall adopt rules for the licensing and regulation of ~~hospices~~ hospices, hospice inpatient facilities, and hospice residential care facilities pursuant to this Article for the purpose of providing care, treatment, health, safety, welfare, and comfort of hospice patients. These rules shall include, but not be limited to:

- (1) The qualifications and supervision of licensed and nonlicensed personnel;
- (2) The provision and coordination of home and inpatient care, including the development of a written care plan;
- (3) The management, operation, staffing, and equipping of the hospice program;
- (4) Clinical and business records kept by the ~~hospice;~~ hospice, hospice inpatient care facility, and hospice residential care facility; and
- (5) Procedures for the review of utilization and quality of care."

Sec. 7. G.S. 131E-203 reads as rewritten:

**"§ 131E-203. Coverage.**

(a) Except as provided in subsection (b) of this section, no person or other entity shall operate or represent himself or itself to the public as operating a ~~hospice~~ hospice, a hospice inpatient facility, or a hospice residential care facility, or offer or represent himself or itself to the public as offering hospice services without obtaining a license from the Department pursuant to this Article.

(b) Hospices administered by local health departments established under Article 2 of Chapter 130A of the General Statutes shall not be required to be licensed under this Article. Additionally, health care facilities and agencies licensed under Article 5 or 6 of Chapter 131E of the General Statutes shall not be required to be separately licensed under this Article. However, any facility or agency exempted from licensure ~~as a hospice~~ under this subsection which operates a hospice, a hospice inpatient facility, or a hospice residential care facility, or offers hospice services shall be subject to rules adopted pursuant to this Article.

(c) Hospice care shall be available 24 hours a day, seven days a week."

Sec. 8. This act is effective upon ratification and applies to any person, trust or estate, partnership, corporation, the State, and political subdivisions of the State, or any comparable entity which has not been licensed as a hospice prior to the ratification of this act; provided, however, that if any such person or entity is exempt from the requirement of a certificate of need prior to the ratification of this act pursuant to G.S. 131E-176(16)n. and has made a written request for written interpretation from the Certificate of Need Section of the Division of Facility Services of the Department of Human Resources on or before July 9, 1993, that person or entity shall have 90 days after such written interpretation is issued to apply for a license or otherwise satisfy the provisions of Article 10 of Chapter 131E of the General Statutes to provide hospice services without complying with the provisions of Section 4 of this act. Section 5 of this act shall not apply to any dedicated inpatient hospice unit currently in operation on the date of ratification.

In the General Assembly read three times and ratified this the 17th day of July, 1993.

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Dennis A. Wicker  
President of the Senate

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Daniel Blue, Jr.  
Speaker of the House of Representatives