**South Carolina General Assembly**

125th Session, 2023-2024

**S. 858**

**STATUS INFORMATION**

General Bill

Sponsors: Senators Davis, Garrett, Kimbrell, Setzler and Malloy

Companion/Similar bill(s): 5226

Document Path: SR-0450KM23.docx

Introduced in the Senate on January 9, 2024

Introduced in the House on April 9, 2024

Currently residing in the Senate

Summary: Hospital at Home

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 11/30/2023 Senate Prefiled

 11/30/2023 Senate Referred to Committee on **Medical Affairs**

 1/9/2024 Senate Introduced and read first time (Senate Journal‑page 61)

 1/9/2024 Senate Referred to Committee on **Medical Affairs** (Senate Journal‑page 61)

 1/11/2024 Scrivener's error corrected

 4/4/2024 Senate Committee report: Favorable with amendment **Medical Affairs** (Senate Journal‑page 4)

 4/4/2024 Senate Read second time (Senate Journal‑page 26)

 4/4/2024 Senate Roll call Ayes-40 Nays-0 (Senate Journal‑page 26)

 4/4/2024 Senate Unanimous consent for third reading on next legislative day (Senate Journal‑page 26)

 4/5/2024 Senate Read third time and sent to House (Senate Journal‑page 1)

 4/9/2024 House Introduced and read first time (House Journal‑page 19)

 4/9/2024 House Referred to Committee on **Medical, Military, Public and Municipal Affairs** (House Journal‑page 19)

 4/25/2024 House Committee report: Favorable with amendment **Medical, Military, Public and Municipal Affairs** (House Journal‑page 23)

 5/2/2024 House Debate adjourned until Tues., 5-7-24

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**VERSIONS OF THIS BILL**

[11/30/2023](https://www.scstatehouse.gov/sess125_2023-2024/prever/858_20231130.docx)

[01/11/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/858_20240111.docx)

[04/04/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/858_20240404.docx)

[04/25/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/858_20240425.docx)

Indicates Matter Stricken

Indicates New Matter

Committee Report

April 25, 2024

S. 858

Introduced by Senators Davis, Garrett, Kimbrell, Setzler and Malloy

S. Printed 04/25/24--H.

Read the first time April 09, 2024

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The committee on House Medical, Military, Public and Municipal Affairs

To whom was referred a Bill (S. 858) to amend the South Carolina Code of Laws by amending Section 44‑7‑130, relating to health care facility licensure definitions, so as to add a definition for “acute, etc., respectfully

Report:

That they have duly and carefully considered the same, and recommend that the same do pass with amendment:

 Amend the bill, as and if amended, SECTION 2, by striking Section 44-7-170(A)(4) and (5) and inserting:

 (4) acute hospital care at home programs and services delivered by a licensed acute care hospital. The delivery of acute hospital care at home programs and services by a licensed acute care hospital does not require a written exemption from the department. Additionally, patients enrolled in the hospital care at home program shall not be considered within the licensed bed capacity of the hospital participating in the program.

Amend the bill further, SECTION 4, by striking Section 44-69-75(A), (B), and (C) and inserting:

 Section 44-69-75. (A) A home health agency shall obtain a certificate of need before licensure. Procedures for applying for a certificate must be in accordance with the “State Certification of Need and Health Facility Licensure Act”. No certificate is required for home health agencies providing home health services before July 1, 1980.

 (B)(1) A continuing care retirement community licensed pursuant to Title 37, Chapter 11, may provide home health services and is exempt from subsection (A) if:

 (1)(a) the continuing care retirement community furnishes or offers to furnish home health services only to residents who reside in living units provided by the continuing care retirement community pursuant to a continuing care contract;

 (2)(b) the continuing care retirement community maintains a current license and meets applicable home health agency licensing standards;

 (3)(c) residents of the continuing care retirement community may choose to obtain home health services from other licensed home health agencies.

 (2) Staff from other areas of the continuing care retirement community may deliver the home health services, but at no time may staffing levels in any area of the continuing care retirement community fall below minimum licensing standards or impair the services provided.

 (3) If the continuing care retirement community includes charges for home health services in its base contract, it is prohibited from billing additional fees for those services. Continuing care retirement communities certified for Medicare or Medicaid, or both, must comply with governmental reimbursement requirements concerning charges for home health services.

 (4) For purposes of this subsection “resident”, “living unit”, and “continuing care contract” have the same meanings as provided in Section 37-11-20.

 (C) Subsection (B) applies only to multi-level continuing care retirement communities which incorporate a skilled nursing facility.

 (D) The continuing care retirement community shall not bill in excess of its costs. These costs will be determined on nonfacility-based Medicare and/or Medicaid standards.

Renumber sections to conform.

Amend title to conform.

S.H. DAVIS for Committee.

statement of estimated fiscal impact

Explanation of Fiscal Impact

State Expenditure

This bill exempts acute hospital care at home programs and services delivered by a licensed acute care hospital from CON review. The bill also requires DHEC to promulgate regulations for licensing an acute care hospital’s acute hospital care at home programs and services. DHEC currently administers the CON program and provides written determinations of exemptions. However, pursuant to the provisions of the bill, the delivery of acute hospital care at home programs and services by a licensed acute care hospital does not require a written exemption from DHEC. Additionally, patients enrolled in such a program shall not be considered within the licensed bed capacity of the hospital participating in the program.

**Department of Health and Environmental Control.** The bill requires DHEC to promulgate regulations for licensing the acute hospital care at home programs and services of an acute care hospital. DHEC indicates that this process will include research of acute hospital care at home, drafting reasonable standards for the programs, and undergoing the rulemaking process for the promulgation of regulations. Further, once regulations are promulgated, DHEC will need to inspect programs for compliance and enforce violations. Before beginning inspections, the department will need to develop inspection checklists and guidance and provide training to DHEC staff and the regulated community.

As a result of the additional duties imposed on DHEC, the department will need 1.0 FTE, a Program Coordinator I position. Recurring General Fund expenditures are expected to total $85,902 for salary and fringe for the new FTE, supplies, and contractual costs. Nonrecurring expenditures are expected to total $6,773 for supplies and equipment related to the new position. In total, the bill will increase General Fund expenditures of DHEC by $92,675 in FY 2024-25. Expenses will decrease to $85,902 each year thereafter. DHEC will request a General Fund appropriation increase to cover these expenses.

**Department of Health and Human Services.** DHHS operates South Carolina Healthy Connections (Medicaid), which pays medical bills for eligible low-income families and individuals. Currently, DHHS does not participate in the hospital care at home program. The overall expenditure impact of this bill on DHHS is undetermined and cannot be quantified at this time without the agency undertaking extensive research. However, DHHS estimates that internal system-related costs for tasks such as creating new provider types and implementing claims processing changes will result in a $400,000 increase to General Fund expenses. The agency will need to explore reimbursement methodologies for these services, determine and address provider enrollment, legislative and regulatory issues, utilization management, program integrity, and health equity. Additionally, if implemented, the agency would be required to amend its State Plan, managed care organization contracts, hospital contracts, and other agency vendor contracts. Further, any potential cost savings in hospital expenditures are also undetermined. We will update this fiscal impact statement if the agency provides additional information.

**Medical University of South Carolina.** MUSC is the state's only comprehensive academic health system focused on preserving and optimizing human life through education, research, and patient care. MUSC educates and employs physicians in the state who will be required to adhere to the requirements of this bill. MUSC anticipates that this bill will have no fiscal impact on the agency since the requirements of the bill can be managed within the normal course of business.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

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A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 44‑7‑130, RELATING TO HEALTH CARE FACILITY LICENSURE DEFINITIONS, SO AS TO ADD A DEFINITION FOR “ACUTE HOSPITAL CARE AT HOME”; BY AMENDING SECTION 44‑7‑170, RELATING TO CERTIFICATE OF NEED PROGRAM EXEMPTIONS, SO AS TO EXEMPT ACUTE HOSPITAL CARE AT HOME PROGRAMS AND SERVICES; AND BY ADDING SECTION 44‑7‑267 SO AS TO REQUIRE THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL TO PROMULGATE REGULATIONS FOR LICENSING ACUTE HOSPITAL CARE AT HOME PROGRAMS AND SERVICES.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 44‑7‑130 of the S.C. Code is amended by adding:

 (25) “Acute hospital care at home” means acute‑level hospital care to treat a subset of diagnoses that respond safely and effectively to home‑based acute care, utilizing technology to provide continuous remote patient monitoring and connectivity to the patient and developing in‑home services to ensure the same level of care in the home as in a traditional hospital stay as well as patient safety. Acute hospital care at home must be provided by a hospital licensed in this State pursuant to this article to eligible patients who have provided consent to such care, utilizing a multidisciplinary team to deliver the care.

SECTION 2. Section 44‑7‑170(A) of the S.C. Code is amended to read:

 (A) The following are exempt from Certificate of Need review:

 (1) the relocation of a licensed hospital in the same county in which the hospital is currently located, as long as:

 (a) any Certificate of Need issued to the hospital for a project to be located at the hospital's existing location has been fulfilled, withdrawn, or has expired in accordance with Section 44‑7‑230 and the department's implementing regulations; and

 (b) the proposed site of relocation is utilized in a manner that furthers health care delivery and innovation for the citizens of the State of South Carolina;

 (2) the purchase, merger, or otherwise the acquisition of an existing hospital by another person or health care facility;

 (3) crisis stabilization unit facilities. Notwithstanding subsection (C), crisis stabilization unit facilities will not require a written exemption from the department.;

 (4) acute hospital care at home programs and services delivered by a licensed acute care hospital. The delivery of acute hospital care at home programs and services by a licensed acute care hospital does not require a written exemption from the department. Additionally, patients enrolled in the hospital care at home program shall not be considered within the licensed bed capacity of the hospital participating in the program; and

 (5) a home health agency, as defined in Section 44-69-20(4).

SECTION 3. Article 3, Chapter 7, Title 44 of the S.C. Code is amended by adding:

 Section 44‑7‑267. The department shall promulgate regulations for licensing an acute care hospital's acute hospital care at home programs and services. At a minimum, the regulations must address:

 (1) diagnoses that respond safely and effectively to home‑based acute care;

 (2) patient eligibility criteria and screening requirements, including patient consent;

 (3) multidisciplinary team requirements, including roles and responsibilities of team members;

 (4) standards for continuous remote patient monitoring and connectivity with the patient;

 (5) standards for the development of in‑home services to ensure same level of care in the home as in a traditional hospital stay; and

 (6) standards for patient safety.

SECTION 4. Section 44-69-75 of the S.C. Code is amended to read:

 Section 44-69-75. (A) A home health agency shall obtain a certificate of need before licensure. Procedures for applying for a certificate must be in accordance with the “State Certification of Need and Health Facility Licensure Act”. No certificate is required for home health agencies providing home health services before July 1, 1980.

 (B)(A)(1) A continuing care retirement community licensed pursuant to Title 37, Chapter 11, may provide home health services and is exempt from subsection (A) if:

 (1)(a) the continuing care retirement community furnishes or offers to furnish home health services only to residents who reside in living units provided by the continuing care retirement community pursuant to a continuing care contract;

 (2)(b) the continuing care retirement community maintains a current license and meets applicable home health agency licensing standards;

 (3)(c) residents of the continuing care retirement community may choose to obtain home health services from other licensed home health agencies.

 (2) Staff from other areas of the continuing care retirement community may deliver the home health services, but at no time may staffing levels in any area of the continuing care retirement community fall below minimum licensing standards or impair the services provided.

 (3) If the continuing care retirement community includes charges for home health services in its base contract, it is prohibited from billing additional fees for those services. Continuing care retirement communities certified for Medicare or Medicaid, or both, must comply with governmental reimbursement requirements concerning charges for home health services.

 (4) For purposes of this subsection “resident”, “living unit”, and “continuing care contract” have the same meanings as provided in Section 37-11-20.

 (C)(B) Subsection (B)(A) applies only to multi-level continuing care retirement communities which incorporate a skilled nursing facility.

 (D)(C) The continuing care retirement community shall not bill in excess of its costs. These costs will be determined on nonfacility-based Medicare and/or Medicaid standards.

SECTION 5. This act takes effect upon approval by the Governor.

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