COMMITTEE REPORT

March 22, 2011

**S. 590**

Introduced by Senator McGill

S. Printed 3/22/11--S.

Read the first time February 17, 2011.

**THE COMMITTEE ON MEDICAL AFFAIRS**

To whom was referred a Joint Resolution (S. 590) to exempt the establishment of a Geropsychiatric Distinct Part Unit for Prospective Payment System Exclusion of up to ten beds from the requirement of obtaining, etc., respectfully

**REPORT:**

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

Amend the joint resolution, as and if amended, by striking the resolution in its entirety and inserting:

/A JOINT RESOLUTION

TO ESTABLISH A PILOT PROJECT AT TWO CRITICAL ACCESS HOSPITALS TO ASSESS THE PROVISION OF CARE FOR A DEFINED POPULATION OF PATIENTS AT LEAST SIXTY-FIVE YEARS OLD AND IN NEED OF PSYCHIATRIC CRISIS STABILIZATION SERVICES, TO PROVIDE THE PURPOSE OF THE STUDY, AND TO PROVIDE CERTAIN REQUIREMENT.

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

SECTION 1. (A) Notwithstanding any other provision of law, there is established a pilot project to assess the provision of care for a defined population of patients at least sixty-five years old and in need of psychiatric crisis stabilization services. The pilot project shall be conducted at two Critical Access Hospitals (CAHs) in the state and must be coordinated between the South Carolina Department of Health and Environmental Control (DHEC) and the South Carolina Department of Mental Health. To the extent practicable, the CAHs must be located in different regions of the state with differing racial and socioeconomic demographics.

(B)(1) A CAH desiring to participate in this pilot project shall apply to the DHEC by July 1, 2012. The director of DHEC shall select the two CAHs that participate. In determining the location of the project, the director shall consider population trends, access to services for elderly patients in rural communities in a state of psychiatric crisis, the resources required to provide these services, the impact of increased accessibility on the target population, and the economics of the health care delivery system. The target population shall be patients at least sixty-five years old who present to a study hospital in need of psychiatric crisis stabilization.

(2) The ten beds designated to participate in the project shall be licensed by July 1, 2013. The project must conclude no later than July 1, 2016.

(C) Upon completion of the projects, DHEC and the Department of Mental Health, in consultation with the participating CAHs, shall submit a report with its findings and recommendations to the State Health Planning Committee, established pursuant to Section 44-7-180. The results of the pilot project shall be utilized by the State Health Planning Committee to advise the Board of Health and Environmental Control whether new standards and criteria should be established in the South Carolina Health Plan to change the manner in which the accessibility of psychiatric services is determined for patients at least sixty-five years old who are in a psychiatric crisis situation.

(D) Prior to and throughout the project’s duration, if a participating CAH de-licensed beds prior to the commencement of the project in order to qualify as a CAH, the CAH may re-license up to ten of the original general bed complement in order to establish a Geropsychiatric Distinct Part Unit for Prospective Payment System Exclusion, as defined by the Federal Centers for Medicare and Medicaid Services for the purpose of conducting this project. The CAHs must request a written exemption from DHEC but a certificate of need is not required for participation in the study. The Geropsychiatric District Part Unit must meet all applicable state and federal laws and regulations, including all licensing and certification requirements, and the requirements pertaining to the Emergency Medical Treatment and Active Labor Act.

(E) If the beds established by this pilot project are decertified or the pilot project is closed, the CAH must not operate the beds for any other use. The pilot project beds must not be interchanged or combined with beds of other units and must be physically located on the same site as the hospital.

SECTION 2. This joint resolution takes effect upon approval by the Governor. /

Renumber sections to conform.

Amend title to conform.

HARVEY S. PEELER, JR. for Committee.

**A** **JOINT RESOLUTION**

TO EXEMPT THE ESTABLISHMENT OF A GEROPSYCHIATRIC DISTINCT PART UNIT FOR PROSPECTIVE PAYMENT SYSTEM EXCLUSION OF UP TO TEN BEDS FROM THE REQUIREMENT OF OBTAINING A CERTIFICATE OF NEED.

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

SECTION 1. (A) Notwithstanding any other provision of law, the establishment of a Geropsychiatric Distinct Part Unit for Prospective Payment System (PPS) Exclusion as defined by the Federal Centers for Medicare and Medicaid Services (CMS) of up to ten beds is exempt from the requirement of obtaining a Certificate of Need so long as the Critical Access Hospital (CAH) makes application for the exemption with the Department of Health and Environmental Control by July 1, 2012, and the additional beds are licensed by July 1, 2013.

(B) For purposes of this resolution, a Geropsychiatric Distinct Part Unit is defined as licensed psychiatric beds, primarily for the purpose of providing psychiatric services to patients at least sixty‑five years old, established in a hospital certified by CMS as a CAH. The Geropsychiatric Distinct Part Unit must meet all applicable state and federal laws and regulations, including all department requirements.

(C) A written exemption from the Department of Health and Environmental Control is required prior to the establishment of the unit. If the beds established by this exemption are decertified or the program closed, the CAH shall not operate the beds for any other use. The Geropsychiatric Distinct Part Unit beds must not be interchanged or comingled with beds of other units and must be physically located on the same site as the hospital. A CAH may only participate in one PPS‑exempt psychiatric program. The establishment of the Geropsychiatric Distinct Part Unit does not relieve the CAH from full compliance with all federal and state regulations and requirements pertaining to the Emergency Medical Treatment and Active Labor Act.

SECTION 2. This joint resolution takes effect upon approval by the Governor.

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