

(NEW DRAFT)

SENATE No. 2346

The Commonwealth of Massachusetts

SENATE, DECEMBER 10, 1984.

The committee on Bills In The Third Reading to whom was referred the bill regarding research activities (Senate No. 2324), reports recommending that the same be amended by substituting therefor a new draft entitled "Further Regulating the Determination of Need in Certain Health Care Facilities." (Senate, No. 2346), and that, when so amended, the same will be correctly drawn.

For the Committee

ARTHUR JOSEPH LEWIS, JR.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-four.

AN ACT FURTHER REGULATING THE DETERMINATION OF NEED IN CERTAIN HEALTH CARE FACILITIES.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to immediately regulate determination of need in certain health care facilities, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public health and convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter 717 of the acts of 1981 is hereby amended by strik-
2 ing out section 2 and inserting in place thereof the following
3 section: —

4 *Section 2.* Said section 25C of said chapter 111 is hereby
5 amended by striking out the first paragraph, as so amended,
6 and inserting in place thereof the following paragraph: —

7 Notwithstanding any contrary provisions of law, except as
8 provided in section twenty-five C $\frac{1}{2}$, no person or agency of
9 the commonwealth or any political subdivision thereof shall
10 make substantial capital expenditures for construction of a
11 health care facility or substantially change the service of such
12 facility unless there is a determination by the department that
13 there is need therefor. No such determination of need shall be
14 required for any substantial capital expenditure for construc-
15 tion or any substantial change in service which shall be related
16 solely to the conduct of research in the basic biomedical or
17 applied medical research areas, and shall at no time result
18 in any increase in the clinical bed capacity or outpatient load
19 capacity of a health care facility, and shall at no time be in-
20 cluded within or cause an increase in the gross patient ser-
21 vice revenue of a facility for health care services, supplies,
22 and accommodations, as such revenue shall be defined from
23 time to time in accordance with section thirty-one of chapter
24 six A. Any person undertaking any such expenditure related
25 solely to such research which shall exceed or may reasonably

26 be regarded as likely to exceed one hundred and fifty thou-
27 sand dollars or any such change in service solely related to
28 such research, shall give written notice thereof to the depart-
29 ment and the rate setting commission at least sixty days
30 before undertaking such expenditure or change in service. Said
31 notice shall state that such expenditure or change shall be
32 related solely to the conduct of research in the basic
33 biomedical or applied medical research areas, and shall at no
34 time be included within or result in any increase in the clinical
35 bed capacity or outpatient load capacity of a facility, and shall
36 at no time cause an increase in the gross patient service
37 revenue, as defined in accordance with said section thirty-one
38 of chapter six A, of a facility for health care services, supplies
39 and accommodations. Notwithstanding the preceding three
40 sentences, a determination of need shall be required for any
41 such expenditure or change if the notice required by this sec-
42 tion is not filed in accordance with the requirements of this
43 section, or if the department finds, within sixty days after
44 receipt of said notice, that such expenditure or change will not
45 be related solely to research in the basic biomedical or applied
46 medical research areas, or will result in an increase in the
47 clinical bed capacity or outpatient load capacity of a facility,
48 or will be included within or cause an increase in the gross
49 patient service revenues of a facility. A research exemption
50 granted under the provisions of this section shall not be con-
51 strued as evidence of need in any determination of need
52 proceeding.

