

By Mr. Cusack of Arlington, petition of John F. Cusack relative to exemptions from determination of need requirements. Health Care.

**The Commonwealth of Massachusetts**

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

AN ACT RELATING TO EXEMPTIONS FROM DETERMINATION OF NEED REQUIREMENTS.

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

1 SECTION 1. Chapter 111, Section 25B, as most recently amend-  
2 ed by Chapter 553, Acts of 1982, is hereby further amended by  
3 striking the definition "Substantial Change in Services" and substi-  
4 tuting therefore the following:  
5 "Substantial change in services," a change in service as further  
6 defined by the department, provided however, that the department  
7 shall not define an increase in staff by itself to constitute a substan-  
8 tial change in service unless said increase in staff will result in an  
9 addition to annual operating costs which exceed the expenditure  
10 minimum determined pursuant to this section and that the addition  
11 of an ambulatory health care clinic defined as a facility other than a  
12 physician's private office that provides medical, surgical, and psy-  
13 chiatric care on an organized basis to patients not requiring hospi-  
14 talization by a health care facility shall not constitute a substantial  
15 change in services nor shall capital expenditures for such hospital-  
16 operated ambulatory health care clinic be subject to the definition  
17 of "substantial capital expenditures" in this section; provided  
18 further, that each of the following will be included within the  
19 department's definition of a substantial change in service: (i) the  
20 addition of a service which entails annual operating costs in excess  
21 of the expenditure minimum; and (ii) any increase in bed capacity  
22 of more than four beds; and provided, further, that any decrease in  
23 the level of service offered by a nursing, convalescent or rest home  
24 which does not involve a capital expenditure shall not be subject to  
25 the provisions of sections twenty-five C to twenty-five G, inclusive.

26 Expenditure minimum shall mean, with respect to expenditures  
27 for an increase in staff, or for a change in service, two hundred and  
28 fifty thousand dollars in annual operating costs.

1 SECTION 2. Chapter 111, Section 25C, the text of which is  
2 operative January 30, 1985, as most recently amended by Chapter  
3 553, Acts of 1982, is hereby further amended by striking from the  
4 first paragraph, the following words: "Except as provided in section  
5 twenty-five C ½."

6 Said section is further amended by striking in the third sentence  
7 of the second paragraph the word "and;" and further, by striking  
8 clause (ii) and the sentence that follows.

9 In the third paragraph, first sentence, strike the words, "Except  
10 as provided in section twenty-five C ½."

11 In the fourth paragraph, strike the words: "And shall take into  
12 account the special needs and circumstances of HMOs."

1 SECTION 3. Chapter 111 of the General Laws is hereby  
2 amended by striking, in its entirety, Section twenty-five C ½."

1 SECTION 4. Chapter 176G, as most recently amended by  
2 Chapter 655, Acts of 1983, is further amended by adding the  
3 following new section:

4 *Section 4A.* Every HMO licensed under this chapter shall pro-  
5 vide for membership enrollment, at no premium, for those persons  
6 meeting stated General Relief criteria. In compliance with this  
7 section, no HMO is required to exceed five percent (5%) of its total  
8 enrollment of persons in this category.