
By: **Chairman, Finance Committee (By Request - Departmental - Health
and Mental Hygiene)**

Introduced and read first time: January 16, 2006

Rules suspended

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Care Facilities and Laboratories - Accreditation Organizations and**
3 **Deeming**

4 FOR the purpose of defining the term "health care facility " for the purpose of certain
5 licensing, accreditation, and regulatory provisions to include certain hospitals,
6 health maintenance organizations, freestanding ambulatory care facilities,
7 assisted living facilities, laboratories, home health agencies, and residential
8 treatment centers; authorizing the Secretary of Health and Mental Hygiene to
9 accept all or part of certain reports of certain accreditation organizations as
10 meeting certain licensure and review requirements and to grant a certain
11 deemed status to certain health care facilities; requiring certain accreditation
12 organizations to apply to the Secretary for approval; requiring the Secretary to
13 take certain actions before allowing an accreditation organization to conduct
14 inspections or surveys on behalf of the Department; requiring the Department to
15 establish a certain agreement with the accreditation organization; requiring
16 disclosure to the public of certain reports by approved accreditation
17 organizations; authorizing the Department to conduct certain inspections;
18 authorizing the Secretary to withdraw approval from an accreditation
19 organization or deemed status from a health care facility under certain
20 circumstances; repealing and altering certain provisions of law relating to
21 accreditation and deemed status of certain health care facilities; defining
22 certain terms; making a stylistic change; and generally relating to accreditation
23 and deemed status of certain health care facilities.

24 BY repealing and reenacting, with amendments,
25 Article - Health - General
26 Section 17-202, 19-308, 19-309(b), 19-319(c), 19-323(a), 19-3B-03(d), 19-404,
27 19-1204, 19-1207, and 19-1805
28 Annotated Code of Maryland
29 (2005 Replacement Volume and 2005 Supplement)

30 BY repealing
31 Article - Health - General

1 Section 19-705.1(g)(5)
2 Annotated Code of Maryland
3 (2005 Replacement Volume and 2005 Supplement)

4 BY adding to
5 Article - Health - General
6 Section 19-2301 and 19-2302 to be under the new subtitle "Subtitle
7 23. Accreditation of Health Care Facilities"
8 Annotated Code of Maryland
9 (2005 Replacement Volume and 2005 Supplement)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That the Laws of Maryland read as follows:

12 **Article - Health - General**

13 17-202.

14 (a) (1) The Secretary shall adopt regulations that set standards and
15 requirements for medical laboratories.

16 (2) The regulations shall contain the standards and requirements that
17 the Secretary considers necessary to assure the citizens of this State that medical
18 laboratories provide safe and reliable services.

19 (b) To assure compliance with the standards and requirements adopted in
20 regulations pursuant to this subtitle, the Secretary shall:

21 (1) Conduct an inspection of each medical laboratory for which a license
22 to operate is sought; and

23 (2) Conduct an inspection periodically of each medical laboratory for
24 which a license has been issued.

25 [(c) (1) A medical laboratory accredited by an organization approved by the
26 Secretary shall be deemed to meet the:

27 (i) State's inspection requirements under subsection (b)(2) of this
28 section; or

29 (ii) State's standards under this subtitle if the Secretary
30 determines the standards of the accrediting organization equivalent to the State's
31 requirements.

32 (2) The medical laboratory shall submit the report of the accrediting
33 organization to the Secretary within 30 days of its receipt.

1 (3) The Secretary may inspect a medical laboratory accredited by an
2 organization for the purpose of a complaint investigation or to validate findings of the
3 accrediting organization.]

4 [(d)] (C) (1) In addition to the regulations adopted under subsection (a) of
5 this section, the Secretary shall adopt regulations establishing specific standards for
6 medical laboratories engaged in cytology, including regulations that:

7 (i) Limit the number of slides an individual may examine;

8 (ii) Require that the examination of cytology slides be performed in
9 a medical laboratory that has a license issued by the Secretary;

10 (iii) Prohibit payment to cytotechnologists for the examination of
11 cytology specimens or slides on a piecework basis;

12 (iv) Require cytology laboratories to review no less than 10 percent
13 of all negative gynecological slides;

14 (v) Require that the cytology review be performed by an individual
15 who qualifies as a supervisory cytotechnologist or a pathologist;

16 (vi) Require the individual who directs the laboratory to establish
17 and administer an ongoing quality assurance program using standards acceptable to
18 the Secretary;

19 (vii) Require cytology laboratories to reject unsatisfactorily prepared
20 specimens, make appropriate comments regarding the quality of the specimen, and
21 maintain records on unsatisfactorily prepared specimens for 5 years subject to review
22 by the Department;

23 (viii) Require cytology laboratories to maintain and store for 5 years
24 from the date of examination any slide that was examined;

25 (ix) Require all cytology reports to be retained for at least 10 years;

26 (x) Prohibit any person from sending cytology specimens to a
27 laboratory, including out-of-state laboratories, not licensed by the Department;

28 (xi) Require all individuals who examine gynecological slides
29 acquired from persons in this State to demonstrate satisfactory performance in an
30 approved cytology proficiency testing program; and

31 (xii) Establish any additional standards the Secretary considers
32 necessary to assure that medical laboratories engaged in cytology provide safe and
33 reliable services.

34 (2) The requirements of paragraph (1) of this subsection are in addition
35 to any other relevant provision of this subtitle or relevant regulation adopted in
36 accordance with any other provision of this subtitle governing medical laboratories.

1 [(e)] (D) (1) To assure compliance with standards adopted under subsection
2 [(d)] (C) of this section, the Secretary shall adopt regulations to establish and conduct
3 a cytology proficiency testing program for all cytology personnel that examine
4 gynecological cytology specimens.

5 (2) All cytology proficiency tests under the State cytology proficiency
6 testing program shall be conducted by an employee of the Department of Health and
7 Mental Hygiene who shall:

8 (i) Hand carry all testing materials to the testing site; and

9 (ii) Directly supervise the on-site proficiency testing.

10 (3) A medical laboratory shall pay the Department a fee established by
11 the Secretary to cover the cost of the laboratory's State cytology proficiency testing
12 program under this section.

13 (4) The Secretary shall adopt regulations for the cytology proficiency
14 testing program that:

15 (i) Define satisfactory cytology proficiency testing performance;
16 and

17 (ii) Set standards and requirements that a cytology proficiency
18 testing program must meet before it can be designated an approved program.

19 (5) The Secretary may accept the testing results of an approved cytology
20 proficiency testing program as meeting the cytology proficiency testing requirement
21 of this subtitle.

22 19-308.

23 (a) The Secretary shall adopt reasonable rules and regulations that set
24 standards of services for related institutions, nonaccredited hospitals, and
25 nonaccredited residential treatment centers in the following areas:

26 (1) The care of patients;

27 (2) The medical supervision of patients;

28 (3) The physical environment;

29 (4) Disease control;

30 (5) Sanitation;

31 (6) Safety; and

32 (7) Dietary matters.

1 (b) (1) To assure compliance with the standards adopted under this subtitle,
2 the Secretary shall have an inspection made:

3 (i) Of each related institution, each ACCREDITED HOSPITAL OR
4 nonaccredited hospital, and each ACCREDITED RESIDENTIAL TREATMENT CENTER
5 OR nonaccredited residential treatment center for which a license is sought; and

6 (ii) Periodically of each related institution, each ACCREDITED
7 HOSPITAL OR nonaccredited hospital, and each ACCREDITED RESIDENTIAL
8 TREATMENT CENTER OR nonaccredited residential treatment center for which a
9 license has been issued.

10 [(2) An accredited hospital and an accredited residential treatment center
11 shall be subject to inspections under this subtitle by the Department to:

12 (i) Investigate a complaint in accordance with § 19-309 of this
13 part;

14 (ii) Review compliance with a written progress report or other
15 documentation of corrective action in response to a focused survey submitted by the
16 hospital or residential treatment center to the Joint Commission on Accreditation of
17 Healthcare Organizations in response to a Type I finding that the hospital or
18 residential treatment center is only in partial compliance with the patient care
19 standards established by the Joint Commission on Accreditation of Healthcare
20 Organizations; or

21 (iii) Monitor corrective action, in accordance with § 19-360 of this
22 subtitle, for any serious or life-threatening patient care deficiency identified by the
23 Joint Commission on Accreditation of Healthcare Organizations, Centers for
24 Medicare and Medicaid Services, or the Department.

25 (3) In addition to other provisions of this subsection, an accredited
26 hospital shall be subject to inspections under this subtitle by the Department for
27 reviewing compliance with licensure requirements for risk management, utilization
28 review, and physician credentialing under § 19-319 of this subtitle.

29 (4) When conducting an inspection of an accredited hospital or
30 accredited residential treatment center, the Department shall use the current
31 applicable standards of the Joint Commission on Accreditation of Healthcare
32 Organizations.]

33 [(5)] (2) At least 2 inspections a year of each related institution shall be
34 unannounced.

35 [(6)] (3) The part of a building that contains part of a hospital,
36 residential treatment center, or related institution and any outbuilding are
37 considered part of the facility and are subject to inspection to determine occupancy
38 status for licensing purposes.

1 [(7)] (4) Subject to § 2-1246 of the State Government Article, during
2 each regular session of the General Assembly, the Department shall submit to the
3 General Assembly a report on the inspections.

4 [(8)] (5) (i) An employee of the Department may not inform a hospital,
5 residential treatment center, or related institution of any proposed inspection activity,
6 unless the chief of the employee's division directs the employee to do so.

7 (ii) An employee who violates any provision of this paragraph is
8 guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,000 or
9 imprisonment not exceeding 1 year or both.

10 [(c)] (1) An accredited hospital or accredited residential treatment center
11 shall submit the survey findings of the Joint Commission on Accreditation of
12 Healthcare Organizations within 30 days of receipt by the hospital or the residential
13 treatment center to the Department.

14 (2) Except as provided in paragraph (5) of this subsection, an accredited
15 hospital's or accredited residential treatment center's official accreditation report and
16 any summary of the report, written progress reports, or plans of correction which are
17 submitted to the Secretary are confidential and are not discoverable or admissible as
18 evidence in any civil action.

19 (3) The Secretary shall refer any request for public inspection of a survey
20 report made by the Joint Commission on Accreditation of Healthcare Organizations
21 for an accredited hospital or accredited residential treatment center directly to the
22 hospital or residential treatment center.

23 (4) Upon the written request of any person, within 15 working days, the
24 accredited hospital or accredited residential treatment center shall make available for
25 public inspection the most recent accreditation letter and any Type I
26 recommendations if the Joint Commission on Accreditation of Healthcare
27 Organizations has made a final decision on any appeal by the hospital or residential
28 treatment center of the Type I recommendations.

29 (5) If information is released in accordance with paragraph (4) of this
30 subsection, that information is no longer confidential, but is not discoverable or
31 admissible in any civil action.

32 (6) An accreditation report, including any summary of the report and
33 any information contained in the report, disclosed by a hospital or residential
34 treatment center, the Joint Commission on the Accreditation of Healthcare
35 Organizations, or the Department is not admissible or discoverable in any civil action.

36 (7) If an accredited hospital or accredited residential treatment center
37 willfully fails to comply with the provisions of this subsection, the Secretary may
38 impose a penalty not to exceed \$1,000 a day for each day the violation continues.]

1 19-309.

2 (b) (1) To resolve expeditiously a complaint that alleges the existence of any
3 nonlife-threatening deficiency, the Department may refer the complaint directly to
4 the hospital or residential treatment center.

5 (2) If appropriate, issues relating to the practice of medicine or the
6 licensure or conduct of a health professional shall be referred to the hospital or the
7 residential treatment center and may be referred to the appropriate licensure board
8 for resolution.

9 (3) If the Department determines that the hospital or residential
10 treatment center has not satisfactorily addressed the referred complaint or where the
11 complaint alleges the existence of a life-threatening deficiency, the Department shall
12 conduct an independent investigation. [When conducting its independent
13 investigation, the Department shall use:

14 (i) For an accredited hospital or accredited residential treatment
15 center, the current applicable standards of review of the Joint Commission on
16 Accreditation of Healthcare Organizations;

17 (ii) For a nonaccredited hospital or nonaccredited residential
18 treatment center, the standards adopted by the Secretary under this subtitle;

19 (iii) For an accredited or nonaccredited hospital that is a facility as
20 defined under § 19-319.2 of this subtitle, the requirements of §§ 10-701 through
21 10-709 of this article; and

22 (iv) For an accredited or nonaccredited residential treatment center,
23 the requirements of §§ 10-701 through 10-709 of this article.]

24 19-319.

25 (c) (1) The applicant shall have a certificate of need, as required under
26 Subtitle 1 of this title, for the hospital, residential treatment center, or related
27 institution to be operated.

28 (2) The hospital, residential treatment center, or related institution to be
29 operated shall[:

30 (i) Be an accredited hospital or accredited residential treatment
31 center; or

32 (ii) Meet] MEET the requirements that the Secretary adopts under
33 this subtitle and Subtitle 12 of this title.

34 19-323.

35 (a) (1) Except as provided under [paragraphs (2) and (3)] PARAGRAPH (2) of
36 this subsection, a license for a related institution, AN ACCREDITED HOSPITAL, or a

1 nonaccredited hospital expires on the first anniversary of its effective date, unless the
2 license is renewed for a 1-year term as provided in this section.

3 [(2) A license for an accredited hospital expires when the certificate of
4 accreditation expires.

5 (3)] (2) A license for a nursing facility and an assisted living program as
6 defined under Subtitle 18 of this title shall be for a 2-year term.

7 19-3B-03.

8 (d) [(1) A freestanding ambulatory care facility accredited by an organization
9 approved by the Secretary shall be deemed to meet State licensing requirements.

10 (2) (i) The freestanding ambulatory care facility shall submit the
11 report of the accreditation organization to the Secretary within 30 days of its receipt.

12 (ii) All reports submitted under this paragraph shall be available
13 for public inspection.

14 (3) The Secretary may:

15 (i) Inspect a freestanding ambulatory care facility for the purpose
16 of a complaint investigation;

17 (ii) Inspect a freestanding ambulatory care facility to follow up on a
18 serious problem identified in an accreditation report; and

19 (iii) Annually conduct a survey to validate the findings of
20 accreditation reports.

21 (4)] The Secretary may delegate to the Kidney Disease Commission the
22 Secretary's authority under [paragraph (3) of this subsection] § 19-3B-07 OF THIS
23 SUBTITLE to inspect kidney dialysis centers.

24 19-404.

25 (a) The Department shall adopt rules and regulations that set standards for
26 the care, treatment, health, safety, welfare, and comfort of patients of home health
27 agencies.

28 (b) The rules and regulations shall provide for the licensing of home health
29 agencies and annual license renewal, and shall establish standards that require as a
30 minimum, that all home health agencies:

31 (1) Within 10 days of acceptance of a patient for skilled care, make and
32 record all reasonable efforts to contact a physician to obtain the signed order required
33 under [paragraph (2)] ITEM (2) OF THIS SUBSECTION;

34 (2) That accept patients for skilled care do so only on the signed order of
35 a physician obtained within 28 days after acceptance;

1 (3) Adopt procedures for the administration of drugs and biologicals;

2 (4) Maintain clinical records on all patients accepted for skilled care;

3 (5) Establish patient care policies and personnel policies;

4 (6) Have services available at least 8 hours a day, 5 days a week, and
5 available on an emergency basis 24 hours a day, 7 days a week;

6 (7) Make service available to an individual in need within 24 hours of a
7 referral when stipulated by a physician's order;

8 (8) Have a designated supervisor of patient care who is a full-time
9 employee of the agency and is available at all times during operating hours and
10 additionally as needed; and

11 (9) Have as the administrator of the agency a person who has at least 1
12 year of supervisory experience in hospital management, home health management, or
13 public health program management and who is:

14 (i) A licensed physician;

15 (ii) A registered nurse; or

16 (iii) A college graduate with a bachelor's degree in a health-related
17 field.

18 (c) The rules and regulations may include provisions that:

19 (1) Deal with the establishment of home health agencies;

20 (2) Require each home health agency to have its policies established by a
21 professional group that includes at least:

22 (i) 1 physician;

23 (ii) 1 registered nurse;

24 (iii) 1 representative of another offered service; and

25 (iv) 1 public member;

26 (3) Govern the services provided by the home health agencies;

27 (4) Require keeping clinical records of each patient, including the plan of
28 treatment to be provided;

29 (5) Govern supervision of the services, as appropriate, by:

30 (i) A physician;

- 1 (ii) A registered nurse; or
- 2 (iii) Another health professional who is qualified sufficiently by
3 advanced training to supervise the same kind of services in a hospital; and
- 4 (6) Require submission of an annual report which includes service
5 utilization statistics.
- 6 [(d) (1) A home health agency accredited by an organization approved by the
7 Secretary shall be deemed to meet State licensing regulations.
- 8 (2) (i) The home health agency shall submit the report of the
9 accreditation organization to the Secretary within 30 days of its receipt.
- 10 (ii) All reports submitted under this paragraph shall be available
11 for public inspection.
- 12 (3) The Secretary may:
- 13 (i) Inspect the home health agency for the purpose of a complaint
14 investigation;
- 15 (ii) Inspect the home health agency to follow up on a serious
16 problem identified in an accreditation organization's report; and
- 17 (iii) Annually, conduct a survey of up to 5 percent of all home health
18 agencies in the State to validate the findings of an accreditation organization's
19 report.]
- 20 [(e) (D) The provisions of this section do not waive the requirement for a
21 home health agency to obtain a certificate of need.
- 22 19-705.1.
- 23 (g) [(5) (i) The Secretary may accept all or part of a report of an approved
24 accrediting organization as meeting the external review requirements under this
25 subtitle.
- 26 (ii) Except as provided in subparagraph (iii) of this paragraph, a
27 report of an approved accrediting organization used by the Department as meeting
28 the external review requirements under this subtitle shall be made available to the
29 public on request.
- 30 (iii) The Department may not disclose and shall treat as
31 confidential all confidential commercial and financial information contained in a
32 report of an approved accrediting organization in accordance with § 10-617(d) of the
33 State Government Article.
- 34 (iv) The Department may inspect a facility of a health maintenance
35 organization to:

- 1 1. Determine compliance with any quality requirement
2 established under this subtitle;
- 3 2. Follow up on a serious problem identified by an approved
4 accrediting organization; or
- 5 3. Investigate a complaint.]

6 19-1204.

7 [(a)] A comprehensive rehabilitation facility shall[:

8 (1) Provide only rehabilitation programs that have been accredited by
9 and meet the standards of the Commission on Accreditation of Rehabilitation
10 Facilities;

11 (2) Authorize the Commission on Accreditation of Rehabilitation
12 Facilities to release to the Secretary any information obtained by the Commission on
13 Accreditation of Rehabilitation Facilities during:

14 (i) The accreditation process; and

15 (ii) Any inspection; and

16 (3) Meet any other standard that the Secretary may adopt by regulation.

17 (b) To allow a comprehensive rehabilitation facility to achieve accreditation by
18 the Commission on Accreditation of Rehabilitation Facilities as required by
19 subsection (a) of this section for any rehabilitation program that the facility provides,
20 the Secretary may waive the accreditation requirement for the facility for no more
21 than 2 years from:

22 (1) July 1, 1986; or

23 (2) The date on which the facility begins operation] MEET ANY
24 STANDARD THAT THE SECRETARY ADOPTS BY REGULATION.

25 19-1207.

26 (a) A person may not hold himself out as providing a complete array of
27 rehabilitation services unless the person provides comprehensive physical
28 rehabilitation services.

29 (b) A health care facility may not provide or hold itself out as providing any
30 specialized rehabilitation program unless[:

31 (1) The program has been accredited by the Commission on
32 Accreditation of Rehabilitation Facilities to provide the particular specialized
33 rehabilitation program; or

1 (2) The facility is applying for accreditation from the Commission on
2 Accreditation of Rehabilitation Facilities under § 19-1204(b) of this subtitle to
3 provide the particular specialized rehabilitation program] THE FACILITY IS
4 LICENSED BY THE DEPARTMENT.

5 (c) A person may not provide comprehensive physical rehabilitation services
6 unless the person meets the requirements of this subtitle.

7 19-1805.

8 (a) The Department shall:

9 (1) Define different levels of assisted living according to the level of care
10 provided;

11 (2) Require all assisted living programs to be licensed to operate
12 according to the level of the program;

13 (3) Develop a waiver process for authorizing an assisted living program
14 to continue to care for an individual whose medical or functional condition has
15 changed since admission to the program to an extent that the level of care required by
16 the individual exceeds the level of care for which the program is licensed;

17 (4) Promote affordable and accessible assisted living programs
18 throughout the State;

19 (5) Establish and enforce quality standards for assisted living programs;

20 (6) Require periodic inspections of assisted living program facilities,
21 including at least an annual unannounced on-site inspection;

22 (7) Establish requirements for the qualifications or training or both of
23 assisted living program employees;

24 (8) Establish a "resident bill of rights" for residents of assisted living
25 program facilities; and

26 (9) Define which, if any, assisted living programs may be exempt from
27 the requirements of § 19-311 of this title.

28 [(b) (1) (i) The Secretary may accept all or part of a report of an approved
29 accrediting organization as meeting the State licensing requirements for renewal of a
30 license to operate an assisted living facility program.

31 (ii) The Secretary may not accept all or part of a report of an
32 approved accrediting organization as meeting the State licensing requirements for an
33 initial license to operate an assisted living facility program.

34 (2) (i) The assisted living facility program shall submit the report of
35 an accrediting organization to the Secretary within 30 days of the receipt of the report
36 by the assisted living facility program.

1 (ii) The report of an accrediting organization used by the
2 Department as meeting the State licensing requirements for renewal of a license to
3 operate an assisted living facility program shall be made available to the public on
4 request.

5 (3) The Secretary may inspect an assisted living facility program to:

6 (i) Investigate a complaint;

7 (ii) Follow up on a serious problem identified by an approved
8 accrediting organization; or

9 (iii) Validate findings of an approved accrediting organization.]

10 [(c)] (B) (1) The Department, in consultation with representatives of the
11 affected industry and advocates for residents of the facilities and with the approval of
12 the Department of Aging and the Department of Human Resources, shall adopt
13 regulations to implement this subtitle.

14 (2) The regulations adopted under paragraph (1) of this subsection shall:

15 (i) Provide for the licensing of assisted living programs and the
16 renewal of licenses;

17 (ii) Require the Secretary to charge fees in a manner that will
18 produce funds not to exceed the actual direct and indirect costs to the Department for
19 inspecting assisted living program facilities and maintaining the licensure program
20 for assisted living programs under this subtitle;

21 (iii) Require the Department, during a survey or other inspection of
22 an assisted living program, to review the number of waivers granted to the program
23 under subsection (a)(3) of this section and determine whether a change in the
24 program's licensure status is warranted; and

25 (iv) Require an assisted living program facility to post in a
26 conspicuous place visible to actual and potential residents of the facility and other
27 interested parties:

28 1. A. Its statement of deficiencies for the most recent
29 survey;

30 B. Any subsequent complaint investigations conducted by
31 federal, State, or local surveyors; and

32 C. Any plans of correction in effect with respect to the survey
33 or complaint investigation; or

34 2. A notice of the location, within the facility, of the items
35 listed in item 1 of this item.

SUBTITLE 23. ACCREDITATION OF HEALTH CARE FACILITIES.

19-2301.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "ACCREDITATION ORGANIZATION" MEANS A PRIVATE ENTITY THAT CONDUCTS INSPECTIONS AND SURVEYS OF HEALTH CARE FACILITIES BASED ON NATIONALLY RECOGNIZED AND DEVELOPED STANDARDS.

(C) "DEEMED STATUS" MEANS A STATUS UNDER WHICH A HEALTH CARE FACILITY MAY BE EXEMPT FROM ROUTINE SURVEYS CONDUCTED BY THE DEPARTMENT.

(D) "HEALTH CARE FACILITY" MEANS:

(1) A HOSPITAL AS DEFINED IN § 19-301(B) OF THIS TITLE;

(2) A HEALTH MAINTENANCE ORGANIZATION AS DEFINED IN § 19-701(G) OF THIS TITLE;

(3) A FREESTANDING AMBULATORY CARE FACILITY AS DEFINED IN § 19-3B-01 OF THIS TITLE;

(4) AN ASSISTED LIVING FACILITY AS DEFINED IN § 19-1801 OF THIS TITLE;

(5) A LABORATORY AS DEFINED IN § 17-201 OF THIS ARTICLE;

(6) A HOME HEALTH AGENCY AS DEFINED IN § 19-401 OF THIS TITLE;

(7) A RESIDENTIAL TREATMENT CENTER AS DEFINED IN § 19-301 OF THIS TITLE; AND

(8) A COMPREHENSIVE REHABILITATION FACILITY AS DEFINED IN § 19-1201 OF THIS TITLE.

19-2302.

(A) ACCREDITATION ORGANIZATIONS SHALL APPLY TO THE SECRETARY FOR APPROVAL.

(B) PRIOR TO APPROVAL OF AN ACCREDITATION ORGANIZATION, THE SECRETARY SHALL:

(1) DETERMINE THAT THE STANDARDS OF THE ACCREDITATION ORGANIZATION ARE EQUAL TO OR MORE STRINGENT THAN EXISTING STATE REQUIREMENTS;

1 (2) EVALUATE THE SURVEY OR INSPECTION PROCESS OF THE
2 ACCREDITATION ORGANIZATION TO ENSURE THE INTEGRITY OF THE SURVEY
3 PROCESS; AND

4 (3) ENTER INTO A FORMAL WRITTEN AGREEMENT WITH THE
5 ACCREDITATION ORGANIZATION THAT INCLUDES REQUIREMENTS FOR:

6 (I) NOTICE OF ALL SURVEYS AND INSPECTIONS;

7 (II) SHARING OF COMPLAINTS AND OTHER RELEVANT
8 INFORMATION;

9 (III) PARTICIPATION OF THE DEPARTMENT IN ACCREDITATION
10 ORGANIZATION ACTIVITIES; AND

11 (IV) ANY OTHER PROVISION NECESSARY TO ENSURE THE
12 INTEGRITY OF THE ACCREDITATION AND LICENSURE PROCESS.

13 (C) (1) WHEN AN APPROVED ACCREDITATION ORGANIZATION HAS ISSUED A
14 FINAL REPORT FINDING A HEALTH CARE FACILITY TO BE IN SUBSTANTIAL
15 COMPLIANCE WITH THE ACCREDITATION ORGANIZATION'S STANDARDS, THE
16 DEPARTMENT SHALL ACCEPT THE REPORT AS EVIDENCE THAT THE HEALTH CARE
17 FACILITY HAS MET STATE LICENSURE REQUIREMENTS AND SHALL GRANT THE
18 HEALTH CARE FACILITY DEEMED STATUS.

19 (2) A HEALTH CARE FACILITY THAT FAILS TO ACHIEVE SUBSTANTIAL
20 COMPLIANCE WITH THE STANDARDS OF AN APPROVED ACCREDITATION
21 ORGANIZATION MAY BE SUBJECT TO THE PROVISIONS OF § 19-360 OF THIS TITLE.

22 (D) (1) AN APPROVED ACCREDITATION ORGANIZATION SHALL SEND THE
23 DEPARTMENT ANY PRELIMINARY AND FINAL REPORT OF EACH INSPECTION AND
24 SURVEY AT THE TIME IT IS SENT TO THE HEALTH CARE FACILITY.

25 (2) A FINAL REPORT OF AN APPROVED ACCREDITATION ORGANIZATION
26 SHALL BE MADE IMMEDIATELY AVAILABLE TO THE PUBLIC ON REQUEST.

27 (3) A PRELIMINARY OR FINAL REPORT OF AN APPROVED
28 ACCREDITATION ORGANIZATION IS NOT ADMISSIBLE IN EVIDENCE IN ANY CIVIL
29 ACTION OR PROCEEDING.

30 (E) THE DEPARTMENT MAY INSPECT AN ACCREDITED HEALTH CARE
31 FACILITY TO:

32 (1) DETERMINE COMPLIANCE WITH ANY QUALITY REQUIREMENT;

33 (2) FOLLOW UP ON ANY SERIOUS PROBLEM IDENTIFIED BY AN
34 APPROVED ACCREDITATION ORGANIZATION;

35 (3) INVESTIGATE A COMPLAINT;

1 (4) PARTICIPATE IN OR OBSERVE A SURVEY OF AN APPROVED
2 ACCREDITATION ORGANIZATION; OR

3 (5) VALIDATE THE FINDINGS OF AN APPROVED ACCREDITATION
4 ORGANIZATION.

5 (F) ON A DETERMINATION BY THE SECRETARY THAT AN APPROVED
6 ACCREDITATION ORGANIZATION HAS FAILED TO MEET ITS OBLIGATIONS UNDER
7 THIS SECTION, THE SECRETARY MAY WITHDRAW:

8 (1) THE APPROVAL FROM THE ACCREDITATION ORGANIZATION; AND

9 (2) THE DEEMED STATUS GIVEN TO A HEALTH CARE FACILITY BY THE
10 ACCREDITED ORGANIZATION.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
12 effect October 1, 2006.