



SENATE BILL 1369

By Watson

AN ACT to amend Tennessee Code Annotated, Title 4;
Title 33; Title 68; Title 71 and Chapter 985 of the
Public Acts of 2024, relative to certificates of need.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Chapter 985 of the Public Acts of 2024, is amended by deleting SECTION 22 and substituting:

SECTION 22. Tennessee Code Annotated, Section 68-11-1602(10)(B), is amended by adding the following as a new subdivision:

() An acute care hospital;

SECTION 23. Tennessee Code Annotated, Section 68-11-1602, is amended by adding the following as a new subdivision:

() "Acute care hospital" means a hospital with a primary focus on patients with an average length of stay of twenty-five (25) days or less;

SECTION 24. Tennessee Code Annotated, Section 68-11-1607, is amended by adding the following as a new subsection:

() This part does not require a certificate of need to establish or operate an acute care hospital.

SECTION 25. For the purpose of promulgating rules, this act takes effect upon becoming a law, the public welfare requiring it. For all other purposes:

(1) Sections 11 and 18-21 take effect July 1, 2024, the public welfare requiring it;

(2) Sections 1 and 2 take effect July 1, 2025, the public welfare requiring it;

(3) Sections 3-8 take effect December 1, 2025, the public welfare requiring it;

(4) Sections 9, 10, and 12-15 take effect December 1, 2027, the public welfare requiring it;

(5) Sections 16 and 17 take effect December 1, 2029, the public welfare requiring it; and

(6) Sections 22-24 take effect July 1, 2028, the public welfare requiring it.

SECTION 2. This act takes effect upon becoming a law, the public welfare requiring it.

Amendment No. 1 to SB1369

Crowe
Signature of Sponsor

AMEND Senate Bill No. 1369

House Bill No. 819*

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Section 68-11-1602(10)(B), is amended by adding the following as a new subdivision:

() An acute care hospital;

SECTION 2. Tennessee Code Annotated, Section 68-11-1602, is amended by adding the following as a new subdivision:

() "Acute care hospital" means a hospital with a primary focus on patients with an average length of stay of twenty-five (25) days or less;

SECTION 3. Tennessee Code Annotated, Section 68-11-1607, is amended by adding the following as a new subsection:

() This part does not require a certificate of need to establish or operate an acute care hospital.

SECTION 4. Tennessee Code Annotated, Section 68-11-204(a)(1), is amended by adding the following as a new subdivision:

() Acute care hospital;

SECTION 5. Tennessee Code Annotated, Section 68-11-202(a)(1), is amended by adding "acute care hospitals," immediately preceding "recuperation centers".

SECTION 6. For the purpose of promulgating rules, this act takes effect upon becoming a law, the public welfare requiring it. For all other purposes, this act takes effect July 1, 2030, the public welfare requiring it.

Amendment No. 2 to SB1369

Crowe
Signature of Sponsor

AMEND Senate Bill No. 1369

House Bill No. 819*

by inserting the following as new, appropriately designated sections immediately preceding the effective date section, and redesignating the effective date section accordingly:

SECTION __. Tennessee Code Annotated, Section 68-11-1602(10)(B), is amended by adding the following as a new subdivision:

() A satellite emergency department;

SECTION __. Tennessee Code Annotated, Section 68-11-1607(a)(6), is amended by deleting the subdivision and substituting:

(6) Except as provided in subsection (x), the establishment of a satellite inpatient facility by a hospital at a location other than the hospital's main campus.

SECTION __. Tennessee Code Annotated, Section 68-11-1607(x)(1), is amended by deleting "and subject to subdivision (x)(3),".

SECTION __. Tennessee Code Annotated, Section 68-11-1607(x)(3), is amended by deleting the subdivision.

SECTION __. Tennessee Code Annotated, Section 68-11-1607(y), is amended by deleting the subsection.

SECTION __. Tennessee Code Annotated, Section 68-11-204(a)(1), is amended by adding the following as a new subdivision:

() Satellite emergency department;

SECTION __. Tennessee Code Annotated, Section 68-11-204, is amended by adding the following as a new subsection:

() A person or entity shall not establish or operate a satellite emergency department unless the satellite emergency department is licensed as an outpatient department of a hospital licensed under this title.

SECTION __. Tennessee Code Annotated, Section 68-11-205(g)(1)(A)(iii), is amended by deleting the subdivision.

SECTION __. Tennessee Code Annotated, Section 68-11-202(a)(1), is amended by adding "satellite emergency departments," immediately preceding "recuperation centers".

Amendment No. 3 to SB1369

Crowe
Signature of Sponsor

AMEND Senate Bill No. 1369

House Bill No. 819*

by inserting the following as new, appropriately designated sections immediately preceding the effective date section, and redesignating the effective date section accordingly:

SECTION __. Tennessee Code Annotated, Section 68-11-1602(10)(B), is amended by adding the following as a new subdivision:

() An agency, institution, facility, or place, whether publicly or privately owned or operated, that provides cardiac catheterization;

SECTION __. Tennessee Code Annotated, Section 68-11-1607(a)(3)(E), is amended by deleting the subdivision.

SECTION __. Tennessee Code Annotated, Section 68-11-204(a)(1), is amended by adding the following as a new subdivision:

() Cardiac catheterization;

SECTION __. Tennessee Code Annotated, Section 68-11-204, is amended by adding the following as a new subsection:

()

(1) A person or entity shall not initiate or provide cardiac catheterization services unless the facility providing such services is licensed as an outpatient department of a hospital licensed under this title.

(2) Subdivision () (1) does not apply to a facility providing cardiac catheterization services that was in operation as of the effective date of this act.

SECTION __. Tennessee Code Annotated, Section 68-11-202(a)(1), is amended by adding "cardiac catheterizations," immediately preceding "recuperation centers".

Amendment No. 8 to HB0819

Williams
Signature of Sponsor

AMEND Senate Bill No. 1369

House Bill No. 819*

by inserting the following immediately preceding the effective date section and redesignating the effective date section accordingly:

SECTION __. Tennessee Code Annotated, Title 68, Chapter 11, Part 2, is amended by adding the following as a new section:

(a) As used in this section, "acute care hospital" means a hospital with a primary focus on patients with an average length of stay of twenty-five (25) days or less.

(b) In addition to licensing standards and requirements applicable to all acute care hospitals, the commission is authorized to adopt by rule licensing standards as described in this subsection (b) for acute care hospitals licensed on or after July 1, 2030. Such standards must include, at a minimum, requirements that an acute care hospital:

(1) Participate in the TennCare medical assistance program and provide an amount of care to patients who are TennCare enrollees that is comparable to similarly situated acute care hospitals; and

(2) Provide an amount of charity care that is comparable to similarly situated acute care hospitals.

(c) In developing licensing standards pursuant to this section, the commission shall complete a report by January 1, 2031, that includes a compilation of payor mix information by geographical area and type of medical treatment or procedure. The payor mix information must include percentages of patients who are TennCare enrollees, medicare patients, or charity care patients. The report must be developed with participation from and input of various stakeholders, including existing acute care

hospitals, physicians, nonprofit hospitals, rural hospitals, investor-owned hospitals, and others at the discretion of the commission.

Amendment No. 9 to HB0819

Garrett
Signature of Sponsor

AMEND Senate Bill No. 1369

House Bill No. 819*

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Section 68-11-1602(10)(B), is amended by adding the following as a new subdivision:

() An acute care hospital;

SECTION 2. Tennessee Code Annotated, Section 68-11-1602, is amended by adding the following as a new subdivision:

() "Acute care hospital" means a hospital with a primary focus on patients with an average length of stay of twenty-five (25) days or less;

SECTION 3. Tennessee Code Annotated, Section 68-11-1607, is amended by adding the following as a new subsection:

() This part does not require a certificate of need to establish or operate an acute care hospital.

SECTION 4. Tennessee Code Annotated, Section 68-11-204(a)(1), is amended by adding the following as a new subdivision:

() Acute care hospital;

SECTION 5. Tennessee Code Annotated, Section 68-11-202(a)(1), is amended by adding "acute care hospitals," immediately preceding "recuperation centers".

SECTION 6. Tennessee Code Annotated, Section 68-11-1602(10)(B), is amended by adding the following as a new subdivision:

() A satellite emergency department;

SECTION 7. Tennessee Code Annotated, Section 68-11-1607(a)(6), is amended by deleting the subdivision and substituting:

(6) Except as provided in subsection (x), the establishment of a satellite inpatient facility by a hospital at a location other than the hospital's main campus.

SECTION 8. Tennessee Code Annotated, Section 68-11-1607(x)(1), is amended by deleting "and subject to subdivision (x)(3),".

SECTION 9. Tennessee Code Annotated, Section 68-11-1607(x)(3), is amended by deleting the subdivision.

SECTION 10. Tennessee Code Annotated, Section 68-11-1607(y), is amended by deleting the subsection.

SECTION 11. Tennessee Code Annotated, Section 68-11-204(a)(1), is amended by adding the following as a new subdivision:

() Satellite emergency department;

SECTION 12. Tennessee Code Annotated, Section 68-11-204, is amended by adding the following as a new subsection:

() A person or entity shall not establish or operate a satellite emergency department unless the satellite emergency department is licensed as an outpatient department of a hospital licensed under this title.

SECTION 13. Tennessee Code Annotated, Section 68-11-205(g)(1)(A)(iii), is amended by deleting the subdivision.

SECTION 14. Tennessee Code Annotated, Section 68-11-202(a)(1), is amended by adding "satellite emergency departments," immediately preceding "recuperation centers".

SECTION 15. Tennessee Code Annotated, Section 68-11-1602(10)(B), is amended by adding the following as a new subdivision:

() An agency, institution, facility, or place, whether publicly or privately owned or operated, that provides cardiac catheterization;

SECTION 16. Tennessee Code Annotated, Section 68-11-1607(a)(3)(E), is amended by deleting the subdivision.

SECTION 17. Tennessee Code Annotated, Section 68-11-204(a)(1), is amended by adding the following as a new subdivision:

() Cardiac catheterization;

SECTION 18. Tennessee Code Annotated, Section 68-11-204, is amended by adding the following as a new subsection:

()

(1) A person or entity shall not initiate or provide cardiac catheterization services unless the facility providing such services is licensed as an outpatient department of a hospital licensed under this title.

(2) Subdivision () (1) does not apply to a facility providing cardiac catheterization services that was in operation as of the effective date of this act.

SECTION 19. Tennessee Code Annotated, Section 68-11-202(a)(1), is amended by adding "cardiac catheterizations," immediately preceding "recuperation centers".

SECTION 20.

(a) For the purpose of promulgating rules, this act takes effect upon becoming a law, the public welfare requiring it.

(b) For all other purposes:

(1) Sections 1-5 take effect July 1, 2030, the public welfare requiring it;

(2) Sections 6-19 take effect July 1, 2028, the public welfare requiring it;

and

(3) The remainder of this act takes effect upon becoming a law, the public welfare requiring it.