

**Sixty-seventh Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 5, 2021**

SENATE BILL NO. 2334
(Senators Myrdal, Klein, Kreun)
(Representatives Dockter, Porter, Richter)

AN ACT to create and enact chapter 23-17.6 of the North Dakota Century Code, relating to the registration of extended stay centers.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Chapter 23-17.6 of the North Dakota Century Code is created and enacted as follows:

23-17.6-01. Definitions.

In this chapter, unless the context and subject matter otherwise require:

1. "Department" means the state department of health.
2. "Extended stay center" means a facility that provides extended stay services.
3. "Extended stay services" means postsurgical and postdiagnostic medical and nursing services provided to a patient recovering from a surgical procedure performed in an ambulatory surgical center.
4. "Operating room" has the meaning given that term in rules adopted by the health council.

23-17.6-02. Registration required - Rules.

A person may not conduct, maintain, or operate an extended stay center without a certificate of registration issued by the department. The health council shall adopt rules for the application, issuance, and renewal of a certificate of registration.

23-17.6-03. Issuance and renewal of certificate of registration - Evaluation.

Upon receipt of an initial or renewal certificate application, the department or the department's authorized agent shall evaluate the extended stay center. If minimum standards described in section 23-17.6-04 are met, the department shall issue the certificate.

23-17.6-04. Standards of registration.

1. An extended stay center shall meet the following minimum standards for registration:
 - a. Must be affiliated with one or more facilities certified by the centers for Medicare and Medicaid services as an ambulatory surgical center;
 - b. Must have no more than two recovery beds for each operating room in the affiliated ambulatory surgical center, not to exceed a total of sixteen recovery beds;
 - c. Shall discharge patients within forty-eight hours from the time of admission to the extended stay center;
 - d. Shall conform to all patient safety and facility requirements adopted by the health council by rule;
 - e. Shall use admission criteria based only on the extended stay center's:
 - (1) Medical screening criteria;

- (2) Evidence-based surgery guidelines; or
- (3) Patient safety standards;
- f. Orally and in writing, shall clearly notify patients with Medicare coverage of the services provided by the extended stay center which are not covered by Medicare; and
- g. Shall report data and metrics to the department as prescribed by rule, including the:
 - (1) Types of procedures performed at the affiliated ambulatory surgical center for which patients are transferred to the extended stay center for recovery;
 - (2) Average duration of patient stays at the extended stay center;
 - (3) Medical acuity of the patients served by the extended stay center; and
 - (4) Frequency and cause of patient transfers from the extended stay center to a hospital.
- 2. An extended stay center only may accept a patient from an ambulatory surgical center. Each ambulatory surgical center must:
 - a. Be separated physically from the extended stay center operations;
 - b. Have demonstrated safe operating procedures in an outpatient surgery setting for no less than twenty-four consecutive months; and
 - c. Be certified by the centers for Medicare and Medicaid services as participating in the ambulatory surgical center quality reporting program administered by the centers for Medicare and Medicaid services.

23-17.6-05. Denial, suspension, or revocation of certificate of registration.

The department may deny, suspend, or revoke the certificate of registration of an extended stay center for noncompliance with this chapter in accordance with the administrative hearing provisions of chapter 28-32.

23-17.6-06. Rulemaking.

The health council shall adopt necessary rules relating to the extended stay centers, including rules governing:

- 1. Licensure qualifications of professional and ancillary personnel;
- 2. Standards for the organization and quality of patient care performed at the extended stay center;
- 3. Procedures for maintaining records;
- 4. Procedures for application, issuance, and renewal of certificate of registration;
- 5. Procedures for denial, suspension, or revocation of certificate of registration; and
- 6. Reviews of registered extended stay centers.

23-17.6-07. Application and renewal fees.

The department shall adopt by rule the fee for registering an extended stay center, not to exceed an application fee of fifteen thousand dollars and an annual renewal fee of fifteen thousand dollars.

23-17.6-08. Reviews of extended stay center.

Before the issuance or renewal of an extended stay center certificate of registration, the department shall inspect the extended stay center for compliance with the standards established under this chapter. To the maximum extent possible, the department shall coordinate reviews made under this chapter with those made for the purposes of determining compliance with other licensing or registration requirements.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-seventh Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2334.

Senate Vote: Yeas 44 Nays 3 Absent 0

House Vote: Yeas 90 Nays 4 Absent 0

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2021.

Approved at _____ M. on _____, 2021.

Governor

Filed in this office this _____ day of _____, 2021,

at _____ o'clock _____ M.

Secretary of State