

[23 R.I. Gen. Laws § 23-15-2.]

§ 23-15-2. Definitions: Health Care Certificate of Need Act of Rhode Island

As used in this chapter:

(1) "Affected person" means and includes the person whose proposal is being reviewed, or the applicant, health-care facilities located within the state that provide institutional health services, the state medical society, the state osteopathic society, those voluntary nonprofit area-wide planning agencies that may be established in the state, the state budget office, the office of health insurance commissioner, any hospital or medical-service corporation organized under the laws of the state, the statewide health coordinating council, contiguous health-systems agencies, and those members of the public who are to be served by the proposed, new, institutional health services or new health-care equipment.

(2) "Cost-impact analysis" means a written analysis of the effect that a proposal to offer or develop new, institutional health services or new health-care equipment, if approved, will have on health-care costs and shall include any detail that may be prescribed by the state agency in rules and regulations.

(3) "Director" means the director of the Rhode Island state department of health.

(4)(i) "Health-care facility" means any institutional health-service provider, facility or institution, place, building, agency, or portion of them, whether a partnership or corporation, whether public or private, whether organized for profit or not, used, operated, or engaged in providing health-care services that are limited to hospitals, nursing facilities, home nursing-care provider, home-care provider, hospice provider, inpatient rehabilitation centers (including drug and/or alcohol abuse treatment centers), freestanding, emergency-care facilities as defined in § 23-17-2, certain facilities providing surgical treatment to patients not requiring hospitalization (surgi-centers, multi-practice, physician ambulatory-surgery centers and multi-practice, podiatry ambulatory-surgery centers) and facilities providing inpatient hospice care. Single-practice physician or podiatry ambulatory-surgery centers (as defined in subdivisions 23-17-2(16) and 23-17-2(17), respectively) are exempt from the requirements of chapter 15 of this title; provided, however, that such exemption shall not apply if a single-practice physician or podiatry ambulatory-surgery center is established by a medical practice group (as defined in § 5-37-1) within two (2) years following the formation of such medical practice group, when such medical practice group is formed by the merger or consolidation of two (2) or more medical practice groups or the acquisition of one medical practice group by another medical practice group. The term "health-care facility" does not include Christian Science institutions (also known as Christian Science nursing facilities) listed and certified by the Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc.

(ii) Any provider of hospice care who provides hospice care without charge shall be exempt from the provisions of this chapter.

- (5) "Health-care provider" means a person who is a direct provider of health-care services (including but not limited to physicians, dentists, nurses, podiatrists, physician assistants, or nurse practitioners) in that the person's primary current activity is the provision of health-care services for persons.
- (6) "Health services" means organized program components for preventive, assessment, maintenance, diagnostic, treatment, and rehabilitative services provided in a health-care facility.
- (7) "Health services council" means the advisory body to the Rhode Island state department of health established in accordance with chapter 17 of this title, appointed and empowered as provided to serve as the advisory body to the state agency in its review functions under this chapter.
- (8) "Institutional health services" means health services provided in or through health-care facilities and includes the entities in or through that the services are provided.
- (9) "New health-care equipment" means any single piece of medical equipment (and any components that constitute operational components of the piece of medical equipment) proposed to be utilized in conjunction with the provision of services to patients or the public, the capital costs of which would exceed two million two hundred fifty thousand dollars (\$2,250,000); provided, however, that the state agency shall exempt from review any application that proposes one-for-one equipment replacement as defined in regulation. Further, beginning July 1, 2012, and each July thereafter, the amount shall be adjusted by the percentage of increase in the consumer price index for all urban consumers (CPI-U) as published by the United States Department of Labor Statistics as of September 30 of the prior calendar year.
- (10) "New institutional health services" means and includes:
- (i) Construction, development, or other establishment of a new health-care facility.
 - (ii) Any expenditure, except acquisitions of an existing health-care facility, that will not result in a change in the services or bed capacity of the health-care facility by, or on behalf of, an existing health-care facility in excess of five million two hundred fifty thousand dollars (\$5,250,000) which is a capital expenditure including expenditures for predevelopment activities; provided further, beginning July 1, 2012, and each July thereafter, the amount shall be adjusted by the percentage of increase in the consumer price index for all urban consumers (CPI-U) as published by the United States Department of Labor Statistics as of September 30 of the prior calendar year.
 - (iii) Where a person makes an acquisition by, or on behalf of, a health-care facility or health maintenance organization under lease or comparable arrangement or through donation, which would have required review if the acquisition had been by purchase, the acquisition shall be deemed a capital expenditure subject to review.
 - (iv) Any capital expenditure that results in the addition of a health service or that changes the bed capacity of a health-care facility with respect to which the expenditure is made, except that the state agency may exempt from review, by rules and regulations promulgated for this chapter, any bed reclassifications made to licensed, nursing facilities and annual increases in licensed bed capacities of nursing facilities that do not exceed the

greater of ten (10) beds or ten percent (10%) of facility licensed bed capacity and for which the related capital expenditure does not exceed two million dollars (\$2,000,000).

(v) Any health service proposed to be offered to patients or the public by a health-care facility that was not offered on a regular basis in or through the facility within the twelve-month (12) period prior to the time the service would be offered, and that increases operating expenses by more than one million five hundred thousand dollars (\$1,500,000), except that the state agency may exempt from review, by rules and regulations promulgated for this chapter, any health service involving reclassification of bed capacity made to licensed nursing facilities. Further, beginning July 1, 2012, and each July thereafter, the amount shall be adjusted by the percentage of increase in the consumer price index for all urban consumers (CPI-U) as published by the United States Department of Labor Statistics as of September 30 of the prior calendar year.

(vi) Any new or expanded tertiary or specialty-care service, regardless of capital expense or operating expense, as defined by and listed in regulation, the list not to exceed a total of twelve (12) categories of services at any one time and shall include full-body magnetic resonance imaging and computerized axial tomography; provided, however, that the state agency shall exempt from review any application that proposes one-for-one equipment replacement as defined by and listed in regulation. Acquisition of full body magnetic resonance imaging and computerized axial tomography shall not require a certificate-of-need review and approval by the state agency if satisfactory evidence is provided to the state agency that it was acquired for under one million dollars (\$1,000,000) on or before January 1, 2010, and was in operation on or before July 1, 2010.

(11) "Person" means any individual, trust or estate, partnership, corporation (including associations, joint stock companies, and insurance companies), state or political subdivision, or instrumentality of a state.

(12) "Predevelopment activities" means expenditures for architectural designs, plans, working drawings, and specifications, site acquisition, professional consultations, preliminary plans, studies, and surveys made in preparation for the offering of a new, institutional health service.

(13) "State agency" means the Rhode Island state department of health.

(14) "To develop" means to undertake those activities that, on their completion, will result in the offering of a new, institutional health service or new health-care equipment or the incurring of a financial obligation, in relation to the offering of that service.

(15) "To offer" means to hold oneself out as capable of providing, or as having the means for the provision of, specified health services or health-care equipment.