

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2001

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SENATE BILL 714  
Health Care Committee Substitute Adopted 4/5/01

Short Title: Amend Certificate of Need.

(Public)

Sponsors:

Referred to:

March 28, 2001

A BILL TO BE ENTITLED

1  
2 AN ACT TO AMEND THE DEFINITION OF "AMBULATORY SURGICAL  
3 FACILITY" BY REDUCING THE NUMBER OF REQUIRED OPERATING  
4 ROOMS FROM TWO TO ONE AND TO AMEND THE DEFINITION OF "NEW  
5 INSTITUTIONAL HEALTH SERVICE" BY INCLUDING CONSTRUCTION,  
6 DEVELOPMENT, ESTABLISHMENT, INCREASE IN NUMBER, OR  
7 RELOCATION OF AN OPERATING ROOM OR OPERATING ROOMS AND  
8 TO EXTEND THE DETERMINATIVE EFFECT OF THE STATE MEDICAL  
9 FACILITIES PLAN TO ALL OPERATING ROOMS AND TO REPEAL S.L.  
10 2000-135.

11 The General Assembly of North Carolina enacts:

12 **SECTION 1.** G.S. 131E-146 reads as rewritten:

13 **"§ 131E-146. Definitions.**

14 As used in this Part, unless otherwise specified:

- 15 (1) 'Ambulatory surgical facility' means a facility designed for the  
16 provision of a specialty ambulatory surgical program or a  
17 multispecialty ambulatory surgical program. An ambulatory surgical  
18 facility serves patients who require local, regional or general  
19 anesthesia and a period of post-operative observation. An ambulatory  
20 surgical facility may only admit patients for a period of less than 24  
21 hours and must provide at least ~~two~~one designated operating  
22 ~~rooms~~room and at least one designated recovery room, have available  
23 the necessary equipment and trained personnel to handle emergencies,  
24 provide adequate quality assurance and assessment by an evaluation  
25 and review committee, and maintain adequate medical records for each  
26 patient. An ambulatory surgical facility may be operated as a part of a  
27 physician or dentist's office, provided the facility is licensed under  
28 G.S. Chapter 131E, Article 6, Part D, but the performance of  
29 incidental, limited ambulatory surgical procedures which do not

1 constitute an ambulatory surgical program as defined in subdivision  
2 (1a) and which are performed in a physician or dentist's office does not  
3 make that office an ambulatory surgical facility.

4 (1a) 'Ambulatory surgical program' means a formal program for providing  
5 on a same-day basis those surgical procedures which require local,  
6 regional or general anesthesia and a period of post-operative  
7 observation to patients whose admission for more than 24 hours is  
8 determined, prior to surgery, to be medically unnecessary.

9 (2) 'Commission' means the North Carolina Medical Care Commission."

10 **SECTION 2.** G.S. 131E-176 reads as rewritten:

11 **"§ 131E-176. Definitions.**

12 As used in this Article, unless the context clearly requires otherwise, the following  
13 terms have the meanings specified:

14 ...

15 (1a) 'Ambulatory surgical facility' means a facility designed for the  
16 provision of a specialty ambulatory surgical program or a  
17 multispecialty ambulatory surgical program. An ambulatory surgical  
18 facility serves patients who require local, regional or general  
19 anesthesia and a period of post-operative observation. An ambulatory  
20 surgical facility may only admit patients for a period of less than 24  
21 hours and must provide at least ~~two~~one designated operating  
22 ~~rooms~~room and at least one designated recovery room, have available  
23 the necessary equipment and trained personnel to handle emergencies,  
24 provide adequate quality assurance and assessment by an evaluation  
25 and review committee, and maintain adequate medical records for each  
26 patient. An ambulatory surgical facility may be operated as a part of a  
27 physician or dentist's office, provided the facility is licensed under  
28 G.S. Chapter 131E, Article 6, Part D, but the performance of  
29 incidental, limited ambulatory surgical procedures which do not  
30 constitute an ambulatory surgical program as defined in subdivision  
31 (1b) and which are performed in a physician's or dentist's office does  
32 not make that office an ambulatory surgical facility.

33 ...

34 (16) 'New institutional health services' means any of the following:

35 ...

36 u. The construction, development, establishment, increase in the  
37 number, or relocation of an operating room or operating rooms,  
38 other than the relocation of an operating room or operating  
39 rooms within the same building or on the same grounds or to  
40 grounds not separated by more than a public right-of-way  
41 adjacent to the grounds where the operating room is or  
42 operating rooms are currently located."

1           **SECTION 3.** G.S. 131E-183(a)(1) reads as rewritten:

2           "(a) The Department shall review all applications utilizing the criteria outlined in  
3 this subsection and shall determine that an application is either consistent with or not in  
4 conflict with these criteria before a certificate of need for the proposed project shall be  
5 issued.

6           (1) The proposed project shall be consistent with applicable policies and  
7 need determinations in the State Medical Facilities Plan, the need  
8 determination of which constitutes a determinative limitation on the  
9 provision of any health service, health service facility, health service  
10 facility beds, dialysis stations, ~~ambulatory surgical~~ operating rooms, or  
11 home health offices that may be approved."

12           **SECTION 4.** S.L. 2000-135 is repealed.

13           **SECTION 5.** This act is effective when it becomes law. This act shall not  
14 apply to any project which was not a new institutional health service as defined in G.S.  
15 131E-176(16) prior to the effective date of this act and for which there has been a  
16 capital expenditure exceeding fifty thousand dollars (\$50,000) or there was a legally  
17 binding obligation for a capital expenditure exceeding fifty thousand dollars (\$50,000)  
18 in effect on or before the effective date of this act and which was reasonably expected to  
19 be completed by December 31, 2002. A facility or office that was not licensed as an  
20 ambulatory surgical facility prior to the effective date of this act shall not become an  
21 ambulatory surgical facility by virtue of the amendment set forth in Sections 1 and 2 of  
22 this act and may not be licensed as an ambulatory surgical facility under Part D of  
23 Article 6 of Chapter 131E of the General Statutes without a certificate of need.