CHAPTER 22--S.F.No. 1732

An act relating to health; permitting certain outpatient surgical centers to share a facility; amending Minnesota Statutes 2018, section 144.55, subdivisions 1, 2, 9, by adding subdivisions; repealing Minnesota Statutes 2018, section 144.55, subdivision 10.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2018, section 144.55, subdivision 1, is amended to read:

Subdivision 1. **Issuance.** (a) The state commissioner of health is hereby authorized to issue licenses to operate hospitals, sanitariums, outpatient surgical centers, or other institutions for the hospitalization or care of human beings, which are found to comply with the provisions of sections 144.50 to 144.56 and any reasonable rules promulgated by the commissioner. The commissioner shall not require an outpatient surgical center licensed as part of a hospital to obtain a separate outpatient surgical center license. All decisions of the commissioner thereunder may be reviewed in the district court in the county in which the institution is located or contemplated.

(b) The commissioner may issue a conditional license to operate an outpatient surgical center if:

(1) the applicant is seeking a license to operate an outpatient surgical center that will share a facility with an existing licensed outpatient surgical center that is also federally certified under Medicare as an ambulatory surgical center; and

(2) the outpatient surgical center otherwise meets the requirements for licensure under this subdivision.

A conditional license issued under this paragraph is valid for 120 days and may be renewed once for an additional 120 days. The commissioner shall convert a valid conditional license to a nonconditional license if the licensee can demonstrate to the commissioner that the conditionally licensed outpatient surgical center is federally certified under Medicare as an ambulatory surgical center.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2018, section 144.55, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given:

(b) "Outpatient surgical center" or "center" means a ~~freestanding~~ facility organized for the specific purpose of providing elective outpatient surgery for preexamined, prediagnosed, low-risk patients. ~~Admissions are limited to procedures that utilize general anesthesia or conscious sedation and that do not require overnight inpatient care.~~ An outpatient surgical center is not organized to provide regular emergency medical services and does not include a physician's or dentist's office or clinic for the practice of medicine, the practice of dentistry, or the delivery of primary care.

(c) "Approved accrediting organization" means any organization recognized as an accreditation organization by the Centers for Medicare and Medicaid Services.

EFFECTIVE DATE. This section is effective the day following final enactment.

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Sec. 3. Minnesota Statutes 2018, section 144.55, is amended by adding a subdivision to read:

Subd. 3a. **Standards for admission to an outpatient surgical center.** Admissions to outpatient surgical centers are limited to procedures that utilize general anesthesia or conscious sedation and that do not require overnight inpatient care.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 4. Minnesota Statutes 2018, section 144.55, is amended by adding a subdivision to read:

Subd. 3b. **Facility standards for outpatient surgical centers.** An outpatient surgical center must be a freestanding facility unless:

(1) the outpatient surgical center is licensed as part of a hospital;

(2) the licensed outpatient surgical center is federally certified under Medicare as an ambulatory surgical center and shares a facility only with other licensed outpatient surgical centers federally certified under Medicare as ambulatory surgical centers; or

(3) the outpatient surgical center is conditionally licensed under subdivision 1, paragraph (b), and shares a facility only with other licensed outpatient surgical centers federally certified under Medicare as ambulatory surgical centers.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 5. Minnesota Statutes 2018, section 144.55, subdivision 9, is amended to read:

Subd. 9. **Expiration of ~~presently valid~~ licenses.** All licenses ~~presently in effect shall remain valid following May 7, 1981, and shall~~ expire on the dates specified on the licenses unless suspended or revoked.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 6. **REPEALER.**

Minnesota Statutes 2018, section 144.55, subdivision 10, are repealed.

EFFECTIVE DATE. This section is effective the day following final enactment.

Presented to the governor May 9, 2019

Signed by the governor May 9, 2019, 9:53 a.m.

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