# As Concurred by the House

# 126th General Assembly Regular Session 2005-2006

Sub. H. B. No. 287

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# A BILL

То	amend sections 3702.30 and 3702.31 and to enact	1
	sections 2305.116 and 3702.301 of the Revised Code	2
	to exempt certain freestanding birthing centers	3
	from the requirement that a center obtain a health	4
	care facility license from the Director of Health	5
	and to provide that there is no cause of action on	б
	a medical claim that because of an act or omission	7
	an abortion was not performed.	8

## BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3702.30 and 3702.31 be amended and	9
sections 2305.116 and 3702.301 of the Revised Code be enacted to	10
read as follows:	11
Sec. 2305.116. (A) No person has a civil action or may	12

receive an award of damages in a civil action, and no other person	13
shall be liable in a civil action, upon a medical claim that	14
because of an act or omission by the other person the person was	15

not aborted.

(B) No person has a civil action or may receive an award of	17
damages in a civil action, and no other person shall be liable in	18
a civil action, upon a medical claim that because of an act or	19
omission by the other person a child was not aborted.	20
(C) Nothing in this section shall preclude a person from	21
bringing a civil action or from receiving an award of damages in a	22
medical claim based upon an intentional or willful	23
misrepresentation or omission of information related to medical	24
<u>diagnosis, care, or treatment.</u>	25
(D) As used in this section, "medical claim" has the same	26
meaning as in section 2305.113 of the Revised Code.	27
Sec. 3702.30. (A) As used in this section:	28
(1) "Ambulatory surgical facility" means a facility, whether	29
or not part of the same organization as a hospital, that is	30
located in a building distinct from another in which inpatient	31
care is provided, and to which any of the following apply:	32
(a) Outpatient surgery is routinely performed in the	33
facility, and the facility functions separately from a hospital's	34
inpatient surgical service and from the offices of private	35
physicians, podiatrists, and dentists.	36
(b) Anesthesia is administered in the facility by an	37
anesthesiologist or certified registered nurse anesthetist, and	38
the facility functions separately from a hospital's inpatient	39
surgical service and from the offices of private physicians,	40
podiatrists, and dentists.	41
(c) The facility applies to be certified by the United States	42
health care financing administration centers for medicare and	43
medicaid services as an ambulatory surgical center for purposes of	44

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reimbursement under Part B of the medicare program, Part B of 45 Title XVIII of the "Social Security Act," 49 79 Stat. 620 286 46 (1935 1965), 42 U.S.C.A. 301 1395, as amended. 47

(d) The facility applies to be certified by a national
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accrediting body approved by the health care financing
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administration centers for medicare and medicaid services for
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purposes of deemed compliance with the conditions for
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participating in the medicare program as an ambulatory surgical
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center.

(e) The facility bills or receives from any third-party
payer, governmental health care program, or other person or
government entity any ambulatory surgical facility fee that is
billed or paid in addition to any fee for professional services.

(f) The facility is held out to any person or government
entity as an ambulatory surgical facility or similar facility by
means of signage, advertising, or other promotional efforts.

"Ambulatory surgical facility" does not include a hospital 61 emergency department. 62

(2) "Ambulatory surgical facility fee" means a fee for
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certain overhead costs associated with providing surgical services
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in an outpatient setting. A fee is an ambulatory surgical facility
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fee only if it directly or indirectly pays for costs associated
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with any of the following:
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(a) Use of operating and recovery rooms, preparation areas,68and waiting rooms and lounges for patients and relatives;69

(b) Administrative functions, record keeping, housekeeping, 70utilities, and rent; 71

(c) Services provided by nurses, orderlies, technical
 personnel, and others involved in patient care related to
 providing surgery.

"Ambulatory surgical facility fee" does not include any 75 additional payment in excess of a professional fee that is 76 provided to encourage physicians, podiatrists, and dentists to 77 perform certain surgical procedures in their office or their group 78 practice's office rather than a health care facility, if the 79 purpose of the additional fee is to compensate for additional cost 80 incurred in performing office-based surgery. 81 (3) "Governmental health care program" has the same meaning 82 as in section 4731.65 of the Revised Code. 83 (4) "Health care facility" means any of the following: 84 (a) An ambulatory surgical facility; 85 (b) A freestanding dialysis center; 86 (c) A freestanding inpatient rehabilitation facility; 87 (d) A freestanding birthing center; 88 (e) A freestanding radiation therapy center; 89 90 (f) A freestanding or mobile diagnostic imaging center. (5) "Third-party payer" has the same meaning as in section 91 3901.38 of the Revised Code. 92 (B) By rule adopted in accordance with sections 3702.12 and 93 3702.13 of the Revised Code, the director of health shall 94 establish quality standards for health care facilities. The 95 standards may incorporate accreditation standards or other quality 96 standards established by any entity recognized by the director. 97 (C) Every ambulatory surgical facility shall require that 98 each physician who practices at the facility comply with all 99

relevant provisions in the Revised Code that relate to the 100 obtaining of informed consent from a patient. 101

(D) The director shall issue a license to each health care 102 facility that makes application for a license and demonstrates to 103

the director that it meets the quality standards established by 104 the rules adopted under division (B) of this section and satisfies 105 the informed consent compliance requirements specified in division 106 (C) of this section. 107

(E)(1) No Except as provided in section 3702.301 of the
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 Revised Code, no health care facility shall operate without a
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 license issued under this section.

(2) If the department of health finds that a physician who
practices at a health care facility is not complying with any
provision of the Revised Code related to the obtaining of informed
consent from a patient, the department shall report its finding to
the state medical board, the physician, and the health care
facility.

(3) This division does not create, and shall not be construed
as creating, a new cause of action or substantive legal right
against a health care facility and in favor of a patient who
allegedly sustains harm as a result of the failure of the
patient's physician to obtain informed consent from the patient
prior to performing a procedure on or otherwise caring for the
patient in the health care facility.

(F) The rules adopted under division (B) of this section 124shall include all of the following: 125

(1) Provisions governing application for, renewal,126suspension, and revocation of a license under this section;127

(2) Provisions governing orders issued pursuant to section
3702.32 of the Revised Code for a health care facility to cease
its operations or to prohibit certain types of services provided
by a health care facility;

(3) Provisions governing the imposition under section 3702.32132of the Revised Code of civil penalties for violations of this133

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section or the rules adopted under this section, including a scale	134
for determining the amount of the penalties.	135
Sec. 3702.301. (A) Except as provided in division (C) of this	136
section, a freestanding birthing center is not required to obtain	137
a license under section 3702.30 of the Revised Code if all of the	138
following are the case:	139
(1) A religious denomination, sect, or group owns and	140
operates the center.	141
(2) Requiring that the center be licensed significantly	142
abridges or infringes on the religious practices or beliefs of	143
that religious denomination, sect, or group.	144
(3) The center provides care only during low-risk pregnancy,	145
delivery, and the immediate postpartum period exclusively to women	146
who are members of that religious denomination, sect, or group.	147
(4) The center monitors and evaluates the care provided to	148
its patients in accordance with at least the minimum patient	149
safety monitoring and evaluation requirements established in rules	150
adopted under division (D) of this section.	151
(5) The center meets the quality assessment and improvement	152
<u>standards established in rules adopted under division (D) of this</u>	153
section.	154
(B) If the director determines that a freestanding birthing	155
<u>center is no longer exempt from the requirement to obtain a</u>	156
license under section 3702.30 of the Revised Code because the	157
center ceases to comply with division (A)(4) or (5) of this	158
section, the director may order the center to come into	159
compliance. In the order, the director may do all of the	160
<u>following:</u>	161
(1) Identify what the center is not in compliance with and	162
what the center needs to do to come into compliance;	163

(2) Require that the center come into compliance within a	164
period of time specified in the order;	
(3) Require that the center provide the director a written	166
notice within a period of time specified in the order that	167
contains all of the following:	168
(a) Certification that the center has come into compliance;	169
(b) The signature of the center's administrator or medical	170
director and certification that the administrator or medical	171
director, whichever signs the notice, is the center's authorized	172
<u>representative;</u>	173
(c) Certification that the information contained in the	174
notice and in any accompanying documentation is true and accurate;	175
(d) Any other information or documentation that the director	176
may require to verify that the center has come into compliance.	177
(C) If the director issues an order to a freestanding	178
birthing center under division (B) of this section and the center	179
fails to comply with the order within the time specified in the	180
order, the director may issue a second order that requires the	181
center to cease operations until the center obtains a license	182
under section 3702.30 of the Revised Code.	183
(D) The director of health shall adopt rules in accordance	184
with Chapter 119. of the Revised Code as necessary to implement	185
this section. The rules shall establish all of the following:	186
(1) Minimum patient safety monitoring and evaluation	187
<u>requirements;</u>	188
(2) Quality assessment and improvement standards;	189
(3) Procedures for determining whether freestanding birthing	190
centers are in compliance with the rules.	191

**Sec. 3702.31.** (A) The quality monitoring and inspection fund 192

is hereby created in the state treasury. The director of health
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shall use the fund to administer and enforce this section and
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sections 3702.11 to 3702.20, 3702.30, <u>3702.301</u>, and 3702.32 of the
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Revised Code and rules adopted pursuant to those sections. The
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director shall deposit in the fund any moneys collected pursuant
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to this section or section 3702.32 of the Revised Code. All
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investment earnings of the fund shall be credited to the fund.

(B) The director of health shall adopt rules pursuant to 200Chapter 119. of the Revised Code establishing fees for both of the 201following: 202

(1) Initial and renewal license applications submitted under
section 3702.30 of the Revised Code. The fees established under
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division (B)(1) of this section shall not exceed the actual and
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necessary costs of performing the activities described in division
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(A) of this section.

(2) Inspections conducted under section 3702.15 or 3702.30 of 208 the Revised Code. The fees established under division (B)(2) of 209 this section shall not exceed the actual and necessary costs 210 incurred during an inspection, including any indirect costs 211 incurred by the department for staff, salary, or other 212 administrative costs. The director of health shall provide to each 213 health care facility or provider inspected pursuant to section 214 3702.15 or 3702.30 of the Revised Code a written statement of the 215 fee. The statement shall itemize and total the costs incurred. 216 Within fifteen days after receiving a statement from the director, 217 the facility or provider shall forward the total amount of the fee 218 to the director. 219

(3) The fees described in divisions (B)(1) and (2) of thissection shall meet both of the following requirements:221

(a) For each service described in section 3702.11 of theRevised Code, the fee shall not exceed one thousand seven hundred223

fifty dollars annually, except that the total fees charged to a 224 health care provider under this section shall not exceed five 225 thousand dollars annually. 226

(b) The fee shall exclude any costs reimbursable by the 227 United States health care financing administration centers for 228 medicare and medicaid services as part of the certification 229 process for the medicare program established under Title XVIII of 230 the "Social Security Act," 49 79 Stat. 620 286 (1935), 42 U.S.C.A. 231 301 1395, as amended, and the medicaid program established under 232 Title XIX of that act the "Social Security Act," 79 Stat. 286 233 (1965), 42 U.S.C. 1396. 234

(4) The director shall not establish a fee for any service
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for which a licensure or inspection fee is paid by the health care
provider to a state agency for the same or similar licensure or
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inspection.

Section 2. That existing sections 3702.30 and 3702.31 of the239Revised Code are hereby repealed.240