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House File 465

February 27, 1947.
Passed on File.

By PUBLIC HEALTH COMMITTEE.

A BILL FOR

An Act to require the licensing, inspection and regulation of hospitals as herein defined; creating a hospital licensing board and prescribing its powers; providing for regulations, enforcement procedures and penalties.

Be It Enacted by the General Assembly of the State of Iowa:

- 1 Section 1. Definitions. As used in this act:
- 2 (a) "Hospital" means a place which is devoted
- 3 primarily to the maintenance and operation of facilities
- 4 for the diagnosis, treatment or care over a period exceeding
- 5 24 hours of two or more non-related individuals suffering
- 6 from illness, injury, or deformity, or a place which is
- 7 devoted primarily to the rendering over a period exceeding
- 8 24 hours of obstetrical or other medical or nursing care
- 9 for two or more non-related individuals, or any institution,
- 10 place, building or agency in which any accommodation is
- 11 primarily maintained, furnished or offered for the care
- 12 over a period exceeding 24 hours of two or more non-related
- 13 aged or infirm persons requiring or receiving chronic or
- 14 convalescent care; and shall include sanatoriums, rest homes,
- 15 nursing homes, boarding homes, or other related institutions
- 16 within the meaning this act. Provided, however, nothing

17 in this act shall apply to hotels or other similar places
18 that furnish only food and lodging, or either, to their
19 guests. "Hospital" shall include, in any event, any facilities
20 wholly or partially constructed or to be constructed with
21 federal financial assistance, pursuant to Public Law 725-
22 79th Congress, approved August 13, 1946.

23 (b) "Person" means any individual, firm, partnership,
24 corporation, company, association, or joint stock association;
25 and includes any trustee, receiver, assignee or other similar
26 representative thereof.

27 (c) "Governmental unit" means the state, or any
28 county municipality, or other political subdivision or
29 any department, division, board or other agency of any of
30 the foregoing.

1 Sec. 2. Purpose. The purpose of this act is to provide
2 for the development, establishment and enforcement of basic
3 standards (1) for the care and treatment of individuals in
4 hospitals and (2) for the construction, maintenance and
5 operation of such hospitals, which, in the light of existing
6 knowledge, will promote safe and adequate treatment of
7 such individuals in hospitals, in the interest of the
8 health, welfare and safety of the public.

1 Sec. 3. Licensure. After January 2, 1948, no person
2 or governmental unit, acting severally or jointly with any
3 other person or governmental unit shall establish, conduct
4 or maintain a hospital in this state without a license.

1 Sec. 4. Application for License. Licenses shall be
2 obtained from the State Department of Health. Applications
3 shall be upon such forms and shall contain such information
4 as the said Department may reasonably require, which may
5 include affirmative evidence of ability to comply with such
6 reasonable standards, rules and regulations as may be
7 lawfully prescribed hereunder. Each application for license
8 shall be accompanied by the license fee of ten dollars,
9 which shall be refunded to the applicant if the license is
10 denied and which shall be paid over into the State
11 Treasury credited to the general fund if the license is
12 issued.

1 Sec. 5. Issuance and Renewal of License. Upon
2 receipt of an application for license and the license
3 fee, the State Department of Health shall issue a license
4 if the applicant and hospital facilities comply with the
5 provisions of this Act and the regulations of the said
6 Department. Each such license, unless sooner suspended
7 or revoked, shall be renewable annually without charge
8 upon filing by the licensee, and approval by the Department,
9 of an annual report upon such uniform dates and containing
10 such information in such form as the State Department of
11 Health, with the advice and consent of the Hospital
12 Licensing Board, shall prescribe by regulation. Each
13 license shall be issued only for the premises and persons or
14 governmental units named in the application and shall not

15 be transferable or assignable except with the written
16 approval of the State Department of Health. Licenses shall
17 be posted in a conspicuous place on the licensed premises
18 as prescribed by regulation of the said Department.

1 Sec. 6. Denial or Revocation of License; Hearings and
2 Review. The State Department of Health shall have the
3 authority to deny, suspend or revoke a license in any case
4 where it finds that there has been a substantial failure to
5 comply with the provisions of this act or the rules,
6 regulations or minimum standards promulgated under this act.

7 Such denial, suspension, or revocation shall be effected
8 by mailing to the applicant or licensee by registered mail,
9 or by personal service of, a notice setting forth the
10 particular reasons for such action. Such denial, suspension,
11 or revocation shall become effective thirty days after the
12 mailing or service of the notice, unless the applicant or
13 licensee, within such thirty day period shall give written
14 notice to the Department requesting a hearing, in which
15 case the notice shall be deemed to be suspended. If a
16 hearing has been requested, the applicant or licensee shall
17 be given an opportunity for a prompt and fair hearing before
18 the Department. At any time at or prior to hearing, the
19 Department may rescind the notice of denial, suspension or
20 revocation upon being satisfied that the reasons for the
21 denial, suspension or revocation have been or will be
22 removed. On the basis of any such hearing, or upon default

23 of the applicant or licensee the determination involved in
24 the notice may be affirmed, modified, or set aside, by the
25 Department. A copy of such decision, setting forth the
26 finding of facts and the particular reasons for the decision
27 shall be sent by registered mail, or served personally upon,
28 the applicant or licensee. The decision shall become final
29 thirty days after it is so mailed or served, unless the
30 applicant or licensee, within such thirty day period, appeals
31 the decision to the Court, pursuant to section 14 hereof.

32 The procedure governing hearing authorized by this
33 section shall be in accordance with rules promulgated by
34 said Department with the advice and consent of the Hospital
35 Licensing Board. A full and complete record shall be kept
36 of all proceedings, and all testimony shall be reported but
37 need not be transcribed unless the decision is appealed
38 pursuant to section 14 hereof. A copy or copies of the
39 transcript may be obtained by an interested party on payment
40 of the cost of preparing such copy or copies. Witnesses may
41 be subpoenaed by either party and shall be allowed fees at
42 a rate prescribed by the aforesaid rules.

1 Sec. 7. Rules, Regulations, and Enforcement. The State
2 Department of Health with the advice and consent of the,
3 Hospital Licensing Board, shall adopt, amend, promulgate
4 and enforce such rules, regulations and standards with
5 respect to the different types of hospitals to be licensed
6 hereunder as may be designed to further the accomplishment

7 of the purposes of the Act. No such rules, regulations or
8 standards shall be adopted or enforced which would have the
9 effect of denying a license to a hospital or other institution
10 required to be licensed hereunder, solely by reason of the
11 school or system of practice employed or permitted to be
12 employed by physicians therein; provided that such school
13 or system of practice is recognized by the laws of this state.

1 Sec. 8. Effective Date of Regulations. Any hospital
2 which is in operation at the time of promulgation of any
3 applicable rules or regulations or minimum standards under
4 this act shall be given a reasonable time, not to exceed
5 one year from the date of such promulgation, within which
6 to comply with such rules and regulations and minimum
7 standards.

1 Sec. 9. Inspections and Consultations. The State
2 Department of Health shall make or cause to be made such
3 inspections as it may deem necessary. The State Department
4 of Health shall, with the advice and consent of the Hospital
5 Licensing Board, prescribe by regulations that any licensee
6 or applicant for license desiring to make specified types of
7 alteration or addition to its facilities or to construct
8 new facilities shall before commencing such alteration,
9 addition or new construction, submit plans and specifications
10 therefor to the State Department of Health for preliminary
11 inspection and approval or recommendations with respect
12 to compliance with the regulations and standards herein

13 authorized.

1 Sec. 10. Hospital Licensing Board. The Governor
2 shall appoint a Hospital Licensing Board which shall consist
3 of the State Commissioner of Health, who shall serve as
4 chairman ex-officio and five members, four of which shall
5 be appointed by the Governor from a list submitted by the
6 Iowa Hospital Association and one of which shall be
7 appointed by the Governor from a list submitted by the Iowa
8 Osteopathic Hospital Association. The five members first
9 appointed shall serve for one, two, three, four and five
10 years, respectively, and thereafter each appointment shall
11 be for the term of five years and until a successor has
12 qualified. Appointments to fill a vacancy shall be made
13 in the same manner as the original appointment and such
14 appointee shall serve for the unexpired balance of such term
15 and until his successor has qualified. Members of the Board
16 shall serve without compensation, but shall be reimbursed
17 for actual expenses incurred in the performance of their
18 official duties.

1 Sec. 11. Functions of Hospital Licensing Board. The
2 Hospital Licensing Board shall have the following responsibili-
3 ties and duties,

4 (a) To consult and advise with the Department
5 of Health in matters of policy affecting
6 administration of this act, and in the
7 development of rules, regulations and

8 standards provided for hereunder.

9 (b) To review and approve such rules,
10 regulations and standards authorized
11 hereunder prior to their promulgation
12 by the Department of Health as
13 specified herein.

14 The Board shall meet not less than once each year, and
15 additional meetings shall be held at the call of the
16 chairman or at the request of any three of its members.

1 Sec. 12. Information Confidential. Information
2 received by the State Department of Health through filed
3 reports, inspection, or as otherwise authorized under this
4 act, shall not be disclosed publicly in such manner as to
5 identify individuals or hospitals, except in a proceeding
6 involving the question of licensure or the denial,
7 suspension or revocation of a license.

1 Sec. 13. Annual Report of Department. The State
2 Department of Health shall prepare and publish an annual
3 report of its activities and operations under this act.

1 Sec. 14. Judicial Review. Any applicant or licensee
2 who is dissatisfied with the decision of the commissioner
3 of public health as a result of the hearing provided herein
4 may, within thirty days after the mailing or serving of
5 notice of the decision as provided in said section, file a
6 notice of appeal in the District Court of the County in which
7 the hospital is located or to be located, and serve a copy

8 of said notice of appeal upon the Department. Thereupon the
9 Department shall within thirty days certify and file with
10 the Court a copy of the record and decision, including the
11 transcript of the hearings on which the decision is based.
12 The trial before the Court shall be de novo and all legal
13 evidence pertaining to the matter of whether or not such
14 license shall be denied, suspended or revoked, as the case
15 may be, may be submitted including new or additional
16 evidence not submitted to the Commissioner, and the Court
17 shall have power to affirm, modify or reverse the decision
18 of the Commissioner. Pending final disposition of the
19 matter the status quo of the applicant or licensee shall
20 be preserved.

1 Sec. 15. Penalties. Any person establishing, conducting,
2 managing, or operating any hospital without a license shall
3 be guilty of a misdemeanor and upon conviction thereof shall
4 be fined not less than one hundred dollars or more than five
5 hundred dollars, and each day of continuing violation after
6 conviction shall be considered a separate offense.

1 Sec. 16. Injunction. Notwithstanding the existence or
2 pursuit of any other remedy, the Department may, in the
3 manner provided by law, maintain an action in the name of
4 the State for injunction or other process against any person
5 or governmental unit to restrain or prevent the establishment,
6 conduct, management or operation of a hospital without a
7 license.

1 Sec. 17. If any provision of this act or the application
2 thereof to any person or circumstance shall be held invalid,
3 such invalidity shall not affect the provisions or application
4 of this act which can be given effect without the invalid
5 provision or application, and to this end the provisions of
6 the act are declared to be severable.

1 Sec. 18. All laws or parts of laws in conflict herewith,
2 are hereby repealed.

EXPLANATION OF H. F. 465

The people are making greater use of hospitals than ever before in history.

This act is designed to provide basic standards of hospital construction and operation, to ensure safe and adequate care for patients in hospitals and nursing homes.

The Hospital Survey and Construction Act, passed by Congress in July, 1946, requires that each participating state enact legislation providing for minimum standards of maintenance and operation of federally-aided hospitals prior to July 1, 1948. This model act, prepared by the Council of State Governments, meets the requirements of the Hospital Survey and Construction Act.