

AMENDED IN SENATE SEPTEMBER 3, 2013

AMENDED IN SENATE JULY 10, 2013

AMENDED IN SENATE JUNE 25, 2013

AMENDED IN ASSEMBLY APRIL 16, 2013

AMENDED IN ASSEMBLY APRIL 1, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 852

Introduced by Assembly Member Quirk

February 21, 2013

An act to add and repeal Section 129788 ~~of the~~ *of the* Health and Safety Code, relating to health facilities, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 852, as amended, Quirk. ~~Skilled nursing~~ *Health* facility construction, alteration, or addition: review.

Existing law, the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983, requires design and construction standards for hospital buildings that house patients who have less than the capacity of normally healthy persons to protect themselves. Existing law also requires that those standards specify that hospitals must be reasonably capable of providing services to the public after a disaster.

Existing law requires the Office of Statewide Health Planning and Development (OSHPD) to approve or reject all plans for the construction or alteration of a hospital building. Existing law specifically requires the office, contingent upon an appropriation in the annual Budget Act,

to establish a program for training fire and life safety officers to facilitate the timely performance of the office's duties and responsibilities relating to the review of plans and specifications pertaining to the design and observation of construction of hospital buildings, as specified. Existing law authorizes the office to establish other training programs as necessary to ensure that a sufficient number of qualified persons are available to facilitate the timely performance of the office's duties and responsibilities, as specified.

Existing law ~~authorized~~ *authorizes* the office to determine and assess an application fee not to exceed 2% of the project's estimated construction costs for certain hospital facilities, and not to exceed 1.5% of the estimated construction costs for prescribed skilled nursing facilities or intermediate care facilities. Existing law establishes the Hospital Building Fund, requires deposit of these fees into the fund, and continuously appropriates the moneys in the fund for the purposes of administration of these provisions.

This bill would, until January 1, 2019, increase the maximum fee assessed to certain of those skilled nursing facilities or intermediate care facilities to 2% of the project's estimated construction costs. By increasing the amounts to be deposited into a continuously appropriated fund, this bill would make an appropriation.

This bill would require OSHPD to develop, with stakeholders, and would require the Facilities Development Division of OSHPD to meet, reasonable timeframes for review and approval of skilled nursing facility and intermediate care facility construction, alteration, or addition projects, except as prescribed. The bill would require documents submitted for review to include the name and contact information of a project coordinator. ~~The bill would require the office to designate a professional staff member to provide consultation on the review of projects relating to skilled nursing facility and intermediate care facility construction or alteration.~~ The bill would authorize the office to seek outside assistance through contracts with qualified professional architectural or engineering firms to meet those timeframes. The bill would authorize OSHPD to, when feasible, publish standard requirements for design concepts for use by skilled nursing and intermediate care facilities when submitting plans for new construction, renovation, or replacement. The bill would ~~require~~ *authorize* OSHPD to work with stakeholders to establish education and outreach programs directed at reducing document submission error rates and turnaround times. The bill would require OSHPD, if resources are available, to

publish the timeframes and other requirements on its Internet Web site. The bill would provide that these provisions shall be operative until January 1, 2019.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) A variety of factors have contributed to making health care
4 *facility* construction costs in California among the highest in the
5 nation. The costs are driven by the escalating price of raw materials,
6 high demand for skilled labor, and the complexity of design, plan
7 review, and approval of skilled nursing facility and intermediate
8 care facility construction.

9 (b) Skilled nursing facilities and intermediate care facilities are
10 licensed health-care facilities that care for the state's most fragile
11 and vulnerable citizens.

12 (c) The physical infrastructure and related systems of these
13 licensed health facilities are governed by building and fire and life
14 safety code requirements regulated by the Office of Statewide
15 Health Planning and Development, the Office of the State Fire
16 Marshal, and the State Department of Public Health.

17 (d) As the industry moves to update the aging health care
18 infrastructure, incorporate advances in medical technology,
19 implement a modern health care delivery system, and improve
20 electronic medical records systems, health-care *facility* construction
21 activity will increase to unseen levels, creating additional economic
22 pressure on the skilled nursing, intermediate care, and construction
23 industries.

24 (e) Licensed health-care facilities are required to go through a
25 building application and plan check process under the jurisdiction
26 of the Office of Statewide Health Planning and Development.

27 (f) This process is bureaucratically efficient, but is subject to
28 inherent delays impacting timely approvals of projects. Although
29 the Office of Statewide Health Planning and Development has
30 developed internal policies that set timeframes for plan review and
31 approval, these policies are targets rather than enforceable
32 requirements.

1 (g) Improving the efficiency of health-care *facility* building plan
2 review and construction efforts will not only reduce the time to
3 design, review, and complete facility construction, but also lower
4 the cost of the project and reduce overall cost pressures on the
5 health care system, allowing more resources to be directed to direct
6 patient services.

7 (h) Therefore, it is the intent of the Legislature to codify the
8 timeframes and due dates for completion by the Office of Statewide
9 Health Planning and Development of the review of facility
10 construction documents and to require the office to notify
11 applicants of the anticipated date the review will be completed and
12 returned to them.

13 SEC. 2. Section 129788 is added to the Health and Safety Code,
14 to read:

15 129788. (a) For projects submitted by health facilities licensed
16 pursuant to subdivisions (c) and (d) of Section 1250 that do not
17 qualify for rapid review under Section 129880, the Facilities
18 Development Division shall meet reasonable timeframes developed
19 by the office, in conjunction with stakeholders, that include all of
20 the following:

- 21 (1) Preliminary review of documents submitted to the office.
- 22 (2) First review of new projects.
- 23 (3) Backchecks.
- 24 (4) Amended construction documents.

25 (b) Documents submitted to the office for new construction of,
26 alteration of, or addition to, health facilities licensed pursuant to
27 subdivisions (c) and (d) of Section 1250 shall include the name
28 and contact information for an individual designated to be the
29 project coordinator and shall be reviewed and approved within the
30 timeframes set forth in this section.

31 ~~(e) In order to ensure consistency of application of California~~
32 ~~Building Code standards, the office shall designate a professional~~
33 ~~staff member familiar with health facilities providing skilled~~
34 ~~nursing care to provide consultation on the review of projects~~
35 ~~relating to skilled nursing facility and intermediate care facility~~
36 ~~construction or alteration pursuant to this section.~~

37 ~~(d)~~

38 (c) In order to meet the review timeframes developed pursuant
39 to this section, the office may seek outside assistance through

1 contracts with qualified professional architectural or engineering
2 firms.

3 ~~(e)~~

4 (d) If resources are available, the office may publish standard
5 requirements, when feasible, for design concepts for use by skilled
6 nursing facilities and intermediate care facilities when submitting
7 plans for new construction, renovation, or replacement. Design
8 concepts to be considered may include, but are not limited to,
9 reduction in beds; installation and use of new technology, such as
10 electronic medical records; space conversion dedicated to changes
11 in care delivery models; and common replacement of major
12 infrastructure equipment, including roofing, HVAC, generators
13 and emergency power systems, water heaters and boilers, and
14 kitchen and laundry room equipment.

15 ~~(f)~~

16 (e) The office ~~shall~~ may work with stakeholders to receive input
17 for, or assistance with, the establishment of education and outreach
18 programs directed at reducing document submission error rates
19 and turnaround times. To the extent resources are available, the
20 office shall publish on its Internet Web site these requirements,
21 including, but not limited to, the timeframes developed pursuant
22 to this section.

23 ~~(g)~~

24 (f) Notwithstanding subdivision (a) of Section 129785, the
25 maximum application filing fee for a skilled nursing or intermediate
26 care facility, as defined in subdivision (c) or (d) of Section 1250,
27 shall not exceed 2 percent of a project's estimated construction
28 cost.

29 ~~(h)~~

30 (g) This section shall remain in effect only until January 1, 2019,
31 and as of that date is repealed, unless a later enacted statute, that
32 is enacted before January 1, 2019, deletes or extends that date.