

Public Health Committee JOINT FAVORABLE REPORT

Bill No: SB-193 / [Bill Status](#) / [Public Hearing Testimony](#)

AN ACT ESTABLISHING LICENSURE FOR LONG-TERM ACUTE CARE

Title: HOSPITALS.

Vote Date: 3/2/2026

Vote Action: Joint Favorable Substitute

PH Date: 2/18/2026

File No.: 29

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

SPONSORS OF BILL:

The Public Health Committee

REASONS FOR BILL:

Certain facilities currently licensed as chronic disease hospitals are requesting a change in licensure designation. This bill requires the Department of Health (DPH) to create a licensure category for long-term acute care hospitals that legally qualify as long-term care hospitals. Currently under federal Medicare law, they are licensed as chronic disease hospitals (CDHs). Long-term care hospitals are those that:

- Primarily provide inpatient services to Medicare patients with complex conditions that require a stay of more than 25 days.
- Meet federal Medicare criteria on services, patient screening, staffing, and related matters.

SUBSTITUTE LANGUAGE:

Provisions specify that long-term acute care hospitals are covered by the law's background check requirements for long-term care institutions. They are currently covered under this law as chronic disease hospitals.

RESPONSE FROM ADMINISTRATION/AGENCY:

Manisha Juthani, MD, Commissioner, the Department of Public Health (DPH):

Commissioner Juthani shared that DPH cannot support this bill because the expense to the department to develop the new license category, regulations and monitoring are not included in the Governor's budget. Additionally, Commissioner Juthani points out that the existing CDH's license already meets the needs of patients served by these facilities. She does not see how a new licensure category would benefit patients, improving health care quality, safety, and care delivery.

Commissioner Juthani believes that some negative consequences of this bill may include:

- The new licensure category excludes the definition of long-term care facility which requires background checks for criminal history and patient abuse by potential employees who will have direct access to patients. CDHs are currently included in this definition. Other licensure categories where patients typically spend 25 or more days in the facility have this background check requirement. Dr. Juthani adds that to include these facilities in this definition would be a change that could endanger patients and potentially encourage other long-term care facilities to change.
- By adding these federal requirements into state statute would require these facilities to accept mostly Medicare patients limiting the number of Medicaid and private insurance patients they could admit.

NATURE AND SOURCES OF SUPPORT:

Tara Knapp, Vice President of External Affairs at Gaylord Specialty Healthcare

Tara Knapp supports a formal Long-Term Acute Care Hospitals (LTACHs) subcategory within the Chronic Disease Hospital designation believing it would provide clarity without imposing administrative burden, improve alignment between insurance coverage and level of care and support appropriate workforce recruitment. She adds that it will also enhance transparency for patients and families and provide a clear difference between LTACHs and inpatient rehabilitation facilities.

NATURE AND SOURCES OF OPPOSITION:

None expressed.

Reported by: Diane Young-Rodney

Date: March 10, 2026