

AN ACT

ENTITLED, An Act to authorize certain exceptions to the nursing facility moratorium.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That chapter 34-12 be amended by adding thereto a NEW SECTION to read as follows:

Notwithstanding the provisions of §§ 34-12-35.4 and 34-12-39.2, a new nursing facility as defined in § 34-12-1.1 may be constructed, operated, and maintained in an area if the facility is to be located in the eastern half of the state and is required to serve military veterans and their spouses. No more than one new nursing facility for military veterans may be located in the eastern half of the state, and the number of beds in the new nursing facility may not exceed fifty. The new nursing facility shall meet the specifications of chapter 34-12 for a licensed nursing facility in order to participate in the medicaid program. Any solicitation for a provider for the new facility shall be conducted pursuant to the provisions of §§ 5-18-57 to 5-18-62, inclusive.

Section 2. The provisions of section 1 of this Act are repealed on June 30, 2013.

Section 3. That chapter 34-12 be amended by adding thereto a NEW SECTION to read as follows:

Notwithstanding the provisions of § 34-12-39.2, a new nursing facility as defined in § 34-12-1.1 may be constructed, operated, and maintained as part of an existing nursing facility licensed under chapter 34-12 if:

- (1) The new nursing facility is located within fifteen miles of the existing nursing facility;
- (2) The combined bed capacity of both the licensed existing nursing facility and the new nursing facility do not exceed the total number of beds afforded to the existing nursing facility under § 34-12-35.4; and
- (3) Both the existing nursing facility and the new nursing facility serve medicaid residents

and both facilities independently maintain an annual minimum medicaid occupancy rate no less than ten percent below the state-wide average at the time rates are established.

For the purposes of medicaid reimbursement, the facility shall submit a combined annual cost report to include the combined costs for both the existing nursing facility and the new nursing facility. Medicaid reimbursement rates shall be calculated using the combined cost report, and rates will be subject to the ceilings and limitations set forth in rules promulgated pursuant to § 28-6-1. The existing facility's medicaid reimbursement rate shall be used to establish the overall ceiling as outlined in rules promulgated pursuant to § 28-6-1. The existing nursing facility is limited to construction of one new facility under this section.

An Act to authorize certain exceptions to the nursing facility moratorium.

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I certify that the attached Act  
originated in the

SENATE as Bill No. 69

\_\_\_\_\_  
Secretary of the Senate

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\_\_\_\_\_  
President of the Senate

Attest:

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Speaker of the House

Attest:

\_\_\_\_\_  
Chief Clerk

Senate Bill No. 69

File No. \_\_\_\_\_

Chapter No. \_\_\_\_\_

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Received at this Executive Office  
this \_\_\_\_ day of \_\_\_\_\_ ,

20\_\_ at \_\_\_\_\_ M.

By \_\_\_\_\_  
for the Governor

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The attached Act is hereby  
approved this \_\_\_\_\_ day of  
\_\_\_\_\_, A.D., 20\_\_

\_\_\_\_\_  
Governor

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STATE OF SOUTH DAKOTA,  
ss.

Office of the Secretary of State

Filed \_\_\_\_\_, 20\_\_  
at \_\_\_\_\_ o'clock \_\_ M.

\_\_\_\_\_  
Secretary of State

By \_\_\_\_\_  
Asst. Secretary of State