

Report of the

**REGULATION OF OUTPATIENT SURGICAL FACILITIES
TASK FORCE**

January 1, 2005

Public Act 04-249 (copy attached) established an eight-member task force (see membership list, attached) to study three issues related to outpatient surgical facilities:

- Whether oral maxillofacial surgical facilities should be licensed by the Department of Public Health (DPH) and obtain certificates of need from the Office of Healthcare Access (OHCA) like medical surgical facilities
- Licensing requirements for procedures that do not require moderate or deep sedation, moderate or deep analgesia, or general anesthesia that are performed in settings other than hospitals or outpatient surgical facilities
- Transfer agreements between outpatient surgical facilities and hospitals and the appropriate compensation under such agreements.

The Task Force met on October 27, 2004 and made the following determinations.

- **Licensing Oral Maxillofacial Surgical Facilities**

- Oral maxillofacial procedures are generally considered part of dentistry. The Public Health Code contains extensive regulations on the administration of anesthesia and conscious sedation in dental settings. Current law excludes dental facilities from certificate of need requirements. The Department of Public Health has convened a work group of interested parties to study a broad array of issues relating to oral maxillofacial practice. The department anticipates the work group will make its recommendations by the end of 2004.
- **Recommendation:** The General Assembly should wait for the department's recommendations before considering the facility licensing issue.

- **Licensing Requirements for Non-Hospital or Non-Surgical Center Settings**

- Performing licensure functions are a resource issue for DPH. Licensing offices where no or only light sedation is used would divert DPH from sites where diagnostic procedures are conducted, which is where DPH would prefer to focus its resources.
- **Recommendation:** No action should be taken on licensing facilities that perform no or only light sedation.

- **Transfer agreements between outpatient surgical facilities and hospitals**

- Medicare requires outpatient facilities receiving Medicare payments to have transfer agreements with hospitals or, if a hospital will not sign a transfer agreement, the facility's doctors must have hospital admitting privileges. Outpatient facilities must be accredited, and accreditation bodies require facilities' doctors to have hospital privileges.
- **Recommendation:** No action is needed at this time.

