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FISCAL IMPACT STATEMENT

LS 6112

BILL NUMBER: HB 1315

NOTE PREPARED: Feb 25, 2006

BILL AMENDED: Feb 23, 2006

SUBJECT: Sprinkler Systems in Nursing Homes.

FIRST AUTHOR: Rep. Thompson

FIRST SPONSOR: Sen. Landske

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill requires certain health facilities to have automatic fire sprinkler systems before July 1, 2011. The bill provides that if a system is not installed before July 1, 2009, a plan for completion must be submitted to the Health Facilities Council. The bill also requires the Department of Health to publish the types of automatic fire sprinkler systems and smoke detectors in the Department's consumer guide to nursing homes. (The introduced version of this bill was prepared by the Interim Study Committee on Fire Safety Issues.)

Effective Date: (Amended) Upon passage; July 1, 2006; July 1, 2007.

Explanation of State Expenditures: (Revised) The bill requires the Department to publish in the Consumer Guide to Nursing Homes information regarding the type of smoke detection system and sprinkler system in each nursing facility. The Department reports this requirement can be performed with existing resources.

Indiana Veterans' Home: The facilities of the Indiana Veterans' Home are partially sprinklered. The Veterans' Home is excluded from the requirements of the bill.

General Background Information: The bill would require facilities, not currently under a requirement to do so, to have automatic fire sprinkler systems installed throughout the facility by July 1, 2011. Current building requirements for nursing facilities require automatic fire sprinkler systems, so new construction would not be affected. The State Department of Health reports that of 516 certified comprehensive care facilities in the state, there are currently 14 health facilities in Indiana that do not have automatic fire sprinkler systems. An additional 12 facilities are reported to be partially protected by sprinkler systems.

Comprehensive care units reported as partially sprinklered that are located in hospitals and licensed as hospital beds are not affected by the provisions of the bill. A freestanding comprehensive care facility that is owned by a hospital but licensed as a nursing facility would be required to comply with the provisions of the bill. There are five long-term care units that appear to be located in hospital facilities that are reported to be partially sprinklered.

The State Department of Health reports that facilities are currently required to meet the standards that were in place when they were initially constructed or certified. Additionally, the Centers for Medicare and Medicaid Services (CMS) requirements have recently been revised to require that nursing facilities install battery-operated smoke detectors in resident rooms and public areas if they do not have an automatic sprinkler system or a hard-wired smoke detection system in those areas.

Explanation of State Revenues:

Explanation of Local Expenditures: Nursing facilities that are partially sprinklered or not sprinklered that are owned and operated by local units of government would be required to install sprinkler systems. Of the facilities currently listed as being affected by the provisions of the bill, none are believed to be owned by local units of government.

Explanation of Local Revenues:

State Agencies Affected: Indiana State Department of Health; Office of Medicaid Policy and Planning of the Family and Social Services Administration.

Local Agencies Affected:

Information Sources: State Department of Health.

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