

**IC 25-19**

**ARTICLE 19. HEALTH FACILITY ADMINISTRATORS**

**IC 25-19-1**

**Chapter 1. Regulation of Health Facility Administrators – Creation of Board**

**IC 25-19-1-1**

**Definitions**

Sec. 1. (a) As used in this chapter, "board" refers to the Indiana state board of health facility administrators.

(b) As used in this chapter, "health facility administrator" means a natural person who administers, manages, supervises, or is in general administrative charge of a licensed health facility whether such individual has an ownership interest in the health facility and whether the person's functions and duties are shared with one (1) or more individuals.

(c) As used in this chapter, "health facility" means any institution or facility defined as such for licensing under IC 16-28 and classified into care categories by rules adopted under IC 16-28.

*(Formerly: Acts 1969, c.84, s.1; Acts 1971, P.L.374, SEC.1.) As amended by Acts 1982, P.L.29, SEC.5; P.L.149-1987, SEC.38; P.L.2-1993, SEC.139.*

**IC 25-19-1-2**

**State board of health facility administrators**

Sec. 2. (a) There is created the Indiana state board of health facility administrators composed of thirteen (13) members as follows:

- (1) The state health commissioner or the commissioner's designee.
- (2) The director of the division of family resources or the director's designee.
- (3) The state long term care ombudsman or the state long term care ombudsman's designee.
- (4) The chief administrative officer of the Indiana University medical center at Indianapolis or the chief administrative officer's designee.
- (5) One (1) member of the medical profession holding an unlimited license to practice medicine in Indiana.
- (6) Four (4) administrators of licensed proprietary health facilities.
- (7) Two (2) administrators of licensed nonproprietary health facilities.
- (8) Two (2) members representing the public at large, who:
  - (A) are residents of Indiana; and
  - (B) have never been associated with health facility services or administration in any way other than as a resident or a

family member of a resident of a health facility.

(b) Those members of the board other than the representatives of state agencies and institutions shall be appointed by the governor after consultation with the associations and societies appropriate to the disciplines and professions representative of the position to be filled. The original and all subsequent physician and hospital administrator appointments shall be for terms of four (4) years. All appointments shall be for four (4) year terms, except that in case of a vacancy prior to term completion, the appointment shall be for the remainder of the unexpired term. Any vacancy, either prior to or at term completion, shall be filled by the governor after consultation with the associations and societies appropriate to the discipline or professions representative of the vacancy. In all cases, the appointees shall serve until their successors are appointed and qualified.

(c) The governor may remove any member of the board other than the representative of a state agency or institution for misconduct, incapacity, incompetence, or neglect of duty after the member has been served with a written statement of charges and has been given an opportunity to be heard. Designated representatives of the state agencies or institutions may be removed by the original appointing authority for any of those causes.

*(Formerly: Acts 1969, c.84, s.2.) As amended by Acts 1981, P.L.222, SEC.136; P.L.149-1987, SEC.39; P.L.2-1992, SEC.775; P.L.43-1998, SEC.1; P.L.145-2006, SEC.161; P.L.105-2008, SEC.33.*

### **IC 25-19-1-3**

#### **Qualifications for license; examination**

Sec. 3. (a) The board may issue licenses to qualified persons as health facility administrators and shall establish qualification criteria for health facility administrators. The board shall adopt rules establishing standards for the competent practice of a health facility administrator. A person who applies to the board to practice as a health facility administrator must:

(1) not have been convicted of a crime that has a direct bearing on the person's ability to practice competently;

(2) have:

(A) satisfactorily completed a course of instruction and training prescribed by the board, which course shall be so designed as to content and so administered as to present sufficient knowledge of the needs properly to be served by health facilities, laws governing the operation of health facilities and the protection of the interests of patients therein, and the elements of good health facilities administration; or

(B) presented evidence satisfactory to the board of sufficient education, training, or experience in the foregoing fields to administer, supervise, and manage a health facility; and

(3) have passed an examination administered by the board and designed to test for competence in the subject matter referred to

in subdivision (2).

(b) The board may issue a provisional license for a single period not to exceed six (6) months for the purpose of enabling a qualified individual to fill a health facility administrator position that has been unexpectedly vacated. Before an individual is issued a provisional license, the individual must fulfill the requirements in subdivision (a)(1) in addition to complying with other standards and rules established by the board.

*(Formerly: Acts 1969, c.84, s.3; Acts 1973, P.L.252, SEC.9.) As amended by Acts 1978, P.L.128, SEC.1; Acts 1981, P.L.222, SEC.137; Acts 1982, P.L.113, SEC.53; P.L.149-1987, SEC.40; P.L.152-1988, SEC.11; P.L.33-1993, SEC.26.*

### **IC 25-19-1-3.5**

#### **Temporary permit; issuance; conditions**

Sec. 3.5. (a) The board may issue a temporary permit to practice as a health facility administrator to a person who:

- (1) has applied to the board for a license to practice as a health facility administrator;
- (2) has a current license as a health facility administrator in another state;
- (3) has met the educational requirements of the board;
- (4) has completed a board approved training program or board determined equivalent; and
- (5) has successfully completed the national examination with a score equivalent to the score required by this state.

(b) The board may substitute for the requirements in subsection (a)(3) or (a)(4) the experience of a person as a licensed health facility administrator in another state.

(c) A temporary permit issued under this section expires upon:

- (1) the issuance of a license to the holder of the temporary permit; or
- (2) the receipt by the holder of the temporary permit of notice from the board that the holder of the temporary permit has failed the required examination for licensure.

(d) A person holding a temporary permit to practice as a health facility administrator is subject to the disciplinary provisions of this chapter.

(e) The board may establish, by rules adopted under IC 4-22-2 and IC 25-19-1-4, application procedures and requirements for the issuance of temporary permits under this section.

*As added by P.L.149-1987, SEC.41.*

### **IC 25-19-1-4**

#### **Rules for licensure; cancellation, suspension, or revocation of license**

Sec. 4. The board shall license health facility administrators in accordance with rules issued and from time to time revised by it. A health facility administrator's license shall not be transferable and shall be valid until surrendered for cancellation or suspended or

revoked for violation of this chapter or any other laws or rules relating to the proper administration and management of a health facility. Any denial of issuance or renewal, suspension, or revocation under any section of this chapter shall be appealable upon the timely request of the applicant or licensee and pursuant to IC 4-21.5.

*(Formerly: Acts 1969, c.84, s.4.) As amended by Acts 1982, P.L.154, SEC.76; P.L.7-1987, SEC.124.*

#### **IC 25-19-1-5**

##### **Classification as comprehensive health facilities and residential health facilities; administrator's license; fee**

Sec. 5. (a) The state department of health, pursuant to authority provided by IC 16-28, has, by rule duly promulgated, classified health facilities into comprehensive health facilities and residential health facilities. The fee for a health facility administrator's license in either classification shall be set by the board under section 8 of this chapter.

(b) The fee and application shall be submitted to the board, and the board shall transmit all the funds received to the treasurer of state to be deposited by the treasurer in the general fund of the state. All expenses incurred in the administration of this chapter shall be paid from the general fund upon appropriation being made in the manner provided by law for making appropriations.

(c) The administrator of a comprehensive care facility must have a comprehensive care facility administrator license issued by the board in accordance with rules adopted under section 8 of this chapter.

(d) The administrator of a residential care facility must have one (1) of the following licenses issued by the board under rules adopted under section 8 of this chapter:

(1) A comprehensive care facility administrator license.

(2) A residential care facility administrator license.

*(Formerly: Acts 1969, c.84, s.5; Acts 1971, P.L.374, SEC.2; Acts 1975, P.L.270, SEC.1.) As amended by Acts 1976, P.L.119, SEC.16; Acts 1982, P.L.29, SEC.6; P.L.169-1985, SEC.59; P.L.2-1993, SEC.140; P.L.54-2007, SEC.1; P.L.156-2011, SEC.39; P.L.197-2011, SEC.89.*

#### **IC 25-19-1-5.1**

##### **Fee; payment**

Sec. 5.1. Notwithstanding section 5 of this chapter, the fee for a health facility administrator's license shall be submitted to the Indiana professional licensing agency for it to transmit to the state treasurer.

*As added by Acts 1981, P.L.222, SEC.138. Amended by P.L.169-1985, SEC.60; P.L.1-2006, SEC.438.*

#### **IC 25-19-1-6**

##### **Organization and government of board; compensation; expenses; employees**

Sec. 6. (a) The board shall elect from its membership annually a chairperson and vice chairperson and shall adopt rules to govern its proceedings.

(b) Each member of the board who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). Such a member is also entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the department of administration and approved by the state budget agency.

(c) The Indiana professional licensing agency shall supply necessary personnel to assist the board in the performance of its duties.

(d) Seven (7) members of the board constitute a quorum for consideration of all matters before the board. A majority vote of the quorum is required for action of the board.

*(Formerly: Acts 1969, c.84, s.6.) As amended by Acts 1981, P.L.222, SEC.139; P.L.169-1985, SEC.61; P.L.149-1987, SEC.42; P.L.28-1999, SEC.1; P.L.1-2006, SEC.439; P.L.105-2008, SEC.34.*

#### **IC 25-19-1-7**

##### **Determination of qualifications for license**

Sec. 7. The Board shall have sole and exclusive authority to determine the qualifications, skill and fitness of any person to serve as an administrator of a health facility under the provisions of this chapter, and the holder of a license under the provisions of this chapter, shall be deemed qualified to serve as the administrator of that type of health facility for which he is licensed.

In carrying out its responsibilities under this chapter, The Board may seek the advice of various disciplines, agencies, institutions and individuals having an interest in long-term care.

*(Formerly: Acts 1969, c.84, s.7; Acts 1971, P.L.374, SEC.3.)*

#### **IC 25-19-1-8**

##### **Powers and duties of the board**

Sec. 8. The board shall do the following:

- (1) Adopt rules establishing:
  - (A) standards for the competent practice of a health facility administrator; and
  - (B) separate education, experience, and training requirements for licensure in each of the following classifications described in section 5 of this chapter:
    - (i) Comprehensive health facility administrator.
    - (ii) Residential health facility administrator.
- (2) Develop and apply appropriate techniques, including examination and investigations, for determining whether an individual meets the standards.
- (3) Issue licenses to individuals determined, after application of the appropriate criteria, to meet the standards, and for cause, after due notice and hearing, impose sanctions under IC 25-1-9,

including placing the licensee on probation and revoking or suspending licenses previously issued by the board in any case where the individual holding the license is determined substantially to have failed to conform to the requirements of the standards.

(4) Establish and carry out the procedures designed to ensure that individuals licensed as health facility administrators will, during any period that they serve as such, comply with the requirements of the standards.

(5) Subject to IC 25-1-7, receive, investigate, and take appropriate action under IC 25-1-9 with respect to, and including probation, suspension, or the revocation of a license if necessary after due notice and hearing and for cause, any charge or complaint filed with the board to the effect that any individual licensed as a health facility administrator has failed to comply with the requirements of the standards.

(6) Conduct a continuing study and investigation of health facilities and administrators of health facilities in the state to improve the standards imposed for the licensing of the administrators and of procedures and methods for the enforcement of the standards with respect to licensed health facility administrators.

(7) Conduct, or cause to be conducted, one (1) or more courses of instruction and training sufficient to meet the requirements of this chapter, and shall make provisions for the courses and their accessibility to residents of this state unless it finds and approves a sufficient number of courses conducted by others within this state. The board may approve courses conducted in or outside this state sufficient to meet the education and training requirements of this chapter.

(8) Take other actions, not inconsistent with law, including establishing and approving requirements for continuing professional education for licensure renewal, making provisions for accepting and disbursing funds for educational purposes, as may be necessary to enable the state to meet the requirements set forth in Section 1908 of the Social Security Act (42 U.S.C. 1396g), the federal regulations adopted under that law, and other pertinent federal authority, and designing any other action to improve the professional competence of licensees.

*(Formerly: Acts 1969, c.84, s.8; Acts 1975, P.L.270, SEC.2.) As amended by Acts 1977, P.L.172, SEC.25; Acts 1981, P.L.222, SEC.140; P.L.149-1987, SEC.43; P.L.152-1988, SEC.12; P.L.54-2007, SEC.2.*

#### **IC 25-19-1-9**

##### **Renewal of license; failure to renew**

Sec. 9. (a) Every holder of a health facility administrator's license shall renew the license on the date established by the licensing agency under IC 25-1-5-4. The renewals shall be granted as a matter of course, unless the board finds, after due notice and hearing, that

the applicant has acted or failed to act in a manner or under circumstances that would constitute grounds for nonrenewal, suspension, or revocation of a license.

(b) A health facility administrator's license expires at midnight on the renewal date specified by the Indiana professional licensing agency. Failure to renew a license on or before the renewal date automatically renders the license invalid.

(c) A person who fails to renew a license before it expires and becomes invalid at midnight of the renewal date shall be reinstated by the board if the person applies for reinstatement not later than three (3) years after the expiration of the license and meets the requirements under IC 25-1-8-6(c).

(d) The board may reinstate a person who applies to reinstate a license under this section more than three (3) years after the date the license expires and becomes invalid if the person applies to the board for reinstatement and meets the requirements for reinstatement established by the board under IC 25-1-8-6(d).

(e) The board may require an applicant under subsection (d) to appear before the board to explain the applicant's failure to renew. *(Formerly: Acts 1969, c.84, s.9; Acts 1975, P.L.270, SEC.3.) As amended by P.L.149-1987, SEC.44; P.L.48-1991, SEC.32; P.L.269-2001, SEC.14; P.L.1-2006, SEC.440; P.L.105-2008, SEC.35.*

#### **IC 25-19-1-10**

##### **License by reciprocity; requirements**

Sec. 10. (a) The board may issue a health facility administrator's license to any person who holds a current comparable license from another jurisdiction, if the board finds that the applicant has:

- (1) met the educational requirements of the board;
- (2) completed a board approved training program or board determined equivalent;
- (3) successfully completed the national examination with a score equivalent to the score required by this state; and
- (4) successfully completed the state examination conducted by the board.

(b) The board may substitute for the requirements in subsection (a)(1) or (a)(2) the experience of a person as a licensed health facility administrator in another state.

*(Formerly: Acts 1969, c.84, s.10.) As amended by P.L.149-1987, SEC.45; P.L.33-1993, SEC.27.*

#### **IC 25-19-1-11**

##### **Necessity of license; violations**

Sec. 11. No health facility may operate unless it is under the supervision of an administrator who holds a currently valid health facility administrator's license, provisional license, or temporary permit issued under this chapter. No person may practice or offer to practice health facility administration or use any title, sign, card, or device to indicate that the person is a health facility administrator,

unless the person has been duly licensed as a health facility administrator or provisional health facility administrator. A person who violates this section commits a Class C infraction, and each day of continuing violation after entry of judgment constitutes a separate infraction.

*(Formerly: Acts 1969, c.84, s.11.) As amended by Acts 1978, P.L.2, SEC.2537; P.L.149-1987, SEC.46.*

#### **IC 25-19-1-12**

##### **Approval and promulgation of rules and regulations**

Sec. 12. All rules and regulations authorized by this chapter, to become effective, shall be first approved by the board and then promulgated in the manner provided by law for the promulgation of rules and regulations of administrative bodies and when so promulgated shall be the only rules and regulations governing the licensing of health facility administrators as defined in this chapter, in the state.

*(Formerly: Acts 1969, c.84, s.12.) As amended by Acts 1982, P.L.154, SEC.77.*

#### **IC 25-19-1-13**

##### **Repealed**

*(Repealed by P.L.152-1988, SEC.30.)*

#### **IC 25-19-1-14**

##### **Injunction from continuing violation of chapter; punishment**

Sec. 14. The attorney general, the board, or the prosecuting attorney or a citizen of any county in which a person is in violation of this chapter may bring an action in the name of the state to enjoin the person from continuing in violation of this chapter. A person who is enjoined and who violates the injunction shall be punished for contempt of court. An injunction issued under this section does not relieve any person from criminal prosecution.

*As added by P.L.149-1987, SEC.48.*