

**OKLAHOMA HOSPITAL LICENSING ACT
TITLE 63 OF THE OKLAHOMA STATUTES
(Including amendments effective November 1, 2005)**

[UNOFFICIAL VERSIONS]

§63-1-701. Definitions.

For the purposes of this article:

1. "Hospital" means any institution, place, building or agency, public or private, whether organized for profit or not, devoted primarily to the maintenance and operation of facilities for the diagnosis, treatment or care of patients admitted for overnight stay or longer in order to obtain medical care, surgical care, obstetrical care, or nursing care for illness, disease, injury, infirmity, or deformity. Except as otherwise provided by paragraph 5 of this subsection, places where pregnant females are admitted and receive care incident to pregnancy, abortion or delivery shall be considered to be a "hospital" within the meaning of this article, regardless of the number of patients received or the duration of their stay. The term "hospital" includes general medical surgical hospitals, specialized hospitals, critical access and emergency hospitals, and birthing centers;

2. "General medical surgical hospital" means a hospital maintained for the purpose of providing hospital care in a broad category of illness and injury;

3. "Specialized hospital" means a hospital maintained for the purpose of providing hospital care in a certain category, or categories, of illness and injury;

4. "Critical access hospital" means a hospital determined by the State Department of Health to be a necessary provider of health care services to residents of a rural community;

5. "Emergency hospital" means a hospital that provides emergency treatment and stabilization services on a 24-hour basis that has the ability to admit and treat patients for short periods of time;

6. "Birthing center" means any facility, place or institution, which is maintained or established primarily for the purpose of providing services of a certified midwife or licensed medical doctor to assist or attend a woman in delivery and birth, and where a woman is scheduled in advance to give birth following a normal, uncomplicated, low-risk pregnancy. Provided, however, licensure for a birthing center shall not be compulsory; and

7. "Day treatment program" means nonresidential, partial hospitalization programs, day treatment programs, and day hospital programs as defined by subsection A of Section 175.20 of Title 10 of the Oklahoma Statutes.

Added by Laws 1963, c. 325, art. 7, § 701, operative July 1, 1963. Amended by Laws 1978, c. 207, § 1, eff. Oct. 1, 1978; Laws 1991, c. 306, § 7, emerg. eff. June 4, 1991; Laws 1995, c. 231, § 5, eff. Nov. 1, 1995; Laws 1999, c. 93, § 1, eff. Nov. 1, 1999.

§63-1-702. Licenses required - Practice of healing arts or medicine.

A. It shall be unlawful for any person to establish, operate or maintain in the State of Oklahoma a hospital without first obtaining a license therefore in the manner hereinafter provided. Hospitals operated by the federal government, state mental

hospitals, and community-based structured crisis centers, as defined in Section 3-317 of Title 43A of the Oklahoma Statutes, shall be exempt from the provisions of this article.

B. A hospital may be licensed as a general medical surgical hospital with one or more specialty services or combination of specialty services in a single license.

C. Nothing in this article shall authorize any person to engage, in any manner, in the practice of the healing arts.

Added by Laws 1963, c. 325, art. 7, § 702, operative July 1, 1963. Amended by Laws 1996, c. 354, § 49, eff. Nov. 1, 1996; Laws 1999, c. 93, § 2, eff. Nov. 1, 1999.

§63-1-702a. Voluntary licensing of birthing centers - Standards for day treatment programs - Rules and regulations.

A. By January 1, 1992, the State Board of Health shall promulgate and adopt rules for the voluntary licensing of birthing centers.

B. The State Board of Health shall promulgate rules establishing standards for day treatment programs other than those operated by community mental health centers.

Added by Laws 1991, c. 306, § 8, emerg. eff. June 4, 1991. Amended by Laws 1995, c. 231, § 6, eff. Nov. 1, 1995.

§63-1-703. Licenses - Application - Evidence of qualifications.

Before a license shall be issued under this article, the person applying, if an individual, shall submit evidence satisfactory to the State Commissioner of Health that he is not less than twenty-one (21) years of age, of reputable and responsible character, and in sound physical and mental health. In the event the applicant is an association, corporation or governmental unit, like information shall be submitted as to the members of the governing board thereof. Every applicant shall also submit satisfactory evidence of his ability to comply with minimum standards and with all rules and regulations adopted by the State Board of Health. The application shall be on a form prescribed by the Commissioner, shall be verified, and shall show the type of institution to be operated and the location thereof, the name of the person in charge of the institution, and such other information as the Commissioner may require. An application on behalf of a corporation, association or governmental unit shall be made by any two officers thereof, or by its managing agent, and shall furnish like information.

Laws 1963, c. 325, art. 7, § 703.

§63-1-704. Licenses - Fees - Duration - Posting.

A. 1. The application by any person for a license to operate a hospital within the meaning of this article shall be accompanied by a fee to be determined by the number of beds available for patients, to be established by the State Board of Health, but not to exceed Ten Dollars (\$10.00) for each bed included in the maximum bed capacity at such facility.

2. For the purpose of determining the fee, the total number of beds shall include cribs and bassinets.

B. No such fee shall be refunded unless licensure is refused. All licenses shall be for a period of twelve (12) months from the date of issue. Provided that licenses may be issued for a period of more than twelve (12) months, but not more than twenty-four (24) months, for the license period immediately following the enactment of this provision in

order to permit an equitable distribution of license expiration dates to all months of the year.

C. Fees for such extended licensure period shall be prorated according to the total months to be licensed, with such amounts to be calculated to the nearest dollar.

D. All licenses:

1. Shall be on a form prescribed by the State Commissioner of Health and shall not be transferable or assignable;

2. Shall be issued only for the premises named in the application;

3. Shall be posted in a conspicuous place on the licensed premises; and

4. May be renewed for twelve-month periods upon application, investigation and payment of license fee, as in the case of procurement of an original license.

Added by Laws 1963, c. 325, art. 7, § 704, operative July 1, 1963. Amended by Laws 1978, c. 286, § 1, eff. Jan. 1, 1979; Laws 1993, c. 269, § 13, eff. Sept. 1, 1993; Laws 1999, c. 93, § 3, eff. Nov. 1, 1999.

§63-1-705. Rules and standards - Inspection - Application of other laws - Community-based programs and services to be provided.

A. The State Board of Health, upon recommendation of the State Commissioner of Health and with the advice of the Oklahoma Hospital Advisory Council hereinafter provided for, shall promulgate rules and standards for the construction and operation of hospitals, for which licenses are required by the terms of this article, to provide for the proper care of patients. The promulgation of rules shall be subject to and be governed by the provisions of the Administrative Procedures Act.

B. Every hospital shall be periodically inspected by an authorized representative of the Commissioner. Reports of such inspections shall be on forms prescribed by the Commissioner, who shall, after receipt of such reports, take such action as deemed necessary by the Commission to have corrected any deficiencies or violations of the rules and standards of the Board shown in such reports.

C. Hospitals licensed pursuant to the provisions of this article shall not be exempt from being inspected or licensed under laws relating to hotels, restaurants, lodging houses, boarding houses and places of refreshment.

D. 1. Every hospital that offers or provides inpatient psychiatric or chemical dependency treatment services to persons eighteen (18) years of age or younger shall offer, provide or otherwise make available community-based programs and services and may make such programs and services available directly, through contract, or other appropriate means as determined by the State Department of Health.

2. For the purposes of this subsection the term "community-based services" shall have the same meaning as such term is defined by Section 7001-1.3 of Title 10 of the Oklahoma Statutes.

Added by Laws 1963, c. 325, art. 7, § 705, operative July 1, 1963. Amended by Laws 1989, c. 345, § 1, eff. Oct. 1, 1989; Laws 1999, c. 93, § 4, eff. Nov. 1, 1999.

§63-1-706. Licenses - Issuance, suspension and revocation.

A. The State Commissioner of Health shall issue licenses for the operation of hospitals found to comply with the provisions of this article and rules and standards of the State Board of Health.

B. The Commissioner may suspend or revoke any such license on any of the following grounds:

1. Violation of any of the provisions of this article, or rules or standards promulgated pursuant thereto;

2. Permitting, aiding or abetting the commission of any illegal act in the licensed hospital or institution; or

3. Conduct or practices deemed by the Commissioner to be detrimental to the welfare of the patients of the hospital or institution.

C. If a license is revoked, a new application for license shall be considered by the Commissioner on receipt of evidence that the conditions upon which revocation was based have been corrected. A new license may then be granted after proper inspection has been made and all provisions of this article and rules and standards of the State Board of Health have been satisfied.

Added by Laws 1963, c. 325, art. 7, § 706, operative July 1, 1963. Amended by Laws 1999, c. 93, § 5, eff. Nov. 1, 1999.

§63-1-707. Rules and standards.

A. The State Board of Health, upon the recommendation of the State Commissioner of Health and with the advice of the Oklahoma Hospital Advisory Council, shall promulgate rules and standards as it deems to be in the public interest for hospitals, on the following:

1. Construction plans and location, including fees not to exceed Two Thousand Dollars (\$2,000.00) for submission or resubmission of architectural and building plans, and procedures to ensure the timely review of such plans by the State Department of Health. Said assessed fee shall be used solely for the purposes of processing approval of construction plans and location by the State Department of Health;

2. Physical plant and facilities;

3. Fire protection and safety;

4. Food service;

5. Reports and records;

6. Staffing and personal service;

7. Surgical facilities and equipment;

8. Maternity facilities and equipment;

9. Control of communicable disease;

10. Sanitation;

11. Laboratory services;

12. Nursing facilities and equipment; and

13. Other items as may be deemed necessary to carry out the purposes of this article.

B. 1. The State Board of Health, upon the recommendation of the State Commissioner of Health and with the advice of the Oklahoma Hospital Advisory Council and the State Board of Pharmacy, shall promulgate rules and standards as it deems to be in the public interest with respect to the storage and dispensing of drugs and medications for hospital patients.

2. The State Board of Pharmacy shall be empowered to inspect drug facilities in licensed hospitals and shall report violations of applicable statutes and rules to the State Department of Health for action and reply.

C. 1. The Commissioner shall appoint an Oklahoma Hospital Advisory Council to advise the Board, the Commissioner and the Department regarding hospital operations and to recommend actions to improve patient care.

2. The Advisory Council shall have the duty and authority to:

- a. review and approve in its advisory capacity rules and standards for hospital licensure,
- b. evaluate, review and make recommendations regarding Department licensure activities, provided however, the Advisory Council shall not make recommendations regarding scope of practice for any health care providers or practitioners regulated pursuant to Title 59 of the Oklahoma Statutes, and
- c. recommend and approve:
 - (1) quality indicators and data submission requirements for hospitals, and
 - (2) the indicators and data to be used by the Department to monitor compliance with licensure requirements, and
- d. to publish an annual report of hospital performance.

D. 1. The Advisory Council shall be composed of nine (9) members appointed by the Commissioner with the advice and consent of the Board. The membership of the Advisory Council shall be as follows:

- a. two members shall be hospital administrators of licensed hospitals,
 - b. two members shall be licensed physicians or practitioners who have current privileges to provide services in hospitals,
 - c. two members shall be hospital employees, and
 - d. three members shall be citizens representing the public who:
 - (1) are not hospital employees,
 - (2) do not hold hospital staff appointments, and
 - (3) are not members of hospital governing boards.
2. a. Advisory Council members shall be appointed for three-year terms except the initial terms after November 1, 1999, of one hospital administrator, one licensed physician or practitioner, one hospital employee, and one public member shall be one (1) year. The initial terms after the effective date of this act of one hospital administrator, one licensed physician or practitioner, one hospital employee, and one public member shall be two (2) years. The initial terms of all other members shall be three (3) years. After initial appointments to the Council, members shall be appointed to three-year terms.
- b. Members of the Advisory Council may be removed by the Commissioner for cause.

E. The Advisory Council shall meet on a quarterly basis and shall annually elect from among its members a chairperson. Members of the Council shall serve without

compensation but shall be reimbursed by the Department for travel expenses related to their service as authorized by the State Travel Reimbursement Act.

Added by Laws 1963, c. 325, art. 7, § 707, operative July 1, 1963. Amended by Laws 1968, c. 86, § 1, emerg. eff. April 1, 1968; Laws 1999, c. 93, § 6, eff. Nov. 1, 1999; Laws 1999, c. 213, § 2, eff. July 1, 1999.

§63-1-707a. Staff privileges - Applications - Psychologists.

A. The administrator in charge of each hospital licensed by the State Commissioner of Health shall accept for consideration each application for professional staff privileges submitted by a person licensed to practice:

1. Medicine by the State Board of Medical Licensure and Supervision;
2. Osteopathy by the State Board of Osteopathy;
3. Podiatry by the State Board of Podiatry; or
4. As a health service psychologist by the Oklahoma State Board of Examiners of Psychologists.

B. The application shall be acted upon by the governing board of the hospital within a reasonable time. A written report of such action shall be furnished to the applicant thereafter.

C. If a hospital grants staff privileges to a psychologist, at the time of admission of a patient of the psychologist to the hospital, the psychologist or the hospital shall identify a psychiatrist, a medical doctor, or a doctor of osteopathy who shall be responsible for the medical evaluation and medical management of the patient.

Added by Laws 1977, c. 180, § 1. Amended by Laws 1979, c. 142, § 1; Laws 1987, c. 118, § 53, operative July 1, 1987; Laws 1995, c. 134, § 1, eff. Nov. 1, 1995; Laws 1999, c. 93, § 7, eff. Nov. 1, 1999.

§63-1-707b. Granting of staff privileges - Criteria.

A. The administrator in charge of or the governing board of each hospital licensed by the State Commissioner of Health shall adopt written criteria for use in determining which licensed medical doctors, doctors of osteopathy, doctors of podiatry, and health service psychologists shall be granted professional and/or medical staff privileges by the hospital. A licensed hospital shall not deny an application based solely on the applicant's license, as long as the applicant is licensed to practice:

1. Medicine by the State Board of Medical Licensure and Supervision;
2. Osteopathy by the State Board of Osteopathy;
3. Podiatry by the State Board of Podiatry; or
4. As a health service psychologist by the Oklahoma State Board of Examiners of Psychologists.

B. The accordance and delineation of medical staff membership or clinical privileges shall be determined on an individual basis commensurate with an applicant's education, training, experience and demonstrated clinical competence.

C. When medical education training and specialty board certification are considerations in the credentialing and recredentialing of physicians, hospitals and health plans shall give equal recognition to those bodies recognized by the federal government for the training and certification of such physicians. Hospitals and health plans shall not discriminate, on the basis of education, against eligible physicians who have:

1. Graduated from medical schools and postdoctoral programs approved by either the American Osteopathic Association or the Accreditation Council for Graduate Medical Education; or

2. Been awarded board eligibility or board certification by specialty boards recognized by either the American Osteopathic Association or the American Board of Medical Specialties.

Added by Laws 1977, c. 180, § 2. Amended by Laws 1979, c. 142, § 2; Laws 1995, c. 134, § 2, eff. Nov. 1, 1995; Laws 1995, c. 358, § 6, eff. Nov. 1, 1995; Laws 1999, c. 93, § 8, eff. Nov. 1, 1999; Laws 2002, c. 156, § 2, eff. Nov. 1, 2002.

NOTE: Laws 1995, c. 107, § 1 repealed by Laws 1995, c. 358, § 13, eff. Nov. 1, 1995.

§63-1-709. Information confidential.

Information received by the State Commissioner of Health through inspection or otherwise, authorized under the foregoing sections of this article, shall be confidential and shall not be disclosed publicly except in a proceeding involving the question of licensure or revocation or suspension of license.

Laws 1963, c. 325, art. 7, § 709.

§63-1-722. Electronic- or computer-generated signatures of physician.

Electronic- or computer-generated signatures of a physician are acceptable as authentication and may be used in any place in the medical record where a physician's signature is required, including, but not limited to, all medical orders, if the signature is generated by a confidential code which only the user possesses and the following safeguards are adhered to:

1. The physician signs and then files a statement in the hospital administrator's office which states that:

- a. the physician will use an electronic- or computer-generated signature to authenticate his entries in the medical record,
- b. the signature will be generated by a confidential code which only the physician possesses, and
- c. no person other than the physician will be permitted to use the signature;

2. The physician's use of an electronic- or computer-generated signature is approved in writing by the hospital's administrator and medical record committee;

3. The electronic- or computer-generated signature is the full, legal name of the physician and includes the physician's professional title; and

4. Rules and regulations pertaining to electronic-generated signatures as provided in this act shall be promulgated by the State Board of Health.

Added by Laws 1993, c. 124, § 1, eff. Sept. 1, 1993.

§63-1-742. Payment for securing or soliciting patients for hospital or other entity - Penalties - Construction of act - Exceptions.

A. 1. Any person who intentionally or knowingly pays to or accepts anything of value from any person, firm, association of persons, partnership or corporation for securing or soliciting patients for any health care professional, health care provider or

other entity providing health care services in this state, upon conviction, shall be guilty of a misdemeanor and shall be punished by a fine of not less than Five Hundred Dollars (\$500.00) and not more than Two Thousand Dollars (\$2,000.00).

2. In addition to any other penalties or remedies provided by law:

- a. a violation of this section by a health care professional or health care provider shall be grounds for disciplinary action by the state agency licensing, certifying or registering such professional or provider, and
- b. the state agency licensing, certifying or registering such professional or provider may institute an action to enjoin violation or potential violation of this section.

B. This section shall not be construed to prohibit:

1. Advertising, except that advertising which:

- a. is false, misleading or deceptive,
- b. advertises professional superiority or the performance of a professional service in a superior manner, and
- c. is not readily subject to verification;

2. Remuneration for advertising, marketing or other services that are provided for the purpose of securing or soliciting patients, provided the remuneration is:

- a. set in advance,
- b. consistent with the fair market value of the services, and
- c. not based on the volume or value of any patient referrals or business otherwise generated between the parties; and

3. Any payment, business arrangements or payments practice not prohibited by 42 U.S.C., Section 1320a-7b(b), or any regulations promulgated pursuant thereto.

C. This section shall not apply to licensed insurers, including but not limited to, group hospital service corporations or health maintenance organizations which reimburse, provide, offer to provide or administer hospital, medical, dental or other health-related benefits under a health benefits plan for which it is the payor when it is providing those services under a health benefits plan.

D. For purposes of this section:

1. "Health care professional" means any person who offers or provides counseling or health or mental health care under a license, certification or registration issued pursuant to Title 59 of the Oklahoma Statutes; and

2. "Health care provider" means any hospital or related institution offering or providing health care services licensed pursuant to Section 1-702 of this title.

Added by Laws 1993, c. 165, § 3, eff. Sept. 1, 1993. Amended by Laws 1998, c. 344, § 2, eff. Nov. 1, 1998.