

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Health Care to which was referred Senate Bill No. 18
3 entitled “An act relating to licensure of freestanding birth centers” respectfully
4 reports that it has considered the same and recommends that the House propose
5 to the Senate that the bill be amended by striking out all after the enacting
6 clause and inserting in lieu thereof the following:

7 Sec. 1. 18 V.S.A. chapter 53 is added to read:

8 CHAPTER 53. BIRTH CENTER LICENSING

9 § 2351. DEFINITIONS

10 As used in this chapter:

11 (1) “Birth center” means a facility the primary purposes of which are to
12 provide midwifery care, low-risk deliveries, and newborn care immediately
13 after delivery, for a stay of generally less than 24 hours. The term does not
14 include a facility that is a hospital, is part of a hospital, or is owned by a
15 hospital; a facility that is an ambulatory surgical center; or the residence of the
16 individual giving birth. A birth center may be located on the grounds of a
17 hospital.

18 (2) “Certified nurse midwife” means a professional an advanced
19 practice registered nurse licensed in accordance with 26 V.S.A. chapter 28,
20 subchapter 2 who has specialized training in childbirth, newborn care, and
21 reproductive health care services.

1 (3) “Change of ownership” means a change in the majority or
2 controlling interest in an established birth center to another person.

3 (4) “Corrective action plan” means a written strategy for correcting an
4 issue of partial compliance, deficiency, or violation of this chapter or rules
5 adopted pursuant to this chapter.

6 (5) “Licensed maternity care provider” means a licensed provider whose
7 professional scope of practice, as established under Vermont law, includes
8 preconception, prenatal, labor, birth, and postpartum care and early care of a
9 newborn and who may be the primary attendant during the perinatal period.

10 (6) “Licensed midwife” means a professional licensed in accordance
11 with 26 V.S.A. chapter 85.

12 (7) “Licensed provider” means an individual licensed or certified in
13 Vermont to provide specific health care-related services within a scope of
14 practice defined by licensing statutes and rules, and may include **advanced**
15 **practice registered nurses, including** certified nurse midwives; licensed
16 midwives; **advanced practice registered nurses,** physician assistants;
17 naturopathic physicians with a childbirth endorsement in accordance with 26
18 V.S.A. §§ 4122(b) and 4125(b); **doctors of nursing practice,** and physicians.
19 § 2352. LICENSE; PROHIBITIONS

1 (a) No person shall establish, maintain, or operate a birth center in this
2 State without first obtaining a license for the birth center in accordance with
3 this chapter.

4 (b) A birth center may be independently owned and operated by a licensed
5 maternity care provider **or any other person who complies with the**
6 **requirements of this chapter.**

7 **(c) A birth center shall not offer or provide epidural anesthesia or a**
8 **cesarean delivery.**

9 (d) No person shall represent itself as a “birth center” or use the term “birth
10 center” in its title or in its advertising, publications, or other form of
11 communication unless the person has been licensed as a birth center in
12 accordance with the provisions of this chapter.

13 (e) A license is not transferable or assignable and shall be issued only for
14 the premises and persons named in the application.

15 § 2353. APPLICATION; FEE

16 (a) An application for licensure of a birth center shall be made to the
17 Department of Health in the manner specified by the Department and shall
18 include all information required by the Department.

19 (b)(1) Each application for an initial license, renewal of a license, or a
20 change of ownership shall be accompanied by a fee of \$250.00.

1 (2) Fees collected under this section shall be credited to the Hospital
2 Licensing Fees Special Fund and shall be available to the Department of
3 Health to offset the costs of licensing birth centers.

4 § 2354. LICENSE REQUIREMENTS

5 Upon receipt of an application for a license and the licensing fee, the
6 Department of Health shall issue a license if it determines, after an inspection
7 conducted by the Department or its designee, that the applicant is able to
8 operate a birth center in accordance with rules adopted by the Department.

9 § 2355. REVOCATION OF LICENSE; HEARING

10 The Department of Health, after notice and opportunity for hearing to the
11 applicant or licensee, is authorized to condition, deny, suspend, or revoke a
12 license in any case in which it finds that there has been a substantial failure to
13 comply with the requirements established under this chapter. Such notice shall
14 be served by registered mail or by personal service, shall set forth the reasons
15 for the proposed action, and shall set a date not less than 60 days from the date
16 of the mailing or service on which the applicant or licensee shall be given
17 opportunity for a hearing. After the hearing, or upon default of the applicant or
18 licensee, the Department shall file its findings of fact and conclusions of law.
19 A copy of the findings and decision shall be sent by registered mail or served
20 personally upon the applicant or licensee. The procedure governing hearings
21 authorized by this section shall be set forth in the rules adopted pursuant to

1 section 2359 of this chapter and shall not be subject to the contested case
2 provisions of 3 V.S.A. chapter 25, subchapter 2.

3 § 2356. APPEAL

4 Any applicant or licensee, or the State acting through the Attorney General,
5 aggrieved by the decision of the Department of Health after a hearing may
6 appeal the decision in accordance with section 128 of this title. Pursuant to
7 section 129 of this title, an appeal pursuant to this section shall not stay the
8 effectiveness of an order entered in accordance with section 2355 of this
9 chapter, but any party is permitted to seek a stay order in the Superior Court in
10 which the appeal is being heard.

11 § 2357. INSPECTIONS

12 (a) The Department of Health or its designee shall make or cause to be
13 made such inspections and investigations as the Department or its designee
14 deems necessary.

15 (b) A birth center, including its building and grounds and, in accordance
16 with applicable law, its records, shall be subject to inspection by the
17 Department and its designee at all times.

18 (c) If a birth center is found to be out of compliance with any requirement
19 of this chapter or rules adopted pursuant to this chapter, the Department may
20 condition, deny, suspend, revoke, or refuse to renew the birth center's license
21 or may ask the birth center to develop and implement a corrective action plan.

1 (d) If the Department finds a violation as the result of an inspection or
2 investigation, the Department shall post a report on the Department’s website
3 summarizing the violation and any corrective action required.

4 § 2358. RECORDS

5 (a) Information received by the Department of Health through filed reports,
6 inspections, or as otherwise authorized by law shall:

7 (1) not be disclosed publicly in a manner that identifies or may lead to
8 the identification of one or more individuals or birth centers;

9 (2) be exempt from public inspection and copying under the Public
10 Records Act; and

11 (3) be kept confidential except as it relates to a proceeding regarding
12 licensure of a birth center.

13 (b) The provisions of subsection (a) of this section shall not apply to the
14 summary reports of violations required to be posted on the Department’s
15 website pursuant to section 2357 of this chapter.

16 § 2359. RULES

17 The Department of Health shall adopt rules in accordance with 3 V.S.A.
18 chapter 25 as needed to carry out the purposes of this chapter. The rules shall
19 be based on the national birth center standards published by the American
20 Association of Birth Centers and shall, at a minimum, include provisions
21 regarding:

- 1 (1) requirements for operating a birth center, including requirements for
2 safety, sanitation, and health;
- 3 (2) obtaining, storing, and dispensing pharmaceuticals consistent with
4 State and federal laws;
- 5 (3) requirements for notice to the Department of Health when there is a
6 change in ownership of a birth center and any additional licensing
7 requirements related to a change in ownership;
- 8 (4) the scope of services that may be provided at a birth center,
9 including risk factors that preclude a patient from receiving labor and delivery
10 services at a birth center;
- 11 (5) appropriate staffing for a birth center, including the types of licensed
12 providers who may practice at a birth center;
- 13 (6) birth center complaint processes;
- 14 (7) birth center facility, equipment, and supply requirements, including
15 requirements for the maintenance of safety, sanitation, and health;
- 16 (8) record retention and confidentiality;
- 17 (9) quality assurance and improvement;
- 18 (10) processes for the development, submission, approval, and
19 implementation of corrective action plans; and

1 (11) a requirement for written practice guidelines and policies that
2 include procedures for transferring a patient to a hospital if circumstances
3 warrant; and

4 (12)(A) requirements for written policies and procedures for
5 collaboration with hospitals, other agencies and facilities, and individuals
6 to provide services to patients as appropriate, including:

7 (i) laboratory and diagnostic services;

8 (ii) childbirth education and parenting education support
9 services;

10 (iii) obstetric consultation services;

11 (iv) pediatric consultation services;

12 (v) transport services;

13 (vi) obstetric and newborn acute care in licensed hospitals;

14 and

15 (vii) home health care services;

16 (B) a requirement that the policies and procedures established
17 pursuant to subdivision (A) of this subdivision (12) are provided to the
18 relevant service providers upon request; and

19 (C) a requirement that the birth center provide the health record
20 of the patient or the newborn, or both, to the receiving service provider
21 upon referral or transfer, in accordance with applicable privacy laws.

1 § 2360. NO EFFECT ON SCOPE OF SERVICES

2 (a) Nothing in this chapter or in rules adopted pursuant to this chapter shall
3 be construed to expand or limit the scope of the services that a licensed
4 midwife, certified nurse midwife, or other provider may offer at a birth center
5 or perform in a space that is shared with or adjacent to a birth center.

6 (b) A birth center may serve as a location for additional services offered in
7 shared or adjacent spaces, including outpatient gynecologic care, primary care,
8 and education and support services, provided that any licensed provider
9 providing services in those spaces shall only provide those services that are
10 within the licensed provider’s authorized scope of practice.

11 Sec. 2. 8 V.S.A. § 4099d is amended to read:

12 § 4099d. MIDWIFERY COVERAGE; ~~HOME BIRTHS~~

13 (a) A health insurance plan or health benefit plan providing maternity
14 benefits shall also provide coverage:

15 (1) for services rendered by a midwife licensed pursuant to 26 V.S.A.
16 chapter 85 or an advanced practice registered nurse licensed pursuant to 26
17 V.S.A. chapter 28 who is certified as a nurse midwife for services within the
18 licensed midwife’s or certified nurse midwife’s scope of practice and provided
19 in a hospital, birth center, or other health care facility or at home; ~~and~~

1 (2) for prenatal, maternity, postpartum, and newborn services provided
2 at a birth center licensed pursuant to 18 V.S.A. chapter 53, including birth
3 center facility fees.

4 * * *

5 Sec. 3. 18 V.S.A. § 9435(a) is amended to read:

6 (a) Excluded from this subchapter are offices of physicians, dentists, or
7 other practitioners of the healing arts, meaning the physical places that are
8 occupied by such providers on a regular basis in which such providers perform
9 the range of diagnostic and treatment services usually performed by such
10 providers on an outpatient basis unless they are subject to review under
11 subdivision 9434(a)(4) of this title. The exclusion provisions of this subsection
12 shall also apply to birth centers licensed pursuant to chapter 53 of this title.

13 **§ 9435. EXCLUSIONS**

14 * * *

15 (i) Excluded from this subchapter are birth centers that are licensed
16 pursuant to chapter 53 of this title or are proposed to be established and
17 licensed pursuant to chapter 53 of this title.

18 Sec. 4. AGENCY OF HUMAN SERVICES; MEDICAID; REQUEST FOR
19 FEDERAL APPROVAL

20 The Agency of Human Services shall seek approval from the Centers for
21 Medicare and Medicaid Services to allow Vermont Medicaid to cover prenatal,

1 maternity, postpartum, and newborn services provided at a licensed birth
2 center and to allow Vermont Medicaid to reimburse separately for birth center
3 services, including birth center facility fees, and for professional services.

4 Sec. 5. EFFECTIVE DATES

5 (a) Sec. 1 (birth center licensing) shall take effect on January 1, 2027 or the
6 effective date of the birth center rules adopted by the Department of Health,
7 whichever comes first.

8 (b) Sec. 2 (8 V.S.A. § 4099d) shall take effect on January 1, 2027.

9 (c) Sec. 3 (18 V.S.A. § 9435a) shall take effect on July 1, 2025.

10 (d) Sec. 4 (Agency of Human Services; Medicaid; request for federal
11 approval) shall take effect on passage ~~and the Agency of Human Services shall~~
12 submit its request for approval of Medicaid coverage of birth center services to
13 the Centers for Medicare and Medicaid Services on or before July 1, 2025, and
14 the Medicaid coverage shall begin on the later of the date of approval or the
15 effective date of the birth center rules adopted by the Department of Health.

16 (e) This section shall take effect on passage.

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3 (Committee vote: _____)

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Representative _____

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FOR THE COMMITTEE