

HB 1562-FN - AS AMENDED BY THE HOUSE

11Mar2026... 0415h

2026 SESSION

26-2358

05/08

HOUSE BILL

1562-FN

AN ACT relative to licensing requirements for health care facilities that operate on a membership-based business model.

SPONSORS: Rep. McLean, Hills. 15; Rep. Warden, Hills. 39; Rep. Mazur, Hills. 44; Rep. Ammon, Hills. 42; Rep. Kofalt, Hills. 32; Sen. Sullivan, Dist 18

COMMITTEE: Health, Human Services and Elderly Affairs

AMENDED ANALYSIS

This bill exempts direct-pay health care facilities from certain licensing requirements and policies in RSA 151:2-f. The bill also establishes a patient's bill of right for direct-pay facilities and directs the department of health and human services to study direct-pay models.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT relative to licensing requirements for health care facilities that operate on a membership-based business model.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Patients' Bill of Rights; Definitions; Direct Payment and Membership-Based Facilities.
2 Amend RSA 151:19, II to read as follows:

3 II. "Facility" means any hospital, building, residence, or other place or part thereof, licensed
4 under the provisions of RSA 151:2. For the purposes of RSA 151:21, RSA 151:25, and RSA 151:26,
5 "facility" shall not include home health care providers, or private homes where home care services
6 are provided. ***For the purposes of RSA 151:21, "facility" shall not include direct payment and***
7 ***membership-based facilities.***

8 2 Patients' Bill of Rights; Definitions; Direct Payment and Membership-Based Facilities.
9 Amend RSA 151:19, VI to read as follows:

10 VI. "Patients' rights" or "rights" means those rights established under RSA 151:21, ~~or~~ RSA
11 151:21-b, ***or RSA 151:21-c***, as applicable.

12 3 Residential Care and Health Facility Licensing; Policies Required. Amend RSA 151:2-f to read
13 as follows:

14 151:2-f Policies Required for Health Facilities and Special Health Care Service Licenses.

15 ***I.*** Every facility licensed under RSA 151:2, I(a) or (d) and every person holding a special
16 health care service license under RSA 151:2-e shall:

17 ~~I.~~ ***(a)*** Adopt and enforce a written policy to assure that the facility provides its services to
18 all persons who require the services the facility provides regardless of the source of payment for the
19 services provided to any person;

20 ~~II.~~ ***(b)*** Adopt, publicize, and apply an assistance plan for persons who are uninsured or who
21 do not have the financial resources to pay for the facility's services due to financial hardship;

22 ~~III.~~ ***(c)*** Provide data to the commissioner of the department of health and human services
23 regarding the volume, cost and outcomes of services provided in the facility; and

24 ~~IV.~~ ***(d)*** Pay fees under RSA 151:2-e, III to the commissioner of the department to cover the
25 costs of administering the licensing of special health care services, the administration of the quality
26 and patient safety requirements of this section, and the collection and analysis of the data collected
27 under this section.

28 ***II. Subparagraph I(a) shall not apply to any facilities that operate on a***
29 ***membership-based business model or exclusively provide services to persons who make***
30 ***direct payment for services, and are not nursing homes, skilled nursing facilities,***

1 *intermediate care facilities, or rehabilitation facilities, including rehabilitation hospitals*
2 *and facilities offering comprehensive rehabilitation services. For the purposes of this*
3 *paragraph, a direct payment is one that is paid directly by the patient and is not*
4 *reimbursed or otherwise paid by a third party.*

5 4 New Section; Residential Care and Health Facility Licensing; Patients' Bill of Rights for
6 Direct Payment and Membership-Based Facilities. Amend RSA 151 by inserting after section 21-b
7 the following new section:

8 151:21-c Patients' Bill of Rights for Direct Payment and Membership-Based Facilities. The
9 policy describing the rights and responsibilities of each patient admitted to a facility that operates on
10 a membership-based business model or exclusively provides services to persons who make direct
11 payment for services as defined in RSA 151:2-f, II, except those admitted by a home health care
12 provider, shall include, as a minimum, the following:

13 I. The patient shall be treated with consideration, respect, and full recognition of the
14 patient's dignity and individuality, including privacy in treatment and personal care and including
15 being informed of the name, licensure status, and staff position of all those with whom the patient
16 has contact, pursuant to RSA 151:3-b.

17 II. The patient shall be fully informed of the patient's rights and responsibilities and of all
18 procedures governing patient conduct and responsibilities. This information shall be provided orally
19 and in writing before or at admission, except for emergency admissions. Receipt of the information
20 shall be acknowledged by the patient in writing. When a patient lacks the capacity to make
21 informed judgments the signing shall be by the person legally responsible for the patient.

22 III. The patient shall be fully informed in writing in language that the patient can
23 understand, before or at the time of admission and as necessary during the patient's stay, of the
24 facility's basic per diem rate and of those services included and not included in the basic per diem
25 rate.

26 IV. The patient shall be fully informed by a health care provider of his or her medical
27 condition, health care needs, and diagnostic test results, including the manner by which such results
28 will be provided and the expected time interval between testing and receiving results, unless
29 medically inadvisable and so documented in the medical record, and shall be given the opportunity
30 to participate in the planning of his or her total care and medical treatment, to refuse treatment, and
31 to be involved in experimental research upon the patient's written consent only. For the purposes of
32 this paragraph, "health care provider" means any person, corporation, facility, or institution either
33 licensed by this state or otherwise lawfully providing health care services, including, but not limited
34 to, a physician, hospital or other health care facility, dentist, nurse, optometrist, podiatrist, physical
35 therapist, or psychologist, and any officer, employee, or agent of such provider acting in the course
36 and scope of employment or agency related to or supportive of health care services.

1 V. The patient shall be transferred or discharged after appropriate discharge planning only
2 for medical reasons, for the patient's welfare or that of other patients, if the facility ceases to
3 operate, or for nonpayment for the patient's stay.

4 VI. The patient shall be encouraged and assisted throughout the patient's stay to exercise
5 the patient's rights as a patient and citizen. The patient may voice grievances and recommend
6 changes in policies and services to facility staff or outside representatives free from restraint,
7 interference, coercion, discrimination, or reprisal.

8 VII. The patient shall be permitted to manage the patient's personal financial affairs. If the
9 patient authorizes the facility in writing to assist in this management and the facility so consents,
10 the assistance shall be carried out in accordance with the patient's rights under this subdivision and
11 in conformance with state law and rules.

12 VIII. The patient shall be free from emotional, psychological, sexual, and physical abuse,
13 and from exploitation, neglect, corporal punishment, and involuntary seclusion.

14 IX. The patient shall be free from chemical and physical restraints except when they are
15 authorized in writing by a physician for a specific and limited time necessary to protect the patient
16 or others from injury. In an emergency, restraints may be authorized by the designated professional
17 staff member in order to protect the patient or others from injury. The staff member shall promptly
18 report such action to the physician and document the same in the medical records.

19 X. The patient shall be ensured confidential treatment of all information contained in the
20 patient's personal and clinical record, including that stored in an automatic data bank, and the
21 patient's written consent shall be required for the release of information to anyone not otherwise
22 authorized by law to receive it. Medical information contained in the medical records at any facility
23 licensed under this chapter shall be deemed to be the property of the patient. The patient shall be
24 entitled to a copy of such records upon request. The charge for the copying of a patient's medical
25 records shall not exceed \$15 for the first 30 pages or \$.50 per page, whichever is greater; provided,
26 that copies of filmed records such as radiograms, x-rays, and sonograms shall be copied at a
27 reasonable cost.

28 XI. The patient shall not be required to perform services for the facility. Where appropriate
29 for therapeutic or diversional purposes and agreed to by the patient, such services may be included
30 in a plan of care and treatment.

31 XII. The patient shall be free to communicate with, associate with, and meet privately with
32 anyone, including family and resident groups, unless to do so would infringe upon the rights of other
33 patients. The patient may send and receive unopened personal mail. The patient has the right to
34 have regular access to the unmonitored use of a telephone.

35 XIII. The patient shall be free to participate in activities of any social, religious, and
36 community groups, unless to do so would infringe upon the rights of other patients.

1 XIV. The patient shall be free to retain and use personal clothing and possessions as space
2 permits, provided it does not infringe on the rights of other patients.

3 XV. The patient shall be entitled to privacy for visits and, if married, to share a room with
4 his or her spouse if both are patients in the same facility and where both patients consent, unless it
5 is medically contraindicated and so documented by a physician. The patient has the right to reside
6 and receive services in the facility with reasonable accommodation of individual needs and
7 preferences, including choice of room and roommate, except when the health and safety of the
8 individual or other patients would be endangered.

9 XVI. The patient shall not be denied appropriate care on the basis of age, sex, gender
10 identity, sexual orientation, race, color, marital status, familial status, disability, religion, national
11 origin, source of income, or profession.

12 XVII. The patient shall be entitled to be treated by the patient's physician of choice, subject
13 to reasonable rules and regulations of the facility regarding the facility's credentialing process.

14 XVIII. The patient shall be entitled to have the patient's parents, if a minor, or spouse, or
15 next of kin, unmarried partner, or a personal representative chosen by the patient, if an adult, visit
16 the facility, without restriction, if the patient is considered terminally ill by the physician
17 responsible for the patient's care.

18 XIX. The patient shall be entitled to receive representatives of approved organizations as
19 provided in RSA 151:28.

20 5 Department of Health and Human Services; Legislative Reporting Requirement. The
21 commissioner of the department of health and human services shall conduct a study to examine the
22 impact of direct pay models on the health care system of New Hampshire, with special attention
23 given to the impact of implementation of the direct primary care law, RSA 329:1-e and 2019, 330
24 (HB 508). The department shall provide the results of the study to the speaker of the house of
25 representatives, the senate president, the house clerk, and the senate clerk, on or before June 30,
26 2027.

27 6 Patients' Bill of Rights; Definitions; Direct Payment and Membership-Based Facilities.
28 Amend RSA 151:19, II to read as follows:

29 II. "Facility" means any hospital, building, residence, or other place or part thereof, licensed
30 under the provisions of RSA 151:2. For the purposes of RSA 151:21, RSA 151:25, and RSA 151:26,
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32 are provided. [~~For the purposes of RSA 151:21, "facility" shall not include direct payment and~~
33 ~~membership-based facilities.~~]

34 7 Patients' Bill of Rights; Definitions; Direct Payment and Membership-Based Facilities.
35 Amend RSA 151:19, VI to read as follows:

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1 8 Residential Care and Health Facility Licensing; Policies Required RSA 151:2-f is repealed and
2 reenacted to read as follows:

3 151:2-f Policies Required for Health Facilities and Special Health Care Service Licenses. Every
4 facility licensed under RSA 151:2, I(a) or (d) and every person holding a special health care service
5 license under RSA 151:2-e shall:

6 I. Adopt and enforce a written policy to assure that the facility provides its services to all
7 persons who require the services the facility provides regardless of the source of payment for the
8 services provided to any person;

9 II. Adopt, publicize, and apply an assistance plan for persons who are uninsured or who do
10 not have the financial resources to pay for the facility's services due to financial hardship;

11 III. Provide data to the commissioner of the department of health and human services
12 regarding the volume, cost and outcomes of services provided in the facility; and

13 IV. Pay fees under RSA 151:2-e, III to the commissioner of the department to cover the costs
14 of administering the licensing of special health care services, the administration of the quality and
15 patient safety requirements of this section, and the collection and analysis of the data collected
16 under this section

17 9 Repeal. RSA 151:21-c, relative to the patients' bill of rights for direct payment and
18 membership-based facilities, is repealed.

19 10 Applicability. Sections 6-9 of this act shall take effect on January 1, 2032 if no new facilities
20 are licensed pursuant to RSA 151 between January 1, 2027 and January 1, 2032. If new facilities
21 are licensed between January 1, 2027 and January 1, 2032, sections 6-9 of this act shall not take
22 effect.

23 11 Effective Date.

24 I. Sections 6 - 9 of this act shall take effect as provided in section 10 of this act.

25 II. The remainder of this act shall take effect January 1, 2027.

**HB 1562-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to licensing requirements for health care facilities that operate on a membership-based business model.

FISCAL IMPACT: This bill does not provide funding, nor does it authorize new positions.

Estimated State Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	\$0	Indeterminable	Indeterminable	Indeterminable
<i>Revenue Fund(s)</i>	General Fund, Licensing Fee Revenue			
Expenditures*	\$0	Indeterminable	Indeterminable	Indeterminable
<i>Funding Source(s)</i>	General Fund, Licensing Fee Revenue			
Appropriations*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

METHODOLOGY:

This bill provides that the moratorium on licenses issued to certain new health care facilities under RSA 151:2, VI shall not apply to any facility that operates on a membership-based business model or exclusively provides services to clients who make direct payments. Such facilities would be licensed by the Department of Health and Human Services, and would pay licensing fees in accordance with RSA 151:2-f, I(d). Per RSA 151:2-e, III, such fees shall "fully offset the cost to the department" to process the application and any ongoing expenses. The bill will therefore have an indeterminable impact on both state revenues and state expenditures.

In addition, the bill directs the Department to conduct a study to examine the impact of direct pay models on the state's health care system. In response to a similar bill from the 2025 session, the Department stated that it was unable to determine how many additional resources would be needed to complete the study. It is assumed for the purposes of this fiscal note that any cost will be incurred in FY27 only, and will be paid for with state general funds.

AGENCIES CONTACTED:

Department of Health and Human Services