

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1234

Introduced by Hansen, 16; Spivey, 13.

Read first time January 21, 2026

Committee: Health and Human Services

- 1 A BILL FOR AN ACT relating to public health and welfare; to adopt the
- 2 Freestanding Birth Center Act; and to authorize insurance coverage.
- 3 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** The State of Nebraska adopts the Freestanding Birth
2 Center Act in the form substantially as follows:

3 I. PURPOSE AND SCOPE

4 A. Freestanding birth centers, as defined in Section II, provide
5 health care services within a home-like environment, which is different
6 from and outside of the hospital setting, while promoting safety and
7 quality care for patients and their newborn infants.

8 B. Birth centers shall be licensed by the state Licensing Agency.
9 The Licensing Agency shall adopt these standards for governing the
10 licensure and regulation of such birth centers.

11 C. Birth centers shall be licensed to provide services of labor,
12 birth, and early postpartum and newborn care to patients experiencing
13 low-risk pregnancies, as defined in Section II, and their newborns.
14 Nothing in the Freestanding Birth Center Act shall restrict the scope of
15 practice of the Licensed Provider to perform other outpatient services in
16 space that is shared with or adjacent to the birth center and which may
17 be regulated under other facility licensure, the Licensed Provider's
18 professional license, or both.

19 D. Birth centers are low-volume facilities limited to low-risk
20 perinatal care, and do not employ the use of regional or general
21 anesthesia. Birth centers shall not be restricted by any Certificate of
22 Need laws regulating hospitals and ambulatory surgical centers.

23 E. Admission to a birth center for labor and delivery shall be
24 limited to low-risk, uncomplicated pregnancies, with anticipated
25 spontaneous vaginal delivery, which, as determined by history of prenatal
26 care and ongoing assessment of risk criteria, indicates the likelihood of
27 an uncomplicated birth.

28 F. No person, entity, or facility shall represent itself as a "birth
29 center" or use the term "birth center" as its title, in its advertising,
30 publications, or other form of communication, unless licensed as a birth
31 center in accordance with the provisions herein.

1 G. A birth center shall employ a clinical director who is a
2 certified nurse midwife.

3 II. DEFINITIONS

4 A. The terms defined in this section shall have the following
5 meanings, unless the context clearly indicates otherwise:

6 B. Applicant: Any person, entity, or organization which qualifies
7 and submits an application seeking licensure to own, establish, and
8 operate a birth center under the Freestanding Birth Center Act.

9 C. CABC: Commission for the Accreditation of Birth Centers. An
10 accrediting organization dedicated exclusively to the quality and safety
11 of the operation and services of birth centers, regardless of state
12 regulations, ownership, primary care provider, location, or population
13 served.

14 D. Change of ownership: A change in the majority or controlling
15 interest in an established birth center to another person, entity, or
16 organization.

17 E. Freestanding Birth Center: A facility licensed for the primary
18 purpose of providing midwifery care, low-risk deliveries, and newborn
19 care immediately after delivery, for a stay of generally less than
20 twenty-four hours. A freestanding birth center may be a location for
21 additional services in shared or adjacent spaces, including outpatient
22 gynecologic care, primary care, and education and support services within
23 each Licensed Provider's scope of practice. This term does not include a
24 hospital, ambulatory surgical center, or the residence of the patient
25 giving birth. The terms "freestanding birth center," "birth center," and
26 "center" may be used interchangeably in the Freestanding Birth Center
27 Act, and shall have the same meaning defined in this section.

28 F. License: The certification issued to an applicant indicating that
29 the birth center meets the requirements for licensure outlined herein.
30 Licenses must be renewed on an annual basis.

31 G. Licensed Provider: An individual licensed or certified in this

1 state to provide specific health care related services within a defined
2 scope of practice by the licensing rules and licensing body. For the
3 purposes of the Freestanding Birth Center Act, licensed providers may
4 include, but are not limited to: Certified nurse midwives, certified
5 midwives, or licensed midwives. The term provider may be used
6 interchangeably, and shall have the same meaning defined in this Section.

7 H. Licensed Maternity Care Provider: A Licensed Provider whose
8 professional scope of practice includes preconception, prenatal, labor,
9 birth, and postpartum care and early care of the newborn and who may be
10 the primary attendant during the perinatal period.

11 I. Licensee: The person, entity, or organization granted a license
12 to operate the birth center.

13 J. Licensing Agency: The Department of Health and Human Services, or
14 its equivalent, within this state.

15 K. Low-risk pregnancy: An uncomplicated prenatal course and the
16 anticipation of an uncomplicated labor and birth, which is determined by
17 ongoing assessment of risk criteria.

18 L. Midwifery: The provision of perinatal care by a midwife to a
19 patient, along with care of the newborn, support of the family unit, and
20 ongoing gynecologic health and wellness care, in accordance with the
21 professional scope and standards of practice of the profession's
22 certifying or licensing body.

23 M. Owner: An individual, a partnership, an association, a
24 corporation, or a combination thereof, that has a majority and
25 controlling interest in the birth center.

26 N. Patient: An individual and the individual's fetus or newborn
27 accepted to receive care and services provided by the birth center during
28 wellness care, pregnancy, labor, childbirth, and recovery.

29 O. Policies and Procedures: A written document which describes all
30 policies and procedures to be followed at the birth center, including,
31 but not limited to, administrative, clinical, and personnel procedures,

1 which is to be maintained at the licensed premises, in either electronic
2 or hard copy format, and accessible by all members of the birth center
3 workforce.

4 P. Standards: Minimum requirements under the Freestanding Birth
5 Center Act.

6 III. LICENSING PROCEDURES

7 A. Licensure Fees

8 1. The schedule of fees for a birth center license is as follows:

9 (a) Initial licensure fee is two hundred fifty dollars.

10 (b) Renewal licensure fee is two hundred fifty dollars.

11 (c) Change of ownership license fee is two hundred fifty dollars.

12 2. An application for licensure is not considered complete until the
13 applicant pays the licensing fee. The fee shall accompany the application
14 form.

15 3. License fees paid by an applicant are nonrefundable.

16 B. Initial Licensure Process

17 1. No person, entity, or organization shall establish, conduct,
18 operate, or maintain a birth center without a license. The license shall
19 be issued only to the applicant named in the application, and only for
20 the premises listed in the application for licensure.

21 2. An application for initial licensure and the required licensing
22 fee shall be submitted to the Licensing Agency on the form provided by
23 the Licensing Agency.

24 3. Licenses are not transferable or assignable.

25 C. Issuance of Licenses

26 1. Applicants in substantial compliance with the Freestanding Birth
27 Center Act shall receive a certificate from the Licensing Agency naming
28 the applicant and birth center as a licensee under the act.

29 2. The license shall expire annually at midnight on the anniversary
30 of licensure.

31 3. The license shall be conspicuously posted in the birth center.

1 D. Renewal Licensure Process

2 1. In order to renew its license, a birth center shall submit to the
3 Licensing Agency a renewal application, on the form provided by the
4 Licensing Agency, along with a renewal fee, at least thirty days prior to
5 the license expiration date.

6 2. If a birth center fails to renew its license prior to the date of
7 expiration, but submits the renewal form and fee within sixty days
8 thereafter, the birth center may renew late by paying, in addition to the
9 renewal fee, a late penalty of fifty dollars per month for each month or
10 fraction of a month that renewal is late.

11 3. In the event that a birth center fails to renew its license
12 within the sixty-day grace period following the license expiration date,
13 the birth center must reapply for a new license by submitting the
14 following:

15 (a) A completed initial application for licensure; and

16 (b) The initial license fee.

17 E. Change of Ownership Process

18 1. The birth center shall make reasonable efforts to notify the
19 Licensing Agency a minimum of thirty days prior to the change in
20 ownership of a majority or controlling interest.

21 2. A change of ownership application and fee must be received by the
22 Licensing Agency before the license may be issued.

23 3. A change of ownership is considered effective when the name of
24 the licensee reflected on the license certificate is changed by the
25 Licensing Agency to reflect the name of the applicant applying for the
26 change of ownership.

27 F. Suspension, Revocation, Refusal to Renew

28 1. The Licensing Agency may deny, suspend, revoke, or refuse to
29 renew a license if the birth center substantially violates a requirement
30 of the Freestanding Birth Center Act.

31 2. If the Licensing Agency proposes to deny, suspend, revoke, or

1 refuse to renew a license, the Licensing Agency shall send a notice of
2 the proposed action to the birth center at least sixty days ahead of the
3 action's effective date. The notice to deny, suspend, revoke, or refuse
4 to renew a license shall state the alleged facts or conduct to warrant
5 the proposed action, shall provide an opportunity for the birth center to
6 demonstrate or achieve compliance, and shall state that the birth center
7 has an opportunity for a hearing before the proposed action is final.

8 3. The request for a hearing must be submitted to the Licensing
9 Agency in writing, within twenty-one days of the date of the notice of
10 proposed action. The Licensing Agency will provide an opportunity for a
11 fair hearing upon a center's timely request.

12 4. If the birth center does not request a hearing, the center is
13 deemed to have waived the opportunity for a hearing and the proposed
14 action shall take effect.

15 G. Standards for Licensure

16 1. In order to be eligible for licensure, a birth center must be
17 currently accredited by the Commission for the Accreditation of Birth
18 Centers (CABC), or in the process of obtaining accreditation within six
19 months of the date of the application for licensure.

20 2. If the birth center loses its accreditation, the birth center
21 must immediately notify the Licensing Agency.

22 3. The birth center shall clearly define written risk criteria or
23 factors which, when present, would preclude the patient from being
24 considered a low-risk patient, and, therefore, ineligible for a birth
25 center birth.

26 4. Upon request, the birth center shall provide the Licensing Agency
27 with any material submitted by the birth center to the CABC as part of
28 the accreditation process, including the accreditation application, self-
29 evaluation report, accreditation decision letter from the CABC, and any
30 reports from the CABC following a site visit.

31 H. Limitations on Scope of Services

1 1. The following limitations apply to the services performed at the
2 birth center:

3 (a) The use of general or regional anesthesia, including epidurals,
4 is prohibited.

5 (b) Notwithstanding paragraph (a), local anesthesia, systemic
6 analgesia, nitrous oxide, and other forms of pain relief may be
7 administered at the birth center if it is performed within the provider's
8 scope of practice, and as determined by the birth center's policies and
9 procedures.

10 (c) Labor shall not be induced, stimulated, or augmented with
11 pharmacologic agents during the first or second stages of labor or before
12 labor.

13 (d) Surgical services must be limited to those normally performed
14 during an uncomplicated birth, including episiotomy and repair. No
15 operative obstetrics or cesarean sections shall be performed.

16 (e) The use of vacuum extractors, vaginal forceps, or continuous
17 electronic fetal monitoring is prohibited.

18 (f) The risk factors that preclude a patient from delivering at the
19 birth center shall be consistent with national standards within the CABC
20 and other risk factors contrary to the birth center's established risk
21 criteria.

22 IV. PATIENT RIGHTS AND RESPONSIBILITIES

23 A. The birth center shall support and respect the rights of the
24 patients and their families, however they define their families. These
25 rights shall be posted in the center or otherwise made available to
26 patients.

27 B. Patient rights shall include, but are not limited to, the right
28 to:

29 1. Be treated with dignity, courtesy, and respect.

30 2. Receive equal treatment, regardless of race, gender, gender
31 identity, religion, ethnic background, sexual orientation, education,

1 social class, physical or mental disability, economic status, or source
2 of payment.

3 3. Be assured of confidentiality.

4 4. Be informed of the benefits, risks, and eligibility requirements
5 for a birth center birth.

6 5. Participate in decisions relating to the management of their
7 care.

8 6. Give written informed consent prior to receiving services or
9 care.

10 7. Be informed of the process by which a patient may raise a
11 grievance against the birth center or one of the birth center's
12 providers.

13 8. Refuse treatment, at any time, even after treatment has begun.

14 9. Be informed of the center's plan for provision of emergency and
15 nonemergency care in the event complications arise.

16 10. Access a licensed maternity care provider twenty-four hours per
17 day, seven days per week, in accordance with birth center policies and
18 procedures.

19 11. Receive a statement of fees for all charges made by the birth
20 center.

21 C. The birth center may develop a plan for patient responsibilities
22 as it relates to the patient's participation in the patient's own plan of
23 care. If any patient responsibilities are developed by the birth center,
24 then the birth center shall notify patients of their responsibilities
25 alongside the notification of patient rights.

26 V. HEALTH RECORDS

27 A. The birth center shall maintain a health record for every
28 patient, in accordance with acceptable professional standards, for the
29 purposes of continuity and evaluation of care.

30 B. The birth center shall develop, implement, and enforce written
31 policies and procedures for the maintenance of patient health records, to

1 ensure that care and services provided to the patient are documented and
2 organized in a way to easily facilitate the accessibility of information.

3 C. Policies and procedures shall include, but are not limited to,
4 the following:

5 1. A process to ensure that records will be updated accurately,
6 appropriately, and in a timely manner.

7 2. A plan to allow for the complete record to be provided in the
8 event of an emergent or nonemergent transfer of care.

9 3. A process for disclosing the record only in accordance with
10 federal HIPAA/HITECH and state privacy laws.

11 4. A process to ensure the confidentiality of patient records,
12 including the prevention of loss, accidental destruction, or the
13 unauthorized use and disclosure of the record or its contents.

14 5. A plan to allow for patient access to the patient's own record.

15 6. A plan to allow for the retention of the record in accordance
16 with federal and state law.

17 VI. REPORTING

18 A. The birth center shall have a mechanism for data collection to
19 assess efficacy and outcomes.

20 B. A certificate of birth shall be filed for each birth occurring at
21 the birth center, in accordance with the requirements mandated by the
22 local Office of Vital Statistics, in the county where the birth center is
23 located.

24 VII. CLOSURE OF THE CENTER

25 A. In the event of a permanent closure of a birth center, the birth
26 center shall make good faith efforts to develop a plan for continuity of
27 care for patients, and shall notify the Licensing Agency in writing
28 within thirty calendar days of the center ceasing operations.

29 B. The birth center shall return the original license certificate to
30 the Licensing Agency along with the written notification of closure.

31 **Sec. 2.** An individual or group policy of accident or health

1 insurance that provides newborn care or maternity benefits, not limited
2 to complications of pregnancy, may provide coverage for maternity
3 services rendered by a Licensed Provider or birth center under the
4 Freestanding Birth Center Act.