

Department of Planning and Budget 2015 Fiscal Impact Statement

1. Bill Number: SB 1283

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Martin, Stephen H.

3. Committee: -

4. Title: Certificate of public need; eliminates regional health planning agencies and adds an exception

5. Summary: The substitute legislation amends the definition of "project" for which a certificate of public need is required to include capital expenditures of \$15 million or more by or on behalf of a medical care facility other than a general hospital. Currently, all capital expenditures of \$15 million or more by any medical care facility constitute a project for which a certificate of public need (COPN) is required. The bill provides that capital expenditures of \$5 million or more by a general hospital shall be registered with the Commissioner of Health. The bill also directs the Secretary of Health and Human Resources (OSHHR) to convene a workgroup to review the current certificate of public need process and its impact on health care services in the Commonwealth, and the need for changes to the current certificate of public need process.

6. Budget Amendment Necessary: No.

7. Minimal Fiscal Impact

8. Fiscal Implications: It is assumed that the OSHHR could convene the workgroup, as required by the bill, with existing resources. However, the scope of the evaluations called for in the bill would be limited to the input gained from relevant state employees and participating stakeholders. The OSHHR maintains that a more thorough and comprehensive evaluation of the COPN would require additional funding to procure outside expertise and analytics.

9. Specific Agency or Political Subdivisions Affected:
Virginia Department of Health
Department of Medical Assistance Services

10. Technical Amendment Necessary: No

11. Other Comments: This bill incorporates SB 1415.

Date: 2/12/15