

House Study Committee on Certificate of Need Modernization

GHA Recommendations

Sept. 12, 2023



CON Recommendations Timeline

- **GHA Board Creates CON Workgroup – April 13**
 - 19 Members
- **Workgroup Meeting Schedule**
 - April 27 – Kickoff Meeting
 - April 28 – Capital Expenditure and Equipment Thresholds
 - May 5 – State Health Plans and Regulatory Process
 - May 11 – Rural Areas and Service Closures
 - May 17 – Ambulatory Surgery Centers and Freestanding Imaging Centers
 - May 19 – Recap/Overview of Recommendations
 - Review Draft Recommendations
 - June 12 – Discuss and Approve Recommendations to the Board
- **Board Review and Discussion of Draft Recommendations – June 26**
- **Regional Membership Meetings** - Total of 88 registered participants representing 36 individual hospitals and 18 health systems
 - June 25 – Macon
 - June 27 – Atlanta
 - Aug. 18 – St. Simons Island
- **Board Review and Discussion of Member Feedback – Aug. 29**
- **Board Unanimously Adopts 14 CON Recommendations – Sept. 5**

Streamline and Simplify the Certificate of Need Program

GHA supports a state health planning process that ensures access to all healthcare services for Georgians. Meaningful targeted changes to the Certificate of Need process, combined with reforms to other components of the state's health care system, will help all patients have better access to comprehensive and affordable care options while also protecting those essential, but vulnerable, services that are vital to the health of our communities.

What is CON?

- A **community-based** health planning process.
- Ensures the **appropriate allocation** of health care resources.
- Requires providers to **demonstrate a need within their community** for a particular health care service or facility.
- Allows the State to **preserve and ensure access** to safe and affordable health care for all Georgians.



Georgia's Stated Purpose for the Certificate of Need Program:

The policy of this state and the purposes of this chapter are to ensure access to quality health care services and to ensure that health care services and facilities are developed in an orderly and economical manner and are made available to all citizens and that only those health care services found to be in the public interest shall be provided in this state.

How does CON help protect and ensure access to care?

- **Ensuring Access to Comprehensive Services**, even if they aren't profitable
- **Resource Allocation**, by channeling services to areas with a genuine need, like rural and underserved populations
- **Promoting Charity Care**, through requirements within the law
- **Encouraging Public Input**, and allowing communities to have a say in their healthcare needs
- **Facilitating Planning and Policy**, which allows the state and local health departments to assess and plan for population needs
- **Quality Control**, by requiring approval and oversight of quality standards

General

As policymakers study the Certificate of Need program, GHA recommends any modifications be considered in the context of the state's entire health care system, including affordable access to all types of care for all of Georgia's residents; efficient use of the state's finite health care resources; and the varied, comprehensive needs of communities and patients across the state. Major modifications to the CON program should become effective only after other changes to stabilize the state's health care safety net are in place.

Regulatory Process

- Update the State Health Plan at least once every 5 years
 - *Update Need Methodologies for all providers and services*
 - *Addresses concerns about the ability to obtain a CON for ASC and other services*
- Limit opposition to in-state entities whose service area substantially overlaps
- Eliminate the Certificate of Need Appeal Panel → Move administrative hearings to the Office of State Administrative Hearings
- Limit Commissioner's Review to 30 days

Thresholds

- Eliminate the Capital Expenditure Threshold
 - *All Provider Types*
 - *Construction-Only Projects*
- Eliminate the Equipment Expenditure Threshold
 - *Physicians*
 - *Hospitals*
 - *Imaging Centers that were grandfathered in prior to 2008 legislative changes*

Perinatal Services

- Increase access to pre- and postnatal care in Georgia's maternity care deserts
 - *Increased financial support for obstetricians, certified nurse midwives and family medicine practitioners*
 - *Expand access to telehealth*
 - *Optimize scope of practice regulations to maximize access to safe and affordable care*
 - *Tort reform measures that ensure providers feel safe to practice in varied settings*
- Exempt basic OB services
 - *Hospitals*
 - *Revise licensure standards to ensure quality and volume standards*

Exemptions

- Expand current exemption to allow **closed facilities or service lines** to reopen within 24 months
- New exemption to allow health systems to **transfer existing beds or services** from one hospital or campus to another existing hospital with the same service within the same system and within a 10-mile radius of the original location
- Expand current exemption to allow existing hospitals to **increase bed capacity** by the greater of 10 beds or 20% every three years if the hospital has maintained at least a 60% occupancy rate for the previous 12 months
- Expand current exemption to allow health care facilities in urban counties to **relocate** within 5 miles of the existing facility

Psychiatric and Substance Abuse Services

- Expand access to crisis services to stabilize the behavioral health safety net:
 - *Department of Community Health*
 - Equitable access to services in Medicaid FFS and managed care programs
 - Enhance Medicaid payments to fully cover the cost of care
 - Create a new Medicaid directed payment program for private psychiatric hospitals
 - *Department of Behavioral Health and Developmental Disabilities*
 - Create sufficient safety net capacity of crisis services to serve the needs of all publicly insured and uninsured behavioral health patients
 - Enhance payments for state contracted inpatient psychiatric beds to fully cover the cost of care
 - Establish a direct funding mechanism to reimburse hospitals for the cost of boarding behavioral health patients in the emergency department and transporting patients to an EREF
- Once the behavioral health safety net is stabilized:
 - *Create a new exemption for inpatient psychiatric and substance abuse beds*
 - *New or expanded beds must be included in the DBHDD inventory to treat uninsured behavioral health patients in crisis*

Statutory Organization

Complete update of Chapter 6 of Title 31 to streamline the statutes and make the CON law easier to understand

QUESTIONS

