

**ECONOMIC IMPACT STATEMENT
FOR APA RULE
(Section 41-22-23 (f))**

Control No. _____ Department or Agency State Health Planning and Development Agency
Certificate of Need Review Board

Rule No & Title: 410-1-10-.03 Project Modification After Issuance of Certificate of Need

New _____ Amend X Repeal _____ Adopt by Reference _____

_____ This rule has no economic impact.

X This rule has an economic impact, as explained below:*

1. NEED/EXPECTED BENEFIT OF RULE:

This rule provides for the imposition of a fee utilized to fund the State Health Planning and Development Agency's operations. The fee is authorized by Act 2012-294, which was signed into law by Governor Robert Bentley on May 8, 2012.

2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:

None

3. EFFECT OF THIS RULE ON COMPETITION:

None

4. EFFECT OF THIS RULE ON COST-OF-LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

None

* The rule imposes a small filing fee on certain health care providers. It is not anticipated that the fee will have a material economic impact on health care delivery.

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5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

None

6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:

None

7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:

None

8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON:

None

9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:

None

10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:

None



STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

100 NORTH UNION STREET, SUITE 870

MONTGOMERY, ALABAMA 36104

NOTICE OF INTENDED ACTION

AGENCY NAME: STATE HEALTH PLANNING AND DEVELOPMENT AGENCY
(Certificate of Need Review Board)

RULE NO. & TITLE: 410-1-10-.03 Project Modification After Issuance of Certificate of Need

INTENDED ACTION:

The State Health Planning and Development Agency and the Certificate of Need Review Board propose to amend the above-styled section of the *Alabama Certificate of Need Program Rules and Regulations*.

SUBSTANCE OF PROPOSED ACTION:

This amendment imposes a filing fee on an application for a proposed change in a project for which the Agency has previously issued a Certificate of Need, as authorized by Act 2012-294, which was signed into law by Governor Bentley on May 8, 2012.

TIME, PLACE, MANNER OF PRESENTING VIEWS:

In response to this Proposed Rule, all interested persons are invited to submit data, views, comments and/or arguments, orally or in writing. Any and all such data, comments, arguments and/or requests to orally address the Certificate of Need Review Board shall be made in writing on or before July 6, 2012, and shall be made to:

Nicole Horn, Executive Secretary
State Health Planning and Development Agency
P. O. Box 303025
Montgomery, Alabama 36130-3025

On July 18, 2012, at 10:00 a.m., the Certificate of Need Review Board shall conduct a public hearing in the State Capitol, Capitol Auditorium, 600 Dexter Avenue, Montgomery, Alabama, at which time it shall consider the Proposed Amendment, along with all written and oral submissions respecting the Proposed Amendment. Only those interested persons who have made timely written requests will be afforded the opportunity to speak.

Copies of the proposed changes are available for review at 100 North Union Street, RSA Union Building, Suite 870, Montgomery, Alabama. Phone (334) 242-4103 or visit the office Monday through Friday from 8:00 a.m. to 5:00 p.m., excluding State holidays.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

July 6, 2012

CONTACT PERSON AT AGENCY:

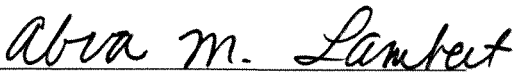
Nicole Horn

100 North Union Street

RSA Union, STE 870

Montgomery, AL 36104

(334) 242-4103


Alva M. Lambert, Executive Director

410-1-10-.03 Project Modifications After Issuance of Certificate of Need

- (1) A proposed change in a project for which the State Agency has previously issued a Certificate of Need will require approval by the Certificate of Need Review Board or the Executive Director of the State Agency. Approval is required whether or not a capital expenditure is associated with the proposed change.
 - (a) A “change in project” shall include, but not be limited to any change in the bed capacity or bed use (i.e., conversion of beds) of a facility, the addition of a health service or services, an increase in the cost of the project, or a change in financing methods which results in an increase in the cost of the project.
 - (b) An application for a change in a project must be made in writing to the State Agency and shall include information and any supporting data deemed necessary by the Executive Director relevant to the merits of the application. Such application shall be accompanied by a fee of twenty-five percent (25%) of the original Certificate of Need application fee for the project. The party seeking approval for such change must certify that a copy of such request has been served on all parties of record in the underlying administrative proceeding or who have filed letters in opposition thereto.
- (2) A proposed change in a project which falls below the financial thresholds for review provided in Section 410-1-4-.01 and does not involve a physical relocation of the facility to a location other than that designated in the application or CON, a change in bed capacity or the provision of new services shall be reviewable by the Executive Director of the agency. Otherwise, a project modification shall be reviewable by the full Certificate of Need Review Board. No project modification will be granted prior to ten (10) business days after publication of the project modification request through notice provided on SHPDA’s web site. No more than two project modifications per project may be approved pursuant to this rule.
- (2) No project modification shall be granted during the pendency of an appeal of the Agency order granting the underlying CON. In the event of a project modification, the effective date of the CON shall be recalculated to run from the date of the effective date of the modification.
- (4) The Agency shall be notified in writing of the termination of a health service or of one or more beds; provided, however, that such termination shall not require Agency review or approval.

Author: Alva M. Lambert

Statutory Authority: §§ 22-21-267, -271, Code of Alabama, 1975.

History: March 21, 1985; Amended: Filed May 3, 2005; effective June 7, 2005.