

April 18, 1979

LB 172

SENATOR CULLAN: Yes.

SPEAKER MARVEL: Okay.

SENATOR CULLAN: I can continue an explanation which I have started.

SPEAKER MARVEL: All right.

SENATOR CULLAN: And some general background information I think might be beneficial to the members of the Legislature. The federal requirements, the federal statutes require that we do pass some type of certificate of need legislation and there are minimum federal requirements with respect to what must be in a certificate of need bill which would be approved by the Department of Health, Education and Welfare. The following health care facilities would be regulated under the minimum federal requirements: Hospitals, Psychiatric Hospitals, TB Hospitals, Skilled Nursing Homes, Intermediate Care Facilities, Ambulatory Surgical Facilities, Kidney Disease Treatment Centers and HMOs. A number of things would trigger a certificate of need review by the state. They would include construction, development or establishment of any new health care facility; any capital expenditure in excess of \$150,000, and that would include acquisitions, lease or donations; a substantial bed change of ten beds or ten percent over a two year period which increases the number of beds, changes the use of the beds or reallocates beds from one facility to another; any new institutional health service irrespective of the cost of providing that new service; five, health services which were not offered on a regular basis within the last twelve months, that would be new health services; and predevelopment activities in excess of \$150,000. So those different activities would trigger a review by the state of the planning process. A state certificate of need program must provide four things: Only new institutional health services which are found to be needed would be granted a certificate of need; Only institutional health services which are granted a certificate of need could be offered or developed in the state; No expenditure in excess of \$150,000 for development of an institutional health service would be made without a certificate of need; And no arrangement or commitment for financing would be made without a certificate of need. The procedures for state agency review are written notification to affected persons at the beginning of the review process; number two, reviews to be completed in ninety days except in certain circumstances, and we will have amendments to the committee amendments at a later date to allow for extensions of sixty days beyond the ninety days for the review process