

House Bill 791

By: Representatives Porter of the 119th, and Shaw of the 143rd

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 6 of Title 31 of the Official Code of Georgia Annotated,
2 relating to general provisions related to state health planning and development, so as to
3 provide for a method to calculate those costs related to the establishment of certain
4 ambulatory surgery facilities that shall be included in determining such facilities' review
5 status with the Department of Community Health; to provide for related matters; to repeal
6 conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Article 1 of Chapter 6 of Title 31 of the Official Code of Georgia Annotated, relating to
10 general provisions related to state health planning and development, is amended by striking
11 paragraph (14) of Code Section 31-6-2, relating to definitions, and inserting in its place the
12 following:

13 "(14) 'New institutional health service' means:

14 (A) The construction, development, or other establishment of a new health care
15 facility;

16 (B) Any expenditure by or on behalf of a health care facility in excess of \$900,000.00
17 which, under generally accepted accounting principles consistently applied, is a capital
18 expenditure, except expenditures for acquisition of an existing health care facility not
19 owned or operated by or on behalf of a political subdivision of this state, or any
20 combination of such political subdivisions, or by or on behalf of a hospital authority,
21 as defined in Article 4 of Chapter 7 of this title or certificate of need owned by such
22 facility in connection with its acquisition;

23 (C) Any increase in the bed capacity of a health care facility except as provided in
24 Code Section 31-6-47;

1 (D) Clinical health services which are offered in or through a health care facility,
2 which were not offered on a regular basis in or through such health care facility within
3 the 12 month period prior to the time such services would be offered;

4 (E) Any conversion or upgrading of a facility such that it is converted from a type of
5 facility not covered by this chapter to any of the types of health care facilities which are
6 covered by this chapter;

7 (F) The purchase or lease by or on behalf of a health care facility of diagnostic or
8 therapeutic equipment with a value in excess of \$500,000.00. The acquisition of one or
9 more items of functionally related diagnostic or therapeutic equipment shall be
10 considered as one project;

11 (G) Clinical health services which are offered in or through a diagnostic, treatment, or
12 rehabilitation center which were not offered on a regular basis in or through that center
13 within the 12 month period prior to the time such services would be offered, but only
14 if the clinical health services are any of the following:

15 (i) Radiation therapy;

16 (ii) Biliary lithotripsy;

17 (iii) Surgery in an operating room environment, including but not limited to
18 ambulatory surgery; provided, however, this provision shall not apply to surgery
19 performed in the offices of an individual private physician or single group practice of
20 private physicians if such surgery is performed in a facility that is owned, operated,
21 and utilized by such physicians who also are of a single specialty and the capital
22 expenditure associated with the construction, development, or other establishment of
23 the clinical health service does not exceed the amount of \$1 million; and

24 (iv) Cardiac catheterization; or

25 (H) The purchase, lease, or other use by or on behalf of a diagnostic, treatment, or
26 rehabilitation center of diagnostic or therapeutic equipment with a value in excess of
27 \$500,000.00. The acquisition of one or more items of functionally related diagnostic
28 or therapeutic equipment shall be considered as one project.

29 The dollar amounts specified in subparagraphs (B), (F), and (H) of this paragraph,
30 division (iii) of subparagraph (G) of this paragraph, and of paragraph (7) of this Code
31 section shall be adjusted annually by an amount calculated by multiplying such dollar
32 amounts (as adjusted for the preceding year) by the annual percentage of change in the
33 composite construction index, or its successor or appropriate replacement index, if any,
34 published by the Bureau of the Census of the Department of Commerce of the United
35 States government for the preceding calendar year, commencing on July 1, 1991, and on
36 each anniversary thereafter of publication of the index. The department shall immediately
37 institute rule-making procedures to adopt such adjusted dollar amounts. In calculating the

1 dollar amounts of a proposed project for purposes of subparagraphs (B), (F), and (H) of
2 this paragraph, division (iii) of subparagraph (G) of this paragraph, and of paragraph (7)
3 of this Code section, the costs of all items subject to review by this chapter and items not
4 subject to review by this chapter associated with and simultaneously developed or
5 proposed with the project shall be counted, except for the expenditure or commitment of
6 or incurring an obligation for the expenditure of funds to develop certificate of need
7 applications, studies, reports, schematics, preliminary plans and specifications or working
8 drawings, or to acquire sites; provided, however, that the dollar amounts to be counted
9 in the case of a proposed ambulatory surgery facility owned, operated, and utilized by a
10 single group practice of private physicians who are also of a single specialty shall include
11 only those costs specifically related to the construction, development, or establishment
12 of the ambulatory surgery facility and shall not include the cost of items related to
13 projects associated with or simultaneously developed or proposed with the ambulatory
14 surgery facility."

15 **SECTION 2.**

16 All laws and parts of laws in conflict with this Act are repealed.