

House Bill 186 (AS PASSED HOUSE AND SENATE)

By: Representatives Stephens of the 164<sup>th</sup>, Gilliard of the 162<sup>nd</sup>, Petrea of the 166<sup>th</sup>, Hitchens of the 161<sup>st</sup>, Stephens of the 165<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Title 31 of the Official Code of Georgia Annotated, relating to health, so as to  
2 revise provisions relating to certificate of need requirements; to revise and provide for new  
3 definitions relative to health planning and development; to prohibit certain actions relating  
4 to medical use rights; to revise provisions regarding when certificate of need is required; to  
5 repeal a provision relating to the establishment of set times in which certain application for  
6 capital projects may be accepted; to authorize destination cancer hospitals to be converted  
7 to general cancer hospitals; to revise and provide for additional exemptions to certificate of  
8 need requirements; to provide for requests and objections to letters of determination that an  
9 activity is exempt or excluded from certificate of need requirements; to provide for annual  
10 reports to be made publicly available; to provide for improvements in the state's health care  
11 system and coordination of state health related entities; to provide for legislative findings and  
12 declarations; to provide for definitions; to provide for the creation of the Office of Health  
13 Strategy and Coordination; to provide for a director of health strategy and coordination; to  
14 provide for advisory committees; to provide for reporting requirements by certain state  
15 boards, commissions, committees, councils, and offices to the Office of Health Strategy and  
16 Coordination; to provide for the Georgia Data Access Forum; to provide for its composition  
17 and purpose; to amend other provisions of the Official Code of Georgia Annotated, so as to  
18 provide for conforming changes; to provide for a short title; to revise provisions relating to  
19 the sale or lease of a hospital by a hospital authority; to provide for the investment of funds  
20 by certain hospital authorities; to amend Code Section 48-7-29.20 of the Official Code of  
21 Georgia Annotated, relating to tax credits for contributions to rural hospital organizations,  
22 so as to provide for transparency; to provide for related matters; to repeal conflicting laws;  
23 and for other purposes.

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

## PART I

## SECTION 1-1.

27 Title 31 of the Official Code of Georgia Annotated, relating to health, is amended by revising  
 28 paragraphs (6), (8), (14), (17), (21), and (35) of and by adding new paragraphs to Code  
 29 Section 31-6-2, relating to definitions relative to state health planning and development, as  
 30 follows:

31 "(6) 'Certificate of need' means an official ~~determination~~ finding by the department,  
 32 evidenced by certification issued pursuant to an application, that the action proposed in  
 33 the application satisfies and complies with the criteria contained in this chapter and rules  
 34 promulgated pursuant hereto."

35 "(8) 'Clinical health services' means diagnostic, treatment, or rehabilitative services  
 36 provided in a health care facility, ~~or parts of the physical plant where such services are~~  
 37 ~~located in a health care facility~~, and includes, but is not limited to, the following:  
 38 radiology and diagnostic imaging, such as magnetic resonance imaging and positron  
 39 emission tomography (PET); radiation therapy; biliary lithotripsy; surgery; intensive care;  
 40 coronary care; pediatrics; gynecology; obstetrics; general medical care; ~~medical/surgical~~  
 41 medical-surgical care; inpatient nursing care, whether intermediate, skilled, or extended  
 42 care; cardiac catheterization; ~~open-heart~~ open heart surgery; inpatient rehabilitation; and  
 43 alcohol, drug abuse, and mental health services."

44 "(14) 'Develop,' with reference to a project, means: ~~(A) Constructing~~ constructing,  
 45 remodeling, installing, or proceeding with a project, or any part of a project, or a capital  
 46 expenditure project, the cost estimate for which exceeds ~~\$2.5 million; or \$10 million.~~ (B)  
 47 ~~The expenditure or commitment of funds exceeding \$1 million for orders, purchases,~~  
 48 ~~leases, or acquisitions through other comparable arrangements of major medical~~  
 49 ~~equipment; provided, however, that this shall not include build-out costs, as defined by~~  
 50 ~~the department, but shall include all functionally related equipment, software, and any~~  
 51 ~~warranty and services contract costs for the first five years. Notwithstanding~~  
 52 ~~subparagraphs (A) and (B)~~ the provisions of this paragraph, the expenditure or  
 53 commitment or incurring an obligation for the expenditure of funds to develop certificate  
 54 of need applications, studies, reports, schematics, preliminary plans and specifications,  
 55 or working drawings or to acquire, develop, or prepare sites shall not be considered to be  
 56 the developing of a project."

57 "(16.1) 'General cancer hospital' means an institution which was an existing and  
 58 approved destination cancer hospital as of January 1, 2019; has obtained final certificate  
 59 of need approval for conversion from a destination cancer hospital to a general cancer  
 60 hospital in accordance with Code Section 31-6-40.3; and offers inpatient and outpatient

61 diagnostic, therapeutic, treatment, and rehabilitative cancer care services or other services  
 62 to diagnose or treat co-morbid medical conditions or diseases of cancer patients so long  
 63 as such services do not result in the offering of any new or expanded clinical health  
 64 service that would require a certificate of need under this chapter unless a certificate of  
 65 need or letter of determination has been obtained for such new or expanded services."

66 "(17) 'Health care facility' means hospitals; destination cancer hospitals; other special  
 67 care units, including but not limited to podiatric facilities; skilled nursing facilities;  
 68 intermediate care facilities; personal care homes; ambulatory surgical centers or  
 69 obstetrical facilities; freestanding emergency departments or facilities not located on a  
 70 hospital's primary campus; health maintenance organizations; home health agencies; and  
 71 diagnostic, treatment, or rehabilitation centers, but only to the extent paragraph (3) or (7),  
 72 or both paragraphs (3) and (7), of subsection (a) of Code Section 31-6-40 are applicable  
 73 thereto."

74 "(21) 'Hospital' means an institution which is primarily engaged in providing to  
 75 inpatients, by or under the supervision of physicians, diagnostic services and therapeutic  
 76 services for medical diagnosis, treatment, and care of injured, disabled, or sick persons  
 77 or rehabilitation services for the rehabilitation of injured, disabled, or sick persons. Such  
 78 term includes public, private, psychiatric, rehabilitative, geriatric, osteopathic,  
 79 micro-hospitals, general cancer hospitals, and other specialty hospitals."

80 "(30.1) 'Primary campus' means the building at which the majority of a hospital's or a  
 81 remote location of a hospital's licensed and operational inpatient hospital beds are  
 82 located, and includes the health care facilities of such hospital within 1,000 yards of such  
 83 building. Any health care facility operated under a hospital's license prior to July 1, 2019,  
 84 but not on the hospital's primary campus shall remain part of such hospital but shall not  
 85 constitute such hospital's primary campus unless otherwise meeting the requirements of  
 86 this paragraph."

87 "(31.1) 'Remote location of a hospital' means a hospital facility or organization that is  
 88 either created by, or acquired by, a hospital that is the main provider for the purpose of  
 89 furnishing inpatient hospital services under the name, ownership, and financial and  
 90 administrative control of the main provider."

91 "(35) 'Specialty hospital' means a hospital that is primarily or exclusively engaged in the  
 92 care and treatment of one of the following: patients with a cardiac condition, patients with  
 93 an orthopedic condition, patients receiving a surgical procedure, or patients receiving any  
 94 other specialized category of services defined by the department. A 'specialty hospital'  
 95 does not include a destination cancer hospital or a general cancer hospital."

**SECTION 1-2.**

96  
97 Said title is further amended in Article 1 of Chapter 6, relating to general provisions relative  
98 to state health planning and development, by adding a new Code section to read as follows:

99 "31-6-3.

100 (a) As used in this Code section, the term 'medical use rights' means rights or interests in  
101 real property in which the owner of the property has agreed not to sell or lease such real  
102 property for identified medical uses or purposes.

103 (b) It shall be unlawful for any health care facility to purchase, renew, extend, lease,  
104 maintain, or hold medical use rights.

105 (c) This Code section shall not be construed to impair any contracts in existence as of the  
106 effective date of this Code section."

**SECTION 1-3.**

107  
108 Said title is further amended by revising Code 31-6-21, relating to the Department of  
109 Community Health generally, as follows:

110 "31-6-21.

111 (a) The Department of Community Health, established under Chapter 2 of this title, is  
112 authorized to administer the certificate of need program established under this chapter and,  
113 within the appropriations made available to the department by the General Assembly of  
114 Georgia and consistently with the laws of the State of Georgia, a state health plan adopted  
115 by the board. The department shall provide, by rule, for procedures to administer its  
116 functions until otherwise provided by the board.

117 (b) The functions of the department shall be:

118 (1) To conduct the health planning activities of the state and to implement those parts of  
119 the state health plan which relate to the government of the state;

120 (2) To prepare and revise a draft state health plan with recommendations from technical  
121 advisory committees;

122 (3) To seek advice, at its discretion, from ~~the Health Strategies Council~~ technical  
123 advisory committees in the performance by the department of its functions pursuant to  
124 this chapter;

125 (4) To adopt, promulgate, and implement rules and regulations sufficient to administer  
126 the provisions of this chapter including the certificate of need program;

127 (5) To define, by rule, the form, content, schedules, and procedures for submission of  
128 applications for certificates of need, other determinations, and periodic reports;

129 (6) To establish time periods and procedures consistent with this chapter to hold hearings  
130 and to obtain the viewpoints of interested persons prior to issuance or denial of a  
131 certificate of need;

132 (7) To provide, by rule, for such fees as may be necessary to cover the costs of hearing  
 133 officers, preparing the record for appeals before such hearing officers and the Certificate  
 134 of Need Appeal Panel of the decisions of the department, and other related administrative  
 135 costs, which costs may include reasonable sharing between the department and the parties  
 136 to appeal hearings;

137 (8) To establish, by rule, need methodologies for new institutional health services and  
 138 health care facilities. In developing such need methodologies, the department shall, at  
 139 a minimum, consider the demographic characteristics of the population, the health status  
 140 of the population, service use patterns, standards and trends, financial and geographic  
 141 accessibility, and market economics. The department shall establish service-specific need  
 142 methodologies and criteria for at least the following clinical health services: short stay  
 143 hospital beds, adult therapeutic cardiac catheterization, adult open heart surgery, pediatric  
 144 cardiac catheterization and open heart surgery, Level II and III perinatal services,  
 145 freestanding birthing centers, psychiatric and substance abuse inpatient programs, skilled  
 146 nursing and intermediate care facilities, home health agencies, and continuing care  
 147 retirement community sheltered facilities;

148 (9) To provide, by rule, for a reasonable and equitable fee schedule for certificate of need  
 149 applications; provided, however, that a certificate of need application filed by or on  
 150 behalf of a hospital in a rural county shall be exempt from any such fee;

151 (10) To grant, deny, or revoke a certificate of need as applied for or as amended; ~~and~~

152 (11) To perform powers and functions delegated by the Governor, which delegation may  
 153 include the powers to carry out the duties and powers which have been delegated to the  
 154 department under Section 1122 of the federal Social Security Act of 1935, as amended;  
 155 and

156 (12) Study the amount of uncompensated indigent and charity care provided by each type  
 157 of health care facility, recommend requirements for the levels of uncompensated indigent  
 158 and charity care required to be performed by each health care facility type and develop  
 159 standardized reporting requirements for the department to accurately track the amount of  
 160 uncompensated indigent and charity care provided by each health care facility.

161 (c) The commissioner shall have the power to establish and abolish technical advisory  
 162 committees as he or she deems necessary, in consultation with the board, to inform  
 163 effective strategy development and execution."

164 **SECTION 1-4.**

165 Said title is further amended by revising subsections (a) and (c) of Code Section 31-6-40,  
 166 relating to the requirement of a certificate of need for new institutional health services and  
 167 exemption, as follows:

168 "(a) On and after July 1, 2008, any new institutional health service shall be required to  
 169 obtain a certificate of need pursuant to this chapter. New institutional health services  
 170 include:

171 (1) The construction, development, or other establishment of a new, expanded, or  
 172 relocated health care facility, except as otherwise provided in Code Section 31-6-47;

173 (2) Any expenditure by or on behalf of a health care facility in excess of ~~\$2.5 million~~  
 174 \$10 million which, under generally accepted accounting principles consistently applied,  
 175 is a capital expenditure, except expenditures for acquisition of an existing health care  
 176 facility ~~not owned or operated by or on behalf of a political subdivision of this state, or~~  
 177 ~~any combination of such political subdivisions, or by or on behalf of a hospital authority,~~  
 178 ~~as defined in Article 4 of Chapter 7 of this title, or certificate of need owned by such~~  
 179 ~~facility in connection with its acquisition.~~ The dollar amounts specified in this paragraph  
 180 and in ~~subparagraph (A) of~~ paragraph (14) of Code Section 31-6-2 shall be adjusted  
 181 annually by an amount calculated by multiplying such dollar amounts (as adjusted for the  
 182 preceding year) by the annual percentage of change in the composite index of  
 183 construction material prices, or its successor or appropriate replacement index, if any,  
 184 published by the United States Department of Commerce for the preceding calendar year,  
 185 commencing on July 1, ~~2009~~ 2019, and on each anniversary thereafter of publication of  
 186 the index. The department shall immediately institute rule-making procedures to adopt  
 187 such adjusted dollar amounts. In calculating the dollar amounts of a proposed project for  
 188 purposes of this paragraph and ~~subparagraph (A) of~~ paragraph (14) of Code Section  
 189 31-6-2, the costs of all items subject to review by this chapter and items not subject to  
 190 review by this chapter associated with and simultaneously developed or proposed with  
 191 the project shall be counted, except for the expenditure or commitment of or incurring an  
 192 obligation for the expenditure of funds to develop certificate of need applications, studies,  
 193 reports, schematics, preliminary plans and specifications or working drawings, or to  
 194 acquire sites;

195 (3) The purchase or lease by or on behalf of a health care facility or a diagnostic,  
 196 treatment, or rehabilitation center of diagnostic or therapeutic equipment, except as  
 197 otherwise provided in Code Section 31-6-47 ~~with a value in excess of \$1 million;~~  
 198 ~~provided, however, that diagnostic or other imaging services that are not offered in a~~  
 199 ~~hospital or in the offices of an individual private physician or single group practice of~~  
 200 ~~physicians exclusively for use on patients of that physician or group practice shall be~~  
 201 ~~deemed to be a new institutional health service regardless of the cost of equipment; and~~  
 202 ~~provided, further, that this shall not include build out costs, as defined by the department,~~  
 203 ~~but shall include all functionally related equipment, software, and any warranty and~~  
 204 ~~services contract costs for the first five years. The acquisition of one or more items of~~

205 ~~functionally related diagnostic or therapeutic equipment shall be considered as one~~  
 206 ~~project. The dollar amount specified in this paragraph, in subparagraph (B) of paragraph~~  
 207 ~~(14) of Code Section 31-6-2, and in paragraph (10) of subsection (a) of Code Section~~  
 208 ~~31-6-47 shall be adjusted annually by an amount calculated by multiplying such dollar~~  
 209 ~~amounts (as adjusted for the preceding year) by the annual percentage of change in the~~  
 210 ~~consumer price index, or its successor or appropriate replacement index, if any, published~~  
 211 ~~by the United States Department of Labor for the preceding calendar year, commencing~~  
 212 ~~on July 1, 2010;~~

213 (4) Any increase in the bed capacity of a health care facility except as provided in Code  
 214 Section 31-6-47;

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

218 (6) Any conversion or upgrading of any general acute care hospital to a specialty hospital  
 219 or of a facility such that it is converted from a type of facility not covered by this chapter  
 220 to any of the types of health care facilities which are covered by this chapter; ~~and~~

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

225 (A) Radiation therapy;

226 (B) Biliary lithotripsy;

227 (C) Surgery in an operating room environment, including but not limited to ambulatory  
 228 surgery; and

229 (D) Cardiac catheterization; and

230 (8) The conversion of a destination cancer hospital to a general cancer hospital."

231 "(c)(1) Any person who had a valid exemption granted or approved by the former Health  
 232 Planning Agency or the department prior to July 1, 2008, shall not be required to obtain  
 233 a certificate of need in order to continue to offer those previously offered services.

234 (2) Any facility offering ambulatory surgery pursuant to the exclusion designated on  
 235 June 30, 2008, as division (14)(G)(iii) of Code Section 31-6-2; any diagnostic, treatment,  
 236 or rehabilitation center offering diagnostic imaging or other imaging services in operation  
 237 and exempt prior to July 1, 2008; or any facility operating pursuant to a letter of  
 238 nonreviewability and offering diagnostic imaging services prior to July 1, 2008, shall:

239 ~~(A) Provide notice to the department of the name, ownership, location, single specialty,~~  
 240 ~~and services provided in the exempt facility;~~

241 ~~(B) Beginning on January 1, 2009, provide~~

242 (A) Provide annual reports in the same manner and in accordance with Code Section  
 243 31-6-70; and

244 ~~(C)~~(B)(i) Provide care to Medicaid beneficiaries and, if the facility provides medical  
 245 care and treatment to children, to PeachCare for Kids beneficiaries and provide  
 246 uncompensated indigent and charity care in an amount equal to or greater than 2  
 247 percent of its adjusted gross revenue; or

248 (ii) If the facility is not a participant in Medicaid or the PeachCare for Kids Program,  
 249 provide uncompensated care for Medicaid beneficiaries and, if the facility provides  
 250 medical care and treatment to children, for PeachCare for Kids beneficiaries,  
 251 uncompensated indigent and charity care, or both in an amount equal to or greater  
 252 than 4 percent of its adjusted gross revenue if it:

253 (I) Makes a capital expenditure associated with the construction, development,  
 254 expansion, or other establishment of a clinical health service or the acquisition or  
 255 replacement of diagnostic or therapeutic equipment with a value in excess of  
 256 \$800,000.00 over a two-year period;

257 (II) Builds a new operating room; or

258 (III) Chooses to relocate in accordance with Code Section 31-6-47.

259 Noncompliance with any condition of this paragraph shall result in a monetary penalty  
 260 in the amount of the difference between the services which the center is required to  
 261 provide and the amount actually provided and may be subject to revocation of its  
 262 exemption status by the department for repeated failure to pay any fees or moneys due  
 263 to the department or for repeated failure to produce data as required by Code Section  
 264 31-6-70 after notice to the exemption holder and a fair hearing pursuant to Chapter 13 of  
 265 Title 50, the 'Georgia Administrative Procedure Act.' The dollar amount specified in this  
 266 paragraph shall be adjusted annually by an amount calculated by multiplying such dollar  
 267 amount (as adjusted for the preceding year) by the annual percentage of change in the  
 268 consumer price index, or its successor or appropriate replacement index, if any, published  
 269 by the United States Department of Labor for the preceding calendar year, commencing  
 270 on July 1, 2009. In calculating the dollar amounts of a proposed project for the purposes  
 271 of this paragraph, the costs of all items subject to review by this chapter and items not  
 272 subject to review by this chapter associated with and simultaneously developed or  
 273 proposed with the project shall be counted, except for the expenditure or commitment of  
 274 or incurring an obligation for the expenditure of funds to develop certificate of need  
 275 applications, studies, reports, schematics, preliminary plans and specifications or working  
 276 drawings, or to acquire sites. Subparagraph ~~(C)~~ (B) of this paragraph shall not apply to  
 277 facilities offering ophthalmic ambulatory surgery pursuant to the exclusion designated

278 on June 30, 2008, as division (14)(G)(iii) of Code Section 31-6-2 that are owned by  
 279 physicians in the practice of ophthalmology."

280 **SECTION 1-5.**

281 Said title is further amended in Code Section 31-6-40.1, relating to acquisition of health care  
 282 facilities, penalty for failure to notify the department, limitation on applications, agreement  
 283 to care for indigent patients, requirements for destination cancer hospitals, and notice and  
 284 hearing provisions for penalties authorized under this Code section by repealing subsection  
 285 (b.1), which relates to establishment of set times in which certain application for capital  
 286 projects may be accepted.

287 **SECTION 1-6.**

288 Said title is further amended by adding a new Code section to read as follows:

289 "31-6-40.3.

290 (a) On and after July 1, 2019, a destination cancer hospital may apply for a certificate of  
 291 need to convert to a general cancer hospital in accordance with this Code section. A  
 292 destination cancer hospital that elects to convert to a general cancer hospital shall notify  
 293 the department in a form and manner established by the department.

294 (b) The department shall establish a form and process for a destination cancer hospital to  
 295 submit a certificate of need application to convert to a general cancer hospital; provided,  
 296 however, that such a conversion shall not be subject to any of the considerations in Code  
 297 Section 31-6-42 or service specific rules and shall not be subject to opposition or appeal  
 298 by any other health care facilities. The department shall develop such form and guidance  
 299 required by this subsection within 30 days of the effective date of this Act. Upon its receipt  
 300 of a complete application for a destination cancer hospital to convert to a general cancer  
 301 hospital, the department shall issue such certificate of need within 60 days.

302 (c) Upon the conversion of a destination cancer hospital to a general cancer hospital:

303 (1) The general cancer hospital may continue to provide all institutional health care  
 304 services and other services it provided as of the date of such conversion, including but not  
 305 limited to inpatient beds, outpatient services, surgery, radiation therapy, imaging, and  
 306 positron emission tomography (PET) scanning, without any further approval from the  
 307 department;

308 (2) The destination cancer hospital shall be classified as a general cancer hospital under  
 309 this chapter and shall be subject to all requirements and conditions applicable to hospitals  
 310 under this article, including but not limited to, indigent and charity care and inventories  
 311 and methodologies to determine need for additional providers or services; and

312 (3) The hospital's inpatient beds, operating rooms, radiation therapy equipment, and  
 313 imaging equipment existing on the date of conversion shall not be counted in the  
 314 inventory by the department for purposes of determining need for additional providers  
 315 or services, except that any inpatient beds, operating rooms, radiation therapy equipment,  
 316 and imaging equipment added after the date of conversion shall be counted in accordance  
 317 with the department's rules and regulations.

318 (d) In the event that a destination cancer hospital does not convert to a general cancer  
 319 hospital, it shall remain subject to all requirements and conditions applicable to destination  
 320 cancer hospitals under this article."

### 321 **SECTION 1-7.**

322 Said title is further amended by adding a new Code section to read as follows:

323 "31-6-42.1.

324 No applicant for a new certificate of need, a modification to an existing certificate of need,  
 325 or a conversion of a certificate of need that has any outstanding amounts owed to the state  
 326 including fines, penalties, fees, or other payments for noncompliance with any  
 327 requirements contained in Code Section 31-6-40.1, 31-6-45.2, 31-6-70, 31-7-280, or  
 328 31-8-179.2 shall be eligible to receive a new certificate of need or a modification to an  
 329 existing certificate of need unless such applicant pays such outstanding amounts to the  
 330 state. Any such fines, penalties, fees, or other payments for noncompliance shall be subject  
 331 to the same notices and hearing for the levy of fines under Code Section 31-6-45."

### 332 **SECTION 1-8.**

333 Said title is further amended in Code Section 31-6-43, relating to acceptance or rejection of  
 334 application for certificate, by revising subsections (d) and (h) as follows:

335 "(d)(1) There shall be a time limit of 120 days for review of a project, beginning on the  
 336 day the department declares the application complete for review or in the case of  
 337 applications joined for comparative review, beginning on the day the department declares  
 338 the final application complete. The department may adopt rules for determining when  
 339 it is not practicable to complete a review in 120 days and may extend the review period  
 340 upon written notice to the applicant but only for an extended period of not longer than an  
 341 additional 30 days. The department shall adopt rules governing the submission of  
 342 additional information by the applicant and for opposing an application.

343 (2) No party may oppose an application for a certificate of need for a proposed project  
 344 unless:

345 (A) Such party offers substantially similar services as proposed within a 35 mile radius  
 346 of the proposed project or has a service area that overlaps the applicant's proposed  
 347 service area; or

348 (B) Such party has submitted a competing application in the same batching cycle and  
 349 is proposing to establish the same type of facility proposed or offers substantially  
 350 similar services as proposed and has a service area that overlaps the applicant's  
 351 proposed service area."

352 "(h) The department shall provide the applicant an opportunity to meet with the department  
 353 to discuss the application and to provide an opportunity to submit additional information.  
 354 Such additional information shall be submitted within the time limits adopted by the  
 355 department. The department shall also provide an opportunity for any party that is ~~opposed~~  
 356 ~~to~~ permitted to oppose an application pursuant to paragraph (2) of subsection (d) of this  
 357 Code section to meet with the department and to provide additional information to the  
 358 department. In order for ~~an~~ any such opposing party to have standing to appeal an adverse  
 359 decision pursuant to Code Section 31-6-44, such party must attend and participate in an  
 360 opposition meeting."

361 **SECTION 1-9.**

362 Said title is further amended in Code Section 31-6-44, relating to the Certificate of Need  
 363 Appeal Panel, by revising subsections (a) and (d) as follows:

364 "(a) Effective July 1, 2008, there is created the Certificate of Need Appeal Panel, which  
 365 shall be an agency separate and apart from the department and shall consist of a panel of  
 366 independent hearing officers. The purpose of the appeal panel shall be to serve as a panel  
 367 of independent hearing officers to review the department's initial decision to grant or deny  
 368 a certificate of need application. The Health Planning Review Board which existed on June  
 369 30, 2008, shall cease to exist after that date and the Certificate of Need Appeal Panel shall  
 370 be constituted effective July 1, 2008, pursuant to this Code section. ~~The terms of all~~  
 371 ~~members of the Health Planning Review Board serving as such on June 30, 2008, shall~~  
 372 ~~automatically terminate on such date."~~

373 "(d) ~~Any applicant for a project, any competing applicant in the same batching cycle, any~~  
 374 ~~competing health care facility party that is permitted to oppose an application pursuant to~~  
 375 paragraph (2) of subsection (d) of Code Section 31-6-43 that has notified the department  
 376 prior to its decision that such facility party is opposed to the application before the  
 377 department, ~~or any county or municipal government in whose boundaries the proposed~~  
 378 ~~project will be located who is aggrieved by a decision of the department~~ shall have the right  
 379 to an initial administrative appeal hearing before an appeal panel hearing officer or to  
 380 intervene in such hearing. Such request for hearing or intervention shall be filed with the

381 chairperson of the appeal panel within 30 days of the date of the decision made pursuant  
 382 to Code Section 31-6-43. In the event an appeal is filed by a ~~competing applicant, or any~~  
 383 ~~competing health care facility, or any county or municipal government party that is~~  
 384 permitted to oppose an application pursuant to paragraph (2) of subsection (d) of Code  
 385 Section 31-6-43, the appeal shall be accompanied by payment of such fee as is established  
 386 by the appeal panel. In the event an appeal is requested, the chairperson of the appeal panel  
 387 shall appoint a hearing officer for each such hearing within 30 days after the date the  
 388 appeal is received. Within 14 days after the appointment of the hearing officer, such  
 389 hearing officer shall confer with the parties and set the date or dates for the hearing,  
 390 provided that no hearing shall be scheduled less than 60 days nor more than 120 days after  
 391 the filing of the request for a hearing, unless the applicant consents or, in the case of  
 392 competing applicants, all applicants consent to an extension of this time period to a  
 393 specified date. Unless the applicant consents or, in the case of competing applicants, all  
 394 applicants consent to an extension of said 120 day period, any hearing officer who  
 395 regularly fails to commence a hearing within the required time period shall not be eligible  
 396 for continued service as a hearing officer for the purposes of this Code section. The  
 397 hearing officer shall have the authority to dispose of all motions made by any party before  
 398 the issuance of the hearing officer's decision and shall make such rulings as may be  
 399 required for the conduct of the hearing."

400 **SECTION 1-10.**

401 Said title is further amended by revising Code Section 31-6-47, relating to exemptions from  
 402 certificate of need program requirements, as follows:

403 "31-6-47.

- 404 (a) Notwithstanding the other provisions of this chapter, this chapter shall not apply to:
- 405 (1) Infirmaries operated by educational institutions for the sole and exclusive benefit of  
 406 students, faculty members, officers, or employees thereof;
- 407 (2) Infirmaries or facilities operated by businesses for the sole and exclusive benefit of  
 408 officers or employees thereof, provided that such infirmaries or facilities make no  
 409 provision for overnight stay by persons receiving their services;
- 410 (3) Institutions operated exclusively by the federal government or by any of its agencies;
- 411 (4) Offices of private physicians or dentists whether for individual or group practice,  
 412 except as otherwise provided in paragraph (3) or (7) of subsection (a) of Code Section  
 413 31-6-40;
- 414 (5) Religious, nonmedical health care institutions as defined in 42 U.S.C. § Section  
 415 1395x(ss)(1), listed and certified by a national accrediting organization;

- 416 (6) Site acquisitions for health care facilities or preparation or development costs for  
 417 such sites prior to the decision to file a certificate of need application;
- 418 (7) Expenditures related to adequate preparation and development of an application for  
 419 a certificate of need;
- 420 (8) The commitment of funds conditioned upon the obtaining of a certificate of need;
- 421 (9) Expenditures for the restructuring or acquisition of existing health care facilities by  
 422 stock or asset purchase, merger, consolidation, or other lawful means ~~unless the facilities~~  
 423 ~~are owned or operated by or on behalf of a:~~
- 424 (A) ~~Political subdivision of this state;~~  
 425 (B) ~~Combination of such political subdivisions; or~~  
 426 (C) ~~Hospital authority, as defined in Article 4 of Chapter 7 of this title;~~
- 427 ~~(9.1) Expenditures for the restructuring of or for the acquisition by stock or asset~~  
 428 ~~purchase, merger, consolidation, or other lawful means of an existing health care facility~~  
 429 ~~which is owned or operated by or on behalf of any entity described in subparagraph (A),~~  
 430 ~~(B), or (C) of paragraph (9) of this subsection only if such restructuring or acquisition is~~  
 431 ~~made by any entity described in subparagraph (A), (B), or (C) of paragraph (9) of this~~  
 432 ~~subsection;~~
- 433 ~~(9.2)~~(9.1) The purchase of a closing hospital or of a hospital that has been closed for no  
 434 more than 12 months by a hospital in a contiguous county to repurpose the facility as a  
 435 micro-hospital;
- 436 (10) Expenditures of less than \$870,000.00 for any minor or major repair or replacement  
 437 of equipment by a health care facility that is not owned by a group practice of physicians  
 438 or a hospital and that provides diagnostic imaging services if such facility received a  
 439 letter of nonreviewability from the department prior to July 1, 2008. This paragraph shall  
 440 not apply to such facilities in rural counties;
- 441 (10.1) Except as provided in paragraph (10) of this subsection, expenditures for the  
 442 minor or major repair of a health care facility or a facility that is exempt from the  
 443 requirements of this chapter, parts thereof or services provided or equipment used therein;  
 444 or the replacement of equipment, including but not limited to CT scanners, magnetic  
 445 resonance imaging, positron emission tomography (PET), and positron emission  
 446 tomography/computed tomography previously approved for a certificate of need;
- 447 (11) Capital expenditures otherwise covered by this chapter required solely to eliminate  
 448 or prevent safety hazards as defined by federal, state, or local fire, building,  
 449 environmental, occupational health, or life safety codes or regulations, to comply with  
 450 licensing requirements of the department, or to comply with accreditation standards of  
 451 a nationally recognized health care accreditation body;

- 452 (12) Cost overruns whose percentage of the cost of a project is equal to or less than the  
453 cumulative annual rate of increase in the composite construction index, published by the  
454 United States Bureau of the Census of the Department of Commerce, of the United States  
455 government, calculated from the date of approval of the project;
- 456 (13) Transfers from one health care facility to another such facility of major medical  
457 equipment previously approved under or exempted from certificate of need review,  
458 except where such transfer results in the institution of a new clinical health service for  
459 which a certificate of need is required in the facility acquiring said such equipment,  
460 provided that such transfers are recorded at net book value of the medical equipment as  
461 recorded on the books of the transferring facility;
- 462 (14) New institutional health services provided by or on behalf of health maintenance  
463 organizations or related health care facilities in circumstances defined by the department  
464 pursuant to federal law;
- 465 (15) Increases in the bed capacity of a hospital up to ten beds or 10 percent of capacity,  
466 whichever is greater, in any consecutive two-year period, in a hospital that has  
467 maintained an overall occupancy rate greater than 75 percent for the previous 12 month  
468 period;
- 469 (16) Expenditures for nonclinical projects, including parking lots, parking decks, and  
470 other parking facilities; computer systems, software, and other information technology;  
471 medical office buildings; administrative office space; conference rooms; education  
472 facilities; lobbies; common spaces; clinical staff lounges and sleep areas; waiting rooms;  
473 bathrooms; cafeterias; hallways; engineering facilities; mechanical systems; roofs;  
474 grounds; signage; family meeting or lounge areas; other nonclinical physical plant  
475 renovations or upgrades that do not result in new or expanded clinical health services, and  
476 state mental health facilities;
- 477 (17) Continuing care retirement communities, provided that the skilled nursing  
478 component of the facility is for the exclusive use of residents of the continuing care  
479 retirement community and that a written exemption is obtained from the department;  
480 provided, however, that new sheltered nursing home beds may be used on a limited basis  
481 by persons who are not residents of the continuing care retirement community for a  
482 period up to five years after the date of issuance of the initial nursing home license, but  
483 such beds shall not be eligible for Medicaid reimbursement. For the first year, the  
484 continuing care retirement community sheltered nursing facility may utilize not more  
485 than 50 percent of its licensed beds for patients who are not residents of the continuing  
486 care retirement community. In the second year of operation, the continuing care  
487 retirement community shall allow not more than 40 percent of its licensed beds for new  
488 patients who are not residents of the continuing care retirement community. In the third

489 year of operation, the continuing care retirement community shall allow not more than  
 490 30 percent of its licensed beds for new patients who are not residents of the continuing  
 491 care retirement community. In the fourth year of operation, the continuing care  
 492 retirement community shall allow not more than 20 percent of its licensed beds for new  
 493 patients who are not residents of the continuing care retirement community. In the fifth  
 494 year of operation, the continuing care retirement community shall allow not more than  
 495 10 percent of its licensed beds for new patients who are not residents of the continuing  
 496 care retirement community. At no time during the first five years shall the continuing  
 497 care retirement community sheltered nursing facility occupy more than 50 percent of its  
 498 licensed beds with patients who are not residents under contract with the continuing care  
 499 retirement community. At the end of the five-year period, the continuing care retirement  
 500 community sheltered nursing facility shall be utilized exclusively by residents of the  
 501 continuing care retirement community, and at no time shall a resident of a continuing care  
 502 retirement community be denied access to the sheltered nursing facility. At no time shall  
 503 any existing patient be forced to leave the continuing care retirement community to  
 504 comply with this paragraph. The department is authorized to promulgate rules and  
 505 regulations regarding the use and definition of 'sheltered nursing facility' in a manner  
 506 consistent with this Code section. Agreements to provide continuing care include  
 507 agreements to provide care for any duration, including agreements that are terminable by  
 508 either party;

509 (18) Any single specialty ambulatory surgical center that:

510 (A)(i) Has capital expenditures associated with the construction, development, or  
 511 other establishment of the clinical health service which do not exceed \$2.5 million;  
 512 or

513 (ii) Is the only single specialty ambulatory surgical center in the county owned by the  
 514 group practice and has two or fewer operating rooms; provided, however, that a center  
 515 exempt pursuant to this division shall be required to obtain a certificate of need in  
 516 order to add any additional operating rooms;

517 (B) Has a hospital affiliation agreement with a hospital within a reasonable distance  
 518 from the facility or the medical staff at the center has admitting privileges or other  
 519 acceptable documented arrangements with such hospital to ensure the necessary backup  
 520 for the center for medical complications. The center shall have the capability to transfer  
 521 a patient immediately to a hospital within a reasonable distance from the facility with  
 522 adequate emergency room services. Hospitals shall not unreasonably deny a transfer  
 523 agreement or affiliation agreement to the center;

524 (C)(i) Provides care to Medicaid beneficiaries and, if the facility provides medical  
 525 care and treatment to children, to PeachCare for Kids beneficiaries and provides

526 uncompensated indigent and charity care in an amount equal to or greater than 2  
 527 percent of its adjusted gross revenue; or

528 (ii) If the center is not a participant in Medicaid or the PeachCare for Kids Program,  
 529 provides uncompensated care to Medicaid beneficiaries and, if the facility provides  
 530 medical care and treatment to children, to PeachCare for Kids beneficiaries,  
 531 uncompensated indigent and charity care, or both in an amount equal to or greater  
 532 than 4 percent of its adjusted gross revenue;

533 provided, however, that single specialty ambulatory surgical centers owned by  
 534 physicians in the practice of ophthalmology shall not be required to comply with this  
 535 subparagraph; and

536 (D) Provides annual reports in the same manner and in accordance with Code Section  
 537 31-6-70.

538 Noncompliance with any condition of this paragraph shall result in a monetary penalty  
 539 in the amount of the difference between the services which the center is required to  
 540 provide and the amount actually provided and may be subject to revocation of its  
 541 exemption status by the department for repeated failure to pay any fines or moneys due  
 542 to the department or for repeated failure to produce data as required by Code Section  
 543 31-6-70 after notice to the exemption holder and a fair hearing pursuant to Chapter 13 of  
 544 Title 50, the 'Georgia Administrative Procedure Act.' The dollar amount specified in this  
 545 paragraph shall be adjusted annually by an amount calculated by multiplying such dollar  
 546 amount (as adjusted for the preceding year) by the annual percentage of change in the  
 547 composite index of construction material prices, or its successor or appropriate  
 548 replacement index, if any, published by the United States Department of Commerce for  
 549 the preceding calendar year, commencing on July 1, 2009, and on each anniversary  
 550 thereafter of publication of the index. The department shall immediately institute  
 551 rule-making procedures to adopt such adjusted dollar amounts. In calculating the dollar  
 552 amounts of a proposed project for purposes of this paragraph, the costs of all items  
 553 subject to review by this chapter and items not subject to review by this chapter  
 554 associated with and simultaneously developed or proposed with the project shall be  
 555 counted, except for the expenditure or commitment of or incurring an obligation for the  
 556 expenditure of funds to develop certificate of need applications, studies, reports,  
 557 schematics, preliminary plans and specifications or working drawings, or to acquire sites;

558 (19) Any joint venture ambulatory surgical center that:

559 (A) Has capital expenditures associated with the construction, development, or other  
 560 establishment of the clinical health service which do not exceed \$5 million;

561 (B)(i) Provides care to Medicaid beneficiaries and, if the facility provides medical  
 562 care and treatment to children, to PeachCare for Kids beneficiaries and provides

563 uncompensated indigent and charity care in an amount equal to or greater than 2  
 564 percent of its adjusted gross revenue; or  
 565 (ii) If the center is not a participant in Medicaid or the PeachCare for Kids Program,  
 566 provides uncompensated care to Medicaid beneficiaries and, if the facility provides  
 567 medical care and treatment to children, to PeachCare for Kids beneficiaries,  
 568 uncompensated indigent and charity care, or both in an amount equal to or greater  
 569 than 4 percent of its adjusted gross revenue; and  
 570 (C) Provides annual reports in the same manner and in accordance with Code Section  
 571 31-6-70.

572 Noncompliance with any condition of this paragraph shall result in a monetary penalty  
 573 in the amount of the difference between the services which the center is required to  
 574 provide and the amount actually provided and may be subject to revocation of its  
 575 exemption status by the department for repeated failure to pay any fines or moneys due  
 576 to the department or for repeated failure to produce data as required by Code Section  
 577 31-6-70 after notice to the exemption holder and a fair hearing pursuant to Chapter 13 of  
 578 Title 50, the 'Georgia Administrative Procedure Act.' The dollar amount specified in this  
 579 paragraph shall be adjusted annually by an amount calculated by multiplying such dollar  
 580 amount (as adjusted for the preceding year) by the annual percentage of change in the  
 581 composite index of construction material prices, or its successor or appropriate  
 582 replacement index, if any, published by the United States Department of Commerce for  
 583 the preceding calendar year, commencing on July 1, 2009, and on each anniversary  
 584 thereafter of publication of the index. The department shall immediately institute  
 585 rule-making procedures to adopt such adjusted dollar amounts. In calculating the dollar  
 586 amounts of a proposed project for purposes of this paragraph, the costs of all items  
 587 subject to review by this chapter and items not subject to review by this chapter  
 588 associated with and simultaneously developed or proposed with the project shall be  
 589 counted, except for the expenditure or commitment of or incurring an obligation for the  
 590 expenditure of funds to develop certificate of need applications, studies, reports,  
 591 schematics, preliminary plans and specifications or working drawings, or to acquire sites;  
 592 (20) Expansion of services by an imaging center based on a population needs  
 593 methodology taking into consideration whether the population residing in the area served  
 594 by the imaging center has a need for expanded services, as determined by the department  
 595 in accordance with its rules and regulations, if such imaging center:

596 (A) Was in existence and operational in this state on January 1, 2008;  
 597 (B) Is owned by a hospital or by a physician or a group of physicians comprising at  
 598 least 80 percent ownership who are currently board certified in radiology;  
 599 (C) Provides three or more diagnostic and other imaging services;

- 600 (D) Accepts all patients regardless of ability to pay; and
- 601 (E) Provides uncompensated indigent and charity care in an amount equal to or greater
- 602 than the amount of such care provided by the geographically closest general acute care
- 603 hospital; provided, however, that this paragraph shall not apply to an imaging center in
- 604 a rural county;
- 605 (21) Diagnostic cardiac catheterization in a hospital setting on patients 15 years of age
- 606 and older;
- 607 (22) Therapeutic cardiac catheterization in hospitals selected by the department prior to
- 608 July 1, 2008, to participate in the Atlantic Cardiovascular Patient Outcomes Research
- 609 Team (C-PORT) Study and therapeutic cardiac catheterization in hospitals that, as
- 610 determined by the department on an annual basis, meet the criteria to participate in the
- 611 C-PORT Study but have not been selected for participation; provided, however, that if
- 612 the criteria requires a transfer agreement to another hospital, no hospital shall
- 613 unreasonably deny a transfer agreement to another hospital;
- 614 (23) Infirmaries or facilities operated by, on behalf of, or under contract with the
- 615 Department of Corrections or the Department of Juvenile Justice for the sole and
- 616 exclusive purpose of providing health care services in a secure environment to prisoners
- 617 within a penal institution, penitentiary, prison, detention center, or other secure
- 618 correctional institution, including correctional institutions operated by private entities in
- 619 this state which house inmates under the Department of Corrections or the Department
- 620 of Juvenile Justice;
- 621 (24) The relocation of any skilled nursing facility, intermediate care facility, or
- 622 micro-hospital within the same county, any other health care facility in a rural county
- 623 within the same county, and any other health care facility in an urban county within a
- 624 three-mile radius of the existing facility so long as the facility does not propose to offer
- 625 any new or expanded clinical health services at the new location;
- 626 (25) Facilities which are devoted to the provision of treatment and rehabilitative care for
- 627 periods continuing for 24 hours or longer for persons who have traumatic brain injury,
- 628 as defined in Code Section 37-3-1; ~~and~~
- 629 (26) Capital expenditures for a project otherwise requiring a certificate of need if those
- 630 expenditures are for a project to remodel, renovate, replace, or any combination thereof,
- 631 a medical-surgical hospital and:
- 632 (A) That hospital:
- 633 (i) Has a bed capacity of not more than 50 beds;
- 634 (ii) Is located in a county in which no other medical-surgical hospital is located;
- 635 (iii) Has at any time been designated as a disproportionate share hospital by the
- 636 department; and

637 (iv) Has at least 45 percent of its patient revenues derived from medicare, Medicaid,  
 638 or any combination thereof, for the immediately preceding three years; and  
 639 (B) That project:

640 (i) Does not result in any of the following:

641 (I) The offering of any new clinical health services;

642 (II) Any increase in bed capacity;

643 (III) Any redistribution of existing beds among existing clinical health services; or

644 (IV) Any increase in capacity of existing clinical health services;

645 (ii) Has at least 80 percent of its capital expenditures financed by the proceeds of a  
 646 special purpose county sales and use tax imposed pursuant to Article 3 of Chapter 8  
 647 of Title 48; and

648 (iii) Is located within a three-mile radius of and within the same county as the  
 649 hospital's existing facility-;

650 (27) The renovation, remodeling, refurbishment, or upgrading of a health care facility,  
 651 so long as the project does not result in any of the following:

652 (A) The offering of any new or expanded clinical health services;

653 (B) Any increase in inpatient bed capacity;

654 (C) Any redistribution of existing beds among existing clinical health services; or

655 (D) A capital expenditure exceeding the threshold contained in paragraph (2) of  
 656 subsection (a) of Code Section 31-6-40;

657 (28) Other than for equipment used to provide positron emission tomography (PET)  
 658 services, the acquisition of diagnostic, therapeutic, or other imaging equipment with a  
 659 value of \$3 million or less, by or on behalf of:

660 (A) A hospital; or

661 (B) An individual private physician or single group practice of physicians exclusively  
 662 for use on patients of such private physician or single group practice of physicians and  
 663 such private physician or member of such single group practice of physicians is  
 664 physically present at the practice location where the diagnostic or other imaging  
 665 equipment is located at least 75 percent of the time that the equipment is in use.

666 The amount specified in this paragraph shall not include build-out costs, as defined by  
 667 the department, but shall include all functionally related equipment, software, and any  
 668 warranty and services contract costs for the first five years. The acquisition of one or  
 669 more items of functionally related diagnostic or therapeutic equipment shall be  
 670 considered as one project. The dollar amount specified in this paragraph and in  
 671 paragraph (10) of this subsection shall be adjusted annually by an amount calculated by  
 672 multiplying such dollar amounts (as adjusted for the preceding year) by the annual  
 673 percentage of change in the consumer price index, or its successor or appropriate

674 replacement index, if any, published by the United States Department of Labor for the  
 675 preceding calendar year, commencing on July 1, 2010; and  
 676 (29) A capital expenditure of \$10 million or less by a hospital at such hospital's primary  
 677 campus for:  
 678 (A) The expansion or addition of the following clinical health services: operating  
 679 rooms, other than dedicated outpatient operating rooms; medical-surgical services;  
 680 gynecology; procedure rooms; intensive care; pharmaceutical services; pediatrics;  
 681 cardiac care or other general hospital services; provided, however, that such  
 682 expenditure does not include the expansion or addition of inpatient beds or the  
 683 conversion of one type of inpatient bed to another type of inpatient bed; or  
 684 (B) The movement of clinical health services from one location on the hospital's  
 685 primary campus to another location on such hospital's primary campus.  
 686 (b) By rule, the department shall establish a procedure for expediting or waiving reviews  
 687 of certain projects the nonreview of which it deems compatible with the purposes of this  
 688 chapter, in addition to expenditures exempted from review by this Code section."

689 **SECTION 1-11.**

690 Said title is further amended by revising Code Section 31-6-47.1, relating to prior notice and  
 691 approval of activities, as follows:

692 "31-6-47.1.

693 The department shall require prior notice from a new health care facility for approval of  
 694 any activity which is believed to be exempt pursuant to Code Section 31-6-47 or excluded  
 695 from the requirements of this chapter under other provisions of this chapter. The  
 696 department may require prior notice and approval of any activity which is believed to be  
 697 exempt pursuant to paragraphs (10), (15), (16), (17), (20), (21), (23), (25), ~~and (26), (27),~~  
 698 (28), and (29) of subsection (a) of Code Section 31-6-47. The department shall ~~be~~  
 699 ~~authorized to~~ establish timeframes, forms, and criteria ~~relating to its certification to request~~  
 700 a letter of determination that an activity is properly exempt or excluded under this chapter  
 701 prior to its implementation. The department shall publish notice of all requests for  
 702 ~~approval of an~~ letters of determination regarding exempt activity and opposition to such  
 703 request. Persons opposing a request for approval of an exempt activity shall be entitled to  
 704 file an objection with the department and the department shall consider any filed objection  
 705 when determining whether an activity is exempt. After the department's decision, an  
 706 opposing party shall have the right to a fair hearing pursuant to Chapter 13 of Title 50, the  
 707 'Georgia Administrative Procedure Act,' on an adverse decision of the department and  
 708 judicial review of a final decision in the same manner and under the same provisions as in  
 709 Code Section 31-6-44.1. If no objection to a request for determination is filed within 30

710 days of the department's receipt of such request for determination, the department shall  
 711 have 60 days from the date of the department's receipt of such request to review the request  
 712 and issue a letter of determination. The department may adopt rules for deciding when it  
 713 is not practicable to provide a determination in 60 days and may extend the review period  
 714 upon written notice to the requestor but only for an extended period of no longer than an  
 715 additional 30 days."

716 **SECTION 1-12.**

717 Said title is further amended in Code Section 31-6-70, relating to reports to the department  
 718 by certain health care facilities and all ambulatory surgical centers and imaging centers, by  
 719 revising subsections (a), (b), and (d) and paragraph (1) of subsection (e) and by adding new  
 720 subsections to read as follows:

721 "(a) There shall be required from each health care facility in this state requiring a  
 722 certificate of need and all ambulatory surgical centers and imaging centers, whether or not  
 723 exempt from obtaining a certificate of need under this chapter, an annual report of ~~certain~~  
 724 such health care information ~~to be submitted to~~ as determined by the department. The  
 725 report shall be due on the ~~last day of January~~ date determined by the department and shall  
 726 cover the 12 month period preceding each such calendar year."

727 "(b) The report required under subsection (a) of this Code section shall contain the  
 728 following information:

- 729 (1) Total gross revenues;  
 730 (2) Bad debts;  
 731 (3) Amounts of free care extended, excluding bad debts;  
 732 (4) Contractual adjustments;  
 733 (5) Amounts of care provided under a Hill-Burton commitment;  
 734 (6) Amounts of charity care provided to indigent and nonindigent persons;  
 735 (7) Amounts of outside sources of funding from governmental entities, philanthropic  
 736 groups, or any other source, including the proportion of any such funding dedicated to the  
 737 care of indigent persons; ~~and~~  
 738 (8) For cases involving indigent persons and nonindigent person receiving charity care:  
 739 (A) The number of persons treated;  
 740 (B) The number of inpatients and outpatients;  
 741 (C) Total patient days;  
 742 (D) The number of patients categorized by county of residence; and  
 743 (E) The indigent and nonindigent care costs incurred by the health care facility by  
 744 county of residence;

745 (9) Transfers to a hospital or hospital emergency department, including both direct  
 746 transfers and transfers by emergency medical services;

747 (10) Number of rooms, beds, procedures, and patients, including, without limitation,  
 748 demographic information and payer source;

749 (11) Patient origin by county; and

750 (12) Operational information such as procedure types, volumes, and charges."

751 "(d) The department shall provide a form for the ~~report reports~~ required by ~~subsection (a)~~  
 752 ~~of~~ this Code section and may provide in said form for further categorical divisions of the  
 753 information listed in ~~subsection~~ subsections (b) or (c.1) of this Code section."

754 "(1) In the event the department does not receive ~~information responsive to subparagraph~~  
 755 ~~(e)(2)(A) of Code Section 31-6-40 by December 30, 2008,~~ or an annual report from a  
 756 health care facility requiring a certificate of need or an ambulatory surgical center or  
 757 imaging center, whether or not exempt from obtaining a certificate of need under this  
 758 chapter, on or before the date such report was due or receives a timely but incomplete  
 759 report, the department shall notify the health care facility or center regarding the  
 760 deficiencies and shall be authorized to fine such health care facility or center an amount  
 761 not to exceed \$500.00 per day for every day up to 30 days and \$1,000.00 per day for  
 762 every day over 30 days for every day of such untimely or deficient report."

763 "(g) The department shall make publicly available all annual reports submitted pursuant  
 764 to this Code section on the department website. The department shall also provide a copy  
 765 of such annual reports to the Governor, the President of the Senate, the Speaker of the  
 766 House of Representatives, and the chairpersons of the House Committee on Health and  
 767 Human Services and the Senate Health and Human Services Committee.

768 (h) All health care facilities, ambulatory surgical centers, and imaging centers required to  
 769 submit an annual report pursuant to subsection (a) of this Code section shall make such  
 770 annual reports publicly available on their websites."

771 **SECTION 1-13.**

772 Said title is further amended by adding a new Code section to Article 1 of Chapter 7, relating  
 773 to regulation of hospitals and related institutions, to read as follows:

774 "31-7-22.

775 (a) As used in this Code section, the term 'hospital' means a nonprofit hospital, a hospital  
 776 owned or operated by a hospital authority, or a nonprofit corporation formed, created, or  
 777 operated by or on behalf of a hospital authority.

778 (b) Beginning July 1, 2020, each hospital in this state shall post a link in a prominent  
 779 location on the main page of its website to a copy of its most recent audited Internal  
 780 Revenue Service Form 990, including Schedule H for hospitals and other applicable

781 attachments; provided, however, that for any hospital not required to file IRS Form 990,  
 782 the department shall establish and provide a form that collects the same information as is  
 783 contained in Internal Revenue Service Form 990, including Schedule H for hospitals, as  
 784 applicable."

785 **SECTION 1-14.**

786 Said title is further amended by revising Code Section 31-8-9.1, relating to eligibility to  
 787 receive tax credits and obligations of rural hospitals after receipt of funds, as follows:

788 "31-8-9.1.

789 (a) As used in this Code section, the term:

790 (1) 'Critical access hospital' means a hospital that meets the requirements of the federal  
 791 Centers for Medicare and Medicaid Services to be designated as a critical access hospital  
 792 and that is recognized by the department as a critical access hospital for purposes of  
 793 Medicaid.

794 (2) 'Rural county' means a county having a population of less than 50,000 according to  
 795 the United States decennial census of 2010 or any future such census; provided, however,  
 796 that for counties which contain a military base or installation, the military personnel and  
 797 their dependents living in such county shall be excluded from the total population of such  
 798 county for purposes of this definition.

799 (3) 'Rural hospital organization' means an acute care hospital licensed by the department  
 800 pursuant to Article 1 of Chapter 7 of this title that:

801 (A) Provides inpatient hospital services at a facility located in a rural county or is a  
 802 critical access hospital;

803 (B) Participates in both Medicaid and medicare and accepts both Medicaid and  
 804 medicare patients;

805 (C) Provides health care services to indigent patients;

806 (D) Has at least 10 percent of its annual net revenue categorized as indigent care,  
 807 charity care, or bad debt;

808 (E) Annually files IRS Form 990, Return of Organization Exempt From Income Tax,  
 809 with the department, or for any hospital not required to file IRS Form 990, the  
 810 department will provide a form that collects the same information to be submitted to the  
 811 department on an annual basis;

812 (F) Is operated by a county or municipal authority pursuant to Article 4 of Chapter 7  
 813 of this title or is designated as a tax-exempt organization under Section 501(c)(3) of the  
 814 Internal Revenue Code; and

815 (G) Is current with all audits and reports required by law.

816 (b)(1) By December 1 of each year, the department shall approve a list of rural hospital  
 817 organizations eligible to receive contributions from the tax credit provided pursuant to  
 818 Code Section 48-7-29.20 and transmit such list to the Department of Revenue.

819 (2) Before any rural hospital organization is included on the list as eligible to receive  
 820 contributions from the tax credit provided pursuant to Code Section 48-7-29.20, it shall  
 821 submit to the department a five-year plan detailing the financial viability and stability of  
 822 the rural hospital organization. The criteria to be included in the five-year plan shall be  
 823 established by the department.

824 (3) The department shall create an operations manual for identifying rural hospital  
 825 organizations and ranking such rural hospital organizations in order of financial need.

826 Such manual shall include:

827 (A) All deadlines for submitting required information to the department;

828 (B) The criteria to be included in the five-year plan submitted pursuant to paragraph (2)  
 829 of this subsection; and

830 (C) The formula applied to rank the rural hospital organizations in order of financial  
 831 need.

832 (c)(1) A rural hospital organization that receives donations pursuant to Code Section  
 833 48-7-29.20 shall:

834 (A) Utilize such donations for the provision of health care related services for residents  
 835 of a rural county or for residents of the area served by a critical access hospital; and

836 (B) Report on a form provided by the department:

837 (i) All contributions received from individual and corporate donors pursuant to Code  
 838 Section 48-7-29.20 detailing the manner in which the contributions received were  
 839 expended by the rural hospital organization; and

840 (ii) Any payments made to a third party to solicit, administer, or manage the  
 841 donations received by the rural hospital organization pursuant to this Code section or  
 842 Code Section 48-7-29.20. In no event shall payments made to a third party to solicit,  
 843 administer, or manage the donations received pursuant to this Code section exceed 3  
 844 percent of the total amount of the donations.

845 (2) The department shall annually prepare a report compiling the information received  
 846 pursuant to paragraph (1) of this subsection for the chairpersons of the House Committee  
 847 on Ways and Means and the Senate Health and Human Services Committee.

848 (d) The department shall post the following information in a prominent location on its  
 849 website:

850 (1) The list of rural hospital organizations eligible to receive contributions established  
 851 pursuant to paragraph (1) of subsection (b) of this Code section;

- 852 (2) The operations manual created pursuant to paragraph (3) of subsection (b) of this  
 853 Code section;  
 854 (3) The annual report prepared pursuant to paragraph (2) of subsection (c) of this Code  
 855 section;  
 856 (4) The total amount received by each third party that participated in soliciting,  
 857 administering, or managing donations; and  
 858 (5) A link to the Department of Revenue's website containing the information included  
 859 in subsection (d) of Code Section 48-7-29.20."

860 **SECTION 1-15.**

861 Code Section 48-7-29.20 of the Official Code of Georgia Annotated, relating to tax credits  
 862 for contributions to rural hospital organizations, is amended as follows:

863 "48-7-29.20.

864 (a) As used in this Code section, the term:

865 (1) 'Qualified rural hospital organization expense' means the contribution of funds by an  
 866 individual or corporate taxpayer to a rural hospital organization for the direct benefit of  
 867 such organization during the tax year for which a credit under this Code section is  
 868 claimed.

869 (2) 'Rural hospital organization' means an organization that is approved by the  
 870 Department of Community Health pursuant to Code Section 31-8-9.1.

871 (b) An individual taxpayer shall be allowed a credit against the tax imposed by this chapter  
 872 for qualified rural hospital organization expenses as follows:

873 (1) In the case of a single individual or a head of household, the actual amount expended;

874 (2) In the case of a married couple filing a joint return, the actual amount expended; or

875 (3) In the case of an individual who is a member of a limited liability company duly  
 876 formed under state law, a shareholder of a Subchapter 'S' corporation, or a partner in a  
 877 partnership, the amount expended; provided, however, that tax credits pursuant to this  
 878 paragraph shall be allowed only for the portion of the income on which such tax was  
 879 actually paid by such individual.

880 (b.1) From January 1 to June 30 each taxable year, an individual taxpayer shall be limited  
 881 in its qualified rural hospital organization expenses allowable for credit under this Code  
 882 section, and the commissioner shall not approve qualified rural hospital organization  
 883 expenses incurred from January 1 to June 30 each taxable year, which exceed the following  
 884 limits:

885 (1) In the case of a single individual or a head of household, \$5,000.00;

886 (2) In the case of a married couple filing a joint return, \$10,000.00; or

887 (3) In the case of an individual who is a member of a limited liability company duly  
 888 formed under state law, a shareholder of a Subchapter 'S' corporation, or a partner in a  
 889 partnership, \$10,000.00.

890 (c) A corporation or other entity shall be allowed a credit against the tax imposed by this  
 891 chapter for qualified rural hospital organization expenses in an amount not to exceed the  
 892 actual amount expended or 75 percent of the corporation's income tax liability, whichever  
 893 is less.

894 (d) In no event shall the total amount of the tax credit under this Code section for a taxable  
 895 year exceed the taxpayer's income tax liability. Any unused tax credit shall be allowed the  
 896 taxpayer against the succeeding five years' tax liability. No such credit shall be allowed  
 897 the taxpayer against prior years' tax liability.

898 (e)(1) In no event shall the aggregate amount of tax credits allowed under this Code  
 899 section exceed \$60 million per taxable year.

900 (2)(A) No more than \$4 million of the aggregate limit established by paragraph (1) of  
 901 this subsection shall be contributed to any individual rural hospital organization in any  
 902 taxable year. From January 1 to June 30 each taxable year, the commissioner shall only  
 903 preapprove contributions submitted by individual taxpayers in an amount not to exceed  
 904 \$2 million, and from corporate donors in an amount not to exceed \$2 million. From  
 905 July 1 to December 31 each taxable year, subject to the aggregate limit in paragraph (1)  
 906 of this subsection and the individual rural hospital organization limit in this paragraph,  
 907 the commissioner shall approve contributions submitted by individual taxpayers and  
 908 corporations or other entities.

909 (B) In the event an individual or corporate donor desires to make a contribution to an  
 910 individual rural hospital organization that has received the maximum amount of  
 911 contributions for that taxable year, the Department of Community Health shall provide  
 912 the individual or corporate donor with a list, ranked in order of financial need, as  
 913 determined by the Department of Community Health, of rural hospital organizations  
 914 still eligible to receive contributions for the taxable year.

915 (C) Any third party that participates in soliciting, advertising, or managing donations  
 916 shall provide the complete list of rural hospital organizations eligible to receive the tax  
 917 credit provided pursuant to this Code section including their ranking in order of  
 918 financial need as determined by the Department of Community Health pursuant to Code  
 919 Section 31-8-9.1, to any potential donor regardless of whether a third party has a  
 920 contractual relationship or agreement with such rural hospital organization.

921 (3) For purposes of paragraphs (1) and (2) of this subsection, a rural hospital  
 922 organization shall notify a potential donor of the requirements of this Code section.  
 923 Before making a contribution to a rural hospital organization, the taxpayer shall

924 electronically notify the department, in a manner specified by the department, of the total  
 925 amount of contribution that the taxpayer intends to make to the rural hospital  
 926 organization. The commissioner shall preapprove or deny the requested amount within  
 927 30 days after receiving the request from the taxpayer and shall provide written notice to  
 928 the taxpayer and rural hospital organization of such preapproval or denial which shall not  
 929 require any signed release or notarized approval by the taxpayer. In order to receive a tax  
 930 credit under this Code section, the taxpayer shall make the contribution to the rural  
 931 hospital organization within ~~60~~ 180 days after receiving notice from the department that  
 932 the requested amount was preapproved. If the taxpayer does not comply with this  
 933 paragraph, the commissioner shall not include this preapproved contribution amount  
 934 when calculating the limits prescribed in paragraphs (1) and (2) of this subsection.

935 (4)(A) Preapproval of contributions by the commissioner shall be based solely on the  
 936 availability of tax credits subject to the aggregate total limit established under  
 937 paragraph (1) of this subsection and the individual rural hospital organization limit  
 938 established under paragraph (2) of this subsection.

939 (B) Any taxpayer preapproved by the department pursuant to this subsection ~~(e) of this~~  
 940 ~~Code section~~ shall retain their approval in the event the credit percentage in ~~subsection~~  
 941 ~~(b) of this Code section~~ is modified for the year in which the taxpayer was preapproved.

942 (C) Upon the rural hospital organization's confirmation of receipt of donations that  
 943 have been preapproved by the department, any taxpayer preapproved by the department  
 944 pursuant to subsection (c) of this Code section shall receive the full benefit of the  
 945 income tax credit established by this Code section even though the rural hospital  
 946 organization to which the taxpayer made a donation does not properly comply with the  
 947 reports or filings required by this Code section.

948 (5) Notwithstanding any laws to the contrary, the department shall not take any adverse  
 949 action against donors to rural hospital organizations if the commissioner preapproved a  
 950 donation for a tax credit prior to the date the rural hospital organization is removed from  
 951 the Department of Community Health list pursuant to Code Section 31-8-9.1, and all such  
 952 donations shall remain as preapproved tax credits subject only to the donor's compliance  
 953 with paragraph (3) of this subsection.

954 (f) In order for the taxpayer to claim the tax credit under this Code section, a letter of  
 955 confirmation of donation issued by the rural hospital organization to which the contribution  
 956 was made shall be attached to the taxpayer's tax return. However, in the event the taxpayer  
 957 files an electronic return, such confirmation shall only be required to be electronically  
 958 attached to the return if the Internal Revenue Service allows such attachments when the  
 959 return is transmitted to the department. In the event the taxpayer files an electronic return  
 960 and such confirmation is not attached because the Internal Revenue Service does not, at the

961 time of such electronic filing, allow electronic attachments to the Georgia return, such  
 962 confirmation shall be maintained by the taxpayer and made available upon request by the  
 963 commissioner. The letter of confirmation of donation shall contain the taxpayer's name,  
 964 address, tax identification number, the amount of the contribution, the date of the  
 965 contribution, and the amount of the credit.

966 (g) No credit shall be allowed under this Code section with respect to any amount  
 967 deducted from taxable net income by the taxpayer as a charitable contribution to a bona  
 968 fide charitable organization qualified under Section 501(c)(3) of the Internal Revenue  
 969 Code.

970 (h) The commissioner shall be authorized to promulgate any rules and regulations  
 971 necessary to implement and administer the provisions of this Code section.

972 (i) The department shall post the following information in a prominent location on its  
 973 website:

974 (1) All pertinent timelines relating to the tax credit, including, but not limited to:

975 (A) Beginning date when contributions can be submitted for preapproval by donors for  
 976 the January 1 to June 30 period;

977 (B) Ending date when contributions can be submitted for preapproval by donors for the  
 978 January 1 to June 30 period;

979 (C) Beginning date when contributions can be submitted for preapproval by donors for  
 980 the July 1 to December 31 period;

981 (D) Ending date when contributions can be submitted for preapproval by donors for the  
 982 July 1 to December 31 period; and

983 (E) Date by which preapproved contributions are required to be sent to the rural  
 984 hospital organization;

985 (2) The list and ranking order of rural hospital organizations eligible to receive  
 986 contributions established pursuant to paragraph (1) of subsection (b) of Code Section  
 987 31-8-9.1;

988 (3) A monthly progress report including:

989 (A) Total preapproved contributions to date by rural hospital organization;

990 (B) Total contributions received to date by rural hospital organization;

991 (C) Total aggregate amount of preapproved contributions made to date; and

992 (D) Aggregate amount of tax credits available; and

993 (4) A list of all preapproved contributions that were made to an unspecified or  
 994 undesignated rural hospital organization and the rural hospital organizations that received  
 995 such contributions.

996 (j) The Department of Audits and Accounts shall annually conduct an audit of the tax  
 997 credit program established under this Code section, including the amount and recipient

998 rural hospital organization of all contributions made, all tax credits received by individual  
 999 and corporate donors, and all amounts received by third parties that solicited, administered,  
 1000 or managed donations pertaining to this Code section and Code Section 31-8-9.1.  
 1001 ~~(i)~~(k) This Code section shall stand automatically repealed on December 31, ~~2021~~ 2024."

1002 **PART II**

1003 **SECTION 2-1.**

1004 This part shall be known and may be cited as "The Health Act."

1005 **SECTION 2-2.**

1006 Title 31 of the Official Code of Georgia Annotated, relating to health, is amended by adding  
 1007 a new chapter to read as follows:

1008 "CHAPTER 53

1009 ARTICLE 1

1010 31-53-1.

1011 The General Assembly finds that Georgia faces population and community health  
 1012 challenges. The current health infrastructure must be adapted to adequately integrate state  
 1013 and private resources in a manner that will serve to maximize the state's goals, including  
 1014 improved access to care, effective health management strategies, and cost control  
 1015 measures. All components of the state's health care system must be more strategic and  
 1016 better coordinated. The General Assembly, therefore, declares it to be the public policy of  
 1017 the state to unite the major stakeholders of the state's health care system under a strategic  
 1018 vision for Georgia. The public policy shall be realized through an agency focused on  
 1019 strategic health care management and coordination.

1020 31-53-2.

1021 As used in this chapter, the term:

1022 (1) 'Director' means the director of health strategy and coordination established pursuant  
 1023 to Code Section 31-53-4.

1024 (2) 'Office' means the Office of Health Strategy and Coordination established pursuant  
 1025 to Code Section 31-53-3.

1026 31-53-3.

1027 (a) There is established within the office of the Governor the Office of Health Strategy and  
1028 Coordination. The objective of the office shall be to strengthen and support the health care  
1029 infrastructure of the state through interconnecting health functions and sharing resources  
1030 across multiple state agencies and overcoming barriers to the coordination of health  
1031 functions. To this end, all affected state agencies shall cooperate with the office in its  
1032 efforts to meet such objective. This shall not be construed to authorize the office to  
1033 perform any function currently performed by an affected state agency.

1034 (b) The office shall have the following powers and duties:

1035 (1) Bring together experts from academic institutions and industries as well as state  
1036 elected and appointed leaders to provide a forum to share information, coordinate the  
1037 major functions of the state's health care system, and develop innovative approaches for  
1038 lowering costs while improving access to quality care;

1039 (2) Serve as a forum for identifying Georgia's specific health issues of greatest concern  
1040 and promote cooperation from both public and private agencies to test new and  
1041 innovative ideas;

1042 (3) Evaluate the effectiveness of previously enacted and ongoing health programs and  
1043 determine how best to achieve the goals of promoting innovation, competition, cost  
1044 reduction, and access to care, and improving Georgia's health care system, attracting new  
1045 providers, and expanding access to services by existing providers;

1046 (4) Facilitate collaboration and coordination between state agencies, including but not  
1047 limited to the Department of Public Health, the Department of Community Health, the  
1048 Department of Behavioral Health and Developmental Disabilities, the Department of  
1049 Human Services, the Department of Economic Development, the Department of  
1050 Transportation, and the Department of Education;

1051 (5) Evaluate prescription costs and make recommendations to public employee insurance  
1052 programs, departments, and governmental entities for prescription formulary design and  
1053 cost reduction strategies;

1054 (6) Maximize the effectiveness of existing resources, expertise, and opportunities for  
1055 improvement;

1056 (7) Review existing State Health Benefit Plan contracts, Medicaid care management  
1057 organization contracts, and other contracts entered into by the state for health related  
1058 services, evaluate proposed revisions to the State Health Benefit Plan, and make  
1059 recommendations to the Department of Community Health prior to renewing or entering  
1060 into new contracts;

1061 (8) Coordinate state health care functions and programs and identify opportunities to  
1062 maximize federal funds for health care programs;

- 1063 (9) Oversee collaborative health efforts to ensure efficient use of funds secured at the  
 1064 federal, state, regional, and local levels;  
 1065 (10) Evaluate community proposals that identify local needs and formulate local or  
 1066 regional solutions that address state, local, or regional health care gaps;  
 1067 (11) Monitor established agency pilot programs for effectiveness;  
 1068 (12) Identify nationally recognized effective evidence based strategies;  
 1069 (13) Propose cost reduction measures;  
 1070 (14) Provide a platform for data distribution compiled by the boards, commissions,  
 1071 committees, councils, and offices listed in Code Section 31-53-7; and  
 1072 (15) Assess the health metrics of the state and recommend models for improvement  
 1073 which may include healthy behavior and social determinant models.

1074 31-53-4.

1075 (a) There is created the position of director of health strategy and coordination who shall  
 1076 be the chief administrative officer of the office. The Governor shall appoint the director  
 1077 who shall serve at the pleasure of the Governor.

1078 (b) The director shall have such education, experience, and other qualifications as  
 1079 determined by the Governor.

1080 (c) The director shall consult with the Governor on determining state priorities and  
 1081 adoption of a state strategy.

1082 (d) The director may contract with other agencies, public and private, or persons as he or  
 1083 she deems necessary for carrying out the duties and responsibilities of the office.

1084 (e) The director may employ such other professional, technical, and clerical personnel as  
 1085 deemed necessary to carry out the purposes of this chapter.

1086 31-53-5.

1087 (a) The director shall have the power to establish and abolish advisory committees as he  
 1088 or she deems necessary to inform effective strategy development and execution.

1089 (b) Membership on an advisory committee shall not constitute public office, and no  
 1090 member shall be disqualified from holding public office by reason of his or her  
 1091 membership.

1092 (c) An advisory committee shall elect a chairperson from among its membership.

1093 (d) Members of an advisory committee shall serve without compensation, although each  
 1094 member of an advisory committee shall be reimbursed for actual expenses incurred in the  
 1095 performance of his or her duties from funds available to the office. Such reimbursement  
 1096 shall be limited to all travel and other expenses necessarily incurred through service on the  
 1097 advisory committee, in compliance with the state's travel rules and regulations; provided,

1098 however, that in no case shall a member of an advisory committee be reimbursed for  
 1099 expenses incurred in the member's capacity as the representative of another state agency.

1100 (e) Policy proposals and strategies under consideration that arise from the efforts of an  
 1101 advisory committee must be presented to all members of the advisory committee with an  
 1102 opportunity to comment.

1103 (f) An advisory committee shall:

1104 (1) Meet at such times and places as it shall determine necessary or convenient to  
 1105 perform its duties. An advisory committee shall also meet on the call of the director or  
 1106 the Governor;

1107 (2) Maintain minutes of its meetings;

1108 (3) Identify and report to the director any federal laws or regulations that may enable the  
 1109 state to receive and disburse federal funds for health care programs;

1110 (4) Advise the director if it needs additional members or resources to conduct its defined  
 1111 duties; and

1112 (5) Provide a final report with supporting documentation to the director.

1113 31-53-6.

1114 (a) The office shall compile reports received from the following boards, commissions,  
 1115 committees, councils, and offices pursuant to each such entity's respective statutory  
 1116 reporting requirements:

1117 (1) The Maternal Mortality Review Committee;

1118 (2) The Office of Women's Health;

1119 (3) The Commission on Men's Health;

1120 (4) The Renal Dialysis Advisory Council;

1121 (5) The Kidney Disease Advisory Committee;

1122 (6) The Hemophilia Advisory Board;

1123 (7) The Georgia Council on Lupus Education and Awareness;

1124 (8) The Georgia Palliative Care and Quality of Life Advisory Council;

1125 (9) The Georgia Trauma Care Network Commission;

1126 (10) The Behavioral Health Coordinating Council;

1127 (11) The Department of Public Health on behalf of the Georgia Coverdell Acute Stroke  
 1128 Registry;

1129 (12) The Office of Cardiac Care; and

1130 (13) The Brain and Spinal Injury Trust Fund Commission.

1131 (b) The office shall maintain a website that permits public dissemination of data compiled  
 1132 by the boards, commissions, committees, councils, and offices listed in subsection (a) of  
 1133 this Code section.

ARTICLE 2

1134

1135 31-53-20.1136 (a) The General Assembly finds that:1137 (1) Cost of care, diagnostic metrics, care gaps, and best practices are best analyzed with  
1138 large-scale data;1139 (2) The current data infrastructure must be adapted to adequately integrate state and  
1140 private resources in a manner that will serve the divergent needs of the state;1141 (3) All components of state data collection and dissemination infrastructure must be  
1142 more strategic and better coordinated to serve policy makers and health care providers;  
1143 and1144 (4) A more robust data base will also serve as a platform to provide resources to the  
1145 public for healthy living and cost transparency.1146 (b) The General Assembly, therefore, declares it to be the public policy of this state to  
1147 unite the major stakeholders of the state's health care system under a common data  
1148 platform. The public policy of the state will be served by restructuring data silos to inform  
1149 policy makers, health care providers, and consumers.1150 31-53-21.1151 (a) The office shall convene a Georgia Data Access Forum composed of health care  
1152 stakeholders and experts, including representatives from:1153 (1) The Georgia Health Information Network;1154 (2) Hospital associations;1155 (3) Physician associations;1156 (4) Pharmacy associations;1157 (5) Dental associations;1158 (6) The Department of Community Health;1159 (7) The Department of Public Health;1160 (8) The Department of Behavioral Health and Developmental Disabilities;1161 (9) The Insurance Commissioner's Office;1162 (10) Insurance carriers; and1163 (11) Self-insured employers.1164 (b) Membership on the Georgia Data Access Forum shall not constitute public office, and  
1165 no member shall be disqualified from holding public office by reason of his or her  
1166 membership.1167 (c) Members shall serve without compensation, although each member shall be reimbursed  
1168 for actual expenses incurred in the performance of his or her duties from funds available

1169 to the office. Such reimbursement shall be limited to all travel and other expenses  
 1170 necessarily incurred through service on the forum, in compliance with this state's travel  
 1171 rules and regulations; provided, however, that in no case shall a member be reimbursed for  
 1172 expenses incurred in the member's capacity as the representative of another state agency.

1173 31-53-22.

1174 The purpose of the Georgia Data Access Forum shall be to make recommendations to the  
 1175 office on:

- 1176 (1) Conducting a baseline analysis of the current data base infrastructure;
- 1177 (2) Identifying common goals for the state and stakeholders;
- 1178 (3) Prioritizing desired data base functions;
- 1179 (4) Securing proposals for data base platforms;
- 1180 (5) Analyzing existing systems and technology that can be leveraged into a streamlined  
 1181 system;
- 1182 (6) Analyzing system security and available data that can be leveraged into a streamlined  
 1183 system;
- 1184 (7) Estimating and evaluating costs to various stakeholders;
- 1185 (8) Establishing a timeline for implementation;
- 1186 (9) Determining whether a tiered approach is necessary for implementation;
- 1187 (10) Establishing a timeline for a tiered roll out;
- 1188 (11) Establishing a short-term and long-term approach to funding the data base;
- 1189 (12) Identifying appropriate funding sources other than the general fund;
- 1190 (13) Recommending legislation necessary for data security;
- 1191 (14) Recommending legislation necessary for stakeholder cooperation or protection;
- 1192 (15) Recommending legislation necessary to capture data;
- 1193 (16) Determining the appropriate agency or entity to manage the ongoing operation of  
 1194 the data base;
- 1195 (17) Describing the relative benefits to the various stakeholders;
- 1196 (18) Identifying population health tools; and
- 1197 (19) Determining the cost, feasibility, and timeframe to implement a consumer health  
 1198 cost tool.

1199 31-53-23.

1200 (a) Third-party vendors may be contacted for expertise at the director's discretion to assist  
 1201 the Georgia Data Access Forum in formulating its recommendations pursuant to Code  
 1202 Section 31-53-22.

1203 (b) Third-party vendors may be consulted and permitted to offer proposals and make  
 1204 presentations to the office and the Georgia Data Access Forum."

1205 **SECTION 2-3.**

1206 Said title is further amended in Code Section 31-1-13, relating to the Hemophilia Advisory  
 1207 Board, by revising subsection (g) as follows:

1208 "(g) The Hemophilia Advisory Board shall, no later than ~~January, 2012~~ October 1, 2019,  
 1209 and annually thereafter, submit to the ~~Governor and the General Assembly~~ Office of Health  
 1210 Strategy and Coordination a report of its findings and recommendations. Annually  
 1211 thereafter, the commissioner of public health, in consultation with the commissioner of  
 1212 community health, shall report to the Governor and the General Assembly on the status of  
 1213 implementing the recommendations as proposed by the Hemophilia Advisory Board. The  
 1214 reports shall be made public and shall be subject to public review and comment."

1215 **SECTION 2-4.**

1216 Said title is further amended in Code Section 31-2-16, relating to the Rural Health System  
 1217 Innovation Center creation, purposes and duties, and reporting, by revising paragraph (11)  
 1218 of subsection (b) and subsection (e) as follows:

1219 "(11) Participate in other state-wide health initiatives or programs affecting the entire  
 1220 state and nonrural areas of Georgia. The center shall cooperate with other health related  
 1221 state entities, including; but not limited to; the department, the Department of Public  
 1222 Health, the Department of Human Services, ~~and~~ the Department of Behavioral Health and  
 1223 Developmental Disabilities, and the Office of Health Strategy and Coordination and all  
 1224 other health related state boards, commissions, committees, councils, offices, and other  
 1225 entities on state-wide health initiatives or programs; and"

1226 "(e) On or before October 1 of each year, the center shall file a report to the Governor, the  
 1227 President of the Senate, the Speaker of the House of Representatives, and the chairpersons  
 1228 of the House Committee on Health and Human Services, the Senate Health and Human  
 1229 Services Committee, the House Committee on Appropriations, ~~and~~ the Senate  
 1230 Appropriations Committee, and the Office of Health Strategy and Coordination. The report  
 1231 shall include a summary of the activities of the center during the calendar year, including;  
 1232 but not limited to; the total number of hospital executives, hospital board members, and  
 1233 hospital authority members who received training from the center; the status of rural health  
 1234 care in the state; and recommendations, if any, for legislation as may be necessary to  
 1235 improve the programs and services offered by the center."

**SECTION 2-5.**

1236  
 1237 Said title is further amended in Code Section 31-2A-5, relating to the Office of Women's  
 1238 Health, by revising subsection (b) and adding a new subsection to read as follows:

1239 "~~(b) The Office of Women's Health shall serve in an advisory capacity to the Governor,~~  
 1240 ~~the General Assembly, the board, the department, and all other state agencies in matters~~  
 1241 ~~relating to women's health~~ Office of Health Strategy and Coordination. In particular, the  
 1242 office shall:

- 1243 (1) Raise awareness of women's nonreproductive health issues;  
 1244 (2) Inform and engage in prevention and education activities relating to women's  
 1245 nonreproductive health issues;  
 1246 (3) Serve as a clearing-house for women's health information for purposes of planning  
 1247 and coordination;  
 1248 (4) Issue reports of the office's activities and findings; and  
 1249 (5) Develop and distribute a state comprehensive plan to address women's health issues."

1250 "(d) The Office of Women's Health, no later than October 1, 2019, and annually thereafter,  
 1251 shall submit to the Office of Health Strategy and Coordination a report of its findings and  
 1252 recommendations."

**SECTION 2-6.**

1253  
 1254 Said title is further amended in Code Section 31-2A-16, relating to the Maternal Mortality  
 1255 Review Committee, by revising subsection (g) as follows:

1256 "(g) Reports of aggregated nonindividually identifiable data shall be compiled on a routine  
 1257 basis for distribution in an effort to further study the causes and problems associated with  
 1258 maternal deaths. ~~Reports shall be distributed to the General Assembly, health care~~  
 1259 ~~providers and facilities, key government agencies, and others necessary to reduce the~~  
 1260 ~~maternal death rate.~~ A detailed annual report shall be submitted no later than October 1 to  
 1261 the Office of Health Strategy and Coordination."

**SECTION 2-7.**

1262  
 1263 Said title is further amended in Code Section 31-7-192, relating to the Georgia Palliative  
 1264 Care and Quality of Life Advisory Council, by revising subsection (f) as follows:

1265 "(f) The council, no later than ~~June 30, 2017~~ October 1, 2019, and annually thereafter, shall  
 1266 submit to the ~~Governor and the General Assembly~~ Office of Health Strategy and  
 1267 Coordination a report of its findings and recommendations."

**SECTION 2-8.**

1268  
 1269 Said title is further amended by repealing Article 9 of Chapter 8, relating to the Federal and  
 1270 State Funded Health Care Financing Programs Overview Committee, and designating said  
 1271 article as reserved.

**SECTION 2-9.**

1272  
 1273 Said title is further amended in Code Section 31-11-103, relating to the Georgia Trauma  
 1274 Trust Fund, by revising subsection (b) as follows:  
 1275 "(b) The Georgia Trauma Care Network Commission shall report annually ~~to the House~~  
 1276 ~~Committee on Health and Human Services and the Senate Health and Human Services~~  
 1277 ~~Committee~~ no later than October 1 to the Office of Health Strategy and Coordination.  
 1278 Such report shall provide an update on state-wide trauma system development and the  
 1279 impact of fund distribution on trauma patient care and outcomes."

**SECTION 2-10.**

1280  
 1281 Said title is further amended in Code Section 31-11-116, relating to annual reports relative  
 1282 to stroke centers, by revising subsection (b) as follows:  
 1283 "(b) The department shall collect the information reported pursuant to subsection (a) of this  
 1284 Code section and shall post such information in the form of a report card annually on the  
 1285 department's website and present such report to the ~~Governor, the President of the Senate,~~  
 1286 ~~and the Speaker of the House of Representatives~~ Office of Health Strategy and  
 1287 Coordination. The results of this report card may be used by the department to conduct  
 1288 training with the identified facilities regarding best practices in the treatment of stroke."

**SECTION 2-11.**

1289  
 1290 Said title is further amended in Code Section 31-11-135, relating to grants to hospitals and  
 1291 reporting relative to the Office of Cardiac Care, by revising subsection (d) as follows:  
 1292 "(d) The office shall annually prepare and submit to the ~~Governor, the President of the~~  
 1293 ~~Senate, the Speaker of the House of Representatives, and the chairpersons of the House~~  
 1294 ~~Committee on Health and Human Services and the Senate Health and Human Services~~  
 1295 ~~Committee for distribution to its committee members~~ Office of Health Strategy and  
 1296 Coordination a report indicating the total number of hospitals that have applied for grants  
 1297 pursuant to this Code section, the number of applicants that have been determined by the  
 1298 office to be eligible for such grants, the total number of grants to be awarded, the name and  
 1299 address of each grantee, and the amount of the award to each grantee."

**SECTION 2-12.**

1300  
 1301 Said title is further amended in Code Section 31-16-3, relating to the functions of the Kidney  
 1302 Disease Advisory Committee, membership, terms of office, vacancies, and compensation and  
 1303 reimbursement of expenses, by adding a new subsection to read as follows:

1304 "(f) The KDAC shall prepare and submit a complete and detailed report no later than  
 1305 October 1, 2019, and annually thereafter, to the Office of Health Strategy and Coordination  
 1306 concerning the impact of the program established pursuant to Code Section 31-16-2 on the  
 1307 treatment of chronic renal disease and the cost of such treatment."

**SECTION 2-13.**

1308  
 1309 Said title is further amended in Code Section 31-18-4, relating to duties of the Brain and  
 1310 Spinal Injury Trust Fund Commission, by revising subsection (b) as follows:

1311 "(b) The Brain and Spinal Injury Trust Fund Commission shall maintain records of reports  
 1312 and notifications made under this chapter. The Brain and Spinal Injury Trust Fund  
 1313 Commission shall produce an annual report relating to information and data collected  
 1314 pursuant to this chapter and shall make such report available upon request. Such report  
 1315 shall be submitted annually no later than October 1 to the Office of Health Strategy and  
 1316 Coordination."

**SECTION 2-14.**

1317  
 1318 Said title is further amended in Code Section 31-43-12, relating to duties and responsibilities  
 1319 of the Commission on Men's Health, by revising paragraph (6) as follows:

1320 "(6) Submit a report of its findings and recommendations under this chapter to the  
 1321 Governor, the President of the Senate, and the Speaker of the House of Representatives  
 1322 not ~~Office of Health Strategy and Coordination~~ no later than October 1 of each year."

**SECTION 2-15.**

1323  
 1324 Said title is further amended in Code Section 31-44-3, relating to adoption of rules, council  
 1325 established, and terms of councilmembers of the Renal Dialysis Advisory Council, by adding  
 1326 a new subsection to read as follows:

1327 "(d) The council shall submit an annual report no later than October 1 of its  
 1328 recommendations and evaluation of its implementation to the Office of Health Strategy and  
 1329 Coordination."

**SECTION 2-16.**

1330  
 1331 Said title is further amended by revising Code Section 31-49-5, relating to the annual report  
 1332 of the Georgia Council on Lupus Education and Awareness, as follows:

1333 "31-49-5.  
 1334 The council shall prepare annually a complete and detailed report to be submitted to the  
 1335 ~~Governor, the chairperson of the House Committee on Health and Human Services, and~~  
 1336 ~~the chairperson of the Senate Health and Human Services Committee~~ no later than  
 1337 October 1 to the Office of Health Strategy and Coordination detailing the activities of the  
 1338 council and may include any recommendations for legislative action it deems appropriate."

1339 **SECTION 2-17.**

1340 Code Section 37-2-4 of the Official Code of Georgia Annotated, relating to the Behavioral  
 1341 Health Coordinating Council, membership, meetings, and obligations, is amended by  
 1342 revising paragraph (1) of subsection (h) as follows:

1343 "(h)(1) The council shall submit annual reports no later than October 1 of its  
 1344 recommendations and evaluation of ~~their~~ its implementation to the ~~Governor and the~~  
 1345 ~~General Assembly~~ Office of Health Strategy and Coordination."

1346 **PART III**

1347 **SECTION 3-1.**

1348 Article 4 of Chapter 7 of Title 31 of the Official Code of Georgia Annotated, relating to  
 1349 county and municipal hospital authorities, is amended by revising Code Section 31-7-75.1,  
 1350 relating to proceeds of sale of hospital held in trust to fund indigent hospital care, as follows:

1351 "31-7-75.1.

1352 (a) The proceeds from any sale or lease of a hospital owned by a hospital authority or  
 1353 political subdivision of this state, which proceeds shall not include funds required to pay  
 1354 off the bonded indebtedness of the sold hospital or any expense of the authority or political  
 1355 subdivision attributable to the sale or lease, shall be held by the authority or political  
 1356 subdivision in an irrevocable trust fund. Such proceeds in that fund may be invested in the  
 1357 same way that public moneys may be invested generally pursuant to general law and as  
 1358 permitted under Code Section 31-7-83, but money in that trust fund shall be used  
 1359 exclusively for funding the provision of ~~hospital~~ health care for the indigent residents of  
 1360 the political subdivision which owned the hospital or by which the authority was activated  
 1361 or for which the authority was created. If the funds available for a political subdivision in  
 1362 that irrevocable trust fund are less than \$100,000.00, the principal amount may be used to  
 1363 fund the provision of indigent ~~hospital~~ health care; otherwise, only the income from that  
 1364 fund may be used for that care. Such funding or reimbursement for indigent care shall not  
 1365 exceed the diagnosis related group rate for that hospital in each individual case.

1366 (b) In the event a hospital authority which sold or leased a hospital was activated by or  
 1367 created for more than one political subdivision or in the event a hospital having as owner  
 1368 more than one political subdivision is sold or leased by those political subdivisions, each  
 1369 such constituent political subdivision's portion of the irrevocable trust fund for indigent  
 1370 ~~hospital~~ health care shall be determined by multiplying the amount of that fund by a figure  
 1371 having a numerator which is the population of that political subdivision and a denominator  
 1372 which is the combined population of all the political subdivisions which owned the hospital  
 1373 or by which or for which the authority was activated or created.

1374 (c) For purposes of ~~hospital~~ health care for the indigent under this Code section, the  
 1375 standard of indigency shall be that determined under Code Section 31-8-43, relating to  
 1376 standards of indigency for emergency care of pregnant women, based upon 125 percent of  
 1377 the federal poverty level.

1378 (d) This Code section shall not apply to the following actions:

1379 (1) A reorganization or restructuring;

1380 (2) Any sale of a hospital, or the proceeds from that sale, made prior to April 2, 1986;  
 1381 and

1382 (3) Any sale or lease of a hospital when the purchaser or lessee pledges, by written  
 1383 contract entered into concurrently with such purchase or lease, to provide an amount of  
 1384 ~~hospital~~ health care equal to that which would have otherwise been available pursuant to  
 1385 subsections (a), (b), and (c) of this Code section for the indigent residents of the political  
 1386 subdivisions which owned the hospital, by which the hospital authority was activated, or  
 1387 for which the authority was created. However, the exception to this Code section  
 1388 provided by this paragraph shall only apply to:

1389 (A) Hospital authorities that operate a licensed hospital pursuant to a lease from the  
 1390 county which created the appropriate authority; ~~and~~

1391 (B) Hospitals that have a bed capacity of more than 150 beds; ~~and~~

1392 (C) Hospitals located in a county in which no other medical-surgical licensed hospital  
 1393 is located; ~~and~~

1394 (D) Hospitals located in a county having a population of less than 45,000 according to  
 1395 the United States decennial census of 1990; and

1396 (E) Hospitals operated by a hospital authority that entered into a lease-purchase  
 1397 agreement between such hospital and a private corporation prior to July 1, 1997."

1398 **SECTION 3-2.**

1399 Said article is further amended by revising Code Section 31-7-83, relating to investment of  
 1400 surplus moneys and moneys received through issuance of revenue certificates, as follows:

1401 "31-7-83.

1402 (a) Pending use for the purpose for which received, each hospital authority created by and  
 1403 under this article is authorized and empowered to invest all moneys or any part thereof  
 1404 received through the issuance and sale of revenue certificates of the authority in any  
 1405 securities which are legal investments or which are provided for in the trust indenture  
 1406 securing such certificates or other legal investments; provided, however, that such  
 1407 investments ~~will~~ shall be used at all times while held, or upon sale, for the purposes for  
 1408 which the money was originally received and no other. Contributions or gifts received by  
 1409 any authority shall be invested as provided by the terms of the contribution or gift or in the  
 1410 absence thereof as determined by the authority.

1411 (b) In addition to the authorized investments in subsection (a) of this Code section and in  
 1412 Code Section 36-83-4, hospital authorities that have ceased to own or operate medical  
 1413 facilities for a minimum of seven years, have paid off all bonded indebtedness and  
 1414 outstanding short-term or long-term debt obligations, and hold more than \$20 million in  
 1415 funds for charitable health care purposes may invest a maximum of 30 percent of their  
 1416 funds in the following:

1417 (1) Shares of mutual funds registered with the Securities and Exchange Commission of  
 1418 the United States under the Investment Company Act of 1940, as amended; and

1419 (2) Commingled funds and collective investment funds maintained by state chartered  
 1420 banks or trust companies or regulated by the Office of the Comptroller of the Currency  
 1421 of the United States Department of the Treasury, including common and group trusts,  
 1422 and, to the extent the funds are invested in such collective investment funds, the funds  
 1423 shall adopt the terms of the instruments establishing any group trust in accordance with  
 1424 applicable United States Internal Revenue Service Revenue Rulings."

1425

#### **PART IV**

1426

#### **SECTION 4-1.**

1427 All laws and parts of laws in conflict with this Act are repealed.