H.190

Introduced by Representatives Donahue of Northfield, Andrews of Rutland City, Fisher of Lincoln, Haas of Rochester, Koch of Barre Town, McFaun of Barre Town and O'Donnell of Vernon

Referred to Committee on

Date:

Subject: Health; health care administration; health facility planning; certificate of need criteria

Statement of purpose: This bill proposes to amend the certificate of need (CON) program to require that criteria for approval include findings that a project addresses urgent priorities identified in the health resource allocation plan (HRAP) and has considered priority needs in the statewide system of care for mental health.

An act relating to amending certificate of need criteria

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. FINDINGS

(a) The current certificate of need (CON) program does not meet a key intended purpose of No. 53 of the Acts of 2003, which directed all projects to be reviewed within the context of statewide needs and health planning to ensure that highest priority needs are met before less urgent ones, so that health

resources are allocated most effectively by assessing highest priorities on the basis of a statewide system of care.

(b) The state's goal of achieving parity in mental health care requires particular attention to long-standing neglected areas of need and shortages of access to care. Every proposed project should be assessed for any relationship to furthering the needs of the mental health system of care. Projects that can be linked to meeting a priority gap in the mental health system should be required to do so as a part of the criteria for project approval.

Sec. 2. 18 V.S.A. § 9437 is amended to read:

§ 9437. CRITERIA

A certificate of need shall be granted if the applicant demonstrates and the commissioner finds that:

(1) the application is consistent with the health resource allocation plan, including a finding that the project:

(A) addresses priority needs identified in the health resource allocation plan ahead of less urgent resource allocation needs, both in the area of service and within a context of statewide resource capacity and needs, when such priority needs are within the reasonable scope of the applicant's overall services; and

(B) assesses and addresses any priority needs in the statewide system of care for mental health services when the project can be reasonably affiliated

with meeting those needs and doing so is within the reasonable scope of the applicant's overall services;

(2) the cost of the project is reasonable, because:

(A) the applicant's financial condition will sustain any financial burden likely to result from completion of the project;

(B) the project will not result in an undue increase in the costs of medical care. In making a finding under this subdivision, the commissioner shall consider and weigh relevant factors, including:

(i) the financial implications of the project on hospitals and other clinical settings, including the impact on their services, expenditures, and charges;

(ii) whether the impact on services, expenditures, and charges is outweighed by the benefit of the project to the public; and

(C) less expensive alternatives do not exist, would be unsatisfactory, or are not feasible or appropriate;

(3) there is an identifiable, existing, or reasonably anticipated need for the proposed project which is appropriate for the applicant to provide;

(4) the project will improve the quality of health care in the state or provide greater access to health care for Vermont's residents, or both;

(5) the project will not have an undue adverse impact on any other existing services provided by the applicant;

(6) the project will serve the public good; and

(7) if the application is for the purchase or lease of new health care information technology, it conforms with the health information technology plan established under section 903 of Title 22, upon approval of the plan by the general assembly.