

H.734

Introduced by Representative Yacovone of Morristown

Referred to Committee on

Date:

Subject: Health; health care facilities; Green Mountain Care Board; certificates
of need

Statement of purpose of bill as introduced: This bill proposes to increase from
\$3,000,000.00 to \$5,000,000.00 the threshold for a hospital's new health care
project to trigger the Green Mountain Care Board's review under the certificate
of need program. It would exclude from certificate of need review the repair,
renovation, and replacement of facility infrastructure and routine replacements
of nonmedical equipment and fixtures and would permit the expedited review
of the routine replacement of medical equipment.

An act relating to certain limitations on the certificate of need program

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

Sec. 1. 18 V.S.A. § 9434 is amended to read:

§ 9434. CERTIFICATE OF NEED; GENERAL RULES

* * *

1 (b) A hospital shall not develop or have developed on its behalf a new
2 health care project without issuance of a certificate of need by the Board. For
3 purposes of this subsection, a “new health care project” includes the following:

4 (1) The construction, development, purchase, renovation, or other
5 establishment of a health care facility, or any capital expenditure by or on
6 behalf of a hospital, for which the capital cost exceeds ~~\$3,000,000.00~~
7 \$5,000,000.00.

8 * * *

9 Sec. 2. 18 V.S.A. § 9435 is amended to read:

10 § 9435. EXCLUSIONS

11 * * *

12 (f) Excluded from this subchapter are the repair, renovation, and
13 replacement of facility infrastructure and routine replacements of nonmedical
14 equipment and fixtures, including furnaces, boilers, refrigeration units, kitchen
15 equipment, heating and cooling units, and similar items. These repairs,
16 renovations, and replacements by a hospital shall be included in the hospital’s
17 budget and may be reviewed in the budget process set forth in subchapter 7 of
18 this chapter.

19 Sec. 3. 18 V.S.A. § 9440(c) is amended to read:

20 (c) The application process shall be as follows:

21 * * *

1 (5) An applicant seeking expedited review of a certificate of need
2 application may simultaneously file with the Board a request for expedited
3 review and an application. After receiving the request and an application, the
4 Board shall issue public notice of the request and application in the manner set
5 forth in subdivision (2) of this subsection. At least 20 days after the public
6 notice was issued, if no competing application has been filed and no party has
7 sought and been granted, nor is likely to be granted, interested party status, the
8 Board, upon making a determination that the proposed project may be
9 uncontested and does not substantially alter services, as defined by rule, or
10 upon making a determination that the application relates to a health care
11 facility affected by bankruptcy proceedings, may formally declare the
12 application uncontested and may issue a certificate of need without further
13 process, or with such abbreviated process as the Board deems appropriate. If a
14 competing application is filed or a person opposing the application is granted
15 interested party status, the applicant shall follow the certificate of need
16 standards and procedures in this section, except that in the case of a health care
17 facility affected by bankruptcy proceedings, the Board after notice and an
18 opportunity to be heard may issue a certificate of need with such abbreviated
19 process as the Board deems appropriate, notwithstanding the contested nature
20 of the application. Unless the Board has granted a request for intervention as a
21 competing applicant or interested party, the Board shall review an application

1 for the routine replacement of medical equipment on an expedited basis if the
2 technology and capability of the new equipment is comparable to that of the
3 replaced equipment.

4 * * *

5 Sec. 4. EFFECTIVE DATE

6 This act shall take effect on July 1, 2018.