

Certificate of Need (CON)

A program overview

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CON Basics

- Currently regulates entry into the marketplace for state-licensed hospitals, nursing homes and hospices--broken down into two types of batching cycles which are each reviewed twice a year
 - Decisions for *applicable hospital programs* are made in **June and December**
 - Decisions for *applicable other beds and programs* are made in **February and August**
- Expedited reviews must meet statutory criteria and can be reviewed at any time
- Allows beds to be added to health services by exemption for certain programs:
 - Added to hospitals:
 - Comprehensive medical rehabilitation
 - Neonatal intensive care unit
 - Psychological services
 - Community nursing home beds
- Hospitals can add acute care beds by notification
- Publishes four books twice a year on the utilization of the services monitored



CON History

Initiation

1973--Nixon administration

Part of the federal health planning system

Repealed before nationwide implementation

Largely controlled by federal law until 1986-- federal health planning legislation repealed

Reform

Eliminating CON for:

- Local Health System Agencies
- All outpatient services
- Capital expenditures
- Acquisition of major medical equipment
- Home health agencies
- Cost overruns

Deregulating:

- Acute care beds

Imposing:

- Moratorium on addition of community nursing home beds

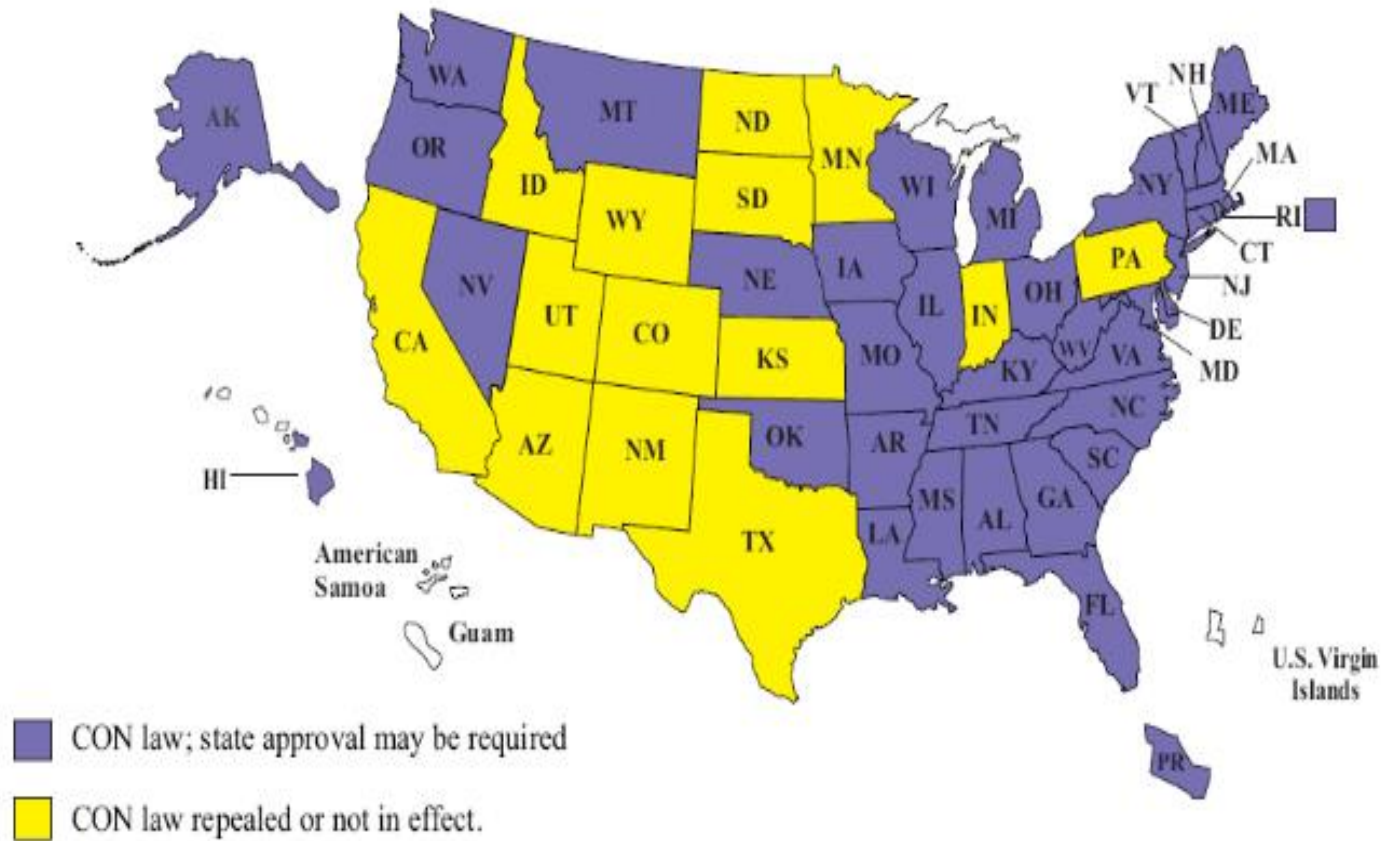
Purview

-Originally under the Florida Department of Health and Rehabilitative Services

-Changed in July 1992 with the creation of the Florida Agency for Health Care Administration



State CON Health Laws, 2013



Compiled by NCSL November 2013; based on data from AHPA & State Agencies.



CON Timeline

1973

CON is created

1987

Obstetric services eliminated

1982

Elimination of local Health System Agencies-- eliminated local CON review

1987

Capital expenditure of inpatient projects under \$1 million eliminated

1987

Statutory authority provided CON the authority to levy fines for non-compliance of conditions

1987

Major medical equipment subject was reclassified as equipment which costs more than \$1 million and which has been approved by the FDA for less than three years

1987

Excluded outpatient services from CON review

CON Timeline

1987

Specified tertiary services are now reviewable

1997

Acquisition of medical equipment, regardless of cost, are no longer reviewable

1988

A rule promulgated specified a list of tertiary services

2000

Eliminated CON review for any home health agencies

2000

A proposed increase of up to 10 beds or 10 percent of a hospital's or nursing home's licensed capacity can be done by exemption

2001

A moratorium is established on new community nursing home beds

2000

Cost overruns of approved projects of any kind are eliminated

2003

Rural hospitals no longer have to obtain CONs when they meet specific criteria

CON Timeline

2007

Eliminated burn units from CON review--moved regulation to licensure

2011

Eliminated the ability to fine community nursing home beds on Medicaid conditions

2007

Eliminated adult cardiac catheterization and adult open heart surgery services from CON review--moved regulation to licensure

2008

Streamlined the approval process for new acute care hospitals

2013

Modified requirements to allow deed restricted communities to apply for nursing homes through expedited review

2014

Community nursing home bed moratorium lifted

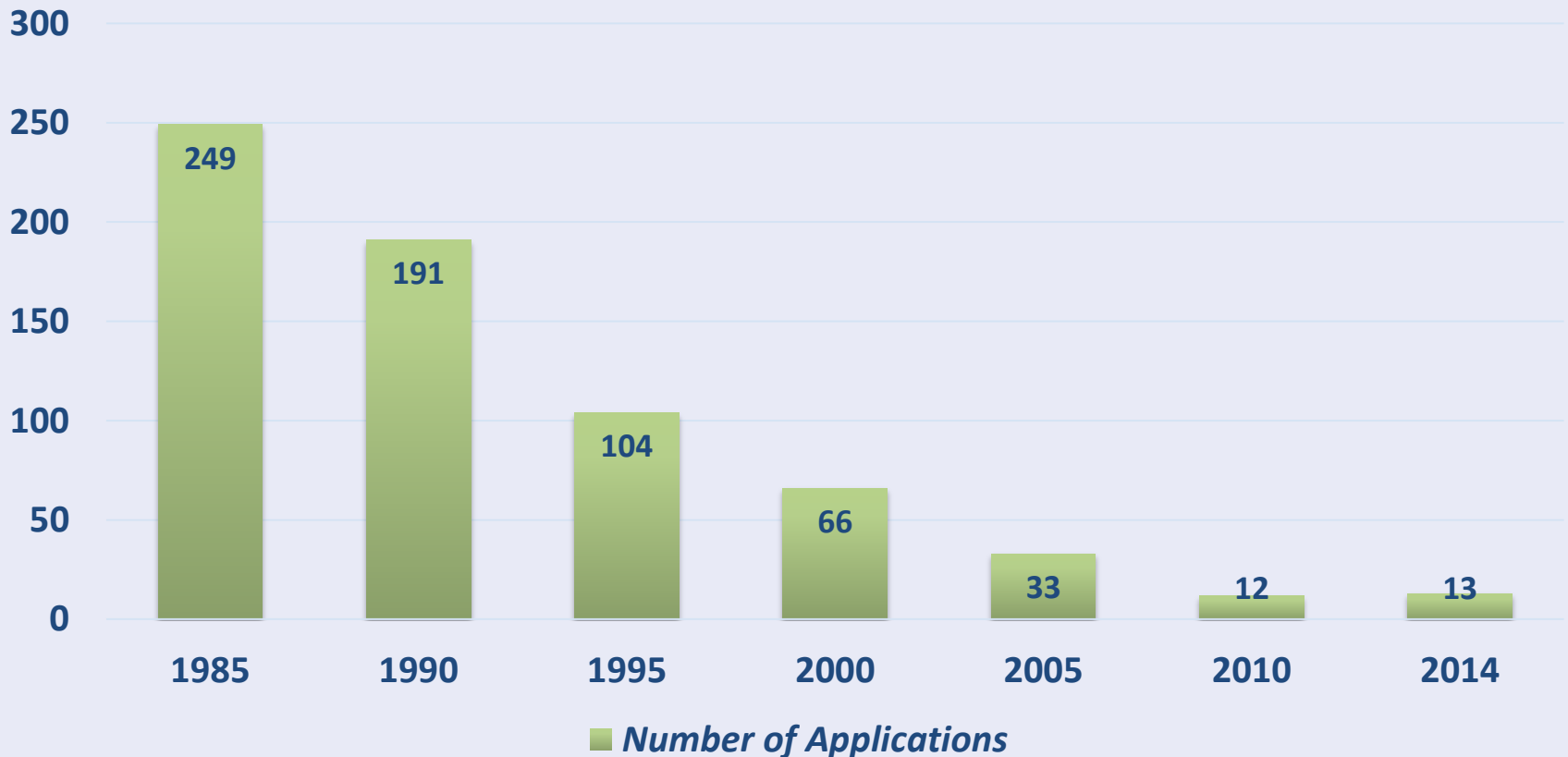
2014

The Agency published need for new community nursing home beds for the first time since 1999

Now

The Unit is preparing for the first 2015 Other Beds and Programs batch--accepting 59 letters of intent

Hospital Beds and Facilities Applications Received: A Snapshot



CON Publications 2014

Florida Hospital Bed Need Projections and Service Utilization by District

- 1) *January 2014 Batching Cycle*
- 2) *July 2014 Batching Cycle*

Florida Need Projections for: Pediatric Cardiac Catheterization Programs and Pediatric Open Heart Surgery Programs & Utilization Data for: Pediatric and Adult Organ Transplantation Programs

- 1) *January 2014 Planning Horizon*
- 2) *July 2014 Planning Horizon*

Hospital Beds and Services List

- 1) *January 2014*
- 2) *July 2014*

Florida Nursing Home Utilization by District and Subdistrict

- 1) *January 2014-December 2014*
- 2) *July 2013-June 2014*

Florida Need Projections for Hospice Programs

- 1) *April 2014, for the July 2015 Hospice Planning Horizon*
- 2) *October 2014, for the January 2016 Hospice Planning Horizon*



Condition Compliance

- Due to the Agency by **April 1st** of each year
- In **2014**, the CON Unit reviewed **696** authorized projects that were operational during **CY 2013** and have conditions, such as required levels of service to Medicaid, indigent and Baker Act patients

