Virginia Certificate of Public Need

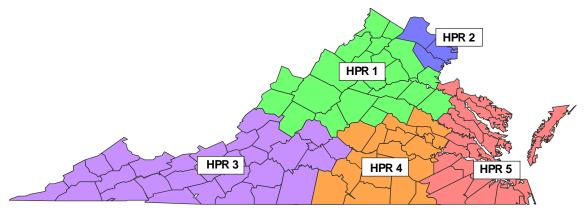
Health Welfare & Institutions
COPN Task Force
December 15, 2006

Recommendations Proposed Program Changes

- Eliminate lithotripsy & nuclear medicine from review
- Double capital threshold to \$10 million (rather than triple to \$15 million, which would be higher than any state), with floor for registration of expenditure also doubled, to \$2 million
- Change stereotactic radiosurgery to stereotactic radiation
- Accept applications when submitted, provided that questions can be asked getting clarification or more detail, with responses to be submitted within a specified time (e.g., 14 days) after questions are asked
- Study whether to have RFA process for services other than nursing home beds
- Continue to allow applicants to ask for delays in review
- Continue to allow information to be presented through the informal factfinding conference

Background Information

Virginia's Regional Health Planning Agencies



Virginia Association of Regional Health Planning Agencies

Health Systems Agency of Northwestern Virginia (HPR 1)
Health Planning Agency of Southwest Virginia (HPR 3)
Eastern Virginia Health Systems Agency of Central Virginia (HPR 4)

Eastern Virginia Health Systems Agency (HPR 5)

Virginia's Health Planning History

- Regional planning councils established in 1966; Regional health planning agencies (RHPAs) established in 1976
- Seven activities, including Certificate of Public Need role and activities, identified by Virginia Health Planning Code §32.1-122.05 D; RHPAs support Virginia Department of Health, including the Division of Certificate of Public Need
- Regional agencies provide technical assistance to local health service providers, local governments and community groups, helping assure that services are established where needed and avoiding unwarranted projects
- 2003 JLARC report documented value of and support for RHPAs
 - Agencies "act as brokers between the public and private sectors"
 - "enabling them [RHPAs] to work with providers to promote health planning in ways that may be beyond a state agency's capability."

Public Oversight & Representation

- RHPA Volunteer Board & Advisory Council members provide direct connection to regional and community leadership; local check & balance to enhance efficient and effective meeting of local health care needs
- More than 200 community leaders volunteer time and actively participate in regional health planning throughout Virginia
- RHPAs reflect unique geographic & socio-economic conditions across Virginia
- RHPAs conduct public hearings on each COPN application in the communities impacted; Board provides "sunshine" on and input into a process often restricted to bureaucratic input in some states
- Monitoring and enforcement of charity care condition compliance often more effective when supported by local community leaders

Economic Support

- State support for RHPAs minimal
- Total support to all agencies decreased from \$755,687 in FY01 to \$333,072 in FY04 56% decrease
- State support leveraged; instrumental in developing resources for community and State-level health services planning
- Supplemental funding from COPN fees was approximately \$980K in FY06; Expected to decrease to \$675,000 in FY07
- Several RHPAs seek and receive additional support for health planning activities from:
 - Local governments
 - Grants
 - Contracts
 - "In kind"

Health Services Research & Planning

RHPAs provide health care research and planning services to State and communities, including:

- Nursing care facility patient level utilization study every 4 years (used in RFA process and by long-term care industry)
- Healthcare utilization data collection and analysis
- Provision of information/expertise to health-related activities, including: State Medical Facilities Plan, Virginia State Planning Grant to Expand Health Coverage, Annual Licensure Survey Data Task Force
- Analysis of statewide & community health issues including: perinatal care, cardiovascular disease, mental health services and needs
- Assistance in the establishment and designation of community health centers.

Conclusions

Virginia's blend of cooperative regional and state planning and regulation serves the Commonwealth well:

- Virginia's hospitals and nursing homes operate in stable local and regional environments, permitting greater efficiency and financial stability than in most other states
- Unique circumstances & needs of the widely differing regions are identified and addressed in a timely fashion
- Unusually effective balance between regional and state needs and interests
- Meaningful local involvement and interest in the health care delivery system
- Regional involvement helps ensure reasonable access to needed services

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