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 fact-finding conference
Background Information

Virginia’s Regional Health Planning Agencies

Virginia Association of Regional Health Planning Agencies
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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