

**House Health, Welfare and Institutions Certificate of Public Need Taskforce
December 15, 2006**

The fourth and final meeting of the House Health, Welfare and Institutions Certificate of Public Need Taskforce was held December 15, 2006 at 1:00 p.m. in House Room C of the General Assembly Building. Following a call to order, an introduction and opening remarks by Chairman Delegate Harry R. Purkey, two speakers offered presentations.

Virginia Association of Regional Health Planning Agencies - Mr. George Barker

Mr. George Barker of the Virginia Association of Regional health Planning Agencies offered background on Virginia's health planning history, and the role of regional health planning agencies. Mr. Barker highlighted the important public oversight and public representation roles plaid by regional health planning organizations in the health planning process. He indicated that state economic support for regional health planning agencies is minimal, and that the total support to all regional health planning agencies decreased, shrinking from \$755,687 in FY01 to \$333,072 in FY04. At the same time, Mr. Barker noted, regional health planning agencies play an important role, providing health care research and planning services to both the state and local communities, including nursing care facility patient level utilization studies, health care utilization data collection and analysis, provision of information and expertise to health-related activities including the State Medical Facilities Plan, Virginia State Planning Grant to Expand Health Coverage, Annual Licensure Survey Data Task Force, and others; analyses of statewide and community health issues including perinatal cardiovascular disease, and mental health services and needs; and assistance in the establishment and designation of community health centers. In conclusion, Mr. Barker noted that Virginia's blend of cooperative regional and state planning and regulation services the Commonwealth well.

With this conclusion in mind, Mr. Barker, on behalf of the Virginia Association of Regional Health Planning Agencies, offered the following recommendations with regards to the proposed program changes to the COPN statutes:

- 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

Indigent Health Care - Mr. Robert Broerman, Chief Financial Officer, Sentara Health Care

Mr. Robert Broerman, Chief Financial Officer, Sentara Health Care, spoke on the issue of indigent health care. Mr. Broerman indicated that while hospitals are generally in a healthy financial position, all hospitals are facing a growing uncompensated health care problem. Across the board, the rate of uncompensated care is increasing, and the increase consumes profits that hospitals realize from services including MRI/CT scanning, surgery, cancer care, and cardiac care and testing. This consumption of profits leaves hospitals with limited margins with which to replace aging physical plant or to acquire new technology. Most immediately and most fully affected are small and rural hospitals. However, Mr. Broerman expressed the view that COPN was not necessarily the problem, and that any solution must take into account community needs in health care planning.

Next Meeting

No additional meetings of the COPN Task Force are planned for the 2006 interim.