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BILL ANALYSIS

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Senate Bill 390 (Substitute S-1)
Sponsor: Senator Jim Marleau
Committee: Health Policy

Date Completed: 5-24-11

CONTENT

The bill would amend Part 222 (Certificates of Need) of the Public Health Code to establish certificate of need (CON) standards for a vascular access center. The bill specifies that these standards would prevail over any conflicting CON review standard for surgical services in effect on the bill's effective date.

The bill would define "vascular access center" as a physician office practice that primarily performs vascular services necessary to maintain vascular health for end-stage renal disease patients and chronic kidney disease patients, and that meets the physical requirements of an ambulatory surgery center certified under Title XVIII of the Social Security Act.

(Part 222 requires a health facility or person to obtain a CON from the State before making a capital expenditure that exceeds a certain threshold; changing bed capacity; initiating, replacing, or expanding a covered clinical service; or acquiring an existing health facility or beginning operation of a health facility at an unlicensed site. The CON program is administered by the Department of Community Health and the CON Commission.)

The bill would add Section 22216. The bill specifies that this section would establish certain standards required for approval and delivery of services for all projects approved and certificates of need issued under Part 222 involving the initiation, expansion, replacement, relocation, or acquisition of surgical services provided in a vascular access center.

For the purpose of evaluating compliance with CON minimum volume requirements for a vascular access center, the Department of Community Health would have to use both of the following to determine the number of surgical cases, hours of use, or both, as applicable:

- All rooms constructed and equipped to perform vascular procedures that are located on a sterile corridor in which such procedures are performed.
- All vascular cases or hours of use performed in those rooms.

If a vascular access center applicant for a CON were required to project volumes of service, the applicant would have to specify how the volume projections were developed, and could include only those procedures performed in the rooms described above. The applicant would have to comply otherwise with all of the requirements concerning documentation of projections contained in the CON review standards for surgical services.

The applicant could use patients currently being served by the vascular access center to determine or project volumes of service.

FISCAL IMPACT

Changes in the certificate of need process would have an indeterminate fiscal impact. The availability of new venues for services could have an impact on the cost of services as well as the demand for services. Changes in cost and demand cannot be readily predicted; therefore, the fiscal impact is indeterminate.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.