

Rule Summary and Fiscal Analysis

Part A - General Questions

Rule Number: 3701-12-08

Rule Type: Amendment

Rule Title/Tagline: Certificate of need application and completeness process; public notice; certificate of need review and decision process; appeals.

Agency Name: Department of Health

Division:

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I. Rule Summary

1. **Is this a five year rule review?** No
 - A. **What is the rule's five year review date?** 8/1/2020
2. **Is this rule the result of recent legislation?** Yes
 - A. **If so, what is the bill number, General Assembly and Sponsor?** HB 49 - 132 - Representative Smith
3. **What statute is this rule being promulgated under?** 119.03
4. **What statute(s) grant rule writing authority?** 3702.52, 3702.57
5. **What statute(s) does the rule implement or amplify?** 3702.52, 3702.521, 3702.522, 3702.59, 3702.592, 3702.594, 3702.60
6. **What are the reasons for proposing the rule?**

Revisions have been made to the rules to incorporate 2017 changes to Section 3702.52 of the Ohio Revised Code that were included in House Bill 49 as well as a change to Section 3702.511 from House Bill 470.

- 7. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

The rule establishes the CON application and completeness process, public notice, review, decision process, and appeal requirements for all CON applications, except those CON applications filed under ORC section 3702.593. The rule has been revised to incorporate the statutory changes to section 3702.52 of the Revised Code that were included in HB 49. These revisions include requiring an applicant to submit a letter expressly requesting an expedited review in addition to the information already required of paragraph (D). Paragraph (H) has been revised to require applicants who have requested an expedited review to provide a response to a director's request for additional information within fourteen days from the date of the letter. Revisions also include the incorporation of a fourteen-day timeframe for the director's determination of completeness for expedited reviews and that the notice of completeness for an expedited review must be granted or denied by the director within thirty days. Finally, paragraph (E) has been revised to include an additional fee of \$1000 for each request for an expedited review.

- 8. Does the rule incorporate material by reference? Yes**
- 9. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.71 to 121.76, please explain the basis for the exemption and how an individual can find the referenced material.**

Ohio Administrative Code and Ohio revised Code exempted.

- 10. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

Not Applicable

II. Fiscal Analysis

- 11. As a result of this proposed rule, please estimate the increase / decrease in revenues or expenditures affecting this agency, or the state generally, in the current biennium or future years. If the proposed rule is likely to have a different fiscal effect in future years, please describe the expected difference and operation.**

This will increase revenues.

7,000.00

The Office of Health Assurance and Licensing has received seven requests for expedited review in the past year and can only estimate the projected increase in revenue from this figure.

12. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?

Although not associated with the revisions to this rule, the following figures remain unchanged.

For a project not involving capital expenditure:

##\$5000

For a project involving a capital expenditure:

##The greater of \$5000 or 1.5 percent of the capital expenditure proposed, with a maximum fee of \$20,000.

The new fee being implemented for expedited reviews is as follows.

\$1000 for each expedited review

The time necessary to compile and submit a CON application remains unchanged. Additional time is required to prepare the required letter expressly stating that the applicant requests an expedited review. Preparation of this letter is estimated to take no more than 15 minutes.

- 13. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No**
- 14. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No**

III. Common Sense Initiative (CSI) Questions

- 15. Was this rule filed with the Common Sense Initiative Office? Yes**
- 16. Does this rule have an adverse impact on business? Yes**
- A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? No**

- B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? No**

- C. Does this rule require specific expenditures or the report of information as a condition of compliance? Yes**

The rule requires the submission of information and fees associated with application for a CON.