

## Rule Summary and Fiscal Analysis

### Part A - General Questions

**Rule Number:** 3701-12-10

**Rule Type:** No Change

**Rule Title/Tagline:** Replacement certificate of need.

**Agency Name:** Department of Health

**Division:**

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#### **I. Rule Summary**

1. **Is this a five year rule review?** Yes
  - A. **What is the rule's five year review date?** 3/26/2021 and 05/23/2024
2. **Is this rule the result of recent legislation?** No
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?** 3702.56
6. **What are the reasons for proposing the rule?**

The five-year review of Chapter 3701-12 was due 8/1/2020, however, due to the Ohio Department of Health's response efforts to COVID 19, extensions were granted until 1/28/2021 and 7/27/2021. Rule 3701-12-10 OAC is being filed without change.

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

The rule establishes the replacement CON requirements set forth in ORC section 3702.526, which include, but are not limited to, the source of the beds subject to CON

must be the same as the original and the applicant must be the same as the original applicant or an affiliated or related person to the applicant of the original CON.

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. 121.75, 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. **Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.**

This will have no impact on revenues or expenditures.

0.00

Not Applicable.

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

The cost of compliance with this is dependent on the size and complexity of the original project and involves the time necessary to prepare, submit, and provide copies of the original forms and attachments submitted as part of the original certificate of need application. Applicants for a replacement certificate of need will also be required to submit a fee equal to what was originally paid for the approved certificate of need, which is dependent on the type, size, and cost of the original project.

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**

- 15. If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.**

The non-refundable fee for a replacement Certificate of Need directly support the CON program at the Ohio Department of Health. Fees collected support personnel and infrastructure necessary to support this statutorily required program.

### **III. Common Sense Initiative (CSI) Questions**

- 16. Was this rule filed with the Common Sense Initiative Office? Yes**

- 17. 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? Yes**

The rule requires a replacement Certificate of Need.

- 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**

Persons who engage in reviewable activities without obtaining a CON. The Director may impose civil monetary penalties of \$3000 up to \$250,000 depending on the type of violation; revoke or refuse to issue a license; or reduce the bed capacity of a facility for violations of CON requirements.

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

The rule requires the submission of documentation and a fee.

- D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? No**