

3701-12-20

General certificate of need review criteria.

- (A) The director shall apply each of the criteria prescribed in this rule, as applicable, when reviewing an application for a certificate of need, in addition to any criteria specific to the application that are established by this chapter of the Administrative Code and sections 3702.51 to 3702.62 of the Revised Code. An applicant for a certificate of need shall provide sufficient information to enable the director to perform a thorough review of the application in relation to each relevant criterion established by this chapter of the Administrative Code by completely responding to each applicable portion of the application form and attachments prescribed by the director and by attaching the necessary supporting documentation.
- (B) For projects involving any construction, renovation or remodeling, the director shall consider:
- (1) The costs, methods and type of construction including energy conservation features, if applicable;
 - (2) The current and projected zoning status of the project site, if applicable; and
 - (3) Space allocations and the configuration of existing and proposed areas.
- (C) If applicable, the director shall consider the relationship of the project to the long-range plan of the applicant and the planning process that the applicant has employed.
- (D) The director shall consider the need that the population served or proposed to be served has for the services to be provided upon implementation of the project. In assessing the need for a project, the director shall examine:
- (1) The current and proposed primary and secondary service areas and their corresponding population;
 - (2) Travel times and the accessibility of the project site and of the sites of similar services to the proposed service area population;
 - (3) Current and projected patient origin data, by zip code;
 - (4) Any special needs and circumstances of the applicant or population proposed to be served by the proposed project, including research activities, prevalence of a particular disease, unusual demographic characteristics, cost-effective contractual affiliations, and other special circumstances; and
 - (5) Special needs related to any research activities, such as participation by the applicant in research conducted by the United States food and drug

administration or clinical trials sponsored by the national institute of health, that will be conducted as a result of implementation of the reviewable activity.

- (E) The director shall consider the impact of the project on all other providers of similar services in the service area specified by the applicant including the impact on their utilization, market share and financial status.
- (F) The director shall consider alternatives to the project and the advantages, disadvantages and costs of each alternative.
- (G) If the project involves an existing long-term care facility, the director shall consider the historical, current and projected utilization of the facility as a whole and the utilization specific to the services affected by the project.
- (H) The director shall consider the effectiveness of the project in meeting the health-related needs of medically underserved groups such as low-income individuals, individuals with disabilities and minorities. If applicable, this consideration shall include review of the applicant's historical experience in meeting the needs of underserved groups.
- (I) The director shall consider the short-term and long-term financial feasibility and the cost effectiveness of the project and its financial impact upon the applicant, other providers, health care consumers and the medicaid program established under Chapter 5162. of the Revised Code. For the purpose of this paragraph, "related or affiliated parties" means principal participants. Among other relevant matters, the director shall evaluate:
 - (1) The availability of financing for the project, including all pertinent terms of any borrowing, if applicable;
 - (2) The operating costs specific to the project and the effect of these costs on the operating costs of the facility as a whole based upon review of balance sheets, cash flow statements and available audited financial statements;
 - (3) The effect of the project on charges and payment rates for the facility as a whole and specific to the project;
 - (4) The costs and charges associated with the project compared to the costs and charges associated with similar services furnished or proposed to be furnished by other providers; and
 - (5) The historical performance of the applicant and related or affiliated parties in providing cost-effective long-term care services.

- (J) The director shall consider the impact of the project on existing staffing levels, if applicable, and the availability of personnel resources to meet the applicant's projected requirements.
- (K) If medical or allied health education is an integral part of the project, the director shall examine the impact of the project on the advancement of the educational endeavor.
- (L) The director shall consider the availability of and the impact upon ancillary and support services that relate directly and indirectly to the project.
- (M) The director shall consider the extent to which the project, the facility as a whole and the applicant comply and will comply with applicable standards for licensure, certification, accreditation and similar approvals.
- (N) The director shall consider the special needs and circumstances resulting from moral and ethical values and the free exercise of religious rights of long-term care facilities administered by religious organizations.
- (O) The director shall consider the special needs and circumstances of inner city and rural communities.
- (P) The director shall consider the historical performance of the applicant and related or affiliated parties in complying with previously granted certificates of need.

Five Year Review (FYR) Dates: 3/26/2021 and 05/23/2024

CERTIFIED ELECTRONICALLY

Certification

03/26/2021

Date

Promulgated Under: 119.03
Statutory Authority: 3702.52; 3702.57
Rule Amplifies: 3702.52; 3702.53
Prior Effective Dates: 12/21/1982 (Emer.), 03/20/1983, 04/04/1988,
11/28/1988, 09/06/1999, 03/25/2010, 09/02/2013,
10/23/2015