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CON Debate

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Hospital rules face changes

Atlanta Business Chronicle - December 1, 2006 by [Douglas Sams](#) Staff writer

A state committee looking to overturn some of Georgia's most hotly debated health-care regulations is one step closer to that goal -- a move that could alter the landscape of the highly competitive industry.

A special commission of state legislators, doctors and hospital administrators recently issued nearly 30 recommendations that tweak the 27-year-old certificate-of-need (CON) program.

The often strict regulations require Georgia hospitals to seek state approval for major projects that exceed a certain cost threshold, a process that is often lengthy and expensive.

The regulations apply to a wide range of projects, programs and services, from parking lots and expansions to prenatal care.

Although the commission stopped well short of repealing the CON rules -- the worst-case scenario for the state's powerful hospital lobbyists -- it did propose some key changes.

Hospitals wanting to launch basic obstetrics programs would no longer be required to file a certificate of need, according to the recommendations. The same goes for hospitals trying to start diagnostic heart catheterization programs. The catheterization procedure allows doctors to examine the heart chambers.

More complicated heart procedures such as angioplasty -- a balloon-tipped catheter that unblocks a clogged coronary artery -- would still require a certificate of need.

The committee, officially known as the State Commission on the Efficacy of the Certificate of Need Program, met Nov. 27 and 28 to put the finishing touches on its proposed changes.

These recommendations will be presented in a final report to Gov. Sonny Perdue and the Georgia General Assembly by December.

The commission also tackled the ongoing debate over which doctors can start new outpatient surgery centers.

According to the current rules, general surgeons are not considered to have a "single specialty," thus requiring them to go through a potentially contentious CON process. However, their counterparts -- orthopedic and plastic surgeons, for example -- do receive the single-specialty designation, allowing them to escape the same time-consuming CON application.

Restrictions for general surgeons would be loosened under the CON commissions' recommendation.

"It means general surgeons have the same rights and abide by the same rules," said state Rep. Austin Scott, the Tifton Republican who sponsored legislation to form the CON commission. "What it also means is that surgeons could do more procedures in an office-based setting, rather than a hospital."

That idea -- along with deregulating Ob-Gyn and diagnostic heart catheterizations -- doesn't sit well with the **Georgia Hospital Association**.

"We're potentially talking about removing services from a hospital," said Georgia Hospital Association President Joseph Parker. "It's a major concern for us. When you talk about removing services like this in a time when the uninsured and indigent costs, and Medicaid reimbursements are ongoing issues for hospitals -- we definitely have a concern."

Parker said the recommendations were only the first step in a debate that will extend well into the 2007 state legislative session.

"We'll be right in the middle of it," he said.

Scott also said one key provision of the recommendation is that if general surgeons launch new surgery centers they must remain on a hospital's staff.

Another key proposal set forth by the commission tightens the regulation of free-standing imaging centers. These centers will have to obtain a certificate of need, regardless of how much they plan to spend on high-tech imaging equipment, unless they only intend to offer X-ray services.

Scott, who objected to tighter regulations on imaging centers, said the commission managed to agree on the big picture -- the overall health of the market.

"I don't believe that anyone on the commission agrees with every recommendation in the report," Scott said. "But I do believe that everyone on the commission agrees with or supports the recommendations as a whole."

Controversial changes

A special committee examining Georgia's CON regulations recently issued the following recommendations:

- Permit the Department of Community Health to levy fines and to revoke certificates of need for failure to provide annual and periodic data surveys.
- Deregulate diagnostic cardiac catheterization and require therapeutic catheterizations to be performed by providers approved to offer open-heart surgery.
- Maintain existing CON regulation of open-heart surgery.
- Maintain existing CON regulation of pediatric cardiac catheterization and open-heart surgery.

Source: Department of Community Health

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