



GEORGIA DEPARTMENT OF  
COMMUNITY HEALTH

Rhonda M. Medows, MD, Commissioner

Sonny Perdue, Governor

2 Peachtree Street, NW  
Atlanta, GA 30303-3159  
www.dch.georgia.gov

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WRITER'S DIRECT DIAL  
404-657-7198

June 25, 2008

Charles L. Gregory  
Arnall Golden Gregory, LLP  
171 17<sup>th</sup> Street, NW, Suite 2100  
Atlanta, GA 30363

RE: Senate Bill 433 Clarification Regarding Nursing Facility Relocation

Dear Mr. Gregory:

The Georgia Department of Community Health, Division of Health Planning (the Department) is in receipt of your request, dated May 28, 2008, seeking clarification of the nursing facility relocation provisions contained in Senate Bill 433. Your request was submitted in response to the Department's invitation to submit questions regarding the impact and applicability of Senate Bill (SB) 433, a Certificate of Need (CON) reform bill passed during the 2008 session of the Georgia General Assembly.

Your firm represents Monroe Nursing Home, Inc. d/b/a Park Place Nursing Facility (Park Place). Park Place provides skilled nursing services in Walton County, Georgia. There is another freestanding nursing facility in Walton County. This facility is located at the campus of Walton Regional Medical Center on 330 Alcovy Street, Monroe, Georgia. It is owned by Monroe HMA, Inc. (HMA facility).

Park Place is interested in a two-step transaction with HMA facility. First, Park Place would acquire the assets of HMA facility. Second, after July 1, 2008, Park Place would relocate the acquired assets of HMA facility to an addition of its existing facility located in Monroe, Walton County. Your letter asks whether these steps would be exempt from prior CON review and approval, in part due to the language of SB 433.

One of the new exemptions from prior CON review and approval in SB 433 is for the relocation of any skilled nursing facility or intermediate care facility within the same county, any other health care facility in a rural county within the same county, and any other health care facility in an urban county within a three-mile radius of the existing facility so long as the facility does not propose to offer any new or expanded clinical health services at the new location. O.C.G.A. § 31-6-47(a)(24). {Note: all citations referenced are effective July 1, 2008}.

Please be advised that Section 3-1 of SB 433 provides that the CON changes in Part I of the bill shall become effective on July 1, 2008 and shall only apply to applications

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submitted on or after July 1, 2008. As a result, on and after July 1, 2008, the relocation within the same county of a skilled nursing facility or intermediate care facility that does not propose to offer any new or expanded clinical services at the new location will not be subject to prior CON review and approval. It will also remain in the CON statute that an existing health care facility can be acquired without prior CON review and approval. O.C.G.A. § 31-6-47(a)(9).

Please be advised that a party wishing to avail itself of this exemption on or after July 1, 2008, must submit a specific and factual determination request to the Department on the existing published Determination form, along with the proper filing fee. The Department will respond as appropriate, and the Department response shall be the written confirmation of exemption required in SB 433. This letter is not an official written confirmation of any activity to be undertaken on or after July 1, 2008 pursuant to SB 433.

I hope this letter is responsive to your request. If there are any further questions or concerns, please feel free to contact me at the Department.

Sincerely,

A handwritten signature in black ink, appearing to read "Clyde L. Reese, III". The signature is fluid and cursive, with a long horizontal stroke at the end.

Clyde L. Reese, III  
General Counsel