



GEORGIA DEPARTMENT OF  
COMMUNITY HEALTH

*Rhonda M. Medows, MD, Commissioner*

*Sonny Perdue, Governor*

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WRITER'S DIRECT DIAL  
404-657-7198

June 30, 2008

Kurt Stuenkel  
President and CEO  
Floyd Medical Center  
304 Turner McCall Blvd.  
P.O.Box 230  
Rome, GA 30162

RE: Senate Bill 433 Clarification Regarding Adult Diagnostic and Therapeutic  
Cardiac Catheterization and Capital Expenditure Threshold

Dear Mr. Stuenkel:

The Georgia Department of Community Health, Division of Health Planning (the Department) is in receipt of your request, dated May 30, 2008, seeking clarification with respect to the adult diagnostic cardiac catheterization and therapeutic cardiac catheterization 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.

The CON reform changes contained within SB 433 are effective on July 1, 2008. One of the new exemptions from prior CON review and approval in the legislation is for diagnostic cardiac catheterization services offered in a hospital setting on patients 15 years of age and older. O.C.G.A. § 31-6-47(a)(21). {Note: all citations referenced are effective July 1, 2008}. Another of the new exemptions from prior CON review and approval in the legislation is for therapeutic cardiac catheterization in hospitals selected by the Department prior to July 1, 2008, to participate in the Atlantic Cardiovascular Patient Outcomes Research Team (C-Port) Study and therapeutic cardiac catheterization in hospitals, that, as determined by the Department on an annual basis, meet the criteria to participate in the C-Port Study but have not been selected for participation; provided, however, that if the criteria requires a transfer agreement to another hospital, no hospital shall unreasonably deny a transfer agreement to another hospital. O.C.G.A. § 31-6-47(a)(22).

The first set of questions in your request involve the applicability of the statutory dollar thresholds for capital expenditures and the acquisition of major medical equipment contained in SB 433 and the new exemption for adult diagnostic cardiac catheterization. SB 433 provides that the new capital expenditure threshold will be \$2.5 million as of July

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1, 2008, and the new major medical equipment threshold, for equipment to be utilized in a hospital setting or in physicians' offices, will be \$1 million. O.C.G.A. § 31-6-40(a)(2)(3). You ask whether the costs thresholds apply to the acquisition of additional diagnostic cardiac catheterization equipment, or a capital expenditure to offer the service. If a proposed service, or expansion of an existing service, meets this statutory exemption on or after July 1, 2008, it will be exempt from the other provisions of the health planning statute, and the exemption will apply regardless of the dollar expenditure involved, whether a capital expenditure or for major medical equipment, i.e., cardiac catheterization equipment.

The second set of questions in your request involves the criteria and process the Department will use to advise hospitals if they can proceed with providing adult therapeutic cardiac catheterization services. You also ask, on the same subject, whether there will be ongoing monitoring and/or reporting required.

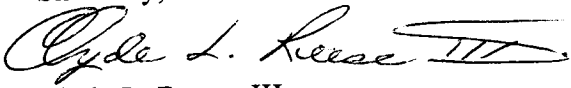
Please be advised that Section 3-1 of SB 433 provides that the CON changes in Part I of the bill shall become effective on July 1, 2008, and shall only apply to applications submitted on or after July 1, 2008. As a result, on and after July 1, 2008, an existing participant in the C-Port Study, chosen by the Department to participate in the study before July 1, 2008, will no longer require prior CON review and approval to perform therapeutic cardiac catheterization procedures. Also, at some point in the fall of 2008, after the new and amended administrative rules to implement SB 433 in its entirety are promulgated and in effect, the Department will, on a date certain to be re-issued annually, publish standards for hospitals who are not current participants in the C-Port Study to avail themselves of this exemption and to perform therapeutic cardiac catheterization procedures without prior CON review and approval.

A party wishing to avail itself of this exemption on or after July 1, 2008, pursuant to the published standards, 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.

The Department will annually re-publish standards to implement this particular exemption, and those hospitals who receive confirmation of exemption pursuant to these published standards, will be required to show compliance with the standards on a continuing annual basis, notwithstanding the year in which they received initial confirmation of compliance with the published standards.

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 cursive script that reads "Clyde L. Reese III". The signature is fluid and includes a prominent flourish at the end.

Clyde L. Reese, III  
General Counsel