



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 2, 2008

Mr. Mark A. Gary
Gary Holding Group
1220 Satellite Boulevard
Suwanee, GA 30024

RE: Senate Bill 433 Clarification Regarding Personal Care Homes

Dear Mr. Gary:

The Georgia Department of Community Health, Division of Health Planning (the Department) is in receipt of your request, dated May 9, 2008, seeking clarification with respect to the personal care home provisions contained in Senate Bill 433. This 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 request asks several questions regarding the implementation and monitoring of a previously approved CON project for a new 110-bed personal care home. Noble Village Gwinnett, LLC, Project No. GA 2005-124, was approved on April 4, 2006. The project is currently in the final stage of construction. You ask if you must continue to submit progress reports for the project; if the mandatory completion timeline must be followed; what assurance you have the project will be deemed valid by the state health care licensure authority, the Department of Human Resources, Office of Regulatory Services (ORS); and whether you can increase the number of approved beds for the home without prior review and approval.

The CON reform changes contained within SB 433 are effective on July 1, 2008. The definition of "personal care home" changed to provide that only a personal care home as previously defined and having at least 25 beds that is certified as a provider of medical assistance for Medicaid purposes pursuant to Article 7 of Chapter 4 of Title 49 will be a defined health care facility. O.C.G.A. § 31-6-2(30) and (17). {Note: all citations referenced are effective July 1, 2008}. This essentially means that as of July 1, 2008, the only personal care homes that will be subject to prior CON review and approval are those of 25 beds or more which are certified Medicaid providers.

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, only Medicaid

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certified personal care homes with 25 beds or more will be subject to prior CON review and approval. The provisions of SB 433 do not apply to previously approved applications submitted prior to July 1, 2008. Therefore, the Noble Village Gwinnett project referenced above remains subject to the regulations in place at the time it was approved. You will be required to submit progress reports and to comply with the project timelines as outlined by the Department. The licensure requirements for existing and previously approved CON projects for personal care homes were not changed or affected by SB 433. Part II of SB 433 transfers certain functions of ORS, including the licensure of personal care homes and employee record checks for personal care homes, to the Department effective July 1, 2009. If you wished to increase the number of beds in an existing previously approved personal care home, and the expansion would be proposed after July 1, 2008, that expansion would not be subject to prior CON review and approval unless the home were to be a certified Medicaid provider.

If you wish to receive official written confirmation that a proposed activity is not subject to prior CON review and approval at a date after July 1, 2008, you could 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. 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,



Clyde L. Reese, III
General Counsel