



Brian P. Kemp, Governor

Frank W. Berry, Commissioner

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June 26, 2020

MEMORANDUM

TO: Interested Parties
FROM: Stacey Hillock, Executive Director
Office of Health Planning
SUBJECT: Update of Certificate-of-Need (CON) Thresholds

On July 1, 2020, the following CON thresholds become effective:

Table with 2 columns: Category and Thresholds Effective 7/1/2020. Rows include Capital Expenditures, Single-Specialty Physician-Owned Ambulatory Surgery Facilities, Joint Venture Ambulatory Surgery Centers, Equipment Acquisition, and Equipment Repair or Replacement.

Pursuant to O.C.G.A. §§ 31-6-40(a)(2) and 31-6-2(14), calculation of the CON threshold is made using the Private Fixed Investment in Structures Index (PFI), which is published annually by the U.S. Department of Commerce's Bureau of Economic Analysis (BEA).

Table with 2 columns: Index Name and Value. Rows: 2018 Private Fixed Investment Index - Revised June 25, 2020 (124.525), 2019 Private Fixed Investment Index - Revised June 25, 2020 (128.471), Annual Percent Change, Cumulative 2018 to 2019 (3.169%).

Pursuant to O.C.G.A. § 31-6-47(a)(28), calculations of the CON Equipment Acquisition and the Equipment Repair or Replacement thresholds are made using the annual percentage of change in the Consumer Price Index published by the U.S. Department of Labor for the preceding calendar year.

Table with 2 columns: Index Name and Value. Rows: 2018 Consumer Price Index - Medical Care Commodities - Extracted June 25, 2020 (381.427), 2019 Consumer Price Index - Medical Care Commodities - Extracted June 25, 2020 (381.288), Annual Percent Change, Cumulative 2018 to 2019 (-0.036%).

Sources: Private Fixed Investment in Structures - United States Department of Commerce, Bureau of Economic Analysis, National Income and Product Accounts, Private Fixed Investment in Structures by Type Index (Table 5.4.4U), Revised June 25, 2020. Consumer Price Index - United States Department of Commerce, Bureau of Labor Statistics, Medical Care Commodities (Series CUUR0000SAM1), Extracted June 25, 2020.

Calculated by: Office of Health Planning, Department of Community Health