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# Bill would revive South Carolina's hospital permitting pro

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By SARITA CHOUREY

COLUMBIA — A Columbia Democrat has introduced a bill that could remedy an uncertain regulatory situation that threatened to put Georgia hospitals near border cities in South Carolina at a competitive disadvantage.

On Tuesday Sen. Joel Lourie introduced S. 845, which allows the S.C. Department of Health and Environmental Control to transfer funds to operate the currently unfunded Certificate of Need program.

Hospitals had long been required to apply for a permit to expand their facilities or purchase major equipment. The intent is to eliminate duplicative services and ensure rural and low-income patients have access to care.

This year, however, Gov. Nikki Haley had vetoed the \$1.7 million in operating funds for the program. The Senate overrode her veto, but the House sustained it, ensuring Haley's veto would prevail.

Under a heading, "Closing Programs that Don't Work," Haley wrote in her veto message the CON program "is an intensely political one through which bureaucratic policymakers deny new healthcare providers from offering treatment."

After the House vote, some lawmakers in the chamber said they didn't mean to eliminate the CON program.

DHEC then suspended the requirement and allowed new and expanding health care facilities to proceed without a certificate. Since that time, the question has been put to the state Supreme Court, which is expected to issue a decision clarifying whether the program must continue. The law requiring certificates of need for medical expansions was left intact.

After the program was left in limbo, hospital officials in South Carolina and Georgia were anxious about the effects on the medical landscape. Hospital executives frequently point to another benefit of the regulation — that it prevents facilities from concentrating in wealthy areas while leaving poor residents, who rely on Medicaid or other public assistance, unserved.

"Healthcare planning and construction has been stuck in neutral since the Governor's veto in July," Lourie said in a statement Tuesday. "We have hospitals and other providers waiting to invest close to \$200 million in capital in South Carolina. This has an enormous impact on our economy and the quality of healthcare we deliver to our citizens."

In July, Georgia Hospital Association spokesman Kevin Bloye suggested Georgia facilities would be hurt by South Carolina's decision to suspend the permitting regulation.

"Will health care facilities in South Carolina be given a free pass to build and expand without a CON? If ultimately that happens, and it remains to be seen exactly what will happen, yes, it will certainly have an impact on those Georgia hospitals near border cities in South Carolina," he said.

"Those are the hospitals they compete with. It would create an uneven playing field, for certain," he added.

The South Carolina Legislature convenes in January.



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