



Catherine B. Templeton, Director

Promoting and protecting the health of the public and the environment

June 28, 2013

Re: Certificate of Need Program

Members of the Regulated Community,

As you may know, the House of Representatives sustained Governor Haley's veto of the Certificate of Need program in the state budget. The sustained veto shows the intention of both the Executive and Legislative branches to suspend the operation of the Certificate of Need program for the fiscal year beginning July 1, 2013.

DHEC has no independent authority to expend state funds for Certificate of Need, and therefore, the veto completely suspends the program for the upcoming fiscal year. Accordingly, the Department cannot review new or existing applications for Certificate of Need as of July 1. Moreover, the Department cannot take any Certificate of Need enforcement action. Should the General Assembly restore the program in the future, the Department will not be inclined to take enforcement actions under Certificate of Need for activity that occurs during the program's suspension, unless instructed otherwise by the General Assembly. Suspending the program has the practical effect of allowing new and expanding health care facilities to move forward without the Certificate of Need process.

Health and safety concerns will still be addressed by DHEC's construction and licensing programs, which were not affected by the veto. The Department will continue to license and inspect health care facilities. Health care practitioners, like doctors and nurses, will continue to be licensed and regulated by their respective boards. With these protections in place, we do not believe the suspension of the Certificate of Need program presents any threat to the health, safety, and welfare of the public.

Sincerely,

Catherine Templeton