

From: Patel, Swati <SwatiPatel@gov.sc.gov>
To: Pitts, Ted <TedPitts@gov.sc.gov>
Veldran, Katherine <KatherineVeldran@gov.sc.gov>
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Subject: CON

This is where we are on CON:

Contents of Reform Bill (Amend H. 3567 – in Senate Medical Affairs Committee – hearing scheduled Apr. 30)

- a. Current version of S. 568 which includes the following:
 - i. (1) raises threshold for capital expenditures from \$2 million to \$5 million for non-exempt services (adding to the bill rather than by regulation);
 - ii. (2) completely exempts medical equipment from CON (and adds licensing requirement for certain equipment); Sen. Williams has put his name on the bill because of this proposal – Wanda Crotwell has asked for this; Sen. McElveen has his name on it currently – due to Loser Pay issue. – N talking to Templeton at 2:10 today.
 - iii. (3) new and emerging tech equipment costing \$1.5 million or more is not exempt;
 - iv. (4) losers who file lawsuits against a CON applicant must pay all costs. Senators/trial attys would like changes.
- b. New reform proposals:
 - i. Remove from CON review the following:
 - 1. Conversion of in-patient beds for mental health patients limited to 1) crisis stabilization 2) percentage of total beds 3) length of stay. “Mental Health” includes psychiatric and substance abuse. (5 psychiatric hospitals have concerns but may be overcome; SCHA will send their written concerns)
 - 2. Exempt conversion of a rural hospital to a stand- alone ER (Orangeburg Regional has concerns but may be overcome; set up mtg w N and Keck)
 - 3. Home health agencies – not aware of concerns
 - ii. Remove current requirement that DHEC has to make a determination when a CON is not applicable which causes unnecessary delays.
 - iii. Grandfather all projects otherwise subject to CON who have applied for a license from July 1, 2013 until June 30, 2014. Health South has concerns (NH meeting with them Tues at 9:00am)

Legislative/Press action:

- (1) Set up meeting with Peeler, Alexander and SCHA next week.
- (2) Monday – SCHA will let us know whether their Board will support the above proposal; then decide on how to make public.

Any additional actions/thoughts??

Swati S. Patel
Chief Legal Counsel
Office of the Governor, South Carolina
1205 Pendleton Street
Columbia, SC 29201

