

Partial Repeal of Certificate of Need (CON) Program

Act 20 (Effective May 16, 2023)





Facilities and Services <u>Still</u> <u>Requiring</u> CON

- Nursing homes
- Home health agencies
- Hospitals (general & specialized) before undertaking:
 - the construction or other establishment of a hospital (except 1) relocation of a hospital in the same county, 2) construction of a new hospital up to 50 beds in a county currently without a hospital, and/or 3) the merger or acquisition of hospital)
 - the addition of beds or the change in licensing classification of beds
 - **Note**: Effective Jan. 1, 2027, CON is repealed for hospital projects.
- MUSC acquisitions of hospitals



Facilities and Services <u>No</u> Longer Requiring CON

- Ambulatory surgical facilities (ASFs)
- Opioid (narcotic) treatment programs
- Freestanding emergency departments
- Hospice facilities
- Residential treatment facilities for children and adolescents
- Cardiovascular care services
- Radiation therapy services (linear accelerators)



New Indigent/Charity Care Requirement for ASFs

- To be licensed, new ASFs must provide uncompensated indigent/charity care of 2% (Medicaid) or 3% (non-Medicaid) or greater of the facility's adjusted gross revenue.
- Goes into effect after a new ASF has been in operation for 2 calendar years.
- Applies only to ASFs established or constructed **after May 16, 2023**.
- Requirement does not apply to ASFs licensed before May 16, 2023.



Licensure Requirement for Freestanding EDs

- A freestanding emergency department (FSED) is an extension of an existing hospital's emergency department.
- As a result, **an FSED will require licensure** under the hospital's license.



Requirement for Acquisition of Medical Equipment

- CON requirement applies only to nursing homes for acquisition of medical equipment to be used for diagnosis or treatment.
- Monetary threshold is set in regulation.
 - Currently \$600,000



Agency Staff Actions

- Notified CON holders of projects no longer requiring CON review or reports (quarterly progress, final completion).
- Notified applicants of projects still requiring CON review that their applications will be processed.
- Notifying applicants of projects no longer requiring CON review that their submitted applications will not be processed.
- Publishing Frequently Asked Questions on the website soon.
- **Developing guidance** to help the regulated community navigate and obtain any applicable Healthcare Quality approval(s).





Contact Us CON Info Line (803) 545-4200 CONinfo@dhec.sc.gov

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