



## Ohio Revised Code

### Section 3702.57 Rules for certificate of need.

Effective: September 10, 2012

Legislation: House Bill 487 - 129th General Assembly

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(A) The director of health shall adopt rules establishing procedures and criteria for reviews of applications for certificates of need and issuance, denial, or withdrawal of certificates.

(1) In adopting rules that establish criteria for reviews of applications of certificates of need, the director shall consider the availability of and need for long-term care beds to provide care and treatment to persons diagnosed as having traumatic brain injuries and shall prescribe criteria for reviewing applications that propose to add long-term care beds to provide care and treatment to persons diagnosed as having traumatic brain injuries.

(2) The criteria for reviews of applications for certificates of need shall relate to the need for the reviewable activity and shall pertain to all of the following matters:

(a) The impact of the reviewable activity on the cost and quality of long-term care services in the relevant service area, including, but not limited, to the historical and projected utilization of the services to which the application pertains and the effect of the reviewable activity on utilization of other providers of similar services;

(b) The quality of the services to be provided as the result of the activity, as evidenced by the historical performance of the persons that will be involved in providing the services and by the provisions that are proposed in the application to ensure quality, including but not limited to adequate available personnel, available ancillary and support services, available equipment, size and configuration of physical plant, and relations with other providers;

(c) The impact of the reviewable activity on the availability and accessibility of the type of services proposed in the application to the population of the relevant service area, and the level of access to the services proposed in the application that will be provided to medically underserved individuals such as recipients of public assistance and individuals who have no health insurance or whose health insurance is insufficient;



- (d) The activity's short- and long-term financial feasibility and cost-effectiveness, the impact of the activity on the applicant's costs and charges, and a comparison of the applicant's costs and charges with those of providers of similar services in the applicant's proposed service area;
  - (e) The advantages, disadvantages, and costs of alternatives to the reviewable activity;
  - (f) The impact of the activity on all other providers of similar services in the relevant service area, including the impact on their utilization, market share, and financial status;
  - (g) The historical performance of the applicant and related or affiliated parties in complying with previously granted certificates of need and any applicable certification, accreditation, or licensure requirements;
  - (h) The historical performance of the applicant and related or affiliated parties in providing cost-effective long-term care services;
  - (i) The special needs and circumstances of the applicant or population proposed to be served by the proposed project, including research activities, prevalence of particular diseases, unusual demographic characteristics, cost-effective contractual affiliations, and other special circumstances;
  - (j) The appropriateness of the zoning status of the proposed site of the activity;
  - (k) The participation by the applicant in research conducted by the United States food and drug administration or clinical trials sponsored by the national institutes of health.
- (3) The criteria for reviews of applications shall include a formula for determining each county's long-term care bed need for purposes of section 3702.593 of the Revised Code and may include other formulas for determining need for beds.

Any rules prescribing criteria that establish ratios of beds to population shall specify the bases for establishing the ratios or mitigating factors or exceptions to the ratios.



(B) The director shall adopt rules specifying all of the following:

- (1) Information that must be provided in applications for certificates of need;
- (2) Procedures for reviewing applications for completeness of information;
- (3) Criteria for determining that the application is complete.

(C) The director shall adopt rules specifying requirements that holders of certificates of need must meet in order for the certificates to remain valid and establishing definitions and requirements for obligation of capital expenditures and implementation of projects authorized by certificates of need.

(D) The director shall adopt rules establishing criteria and procedures under which the director of health may withdraw a certificate of need if the holder fails to meet requirements for continued validity of the certificate.

(E) The director shall adopt rules establishing procedures under which the department of health shall monitor project implementation activities of holders of certificates of need. The rules adopted under this division also may establish procedures for monitoring implementation activities of persons that have received nonreviewability rulings.

(F) The director shall adopt rules establishing procedures under which the director of health shall review certificates of need whose holders exceed or appear likely to exceed an expenditure maximum specified in a certificate.

(G) The director shall adopt rules establishing certificate of need application fees sufficient to pay the costs incurred by the department for administering sections 3702.51 to 3702.62 of the Revised Code. Unless rules are adopted under this division establishing different application fees, the application fee for a project not involving a capital expenditure shall be three thousand dollars and the application fee for a project involving a capital expenditure shall be nine-tenths of one per cent of the capital expenditure proposed subject to a minimum of three thousand dollars and a maximum of twenty thousand dollars.



(H) The director shall adopt rules specifying information that is necessary to conduct reviews of certificate of need applications and to develop criteria for reviews that long-term care facilities are to submit to the director under division (H) of section 3702.52 of the Revised Code.

(I) The director shall adopt rules defining "affiliated person," "related person," and "ultimate controlling interest" for purposes of section 3702.523 of the Revised Code.

(J) The director shall adopt rules prescribing requirements for holders of certificates of need to demonstrate to the director under section 3702.525 of the Revised Code that reasonable progress is being made toward completion of the reviewable activity and establishing standards by which the director shall determine whether reasonable progress is being made.

(K) The director shall adopt all rules under divisions (A) to (J) of this section in accordance with Chapter 119. of the Revised Code. The director may adopt other rules as necessary to carry out the purposes of sections 3702.51 to 3702.62 of the Revised Code.