

Senate Bill 114

By: Senators Burke of the 11th, Miller of the 49th, Wilkinson of the 50th, Walker III of the 20th, Ligon, Jr. of the 3rd and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 31 of the Official Code of Georgia Annotated, relating to health, so as to
2 revise provisions relating to certificate of need requirements; to revise and provide for new
3 definitions relative to health planning and development; to establish the Health Strategies
4 Council; to provide for its membership, chairperson, meetings, functions, and reporting; to
5 provide for recommendations by the Health Strategies Council regarding health planning;
6 to revise provisions regarding when certificate of need is required; to repeal a provision
7 relating to the establishment of set times in which certain application for capital projects may
8 be accepted; to authorize destination cancer hospitals to be converted to specialty cancer
9 hospitals; to provide certain requirements for specialty cancer hospitals; to provide for
10 penalties on specialty cancer hospitals; to provide for additional exemptions from certificate
11 of need requirements; to revise a provision relating to the Certificate of Need Appeal Panel;
12 to revise and provide for additional exemptions to certificate of need requirements; to
13 provide for requests and objections to letters of determination that an activity is exempt or
14 excluded from certificate of need requirements; to provide for annual reports to be made
15 publicly available; to amend Code Section 45-7-21 of the Official Code of Georgia
16 Annotated, relating to expense allowance and travel cost reimbursement for members of
17 certain boards and commissions, so as to provide for reimbursement for members of the
18 Health Strategies Council; to amend Code Section 48-7-29.20 of the Official Code of
19 Georgia Annotated, relating to tax credits for contributions to rural hospital organizations,
20 so as to provide for undesignated contributions; to provide for transparency; to provide for
21 related matters; to provide for contingent effective dates; to repeal conflicting laws; and for
22 other purposes.

23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

24 **SECTION 1.**

25 Title 31 of the Official Code of Georgia Annotated, relating to health, is amended by revising
26 paragraphs (6), (8), (14), (17), (19), (21), and (29) of and by adding new paragraphs to Code

27 Section 31-6-2, relating to definitions relative to state health planning and development, as
28 follows:

29 "(6) 'Certificate of need' means an official ~~determination~~ finding by the department,
30 evidenced by certification issued pursuant to an application, that the action proposed in
31 the application satisfies and complies with the criteria contained in this chapter and rules
32 promulgated pursuant hereto."

33 "(8) 'Clinical health services' means diagnostic, treatment, or rehabilitative services
34 provided in a health care facility, ~~or parts of the physical plant where such services are~~
35 ~~located in a health care facility~~, and includes, but is not limited to, the following:
36 radiology and diagnostic imaging, such as magnetic resonance imaging and positron
37 emission tomography (PET); radiation therapy; biliary lithotripsy; surgery; intensive care;
38 coronary care; pediatrics; gynecology; obstetrics; general medical care; ~~medical/surgical~~
39 medical-surgical care; inpatient nursing care, whether intermediate, skilled, or extended
40 care; cardiac catheterization; ~~open-heart~~ open heart surgery; inpatient rehabilitation; and
41 alcohol, drug abuse, and mental health services."

42 "(14) 'Develop,' with reference to a project, means: ~~(A) Constructing~~ constructing,
43 remodeling, installing, or proceeding with a project, or any part of a project, or a capital
44 expenditure project, the cost estimate for which exceeds ~~\$2.5 million~~, or \$4 million. ~~(B)~~
45 ~~The expenditure or commitment of funds exceeding \$1 million for orders, purchases,~~
46 ~~leases, or acquisitions through other comparable arrangements of major medical~~
47 ~~equipment; provided, however, that this shall not include build-out costs, as defined by~~
48 ~~the department, but shall include all functionally related equipment, software, and any~~
49 ~~warranty and services contract costs for the first five years.~~ Notwithstanding
50 subparagraphs ~~(A)~~ and ~~(B)~~ the provisions of this paragraph, the expenditure or
51 commitment or incurring an obligation for the expenditure of funds to develop certificate
52 of need applications, studies, reports, schematics, preliminary plans and specifications,
53 or working drawings or to acquire, develop, or prepare sites shall not be considered to be
54 the developing of a project."

55 "(17) 'Health care facility' means hospitals; destination cancer hospitals; other special
56 care units, including but not limited to podiatric facilities; skilled nursing facilities;
57 intermediate care facilities; personal care homes; ambulatory surgical centers or
58 obstetrical facilities; freestanding or satellite emergency departments not located on a
59 hospital's primary campus; health maintenance organizations; home health agencies; and
60 diagnostic, treatment, or rehabilitation centers, but only to the extent paragraph (3) or (7),
61 or both paragraphs (3) and (7), of subsection (a) of Code Section 31-6-40 are applicable
62 thereto."

63 "(19) 'Health Strategies Council' or 'council' means the body created by this chapter to
 64 advise responsible for developing a draft state health plan, developing draft component
 65 plans for specific clinical health services, developing and recommending proposed rules,
 66 and advising the department."

67 "(21) 'Hospital' means an institution which is primarily engaged in providing to
 68 inpatients, by or under the supervision of physicians, diagnostic services and therapeutic
 69 services for medical diagnosis, treatment, and care of injured, disabled, or sick persons
 70 or rehabilitation services for the rehabilitation of injured, disabled, or sick persons. Such
 71 term includes public, private, psychiatric, rehabilitative, geriatric, osteopathic,
 72 micro-hospitals, specialty cancer hospitals, and other specialty hospitals."

73 "(29) 'Person' means any individual, trust or estate, partnership, limited liability company
 74 or partnership, or corporation (including associations, joint-stock companies, and
 75 insurance companies), state, political subdivision, hospital authority, or instrumentality
 76 (including a municipal corporation) of a state as defined in the laws of this state. This
 77 term shall include all related parties, including individuals, business corporations, general
 78 partnerships, limited partnerships, limited liability companies, limited liability
 79 partnerships, joint ventures, nonprofit corporations, or any other for profit or not for profit
 80 entity that owns or controls, is owned or controlled by, or operates under common
 81 ownership or control with a person."

82 "(30.1) 'Primary campus' means the building at which the majority of a hospital's licensed
 83 and operational inpatient hospital beds are located, and includes the health care facilities
 84 of such hospital within 1,000 yards of such building. Any health care facility operated
 85 under a hospital's license prior to July 1, 2019, but not on the hospital's primary campus
 86 shall remain part of such hospital but shall not constitute such hospital's primary campus
 87 unless otherwise meeting the requirements of this paragraph."

88 "(34.1) 'Specialty cancer hospital' means an institution with a licensed bed capacity of
 89 50 or less which was an existing and approved destination cancer hospital as of June 30,
 90 2019; has obtained final certificate of need approval for conversion from a destination
 91 cancer hospital to a specialty cancer hospital in accordance with Code Section 31-6-40.3;
 92 and offers inpatient and outpatient diagnostic, therapeutic, treatment, and rehabilitative
 93 cancer care services, by or under the supervision of physicians; and whose annual patient
 94 base is composed of a minimum of:

95 (A) Fifty-five percent of patients who reside outside of this state during the specialty
 96 cancer hospital's first year of operation following its conversion to a specialty cancer
 97 hospital;

98 (B) Forty-five percent of patients who reside outside of this state during the specialty
 99 cancer hospital's second year of operation following its conversion to a specialty cancer
 100 hospital;

101 (C) Thirty-five percent of patients who reside outside of this state during the specialty
 102 cancer hospital's third year of operation following its conversion to a specialty cancer
 103 hospital;

104 (D) Twenty-five percent of patients who reside outside of this state during the specialty
 105 cancer hospital's fourth year of operation following its conversion to a specialty cancer
 106 hospital; and

107 (E) No out-of-state patient requirement during the specialty cancer hospital's fifth and
 108 subsequent years of operation following its conversion to a specialty cancer hospital."

109 SECTION 2.

110 Said title is further amended by revising Code 31-6-20, which is reserved, to read as follows:

111 "31-6-20.

112 (a) There is hereby created the Health Strategies Council within the department to be
 113 composed of 15 members to advise the department in accordance with this Code section.

114 The members shall be appointed as follows:

115 (1) The following five members appointed by the Governor:

116 (A) One member representing hospitals in urban counties;

117 (B) One member representing nursing homes;

118 (C) One member representing hospitals that provide inpatient psychiatric and substance
 119 abuse services;

120 (D) One member representing hospitals that provide obstetrical services; and

121 (E) One member representing the health care needs of the business community;

122 (2) The following five members appointed by the Speaker of the House:

123 (A) One member representing hospitals in rural counties;

124 (B) One member representing freestanding ambulatory surgery or other freestanding
 125 outpatient specialty care providers;

126 (C) One member representing hospitals primarily engaged in providing inpatient
 127 physical rehabilitation services;

128 (D) One member representing critical access hospitals; and

129 (E) One member who is a physician in the active practice of medicine; and

130 (3) The following five members appointed by the Lieutenant Governor:

131 (A) One member representing academic medical centers;

132 (B) One member representing home health or hospice agencies;

133 (C) One member representing health care consumers in rural counties;

- 134 (D) One member representing the health care needs of low-income or uninsured
 135 populations; and
- 136 (E) One member representing pediatric hospitals.
- 137 (b) The initial appointed members of the Health Strategies Council shall take office on
 138 July 1, 2019. Two of each of the appointees by the Governor, the Speaker of the House of
 139 Representatives, and the Lieutenant Governor shall be designated to serve initial terms of
 140 two years. The remaining nine appointees shall be designated to serve initial terms of four
 141 years. After the initial terms provided for in this subsection, all members of the council
 142 shall be appointed to serve for four-year terms of office. Members of the council shall
 143 serve out their terms of office and until their respective successors are appointed.
- 144 (c)(1) Members of the council shall be subject to removal by their respective appointing
 145 official after notice and opportunity for hearing for:
- 146 (A) Inability or neglect to perform the duties required of members;
 147 (B) Incompetence;
 148 (C) Dishonest conduct; or
 149 (D) Failure to attend at least 50 percent of the meetings of the council in any calendar
 150 year; provided, however, that an absence caused by a medical condition or death of a
 151 family member shall constitute an excused absence and shall not provide grounds for
 152 removal.
- 153 (2) Vacancies on the council shall be filled by the same appointing official as appointed
 154 the member seat that is vacated.
- 155 (d) The Governor shall appoint the chairperson of the council. A majority of the members
 156 of the council shall constitute a quorum.
- 157 (e) The members shall meet at such times and places as it shall determine necessary or
 158 convenient to perform its duties. Members shall also meet upon the call of the chairperson
 159 or the Governor.
- 160 (f) The members of the council attending meetings of such council, or attending a
 161 subcommittee meeting thereof authorized by such council, shall receive no salary but shall
 162 be reimbursed for their expenses in attending meetings and for transportation costs as
 163 authorized by Code Section 45-7-21.
- 164 (g) The function of the council shall be to serve as an advisory body to the department and
 165 board and to:
- 166 (1) Review, comment, and make recommendations to the board on components of the
 167 state health plan;
- 168 (2) Review and comment on proposed rules for the administration of this chapter, except
 169 emergency rules, as requested by the department;

- 170 (3) Conduct an ongoing evaluation of Georgia's existing health care resources for
 171 accessibility, including but not limited to financial, geographic, cultural, and
 172 administrative accessibility, quality, comprehensiveness, and cost;
 173 (4) Study long-term comprehensive approaches to providing health insurance coverage
 174 to the population of this state in its entirety; and
 175 (5) Perform such other functions as may be specified for the council by the department
 176 or its board.
- 177 (h) The council shall provide an annual report to the board and the General Assembly, no
 178 later than December 1 of each year, which shall present information and updates on the
 179 functions outlined in subsection (g) of this Code section. The initial annual report shall be
 180 submitted no later than December 1, 2019, and shall include a review and description of
 181 the certificate of need process and the criteria used for single specialty ambulatory surgical
 182 centers, multispecialty ambulatory surgical centers, and imaging centers and shall identify
 183 issues associated with the current certificate of need structure, including its benefits and
 184 burdens, and make recommendations as to changes in process or requirements where
 185 necessary. Such annual report shall also include information for the State of Georgia's
 186 congressional delegation highlighting issues regarding federal laws and regulations
 187 influencing Medicaid and medicare, insurance and related tax laws, and long-term health
 188 care. The council shall not be required to distribute copies of the annual report to the
 189 members of the General Assembly but shall notify the members of the availability of such
 190 annual report in a manner which the council deems to be most effective and efficient.
 191 (i) The council at the department's request shall involve and coordinate functions with such
 192 state entities as necessary. Reserved."

193 SECTION 2A.

194 Said title is further amended by revising Code 31-6-20, which is reserved, to read as follows:
 195 "31-6-20.

196 (a) There is hereby created the Health Strategies Council within the Office of Health
 197 Strategy and Coordination to be composed of 15 members to advise the department in
 198 accordance with this Code section. The members shall be appointed as follows:

199 (1) The following five members appointed by the Governor:

200 (A) One member representing hospitals in urban counties;

201 (B) One member representing nursing homes;

202 (C) One member representing hospitals that provide inpatient psychiatric and substance
 203 abuse services;

204 (D) One member representing hospitals that provide obstetrical services; and

205 (E) One member representing the health care needs of the business community;

- 206 (2) The following five members appointed by the Speaker of the House:
- 207 (A) One member representing hospitals in rural counties;
- 208 (B) One member representing freestanding ambulatory surgery or other freestanding
- 209 outpatient specialty care providers;
- 210 (C) One member representing hospitals primarily engaged in providing inpatient
- 211 physical rehabilitation services;
- 212 (D) One member representing critical access hospitals; and
- 213 (E) One member who is a physician in the active practice of medicine; and
- 214 (3) The following five members appointed by the Lieutenant Governor:
- 215 (A) One member representing academic medical centers;
- 216 (B) One member representing home health or hospice agencies;
- 217 (C) One member representing health care consumers in rural counties;
- 218 (D) One member representing the health care needs of low-income or uninsured
- 219 populations; and
- 220 (E) One member representing pediatric hospitals.
- 221 (b) The initial appointed members of the Health Strategies Council shall take office on
- 222 July 1, 2019. Two of each of the appointees by the Governor, the Speaker of the House of
- 223 Representatives, and the Lieutenant Governor shall be designated to serve initial terms of
- 224 two years. The remaining nine appointees shall be designated to serve initial terms of four
- 225 years. After the initial terms provided for in this subsection, all members of the council
- 226 shall be appointed to serve for four-year terms of office. Members of the council shall
- 227 serve out their terms of office and until their respective successors are appointed.
- 228 (c)(1) Members of the council shall be subject to removal by their respective appointing
- 229 official after notice and opportunity for hearing for:
- 230 (A) Inability or neglect to perform the duties required of members;
- 231 (B) Incompetence;
- 232 (C) Dishonest conduct; or
- 233 (D) Failure to attend at least 50 percent of the meetings of the council in any calendar
- 234 year; provided, however, that an absence caused by a medical condition or death of a
- 235 family member shall constitute an excused absence and shall not provide grounds for
- 236 removal.
- 237 (2) Vacancies on the council shall be filled by the same appointing official as appointed
- 238 the member seat that is vacated.
- 239 (d) The Governor shall appoint the chairperson of the council. A majority of the members
- 240 of the council shall constitute a quorum.

241 (e) The members shall meet at such times and places as it shall determine necessary or
 242 convenient to perform its duties. Members shall also meet upon the call of the chairperson
 243 or the Governor.

244 (f) The members of the council attending meetings of such council, or attending a
 245 subcommittee meeting thereof authorized by such council, shall receive no salary but shall
 246 be reimbursed for their expenses in attending meetings and for transportation costs as
 247 authorized by Code Section 45-7-21.

248 (g) The function of the council shall be to serve as an advisory body to the department and
 249 board and to:

250 (1) Review, comment, and make recommendations to the board on components of the
 251 state health plan;

252 (2) Review and comment on proposed rules for the administration of this chapter, except
 253 emergency rules, as requested by the department;

254 (3) Conduct an ongoing evaluation of Georgia's existing health care resources for
 255 accessibility, including but not limited to financial, geographic, cultural, and
 256 administrative accessibility, quality, comprehensiveness, and cost;

257 (4) Study long-term comprehensive approaches to providing health insurance coverage
 258 to the population of this state in its entirety; and

259 (5) Perform such other functions as may be specified for the council by the department
 260 or its board.

261 (h) The council shall provide an annual report to the board and the General Assembly, no
 262 later than December 1 of each year, which shall present information and updates on the
 263 functions outlined in subsection (g) of this Code section. The initial annual report shall be
 264 submitted no later than December 1, 2019, and shall include a review and description of
 265 the certificate of need process and the criteria used for single specialty ambulatory surgical
 266 centers, multispecialty ambulatory surgical centers, and imaging centers and shall identify
 267 issues associated with the current certificate of need structure, including its benefits and
 268 burdens, and make recommendations as to changes in process or requirements where
 269 necessary. Such annual report shall also include information for the State of Georgia's
 270 congressional delegation highlighting issues regarding federal laws and regulations
 271 influencing Medicaid and medicare, insurance and related tax laws, and long-term health
 272 care. The council shall not be required to distribute copies of the annual report to the
 273 members of the General Assembly but shall notify the members of the availability of such
 274 annual report in a manner which the council deems to be most effective and efficient.

275 (i) The council at the department's request shall involve and coordinate functions with such
 276 state entities as necessary. Reserved."

277

SECTION 3.

278 Said title is further amended by revising Code 31-6-21, relating to the Department of
279 Community Health generally, as follows:

280 "31-6-21.

281 (a) The Department of Community Health, established under Chapter 2 of this title, is
282 authorized to administer the certificate of need program established under this chapter and,
283 within the appropriations made available to the department by the General Assembly of
284 Georgia and consistently with the laws of the State of Georgia, a state health plan
285 recommended by the Health Strategies Council and adopted by the board. The department
286 shall provide, by rule, for procedures to administer its functions until otherwise provided
287 by the board.

288 (b) The functions of the department shall be:

289 (1) To conduct the health planning activities of the state and to implement those parts of
290 the state health plan which relate to the government of the state;

291 (2) To prepare and revise a draft state health plan with recommendations from the Health
292 Strategies Council;

293 (3) ~~To seek advice, at its discretion,~~ solicit advice and proposed plan amendments at least
294 annually from the Health Strategies Council in the performance by the department of its
295 functions pursuant to this chapter;

296 (4) To adopt, promulgate, and implement rules and regulations sufficient to administer
297 the provisions of this chapter including the certificate of need program;

298 (5) To define, by rule, the form, content, schedules, and procedures for submission of
299 applications for certificates of need, other determinations, and periodic reports;

300 (6) To establish time periods and procedures consistent with this chapter to hold hearings
301 and to obtain the viewpoints of interested persons prior to issuance or denial of a
302 certificate of need;

303 (7) To provide, by rule, for such fees as may be necessary to cover the costs of hearing
304 officers, preparing the record for appeals before such hearing officers and the Certificate
305 of Need Appeal Panel of the decisions of the department, and other related administrative
306 costs, which costs may include reasonable sharing between the department and the parties
307 to appeal hearings;

308 (8) To establish, by rule, need methodologies for new institutional health services and
309 health care facilities. In developing such need methodologies, the department shall, at
310 a minimum, consider the demographic characteristics of the population, the health status
311 of the population, service use patterns, standards and trends, financial and geographic
312 accessibility, and market economics. The department shall establish service-specific need
313 methodologies and criteria for at least the following clinical health services: short stay

314 hospital beds, adult therapeutic cardiac catheterization, adult open heart surgery, pediatric
 315 cardiac catheterization and open heart surgery, Level II and III perinatal services,
 316 freestanding birthing centers, psychiatric and substance abuse inpatient programs, skilled
 317 nursing and intermediate care facilities, home health agencies, and continuing care
 318 retirement community sheltered facilities;

319 (9) To provide, by rule, for a reasonable and equitable fee schedule for certificate of need
 320 applications; provided, however, that a certificate of need application filed by or on
 321 behalf of a hospital in a rural county shall be exempt from any such fee;

322 (10) To grant, deny, or revoke a certificate of need as applied for or as amended; and

323 (11) To perform powers and functions delegated by the Governor, which delegation may
 324 include the powers to carry out the duties and powers which have been delegated to the
 325 department under Section 1122 of the federal Social Security Act of 1935, as amended."

326 SECTION 4.

327 Said title is further amended by revising subsections (a) and (c) of Code Section 31-6-40,
 328 relating to the requirement of a certificate of need for new institutional health services and
 329 exemption, as follows:

330 "(a) On and after July 1, 2008, any new institutional health service shall be required to
 331 obtain a certificate of need pursuant to this chapter. New institutional health services
 332 include:

333 (1) The construction, development, or other establishment of a new, expanded, or
 334 relocated health care facility, except as otherwise provided in Code Section 31-6-47;

335 (2) Any expenditure by or on behalf of a health care facility in excess of ~~\$2.5 million~~
 336 \$4 million which, under generally accepted accounting principles consistently applied,
 337 is a capital expenditure, except expenditures for acquisition of an existing health care
 338 facility ~~not owned or operated by or on behalf of a political subdivision of this state, or~~
 339 ~~any combination of such political subdivisions, or by or on behalf of a hospital authority,~~
 340 ~~as defined in Article 4 of Chapter 7 of this title, or certificate of need owned by such~~
 341 ~~facility in connection with its acquisition.~~ The dollar amounts specified in this paragraph
 342 and in ~~subparagraph (A) of~~ paragraph (14) of Code Section 31-6-2 shall be adjusted
 343 annually by an amount calculated by multiplying such dollar amounts (as adjusted for the
 344 preceding year) by the annual percentage of change in the composite index of
 345 construction material prices, or its successor or appropriate replacement index, if any,
 346 published by the United States Department of Commerce for the preceding calendar year,
 347 commencing on July 1, ~~2009~~ 2019, and on each anniversary thereafter of publication of
 348 the index. The department shall immediately institute rule-making procedures to adopt
 349 such adjusted dollar amounts. In calculating the dollar amounts of a proposed project for

350 purposes of this paragraph and ~~subparagraph (A)~~ of paragraph (14) of Code Section
 351 31-6-2, the costs of all items subject to review by this chapter and items not subject to
 352 review by this chapter associated with and simultaneously developed or proposed with
 353 the project shall be counted, except for the expenditure or commitment of or incurring an
 354 obligation for the expenditure of funds to develop certificate of need applications, studies,
 355 reports, schematics, preliminary plans and specifications or working drawings, or to
 356 acquire sites;

357 (3) The purchase or lease by or on behalf of a health care facility or a diagnostic,
 358 treatment, or rehabilitation center of diagnostic or therapeutic equipment, except as
 359 otherwise provided in Code Section 31-6-47 ~~with a value in excess of \$1 million;~~
 360 ~~provided, however, that diagnostic or other imaging services that are not offered in a~~
 361 ~~hospital or in the offices of an individual private physician or single group practice of~~
 362 ~~physicians exclusively for use on patients of that physician or group practice shall be~~
 363 ~~deemed to be a new institutional health service regardless of the cost of equipment; and~~
 364 ~~provided, further, that this shall not include build out costs, as defined by the department,~~
 365 ~~but shall include all functionally related equipment, software, and any warranty and~~
 366 ~~services contract costs for the first five years. The acquisition of one or more items of~~
 367 ~~functionally related diagnostic or therapeutic equipment shall be considered as one~~
 368 ~~project. The dollar amount specified in this paragraph, in subparagraph (B) of paragraph~~
 369 ~~(14) of Code Section 31-6-2, and in paragraph (10) of subsection (a) of Code Section~~
 370 ~~31-6-47 shall be adjusted annually by an amount calculated by multiplying such dollar~~
 371 ~~amounts (as adjusted for the preceding year) by the annual percentage of change in the~~
 372 ~~consumer price index, or its successor or appropriate replacement index, if any, published~~
 373 ~~by the United States Department of Labor for the preceding calendar year, commencing~~
 374 ~~on July 1, 2010;~~

375 (4) Any increase in the bed capacity of a health care facility except as provided in Code
 376 Section 31-6-47;

377 (5) Clinical health services which are offered in or through a health care facility, which
 378 were not offered on a regular basis in or through such health care facility within the 12
 379 month period prior to the time such services would be offered;

380 (6) Any conversion or upgrading of any general acute care hospital to a specialty hospital
 381 or of a facility such that it is converted from a type of facility not covered by this chapter
 382 to any of the types of health care facilities which are covered by this chapter; and

383 (7) Clinical health services which are offered in or through a diagnostic, treatment, or
 384 rehabilitation center which were not offered on a regular basis in or through that center
 385 within the 12 month period prior to the time such services would be offered, but only if
 386 the clinical health services are any of the following:

- 387 (A) Radiation therapy;
 388 (B) Biliary lithotripsy;
 389 (C) Surgery in an operating room environment, including but not limited to ambulatory
 390 surgery; and
 391 (D) Cardiac catheterization."

392 "(c)(1) Any person who had a valid exemption granted or approved by the former Health
 393 Planning Agency or the department prior to July 1, 2008, shall not be required to obtain
 394 a certificate of need in order to continue to offer those previously offered services.

395 (2) Any facility offering ambulatory surgery pursuant to the exclusion designated on
 396 June 30, 2008, as division (14)(G)(iii) of Code Section 31-6-2; any diagnostic, treatment,
 397 or rehabilitation center offering diagnostic imaging or other imaging services in operation
 398 and exempt prior to July 1, 2008; or any facility operating pursuant to a letter of
 399 nonreviewability and offering diagnostic imaging services prior to July 1, 2008, shall:

400 ~~(A) Provide notice to the department of the name, ownership, location, single specialty,~~
 401 ~~and services provided in the exempt facility;~~

402 ~~(B) Beginning on January 1, 2009, provide~~

403 (A) Provide annual reports in the same manner and in accordance with Code Section
 404 31-6-70; and

405 ~~(C)~~(B)(i) Provide care to Medicaid beneficiaries and, if the facility provides medical
 406 care and treatment to children, to PeachCare for Kids beneficiaries and provide
 407 uncompensated indigent and charity care in an amount equal to or greater than 2
 408 percent of its adjusted gross revenue; or

409 (ii) If the facility is not a participant in Medicaid or the PeachCare for Kids Program,
 410 provide uncompensated care for Medicaid beneficiaries and, if the facility provides
 411 medical care and treatment to children, for PeachCare for Kids beneficiaries,
 412 uncompensated indigent and charity care, or both in an amount equal to or greater
 413 than 4 percent of its adjusted gross revenue if it:

414 (I) Makes a capital expenditure associated with the construction, development,
 415 expansion, or other establishment of a clinical health service or the acquisition or
 416 replacement of diagnostic or therapeutic equipment with a value in excess of
 417 \$800,000.00 over a two-year period;

418 (II) Builds a new operating room; or

419 (III) Chooses to relocate in accordance with Code Section 31-6-47.

420 Noncompliance with any condition of this paragraph shall result in a monetary penalty
 421 in the amount of the difference between the services which the center is required to
 422 provide and the amount actually provided and may be subject to revocation of its
 423 exemption status by the department for repeated failure to pay any fees or moneys due

424 to the department or for repeated failure to produce data as required by Code Section
 425 31-6-70 after notice to the exemption holder and a fair hearing pursuant to Chapter 13 of
 426 Title 50, the 'Georgia Administrative Procedure Act.' The dollar amount specified in this
 427 paragraph shall be adjusted annually by an amount calculated by multiplying such dollar
 428 amount (as adjusted for the preceding year) by the annual percentage of change in the
 429 consumer price index, or its successor or appropriate replacement index, if any, published
 430 by the United States Department of Labor for the preceding calendar year, commencing
 431 on July 1, 2009. In calculating the dollar amounts of a proposed project for the purposes
 432 of this paragraph, the costs of all items subject to review by this chapter and items not
 433 subject to review by this chapter associated with and simultaneously developed or
 434 proposed with the project shall be counted, except for the expenditure or commitment of
 435 or incurring an obligation for the expenditure of funds to develop certificate of need
 436 applications, studies, reports, schematics, preliminary plans and specifications or working
 437 drawings, or to acquire sites. Subparagraph ~~(C)~~ (B) of this paragraph shall not apply to
 438 facilities offering ophthalmic ambulatory surgery pursuant to the exclusion designated
 439 on June 30, 2008, as division (14)(G)(iii) of Code Section 31-6-2 that are owned by
 440 physicians in the practice of ophthalmology."

441 **SECTION 5.**

442 Said title is further amended in Code Section 31-6-40.1, relating to acquisition of health care
 443 facilities, penalty for failure to notify the department, limitation on applications, agreement
 444 to care for indigent patients, requirements for destination cancer hospitals, and notice and
 445 hearing provisions for penalties authorized under this Code section by repealing subsection
 446 (b.1), which relates to establishment of set times in which certain application for capital
 447 projects may be accepted.

448 **SECTION 6.**

449 Said title is further amended by adding a new Code section to read as follows:

450 "31-6-40.3.

451 (a) Effective July 1, 2019, a destination cancer hospital may apply for a certificate of need
 452 to convert to a specialty cancer hospital in accordance with this Code section. A
 453 destination cancer hospital that wishes to convert to a specialty cancer hospital shall notify
 454 the department by September 30, 2019, in a form and manner established by the
 455 department.

456 (b) The department shall establish by rule a process for a destination cancer hospital to
 457 submit a notice of intent to convert to a specialty cancer hospital and corresponding
 458 certificate of need application.

459 (c) Within ten working days after the date of its receipt of a notice of a destination cancer
460 hospital's intent to apply for a certificate of need to convert to a specialty cancer hospital,
461 the department shall determine any amounts owed to the state by such destination cancer
462 hospital under any prior monetary agreements and shall seek confirmation of such
463 outstanding amounts by the Attorney General. Within 60 days of its receipt of such notice
464 from the department, the Attorney General shall calculate and publish the amount of any
465 finances, penalties, fees, or other payments such destination cancer hospital owes to the state
466 for the entire period of time during which such destination cancer hospital has offered
467 services, including but not limited to fines or penalties for noncompliance with
468 subsection (c) or (c.1) of Code Section 31-6-40.1 and Code Section 31-6-45.2, 31-6-70,
469 31-7-280, or 31-8-179.2. The Attorney General shall have the authority to make public or
470 private investigations or examinations inside or outside of this state to determine any
471 amounts owed in accordance with this subsection. For purposes of conducting any
472 investigation or examination pursuant to this subsection, the Attorney General shall have
473 the authority, upon providing reasonable notice, to require the production of any books,
474 records, papers, or other information necessary to calculate any amounts owed by a
475 destination cancer hospital.

476 (d)(1) When determining any amounts owed under subsection (c) of Code Section
477 31-6-40.1, the Attorney General shall calculate a destination cancer hospital's percentage
478 of uncompensated indigent or charity care for residents of this state using the destination
479 cancer hospital's uncompensated indigent or charity care provided to residents of this
480 state compared to its total adjusted gross revenue for all patients. Any provider payments
481 made by a destination cancer hospital to the department pursuant to Code Section
482 31-8-179.2 shall not be credited toward any amounts owed by the destination cancer
483 hospital under subsection (c) of Code Section 31-6-40.1.

484 (2) When determining any amounts owed under subsection (c.1) of Code Section
485 31-6-40.1, the Attorney General shall consider all patients receiving services at the
486 destination cancer hospital to calculate a destination cancer hospital's percentage of
487 patients who reside outside this state in a given calendar year, including both new and
488 established patients who received inpatient or outpatient diagnostic, therapeutic,
489 treatment or rehabilitative cancer care services during such calendar year.

490 (e) Within 30 days after the publication of any amounts owed to the state by a destination
491 cancer hospital as calculated pursuant to this Code section, such destination cancer hospital
492 may submit an application to the department for a certificate of need to convert to a
493 specialty cancer hospital. The department shall issue a certificate of need to a destination
494 cancer hospital to convert to a specialty cancer hospital if the application is consistent with
495 the following considerations:

496 (1) Any fines, penalties, fees, or other payments owed to the state as calculated by the
497 Attorney General pursuant to this code section have been satisfied;

498 (2) The proposed specialty cancer hospital can demonstrate its intent to provide
499 uncompensated indigent or charity cancer care for residents of this state which meets or
500 exceeds 8.5 percent of its total adjusted gross revenue for all patients;

501 (3) The proposed specialty cancer hospital can demonstrate its intent to provide cancer
502 care to Georgia Medicaid beneficiaries which meets or exceeds 20 percent of its net
503 patient revenue for all patients;

504 (4) The proposed specialty cancer hospital adopts and implements a financial assistance
505 program that meets the criteria to participate in the Indigent Care Trust Fund program as
506 determined by the department, regardless of whether such proposed specialty cancer
507 hospital is otherwise eligible to participate in the program;

508 (5) The proposed specialty cancer hospital shall maintain a hospital transfer agreement
509 with one or more hospitals within a reasonable distance from the specialty cancer hospital
510 or the medical staff at the proposed specialty cancer hospital shall have admitting
511 privileges or other acceptable documented arrangements with such hospital or hospitals
512 to ensure the necessary backup for the specialty cancer hospital for medical
513 complications. The proposed specialty cancer hospital shall have the capability to
514 transfer a patient immediately to a hospital within a reasonable distance from such
515 specialty cancer hospital with adequate emergency room services. Hospitals shall not
516 unreasonably deny a transfer agreement with the specialty cancer hospital; and

517 (6) The proposed specialty cancer hospital shall express its intent to participate in
518 medical staffing work force development activities.

519 (f)(1) A specialty cancer hospital that does not meet an annual patient base composed of
520 the percentage of patients who reside outside this state in a calendar year as required in
521 paragraph (34.1) of Code Section 31-6-2 shall be fined \$2 million for the first year of
522 noncompliance, \$4 million for the second consecutive year of noncompliance, and \$6
523 million for the third consecutive year of noncompliance. Such fine amount shall reset to
524 \$2 million after any year of compliance. In the event that a specialty cancer hospital does
525 not meet an annual patient base composed of patients who reside outside this state as
526 required in paragraph (34.1) of Code Section 31-6-2 for three calendar years in any
527 five-year period, such specialty cancer hospital shall be fined an additional amount of \$8
528 million. The department shall calculate any fines owed by a specialty cancer hospital for
529 each calendar year in accordance with this paragraph and publish such amount by
530 September 1 of the following year. When determining any amounts owed under this
531 subsection, the department shall calculate a specialty cancer hospital's percentage of
532 patients who reside outside this state in a given calendar year using both new and

533 established patients who received inpatient or outpatient diagnostic, therapeutic,
534 treatment, or rehabilitative cancer care services during such calendar year. All fines
535 owed by a specialty cancer hospital under this subsection shall be paid in full by
536 December 31 of the following year or such specialty cancer hospital's certificate of need
537 shall be automatically revoked. All revenues collected from any such fines shall be
538 dedicated and deposited by the department into the Indigent Care Trust Fund created
539 pursuant to Code Section 31-8-152.

540 (2)(A) A specialty cancer hospital shall be required to provide uncompensated indigent
541 or charity cancer care to residents of this state in an amount that meets or exceeds 8.5
542 percent of its total adjusted gross revenue. When determining any amounts owed under
543 this subparagraph, the department shall calculate the percentage of uncompensated
544 indigent or charity care for residents of this state using the specialty cancer hospital's
545 amount of uncompensated indigent or charity care provided to residents of this state
546 compared to its total adjusted gross revenue for all patients.

547 (B) A specialty cancer hospital shall provide care to Georgia Medicaid beneficiaries
548 that meets or exceeds 20 percent of its total patient revenue for all patients. When
549 determining any amounts owed under this paragraph, the department shall calculate the
550 percentage of care provided to Georgia Medicaid beneficiaries using the specialty
551 cancer hospital's Georgia Medicaid revenue compared to its total net patient revenue
552 for all patients.

553 (C) A specialty cancer hospital or its grantee or successor in interest of a certificate of
554 need or an authorization to operate under this chapter which violates the requirements
555 of this paragraph or violates any conditions imposed by the department shall be liable
556 to the department for a monetary penalty in the amount of the difference between the
557 amount of services required to be provided and the amount actually provided and may
558 be subject to revocation of its certificate of need, in whole or in part, by the department
559 pursuant to Code Section 31-6-45. All revenues collected from any such fines shall be
560 dedicated and deposited by the department into the Indigent Care Trust Fund created
561 pursuant to Code Section 31-8-152. The department shall calculate any fines owed by
562 a specialty cancer hospital for each calendar year in accordance with this paragraph and
563 publish such amount by September 1 of the following year. Any provider payments
564 made by a specialty cancer hospital to the department under Code Section 31-8-179.2
565 shall not be credited toward any amounts owed by the specialty cancer hospital under
566 this paragraph. All fines owed by a specialty cancer hospital under this paragraph shall
567 be paid in full by December 31 of the following year or such specialty cancer hospital's
568 certificate of need shall be automatically revoked.

569 (3) In addition to the annual report required pursuant to Code Section 31-6-70, a
 570 specialty cancer hospital shall submit an annual statement, in accordance with time
 571 frames and a format specified by the department, affirming that the specialty cancer
 572 hospital has met the annual percentage of its patient base who reside outside this state in
 573 accordance with paragraph (34.1) of Code Section 31-6-2. The chief executive officer
 574 of the specialty cancer hospital shall certify under penalties of perjury that the statement
 575 as prepared accurately reflects the composition of the annual patient base. Pursuant to
 576 subsection (e) of Code Section 31-6-45, the department shall have the authority to inspect
 577 any books, records, papers, or other information of the specialty cancer hospital to
 578 confirm the information provided on such statement or any other information required of
 579 the specialty cancer hospital.

580 (g) Upon the department's issuance of a certificate of need for a destination cancer hospital
 581 to convert to a specialty cancer hospital pursuant to this Code section, the specialty cancer
 582 hospital shall be subject to the requirements of this chapter in the same manner as other
 583 hospitals prior to offering any new institutional health service within the scope allowed
 584 under paragraph (34.1) of Code Section 31-6-2."

585 **SECTION 7.**

586 Said title is further amended in Code Section 31-6-44, relating to the Certificate of Need
 587 Appeal Panel, by revising subsection (a) as follows:

588 "(a) Effective July 1, 2008, there is created the Certificate of Need Appeal Panel, which
 589 shall be an agency separate and apart from the department and shall consist of a panel of
 590 independent hearing officers. The purpose of the appeal panel shall be to serve as a panel
 591 of independent hearing officers to review the department's initial decision to grant or deny
 592 a certificate of need application. The Health Planning Review Board which existed on June
 593 30, 2008, shall cease to exist after that date and the Certificate of Need Appeal Panel shall
 594 be constituted effective July 1, 2008, pursuant to this Code section. ~~The terms of all~~
 595 ~~members of the Health Planning Review Board serving as such on June 30, 2008, shall~~
 596 ~~automatically terminate on such date."~~

597 **SECTION 8.**

598 Said title is further amended by revising Code Section 31-6-47, relating to exemptions from
 599 certificate of need program requirements, as follows:

600 "31-6-47.

601 (a) Notwithstanding the other provisions of this chapter, this chapter shall not apply to:
 602 (1) Infirmaries operated by educational institutions for the sole and exclusive benefit of
 603 students, faculty members, officers, or employees thereof;

- 604 (2) Infirmaries or facilities operated by businesses for the sole and exclusive benefit of
 605 officers or employees thereof, provided that such infirmaries or facilities make no
 606 provision for overnight stay by persons receiving their services;
- 607 (3) Institutions operated exclusively by the federal government or by any of its agencies;
- 608 (4) Offices of private physicians or dentists whether for individual or group practice,
 609 except as otherwise provided in paragraph (3) or (7) of subsection (a) of Code Section
 610 31-6-40;
- 611 (5) Religious, nonmedical health care institutions as defined in 42 U.S.C. § 1395x(ss)(1),
 612 listed and certified by a national accrediting organization;
- 613 (6) Site acquisitions for health care facilities or preparation or development costs for
 614 such sites prior to the decision to file a certificate of need application;
- 615 (7) Expenditures related to adequate preparation and development of an application for
 616 a certificate of need;
- 617 (8) The commitment of funds conditioned upon the obtaining of a certificate of need;
- 618 (9) Expenditures for the restructuring or acquisition of existing health care facilities by
 619 stock or asset purchase, merger, consolidation, or other lawful means ~~unless the facilities~~
 620 ~~are owned or operated by or on behalf of a:~~
- 621 (A) ~~Political subdivision of this state;~~
- 622 (B) ~~Combination of such political subdivisions; or~~
- 623 (C) ~~Hospital authority, as defined in Article 4 of Chapter 7 of this title;~~
- 624 ~~(9.1) Expenditures for the restructuring of or for the acquisition by stock or asset~~
 625 ~~purchase, merger, consolidation, or other lawful means of an existing health care facility~~
 626 ~~which is owned or operated by or on behalf of any entity described in subparagraph (A),~~
 627 ~~(B), or (C) of paragraph (9) of this subsection only if such restructuring or acquisition is~~
 628 ~~made by any entity described in subparagraph (A), (B), or (C) of paragraph (9) of this~~
 629 ~~subsection;~~
- 630 ~~(9.2)~~(9.1) The purchase of a closing hospital or of a hospital that has been closed for no
 631 more than 12 months by a hospital in a contiguous county to repurpose the facility as a
 632 micro-hospital;
- 633 (10) Expenditures of less than \$870,000.00 for any minor or major repair or replacement
 634 of equipment by a health care facility that is not owned by a group practice of physicians
 635 or a hospital and that provides diagnostic imaging services if such facility received a
 636 letter of nonreviewability from the department prior to July 1, 2008. This paragraph shall
 637 not apply to such facilities in rural counties;
- 638 (10.1) Except as provided in paragraph (10) of this subsection, expenditures for the
 639 minor or major repair of a health care facility or a facility that is exempt from the
 640 requirements of this chapter, parts thereof or services provided or equipment used therein;

641 or the replacement of equipment, including but not limited to CT scanners, magnetic
642 resonance imaging, positron emission tomography (PET), and positron emission
643 tomography/computed tomography previously approved for a certificate of need;

644 (11) Capital expenditures otherwise covered by this chapter required solely to eliminate
645 or prevent safety hazards as defined by federal, state, or local fire, building,
646 environmental, occupational health, or life safety codes or regulations, to comply with
647 licensing requirements of the department, or to comply with accreditation standards of
648 a nationally recognized health care accreditation body;

649 (12) Cost overruns whose percentage of the cost of a project is equal to or less than the
650 cumulative annual rate of increase in the composite construction index, published by the
651 United States Bureau of the Census of the Department of Commerce, of the United States
652 government, calculated from the date of approval of the project;

653 (13) Transfers from one health care facility to another such facility of major medical
654 equipment previously approved under or exempted from certificate of need review,
655 except where such transfer results in the institution of a new clinical health service for
656 which a certificate of need is required in the facility acquiring ~~said~~ such equipment,
657 provided that such transfers are recorded at net book value of the medical equipment as
658 recorded on the books of the transferring facility;

659 (14) New institutional health services provided by or on behalf of health maintenance
660 organizations or related health care facilities in circumstances defined by the department
661 pursuant to federal law;

662 (15) Increases in the bed capacity of a hospital up to ten beds or 10 percent of capacity,
663 whichever is greater, in any consecutive two-year period, in a hospital that has
664 maintained an overall occupancy rate greater than 75 percent for the previous 12 month
665 period;

666 (16) Expenditures for nonclinical projects, including parking lots, parking decks, and
667 other parking facilities; computer systems, software, and other information technology;
668 medical office buildings; administrative office space; conference rooms; education
669 facilities; lobbies; common spaces; clinical staff lounges and sleep areas; waiting rooms;
670 bathrooms; cafeterias; hallways; engineering facilities; mechanical systems; roofs;
671 grounds; signage; family meeting or lounge areas; other nonclinical physical plant
672 renovations or upgrades that do not result in new or expanded clinical health services, and
673 state mental health facilities;

674 (17) Continuing care retirement communities, provided that the skilled nursing
675 component of the facility is for the exclusive use of residents of the continuing care
676 retirement community and that a written exemption is obtained from the department;
677 provided, however, that new sheltered nursing home beds may be used on a limited basis

678 by persons who are not residents of the continuing care retirement community for a
679 period up to five years after the date of issuance of the initial nursing home license, but
680 such beds shall not be eligible for Medicaid reimbursement. For the first year, the
681 continuing care retirement community sheltered nursing facility may utilize not more
682 than 50 percent of its licensed beds for patients who are not residents of the continuing
683 care retirement community. In the second year of operation, the continuing care
684 retirement community shall allow not more than 40 percent of its licensed beds for new
685 patients who are not residents of the continuing care retirement community. In the third
686 year of operation, the continuing care retirement community shall allow not more than
687 30 percent of its licensed beds for new patients who are not residents of the continuing
688 care retirement community. In the fourth year of operation, the continuing care
689 retirement community shall allow not more than 20 percent of its licensed beds for new
690 patients who are not residents of the continuing care retirement community. In the fifth
691 year of operation, the continuing care retirement community shall allow not more than
692 10 percent of its licensed beds for new patients who are not residents of the continuing
693 care retirement community. At no time during the first five years shall the continuing
694 care retirement community sheltered nursing facility occupy more than 50 percent of its
695 licensed beds with patients who are not residents under contract with the continuing care
696 retirement community. At the end of the five-year period, the continuing care retirement
697 community sheltered nursing facility shall be utilized exclusively by residents of the
698 continuing care retirement community, and at no time shall a resident of a continuing care
699 retirement community be denied access to the sheltered nursing facility. At no time shall
700 any existing patient be forced to leave the continuing care retirement community to
701 comply with this paragraph. The department is authorized to promulgate rules and
702 regulations regarding the use and definition of 'sheltered nursing facility' in a manner
703 consistent with this Code section. Agreements to provide continuing care include
704 agreements to provide care for any duration, including agreements that are terminable by
705 either party;

706 (18) Any single specialty ambulatory surgical center that:

707 (A)(i) Has capital expenditures associated with the construction, development, or
708 other establishment of the clinical health service which do not exceed \$2.5 million;
709 or

710 (ii) Is the only single specialty ambulatory surgical center in the county owned by the
711 group practice and has two or fewer operating rooms; provided, however, that a center
712 exempt pursuant to this division shall be required to obtain a certificate of need in
713 order to add any additional operating rooms;

714 (B) Has a hospital affiliation agreement with a hospital within a reasonable distance
 715 from the facility or the medical staff at the center has admitting privileges or other
 716 acceptable documented arrangements with such hospital to ensure the necessary backup
 717 for the center for medical complications. The center shall have the capability to transfer
 718 a patient immediately to a hospital within a reasonable distance from the facility with
 719 adequate emergency room services. Hospitals shall not unreasonably deny a transfer
 720 agreement or affiliation agreement to the center;

721 (C)(i) Provides care to Medicaid beneficiaries and, if the facility provides medical
 722 care and treatment to children, to PeachCare for Kids beneficiaries and provides
 723 uncompensated indigent and charity care in an amount equal to or greater than 2
 724 percent of its adjusted gross revenue; or

725 (ii) If the center is not a participant in Medicaid or the PeachCare for Kids Program,
 726 provides uncompensated care to Medicaid beneficiaries and, if the facility provides
 727 medical care and treatment to children, to PeachCare for Kids beneficiaries,
 728 uncompensated indigent and charity care, or both in an amount equal to or greater
 729 than 4 percent of its adjusted gross revenue;

730 provided, however, that single specialty ambulatory surgical centers owned by
 731 physicians in the practice of ophthalmology shall not be required to comply with this
 732 subparagraph; and

733 (D) Provides annual reports in the same manner and in accordance with Code Section
 734 31-6-70.

735 Noncompliance with any condition of this paragraph shall result in a monetary penalty
 736 in the amount of the difference between the services which the center is required to
 737 provide and the amount actually provided and may be subject to revocation of its
 738 exemption status by the department for repeated failure to pay any fines or moneys due
 739 to the department or for repeated failure to produce data as required by Code Section
 740 31-6-70 after notice to the exemption holder and a fair hearing pursuant to Chapter 13 of
 741 Title 50, the 'Georgia Administrative Procedure Act.' The dollar amount specified in this
 742 paragraph shall be adjusted annually by an amount calculated by multiplying such dollar
 743 amount (as adjusted for the preceding year) by the annual percentage of change in the
 744 composite index of construction material prices, or its successor or appropriate
 745 replacement index, if any, published by the United States Department of Commerce for
 746 the preceding calendar year, commencing on July 1, 2009, and on each anniversary
 747 thereafter of publication of the index. The department shall immediately institute
 748 rule-making procedures to adopt such adjusted dollar amounts. In calculating the dollar
 749 amounts of a proposed project for purposes of this paragraph, the costs of all items
 750 subject to review by this chapter and items not subject to review by this chapter

751 associated with and simultaneously developed or proposed with the project shall be
 752 counted, except for the expenditure or commitment of or incurring an obligation for the
 753 expenditure of funds to develop certificate of need applications, studies, reports,
 754 schematics, preliminary plans and specifications or working drawings, or to acquire sites;

755 (19) Any joint venture ambulatory surgical center that:

756 (A) Has capital expenditures associated with the construction, development, or other
 757 establishment of the clinical health service which do not exceed \$5 million;

758 (B)(i) Provides care to Medicaid beneficiaries and, if the facility provides medical
 759 care and treatment to children, to PeachCare for Kids beneficiaries and provides
 760 uncompensated indigent and charity care in an amount equal to or greater than 2
 761 percent of its adjusted gross revenue; or

762 (ii) If the center is not a participant in Medicaid or the PeachCare for Kids Program,
 763 provides uncompensated care to Medicaid beneficiaries and, if the facility provides
 764 medical care and treatment to children, to PeachCare for Kids beneficiaries,
 765 uncompensated indigent and charity care, or both in an amount equal to or greater
 766 than 4 percent of its adjusted gross revenue; and

767 (C) Provides annual reports in the same manner and in accordance with Code Section
 768 31-6-70.

769 Noncompliance with any condition of this paragraph shall result in a monetary penalty
 770 in the amount of the difference between the services which the center is required to
 771 provide and the amount actually provided and may be subject to revocation of its
 772 exemption status by the department for repeated failure to pay any fines or moneys due
 773 to the department or for repeated failure to produce data as required by Code Section
 774 31-6-70 after notice to the exemption holder and a fair hearing pursuant to Chapter 13 of
 775 Title 50, the 'Georgia Administrative Procedure Act.' The dollar amount specified in this
 776 paragraph shall be adjusted annually by an amount calculated by multiplying such dollar
 777 amount (as adjusted for the preceding year) by the annual percentage of change in the
 778 composite index of construction material prices, or its successor or appropriate
 779 replacement index, if any, published by the United States Department of Commerce for
 780 the preceding calendar year, commencing on July 1, 2009, and on each anniversary
 781 thereafter of publication of the index. The department shall immediately institute
 782 rule-making procedures to adopt such adjusted dollar amounts. In calculating the dollar
 783 amounts of a proposed project for purposes of this paragraph, the costs of all items
 784 subject to review by this chapter and items not subject to review by this chapter
 785 associated with and simultaneously developed or proposed with the project shall be
 786 counted, except for the expenditure or commitment of or incurring an obligation for the

787 expenditure of funds to develop certificate of need applications, studies, reports,
788 schematics, preliminary plans and specifications or working drawings, or to acquire sites;
789 (20) Expansion of services by an imaging center based on a population needs
790 methodology taking into consideration whether the population residing in the area served
791 by the imaging center has a need for expanded services, as determined by the department
792 in accordance with its rules and regulations, if such imaging center:

- 793 (A) Was in existence and operational in this state on January 1, 2008;
- 794 (B) Is owned by a hospital or by a physician or a group of physicians comprising at
795 least 80 percent ownership who are currently board certified in radiology;
- 796 (C) Provides three or more diagnostic and other imaging services;
- 797 (D) Accepts all patients regardless of ability to pay; and
- 798 (E) Provides uncompensated indigent and charity care in an amount equal to or greater
799 than the amount of such care provided by the geographically closest general acute care
800 hospital; provided, however, that this paragraph shall not apply to an imaging center in
801 a rural county;

802 (21) Diagnostic cardiac catheterization in a hospital setting on patients 15 years of age
803 and older;

804 (22) Therapeutic cardiac catheterization in hospitals selected by the department prior to
805 July 1, 2008, to participate in the Atlantic Cardiovascular Patient Outcomes Research
806 Team (C-PORT) Study and therapeutic cardiac catheterization in hospitals that, as
807 determined by the department on an annual basis, meet the criteria to participate in the
808 C-PORT Study but have not been selected for participation; provided, however, that if
809 the criteria requires a transfer agreement to another hospital, no hospital shall
810 unreasonably deny a transfer agreement to another hospital;

811 (23) Infirmaries or facilities operated by, on behalf of, or under contract with the
812 Department of Corrections or the Department of Juvenile Justice for the sole and
813 exclusive purpose of providing health care services in a secure environment to prisoners
814 within a penal institution, penitentiary, prison, detention center, or other secure
815 correctional institution, including correctional institutions operated by private entities in
816 this state which house inmates under the Department of Corrections or the Department
817 of Juvenile Justice;

818 (24) The relocation of any skilled nursing facility, intermediate care facility, or
819 micro-hospital within the same county, any other health care facility in a rural county
820 within the same county, and any other health care facility in an urban county within a
821 three-mile radius of the existing facility so long as the facility does not propose to offer
822 any new or expanded clinical health services at the new location;

823 (25) Facilities which are devoted to the provision of treatment and rehabilitative care for
 824 periods continuing for 24 hours or longer for persons who have traumatic brain injury,
 825 as defined in Code Section 37-3-1; and

826 (26) Capital expenditures for a project otherwise requiring a certificate of need if those
 827 expenditures are for a project to remodel, renovate, replace, or any combination thereof,
 828 a medical-surgical hospital and:

829 (A) That hospital:

830 (i) Has a bed capacity of not more than 50 beds;

831 (ii) Is located in a county in which no other medical-surgical hospital is located;

832 (iii) Has at any time been designated as a disproportionate share hospital by the
 833 department; and

834 (iv) Has at least 45 percent of its patient revenues derived from medicare, Medicaid,
 835 or any combination thereof, for the immediately preceding three years; and

836 (B) That project:

837 (i) Does not result in any of the following:

838 (I) The offering of any new clinical health services;

839 (II) Any increase in bed capacity;

840 (III) Any redistribution of existing beds among existing clinical health services; or

841 (IV) Any increase in capacity of existing clinical health services;

842 (ii) Has at least 80 percent of its capital expenditures financed by the proceeds of a
 843 special purpose county sales and use tax imposed pursuant to Article 3 of Chapter 8
 844 of Title 48; and

845 (iii) Is located within a three-mile radius of and within the same county as the
 846 hospital's existing facility;:

847 (27) The renovation, remodeling, refurbishment, or upgrading of a health care facility,
 848 so long as the project does not result in any of the following:

849 (A) The offering of any new or expanded clinical health services;

850 (B) Any increase in inpatient bed capacity;

851 (C) Any redistribution of existing beds among existing clinical health services; or

852 (D) A capital expenditure exceeding the threshold contained in paragraph (2) of
 853 subsection (a) of Code Section 31-6-40;

854 (28) Other than for equipment used to provide positron emission tomography (PET)
 855 services, the acquisition of diagnostic or other imaging equipment with a value of
 856 \$1,324,921.00 or less, by or on behalf of:

857 (A) A hospital; or

858 (B) An individual private physician or single group practice of physicians exclusively
 859 for use on patients of such private physician or single group practice of physicians and

860 such private physician or member of such single group practice of physicians is
 861 physically present at the practice location where the diagnostic or other imaging
 862 equipment is located at least 75 percent of the time that the equipment is in use.

863 The amount specified in this paragraph shall not include build-out costs, as defined by
 864 the department, but shall include all functionally related equipment, software, and any
 865 warranty and services contract costs for the first five years. The acquisition of one or
 866 more items of functionally related diagnostic or therapeutic equipment shall be
 867 considered as one project. The dollar amount specified in this paragraph and in
 868 paragraph (10) of this subsection shall be adjusted annually by an amount calculated by
 869 multiplying such dollar amounts (as adjusted for the preceding year) by the annual
 870 percentage of change in the consumer price index, or its successor or appropriate
 871 replacement index, if any, published by the United States Department of Labor for the
 872 preceding calendar year, commencing on July 1, 2010; and

873 (29) A capital expenditure of \$4 million or less by a hospital at such hospital's primary
 874 campus for:

875 (A) The expansion or addition of the following clinical health services: operating
 876 rooms, other than dedicated outpatient operating rooms; medical-surgical services;
 877 gynecology; procedure rooms; intensive care; pharmaceutical services; pediatrics;
 878 cardiac care or other general hospital services; provided, however, that such
 879 expenditure does not include the expansion or addition of inpatient beds or the
 880 conversion of one type of inpatient bed to another type of inpatient bed; or

881 (B) The movement of clinical health services from one location on the hospital's
 882 primary campus to another location on such hospital's primary campus.

883 (b) By rule, the department shall establish a procedure for expediting or waiving reviews
 884 of certain projects the nonreview of which it deems compatible with the purposes of this
 885 chapter, in addition to expenditures exempted from review by this Code section."

886 **SECTION 9.**

887 Said title is further amended by revising Code Section 31-6-47.1, relating to prior notice and
 888 approval of activities, as follows:

889 "31-6-47.1.

890 The department shall require prior notice from a new health care facility for approval of
 891 any activity which is believed to be exempt pursuant to Code Section 31-6-47 or excluded
 892 from the requirements of this chapter under other provisions of this chapter. The
 893 department may require prior notice and approval of any activity which is believed to be
 894 exempt pursuant to paragraphs (10), (15), (16), (17), (20), (21), (23), (25), ~~and (26), (27),~~
 895 ~~(28), and (29)~~ of subsection (a) of Code Section 31-6-47. The department shall ~~be~~

896 ~~authorized to establish timeframes, forms, and criteria relating to its certification to request~~
 897 a letter of determination that an activity is properly exempt or excluded under this chapter
 898 prior to its implementation. The department shall publish notice of all requests for
 899 ~~approval of an~~ letters of determination regarding exempt activity and opposition to such
 900 request. Persons opposing a request for approval of an exempt activity shall be entitled to
 901 file an objection with the department and the department shall consider any filed objection
 902 when determining whether an activity is exempt. After the department's decision, an
 903 opposing party shall have the right to a fair hearing pursuant to Chapter 13 of Title 50, the
 904 'Georgia Administrative Procedure Act,' on an adverse decision of the department and
 905 judicial review of a final decision in the same manner and under the same provisions as in
 906 Code Section 31-6-44.1. If no objection to a request for determination is filed within 30
 907 days of the department's receipt of such request for determination, the department shall
 908 have 60 days from the date of the department's receipt of such request to review the request
 909 and issue a letter of determination. The department may adopt rules for deciding when it
 910 is not practicable to provide a determination in 60 days and may extend the review period
 911 upon written notice to the requestor but only for an extended period of no longer than an
 912 additional 30 days."

913

SECTION 10.

914 Said title is further amended in Code Section 31-6-70, relating to reports to the department
 915 by certain health care facilities and all ambulatory surgical centers and imaging centers, by
 916 revising paragraph (1) of subsection (e) and by adding new subsections to read as follows:

917 "(1) In the event the department does not receive ~~information responsive to subparagraph~~
 918 ~~(c)(2)(A) of Code Section 31-6-40 by December 30, 2008,~~ or an annual report from a
 919 health care facility requiring a certificate of need or an ambulatory surgical center or
 920 imaging center, whether or not exempt from obtaining a certificate of need under this
 921 chapter, on or before the date such report was due or receives a timely but incomplete
 922 report, the department shall notify the health care facility or center regarding the
 923 deficiencies and shall be authorized to fine such health care facility or center an amount
 924 not to exceed \$500.00 per day for every day up to 30 days and \$1,000.00 per day for
 925 every day over 30 days for every day of such untimely or deficient report."

926 "(g) The department shall make publicly available all annual reports submitted pursuant
 927 to this Code section on the department website. The department shall also provide a copy
 928 of such annual reports to the Governor, the President of the Senate, the Speaker of the
 929 House of Representatives, the chairpersons of the House Committee on Health and Human
 930 Services and the Senate Health and Human Services Committee, and the chairperson of the
 931 Health Strategies Council.

932 (h) All health care facilities, ambulatory surgical centers, and imaging centers required to
 933 submit an annual report pursuant to subsection (a) of this Code section shall make such
 934 annual reports publicly available on their websites."

935 **SECTION 11.**

936 Chapter 8 of Title 31 of the Official Code of Georgia Annotated, relating to care and
 937 protection of indigent and elderly patients, is amended by revising Code Section 31-8-9.1,
 938 relating to eligibility to receive tax credits and obligations of rural hospitals after receipt of
 939 funds, as follows:

940 "31-8-9.1.

941 (a) As used in this Code section, the term:

942 (1) 'Critical access hospital' means a hospital that meets the requirements of the federal
 943 Centers for Medicare and Medicaid Services to be designated as a critical access hospital
 944 and that is recognized by the department as a critical access hospital for purposes of
 945 Medicaid.

946 (2) 'Rural county' means a county having a population of less than 50,000 according to
 947 the United States decennial census of 2010 or any future such census; provided, however,
 948 that for counties which contain a military base or installation, the military personnel and
 949 their dependents living in such county shall be excluded from the total population of such
 950 county for purposes of this definition.

951 (3) 'Rural hospital organization' means an acute care hospital licensed by the department
 952 pursuant to Article 1 of Chapter 7 of this title that:

953 (A) Provides inpatient hospital services at a facility located in a rural county or is a
 954 critical access hospital;

955 (B) Participates in both Medicaid and medicare and accepts both Medicaid and
 956 medicare patients;

957 (C) Provides health care services to indigent patients;

958 (D) Has at least 10 percent of its annual net revenue categorized as indigent care,
 959 charity care, or bad debt;

960 (E) Annually files IRS Form 990, Return of Organization Exempt From Income Tax,
 961 with the department, or for any hospital not required to file IRS Form 990, the
 962 department will provide a form that collects the same information to be submitted to the
 963 department on an annual basis;

964 (F) Is operated by a county or municipal authority pursuant to Article 4 of Chapter 7
 965 of this title or is designated as a tax-exempt organization under Section 501(c)(3) of the
 966 Internal Revenue Code; ~~and~~

967 (G) Is current with all audits and reports required by law; and

968 (H) Does not have a margin above expenses of greater than 15 percent, as calculated
 969 by the department.

970 (b)(1) By December 1 of each year, the department shall approve a list of rural hospital
 971 organizations eligible to receive contributions from the tax credit provided pursuant to
 972 Code Section 48-7-29.20 and transmit such list to the Department of Revenue.

973 (2) Before any rural hospital organization is included on the list as eligible to receive
 974 contributions from the tax credit provided pursuant to Code Section 48-7-29.20, it shall
 975 submit to the department a five-year plan detailing the financial viability and stability of
 976 the rural hospital organization. The criteria to be included in the five-year plan shall be
 977 established by the department.

978 (3) The department shall create an operations manual for identifying rural hospital
 979 organizations and ranking such rural hospital organizations in order of financial need.
 980 Such manual shall include:

981 (A) All deadlines for submitting required information to the department;

982 (B) The criteria to be included in the five-year plan submitted pursuant to paragraph (2)
 983 of this subsection; and

984 (C) The formula applied to rank the rural hospital organizations in order of financial
 985 need.

986 (c)(1) A rural hospital organization that receives donations pursuant to Code Section
 987 48-7-29.20 shall:

988 (A) Utilize such donations for the provision of health care related services for residents
 989 of a rural county or for residents of the area served by a critical access hospital; and

990 (B) Report on a form provided by the department:

991 (i) All contributions received from individual and corporate donors pursuant to Code
 992 Section 48-7-29.20 detailing the manner in which the contributions received were
 993 expended by the rural hospital organization; and

994 (ii) Any payments made to a third party to solicit, administer, or manage the
 995 donations received by the rural hospital organization pursuant to this Code section or
 996 Code Section 48-7-29.20. In no event shall payments made to a third party to solicit,
 997 administer, or manage the donations received pursuant to this Code section exceed 3
 998 percent of the total amount of the donations.

999 (2) The department shall annually prepare a report compiling the information received
 1000 pursuant to paragraph (1) of this subsection for the chairpersons of the House Committee
 1001 on Ways and Means and the Senate Health and Human Services Committee.

1002 (d) The department shall post the following information in a prominent location on its
 1003 website:

- 1004 (1) The list of rural hospital organizations eligible to receive contributions established
 1005 pursuant to paragraph (1) of subsection (b) of this Code section;
 1006 (2) The operations manual created pursuant to paragraph (3) of subsection (b) of this
 1007 Code section;
 1008 (3) The annual report prepared pursuant to paragraph (2) of subsection (c) of this Code
 1009 section;
 1010 (4) The total amount received by each third party that participated in soliciting,
 1011 administering, or managing donations; and
 1012 (5) A link to the Department of Revenue's website containing the information included
 1013 in subsection (d) of Code Section 48-7-29.20."

1014 **SECTION 12.**

1015 Code Section 45-7-21 of the Official Code of Georgia Annotated, relating to expense
 1016 allowance and travel cost reimbursement for members of certain boards and commissions,
 1017 is amended in subsection (a) by deleting "and" at the end of paragraph (17), by replacing the
 1018 period at the end of paragraph (18) with "; and", and by adding a new paragraph to read as
 1019 follows:

1020 "(19) Health Strategies Council."

1021 **SECTION 13.**

1022 Code Section 48-7-29.20 of the Official Code of Georgia Annotated, relating to tax credits
 1023 for contributions to rural hospital organizations, is amended as follows:

1024 "48-7-29.20.

1025 (a) As used in this Code section, the term:

1026 (1) 'Qualified rural hospital organization expense' means the contribution of funds by an
 1027 individual or corporate taxpayer to a rural hospital organization for the direct benefit of
 1028 such organization during the tax year for which a credit under this Code section is
 1029 claimed.

1030 (2) 'Rural hospital organization' means an organization that is approved by the
 1031 Department of Community Health pursuant to Code Section 31-8-9.1.

1032 (b) An individual taxpayer shall be allowed a credit against the tax imposed by this chapter
 1033 for qualified rural hospital organization expenses as follows:

1034 (1) In the case of a single individual or a head of household, the actual amount expended;

1035 (2) In the case of a married couple filing a joint return, the actual amount expended; or

1036 (3) In the case of an individual who is a member of a limited liability company duly
 1037 formed under state law, a shareholder of a Subchapter 'S' corporation, or a partner in a
 1038 partnership, the amount expended; provided, however, that tax credits pursuant to this

1039 paragraph shall be allowed only for the portion of the income on which such tax was
1040 actually paid by such individual.

1041 (b.1) From January 1 to June 30 each taxable year, an individual taxpayer shall be limited
1042 in its qualified rural hospital organization expenses allowable for credit under this Code
1043 section, and the commissioner shall not approve qualified rural hospital organization
1044 expenses incurred from January 1 to June 30 each taxable year, which exceed the following
1045 limits:

1046 (1) In the case of a single individual or a head of household, \$5,000.00;

1047 (2) In the case of a married couple filing a joint return, \$10,000.00; or

1048 (3) In the case of an individual who is a member of a limited liability company duly
1049 formed under state law, a shareholder of a Subchapter 'S' corporation, or a partner in a
1050 partnership, \$10,000.00.

1051 (c) A corporation or other entity shall be allowed a credit against the tax imposed by this
1052 chapter for qualified rural hospital organization expenses in an amount not to exceed the
1053 actual amount expended or 75 percent of the corporation's income tax liability, whichever
1054 is less.

1055 (d) In no event shall the total amount of the tax credit under this Code section for a taxable
1056 year exceed the taxpayer's income tax liability. Any unused tax credit shall be allowed the
1057 taxpayer against the succeeding five years' tax liability. No such credit shall be allowed
1058 the taxpayer against prior years' tax liability.

1059 (e)(1) In no event shall the aggregate amount of tax credits allowed under this Code
1060 section exceed \$60 million per taxable year.

1061 (2)(A) No more than \$4 million of the aggregate limit established by paragraph (1) of
1062 this subsection shall be contributed to any individual rural hospital organization in any
1063 taxable year. From January 1 to June 30 each taxable year, the commissioner shall only
1064 preapprove contributions submitted by individual taxpayers in an amount not to exceed
1065 \$2 million, and from corporate donors in an amount not to exceed \$2 million. From
1066 July 1 to December 31 each taxable year, subject to the aggregate limit in paragraph (1)
1067 of this subsection and the individual rural hospital organization limit in this paragraph,
1068 the commissioner shall approve contributions submitted by individual taxpayers and
1069 corporations or other entities.

1070 (B) In the event an individual or corporate donor desires to make a contribution to an
1071 individual rural hospital organization that has received the maximum amount of
1072 contributions for that taxable year, the Department of Community Health shall provide
1073 the individual or corporate donor with a list, ranked in order of financial need, as
1074 determined by the Department of Community Health, of rural hospital organizations
1075 still eligible to receive contributions for the taxable year.

1076 (C) In the event that an individual or corporate donor desires to make a contribution
 1077 to an unspecified or undesignated rural hospital organization, either directly to the
 1078 department or through a third party that participates in soliciting, administering, or
 1079 managing donations, such donation shall be attributed to the rural hospital organization
 1080 ranked with the highest financial need that has not yet received the maximum amount
 1081 of contributions for that taxable year, regardless of whether a third party has a
 1082 contractual relationship or agreement with such rural hospital organization.

1083 (D) Any third party that participates in soliciting, advertising, or managing donations
 1084 shall provide the complete list of rural hospital organizations eligible to receive the tax
 1085 credit provided pursuant to this Code section including their ranking in order of
 1086 financial need as determined by the Department of Community Health pursuant to Code
 1087 Section 31-8-9.1, to any potential donor regardless of whether a third party has a
 1088 contractual relationship or agreement with such rural hospital organization.

1089 (3) For purposes of paragraphs (1) and (2) of this subsection, a rural hospital
 1090 organization shall notify a potential donor of the requirements of this Code section.
 1091 Before making a contribution to a rural hospital organization, the taxpayer shall
 1092 electronically notify the department, in a manner specified by the department, of the total
 1093 amount of contribution that the taxpayer intends to make to the rural hospital
 1094 organization. The commissioner shall preapprove or deny the requested amount within
 1095 30 days after receiving the request from the taxpayer and shall provide written notice to
 1096 the taxpayer and rural hospital organization of such preapproval or denial which shall not
 1097 require any signed release or notarized approval by the taxpayer. In order to receive a tax
 1098 credit under this Code section, the taxpayer shall make the contribution to the rural
 1099 hospital organization within 60 days after receiving notice from the department that the
 1100 requested amount was preapproved. If the taxpayer does not comply with this paragraph,
 1101 the commissioner shall not include this preapproved contribution amount when
 1102 calculating the limits prescribed in paragraphs (1) and (2) of this subsection.

1103 (4)(A) Preapproval of contributions by the commissioner shall be based solely on the
 1104 availability of tax credits subject to the aggregate total limit established under
 1105 paragraph (1) of this subsection and the individual rural hospital organization limit
 1106 established under paragraph (2) of this subsection.

1107 (B) Any taxpayer preapproved by the department pursuant to this subsection ~~(e)~~ of ~~this~~
 1108 ~~Code section~~ shall retain their approval in the event the credit percentage in ~~subsection~~
 1109 ~~(b)~~ of this Code section is modified for the year in which the taxpayer was preapproved.

1110 (C) Upon the rural hospital organization's confirmation of receipt of donations that
 1111 have been preapproved by the department, any taxpayer preapproved by the department
 1112 pursuant to subsection (c) of this Code section shall receive the full benefit of the

1113 income tax credit established by this Code section even though the rural hospital
 1114 organization to which the taxpayer made a donation does not properly comply with the
 1115 reports or filings required by this Code section.

1116 (5) Notwithstanding any laws to the contrary, the department shall not take any adverse
 1117 action against donors to rural hospital organizations if the commissioner preapproved a
 1118 donation for a tax credit prior to the date the rural hospital organization is removed from
 1119 the Department of Community Health list pursuant to Code Section 31-8-9.1, and all such
 1120 donations shall remain as preapproved tax credits subject only to the donor's compliance
 1121 with paragraph (3) of this subsection.

1122 (f) In order for the taxpayer to claim the tax credit under this Code section, a letter of
 1123 confirmation of donation issued by the rural hospital organization to which the contribution
 1124 was made shall be attached to the taxpayer's tax return. However, in the event the taxpayer
 1125 files an electronic return, such confirmation shall only be required to be electronically
 1126 attached to the return if the Internal Revenue Service allows such attachments when the
 1127 return is transmitted to the department. In the event the taxpayer files an electronic return
 1128 and such confirmation is not attached because the Internal Revenue Service does not, at the
 1129 time of such electronic filing, allow electronic attachments to the Georgia return, such
 1130 confirmation shall be maintained by the taxpayer and made available upon request by the
 1131 commissioner. The letter of confirmation of donation shall contain the taxpayer's name,
 1132 address, tax identification number, the amount of the contribution, the date of the
 1133 contribution, and the amount of the credit.

1134 (g) No credit shall be allowed under this Code section with respect to any amount
 1135 deducted from taxable net income by the taxpayer as a charitable contribution to a bona
 1136 fide charitable organization qualified under Section 501(c)(3) of the Internal Revenue
 1137 Code.

1138 (h) The commissioner shall be authorized to promulgate any rules and regulations
 1139 necessary to implement and administer the provisions of this Code section.

1140 (i) The department shall post the following information in a prominent location on its
 1141 website:

1142 (1) All pertinent timelines relating to the tax credit, including, but not limited to:

1143 (A) Beginning date when contributions can be submitted for preapproval by donors for
 1144 the January 1 to June 30 period;

1145 (B) Ending date when contributions can be submitted for preapproval by donors for the
 1146 January 1 to June 30 period;

1147 (C) Beginning date when contributions can be submitted for preapproval by donors for
 1148 the July 1 to December 31 period;

- 1149 (D) Ending date when contributions can be submitted for preapproval by donors for the
 1150 July 1 to December 31 period; and
- 1151 (E) Date by which preapproved contributions are required to be sent to the rural
 1152 hospital organization;
- 1153 (2) The list and ranking order of rural hospital organizations eligible to receive
 1154 contributions established pursuant to paragraph (1) of subsection (b) of Code Section
 1155 31-8-9.1;
- 1156 (3) A monthly progress report including:
- 1157 (A) Total preapproved contributions to date by rural hospital organization;
 1158 (B) Total contributions received to date by rural hospital organization;
 1159 (C) Total aggregate amount of preapproved contributions made to date; and
 1160 (D) Aggregate amount of tax credits available;
- 1161 (4) A list of all preapproved contributions that were made to an unspecified or
 1162 undesignated rural hospital organization and the rural hospital organizations that received
 1163 such contributions.
- 1164 (j) The Department of Audits and Accounts shall annually conduct an audit of the tax
 1165 credit program established under this Code section, including the amount and recipient
 1166 rural hospital organization of all contributions made, all tax credits received by individual
 1167 and corporate donors, and all amounts received by third parties that solicited, administered,
 1168 or managed donations pertaining to this Code section and Code Section 31-8-9.1.
- 1169 (i)(k) This Code section shall stand automatically repealed on December 31, 2021 2024."

1170 **SECTION 14.**

- 1171 (a) Except as provided in subsection (b) of this section, this Act shall become effective on
 1172 July 1, 2019.
- 1173 (b)(1) Section 2A of this Act shall become effective on July 1, 2019, only if a bill
 1174 creating the State Office of Health Strategy and Coordination is enacted by the General
 1175 Assembly and becomes law in 2019, in which event Section 2 of this Act shall not
 1176 become effective and shall stand repealed on July 1, 2019.
- 1177 (2) If a bill creating the State Office of Health Strategy and Coordination does not
 1178 become law in 2019, then Section 2 of this Act shall become effective on July 1, 2019,
 1179 and Section 2A of this Act shall not become effective and shall stand repealed on July 1,
 1180 2019.

1181 **SECTION 15.**

1182 All laws and parts of laws in conflict with this Act are repealed.