



Nathan Deal, Governor

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June 30, 2016

MEMORANDUM

TO: Interested Parties
FROM: Rachel L. King, Executive Director
Office of Health Planning
SUBJECT: Update of Certificate-of-Need (CON) Thresholds

On July 1, 2016, the following CON thresholds become effective:

Table with 2 columns: Category, Thresholds Effective 7/1/2016. Rows include Capital Expenditures, Single-Specialty Physician-Owned Ambulatory Surgery Facilities, Joint Venture Ambulatory Surgery Centers, and Equipment.

Pursuant to O.C.G.A. §§ 31-6-40(a)(2) and 31-6-2(14), calculation of the CON threshold is made using the Private Fixed Investment in Structures Index (PFI), which is published annually by the U.S. Department of Commerce's Bureau of Economic Analysis (BEA).

Table with 2 columns: Index Name, Value. Rows: 2014 Private Fixed Investment Index, 2015 Private Fixed Investment Index, Annual Percent Change, Cumulative 2014 to 2015.

Pursuant to O.C.G.A. § 31-6-40(a)(3), calculation of the CON Equipment threshold is made using the annual percentage of change in the Consumer Price Index published by the U.S. Department of Labor for the preceding calendar year.

Table with 2 columns: Index Name, Value. Rows: 2014 Consumer Price Index - Medical Care Commodities, 2015 Consumer Price Index - Medical Care Commodities, Annual Percent Change, Cumulative 2014 to 2015.

Table with 2 columns: Description, Equipment Value. Rows: CON Threshold, July 1, 2015; 3.262% Increase Due to CPI; CON Threshold, July 1, 2016.

Sources: Private Fixed Investment in Structures - United States Department of Commerce, Bureau of Economic Analysis... Consumer Price Index - United States Department of Commerce, Bureau of Labor Statistics...

Calculated by: Office of Health Planning, Department of Community Health