



GEORGIA DEPARTMENT OF  
COMMUNITY HEALTH

Rhonda M. Meadows, MD, Commissioner

Sonny Perdue, Governor

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Atlanta, GA 30303-3159  
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WRITER'S DIRECT DIAL  
404-657-7198

June 19, 2008

Rod G. Meadows  
Melissa P. Malcom  
Meadows & Macie  
101 Eagle's Pointe Parkway  
Stockbridge, GA 30281-6385

RE: Senate Bill 433 Clarification Regarding Single Specialty Ambulatory Surgical Centers

Dear Mr. Meadows:

The Georgia Department of Community Health, Division of Health Planning (the Department) is in receipt of your request, dated May 13, 2008, seeking clarification with respect to the single specialty ambulatory surgical center provisions contained in Senate Bill 433. Your request was submitted in response to the Department's invitation to submit questions regarding the impact and applicability of Senate Bill (SB) 433, a Certificate of Need (CON) reform bill passed during the 2008 session of the Georgia General Assembly.

Your letter is submitted on behalf of Southern Orthopaedic Specialists, LLC (SOS). SOS owns several physician owned, single specialty, office based, ambulatory surgery centers (POASC). These centers operate under the authority of a Letter of Nonreviewability (LNR). You ask whether, pursuant to SB 433, full-time physiatrists employed in an SOS POASC may become members/owners of SOS without affecting the group's qualification as a single specialty group practice for purposes of the CON exemption.

The CON reform changes contained within SB 433 are effective on July 1, 2008. The legislation created a new statutory definition of a single specialty ambulatory surgery center. O.C.G.A. § 31-6-2(33). {Note: all citations referenced are effective July 1, 2008}. The new definition reads as follows:

(33) Single specialty ambulatory surgical center means an ambulatory surgical center where surgery is performed in the offices of an individual private physician or single group practice of private physicians if such surgery is performed in a facility that is owned, operated, and utilized by such physicians who are also of a single specialty; provided, however, that general surgery, a group practice which includes one or more physiatrists who perform services that are reasonably related to the surgical procedures performed in the center, and a group practice in orthopedics which includes plastic hand

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surgeons with a certificate of added qualifications in Surgery of the Hand from the American Board of Plastic and Reconstructive Surgery shall be considered a single specialty.

As a result, effective July 1, 2008, a single specialty group practice operating an ASC which includes one or more physiatrists who perform services that are reasonably related to the surgical procedures performed in the center will be considered a single specialty group. The Department takes the position this means a single specialty group practice which holds a valid POASC LNR may utilize the services of physiatrists in a manner consistent with this language. The physiatrists may be members/owners of the single specialty group practice and this will not jeopardize the single specialty nature of the practice for purposes of the exempt ambulatory surgery center.

Please be advised this letter is not an official written confirmation of any activity to be undertaken on or after July 1, 2008 pursuant to SB 433. If you desire official written confirmation of specific activity to commence on or after July 1, 2008, please submit a specific and factual determination request to the Department on the existing published Determination Form, along with the proper filing fee. The Department will respond as appropriate.

I hope this letter is responsive to your request. If there are any further questions or concerns, please feel free to contact me at the Department.

Sincerely,

A handwritten signature in cursive script, reading "Clyde L. Reese, III". The signature is written in black ink and is positioned above the typed name.

Clyde L. Reese, III  
General Counsel