

**REVENUE:** No revenue impact

**FISCAL:** May have fiscal impact, statement not yet issued

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<b>Action:</b>	Without Recommendation as to Passage and Be Referred to the Committee on Rules
<b>Vote:</b>	5 - 0 - 0
<b>Yeas:</b>	Carter, Gordly, Kruse, Courtney, Monnes Anderson
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Shannon Strumpfer, Administrator
<b>Meeting Dates:</b>	4/2, 4/23, 4/25, 4/30

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**WHAT THE MEASURE DOES:** Revises certificate of need process for health care facilities. Declares emergency; takes effect upon passage.

**ISSUES DISCUSSED:**

- Effectiveness of certificate of need
- Oregon's ranking in certificate of need regulations among all states
- No conflict with SB 329

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** In an effort to control the costs of health care through planning and regulation, most states, including Oregon, have Certificate of Need ("CN") programs. The purpose of these programs is to evaluate whether a proposed service or facility is actually needed. They are designed to discourage unnecessary investment in unneeded facilities and services. Oregon's CN program was instituted 1971 and arose out of the legislature's desire to achieve reasonable access to quality health care at a reasonable cost.

ORS 442.315(1) directs that: "Any new hospital or new skilled nursing or intermediate care service or facility not excluded pursuant to ORS 441.065 shall obtain a certificate of need from the Health Services prior to an offering or development."