

Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: HB2698

Patron: Oates

Bill Title: Certificate of public need; hospitals that provide maternity care; exception.

Bill Summary: Specifies that hospitals that solely provide maternity care are not considered to be medical care facilities subject to provisions requiring such facilities to obtain a certificate of public need.

Budget Amendment Necessary: No.

Items Impacted: None.

Fiscal Summary: The provisions of this legislation would not have a fiscal impact on the Virginia Department of Health. Any impact on the Department of Medical Assistance Services cannot be determined.

Fiscal Analysis: While it is assumed that legislation impacting Virginia's Certificate of Public Need (COPN) law may have fiscal implications for the Department of Medical Assistance Services (DMAS), as one of the largest purchasers of health care services in Virginia, there is insufficient data to provide a definitive estimate of the cost impact of most proposed COPN legislation. Under any scenario, it is unlikely that most COPN changes would have a direct fiscal impact on Medicaid in the biennium in which it is proposed due to the time needed for implementation and the delayed recognition of costs in Medicaid payment rates. Any significant costs are not likely to occur for three to five years and, even then, such costs would be difficult to isolate based on the unknowns associated with multiple COPN process and coverage changes and the rapidly evolving nature of the healthcare system.

Other: None.