

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: SB239

Patron: Head

Bill Title: Certificate of public need; medical deserts, expedited review, etc.

Bill Summary: Adds projects located within medical deserts, defined in the bill, to the list of projects for which there is an expedited certificate of public need application and review process and directs the State Health Services Plan Task Force to include specific criteria for determining need in medical deserts.

Budget Amendment Necessary: No

Items Impacted: None

Fiscal Summary: Indeterminate.

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.

The provisions of this legislation would not have a fiscal impact on the Virginia Department of Health or the State Health Services Plan Task Force to include specific criteria for determining need in medical deserts.

Other: No