

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

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ORIGINAL

Bill Number: SB168

Patron: Craig

Bill Title: Certificate of public need; creates exception for maternal and perinatal health services.

Bill Summary: Creates an exception to certificate of public need requirements for any project or action related to maternal and perinatal health services. The bill also removes neonatal intensive care from the definition of tertiary care for purposes of determining health planning regions.

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 have a minimal fiscal impact on the Virginia Department of Health. The bill creates an exception for maternal and perinatal health services, which would result in a slight decline in the number of applications the Office of Licensure and Certification receives. The decrease in revenue associated with the loss of these applications is estimated to be less than \$5,000 per year. The slight decrease in workload is not significant enough to reduce positions.

Other: No