



## STATE HEALTH PLANNING AND DEVELOPMENT AGENCY


100 NORTH UNION STREET, SUITE 870

MONTGOMERY, ALABAMA 36104

### MEMORANDUM

DATE: September 24, 2021

TO: Interested Parties

FROM: Emily T. Marsal   
Executive Director

SUBJECT: New Certificate of Need Application Fee and  
Monetary Threshold for Review  
Effective October 1, 2021

Section 22-21-271, Code of Alabama, 1975 and Rule 410-1-7-.06 of the *Alabama Certificate of Need Program Rules and Regulations* require that the maximum application fee be indexed for inflation along with the threshold for new institutional health services listed in §22-21-263, Code of Alabama, 1975. The United States Department of Labor Consumer Price Index (CPI) – All Urban Consumers, Professional Medical Services, averaged an increase of 2.8% for the months of September 2020 through August 2021 (series id CUUR0000SEMC, CUUS0000SEMC).

The expenditure threshold for major medical equipment will be increased from \$3,079,347.00 to \$3,165,569.00; the new annual operating cost will be increased from \$1,231,738.00 to \$1,266,226.00; and any other capital expenditure by or on behalf of a healthcare facility or health maintenance organization will be increased from \$6,158,695.00 to \$6,331,138.00.

Based on a 2.8% increase in the CPI, the maximum Certificate of Need filing fee will be increased from \$23,448.00 to \$24,105.00.

ETM/tml