



STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

100 NORTH UNION STREET, SUITE 870

MONTGOMERY, ALABAMA 36104

September 27, 2005

Honorable Bob Riley, Governor  
State of Alabama  
State Capitol  
Montgomery, Alabama 36130

Dear Governor Riley:

The Statewide Health Coordinating Council (SHCC) at the September 27, 2005 meeting adopted the attached emergency rule regarding special needs nursing home beds for special needs children in Montgomery County to the Nursing Home Section of the 2004-2007 *State Health Plan*.

This amendment was processed in accordance with the Alabama Certificate of Need Program Rules and Regulations.

You have the approval/disapproval authority for the *State Health Plan* and all amendments/adjustments thereto. I recommend your approval.

Call me at 242-4103 if you have questions about this proposed amendment.

Sincerely,

Alva M. Lambert  
Executive Director

Attachment: as stated

APPROVED

  
Gov. Bob Riley

Date

9/27/05

DISAPPROVED \_\_\_\_\_

Date \_\_\_\_\_

(c) Basic Methodology. Considering the availability of more community and home based services for the elderly in Alabama, there should be a minimum of 40 beds per 1,000 population 65 and older for each county.

1. The bed need formula is as follows:

$$(40 \text{ beds per thousand}) \times (\text{population 65 and older}) = \text{Projected Bed Need}$$

2. Due to budgetary limitations of the Alabama Medicaid Agency, additional nursing home beds cannot be funded by Medicaid funds. Therefore, applications for additional nursing home beds to be funded by Medicaid should not be approved. Based upon the funding shortage, projects for additional nursing home beds would not be financially feasible. Therefore, until further action by the Statewide Health Coordinating Council, there shall be no need for additional skilled nursing beds in the State of Alabama.

3. Whereas, Hurricane Katrina caused unprecedented disruption in the provision of health care to citizens in Louisiana and Mississippi, including the disruption of special needs children requiring skilled nursing care. Without implementation of a procedure to quickly and efficiently issue CONs to existing facilities seeking to provide needed care to such special needs children, there is a risk that such children will not receive proper care do to a lack of available beds. This represents an immediate threat to the health, safety and welfare of the special needs children and their families. A necessary condition precedent to the grant of such CONs is the implementation of such an limited term exception to the provisions of the State Health Plan governing skilled nursing home beds. Accordingly, the Statewide Health Coordinating Council hereby adopts this emergency rule to amend the State Health Plan to allow for the certification of such facilities.

Notwithstanding any other provision of this section to the contrary, need will be presumed for up to eight new skilled nursing beds awarded to an existing health care facility in Montgomery County for the sole purpose of providing skilled nursing care to special needs children displaced by Hurricane Katrina. As a condition for the grant of such CON, any applicant for a certificate of need pursuant to this section must agree to surrender that portion of its bed authority granted pursuant to the CON upon the subsequent transfer or other disposition of such special needs children.

(d) Planning Policies