



## STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

100 NORTH UNION STREET, SUITE 870  
MONTGOMERY, ALABAMA 36104

### MEMORANDUM

DATE: September 18, 2018

TO: Interested Parties

FROM: Alva M. Lambert  
Executive Director *aml*

SUBJECT: New Certificate of Need Application Fee and  
Monetary Threshold for Review  
Effective October 1, 2018

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 .55% for the months of September 2017 through August 2018 (series id CUUR0000SEMC).

The expenditure threshold for major medical equipment will be increased from \$2,981,520 to \$2,997,918; the new annual operating cost will be increased from \$1,192,607 to \$1,199,166; and any other capital expenditure by or on behalf of a healthcare facility or health maintenance organization will be increased from \$5,963,039 to \$5,995,836.

Based on a .55% increase in the CPI, the maximum Certificate of Need filing fee will be increased from \$22,703 to \$22,828.

AML/kwm