



## Exempt Action Final Regulation Agency Background Document

<b>Agency name</b>	Virginia Department of Health
<b>Virginia Administrative Code (VAC) citation</b>	12 VAC 5-220-110 and 200
<b>Regulation title</b>	Medical Care Facilities Certificate of Public Need Rules and Regulations
<b>Action title</b>	To amend specific sections related to miscellaneous capital expenditures pursuant §32.1-102.1 of Code of Virginia
<b>Final agency action date</b>	July 1, 2011
<b>Document preparation date</b>	April 20, 2011

When a regulatory action is exempt from executive branch review pursuant to § 2.2-4002 or § 2.2-4006 of the Virginia Administrative Process Act (APA), the agency is encouraged to provide information to the public on the Regulatory Town Hall using this form.

Note: While posting this form on the Town Hall is optional, the agency must comply with requirements of the Virginia Register Act, the *Virginia Register Form, Style, and Procedure Manual*, and Executive Orders 36 (06) and 58 (99).

### Summary

*Please provide a brief summary of all regulatory changes, including the rationale behind such changes. Alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation.*

Section 32.1-102.1 of the Code of Virginia related to the Certificate of Public Need program by requires an annual increase in the threshold for capital expenditure projects to “reflect inflation using appropriate measures incorporating construction costs and medical inflation.” Therefore, 12 VAC 5-220-110 and 200 must be amended annually to conform to the law. Using the Consumer Price Index published by the U.S. Department of Labor, the capital expenditure threshold for projects requiring registration increased from \$5,548,790 to \$ 5,698,607 and those projects requiring the filing of an application increased from \$16,646,371 to \$17,095,823.

### Statement of final agency action

*Please provide a statement of the final action taken by the agency including (1) the date the action was taken, (2) the name of the agency taking the action, and (3) the title of the regulation.*

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Pursuant to §32.1-20 of the Code of Virginia, the State Health Commissioner signed this action for the Board of Health when not in session.

**Family impact**

*Assess the impact of this regulatory action on the institution of the family and family stability.*

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There is no direct impact on the family.