

MEMORANDUM

DATE: November 5, 2013

TO: Department of Planning and Budget

FROM: Erik Bodin, Director
Office of Licensure and Certification, Virginia Department of Health

RE: Response to “Economic Impact Analysis for 12 VAC5-220 - Fast Track Action”

The Department of Health thanks the regulatory review staff of the Department of Planning and Budget with their suggestion and assistance in adopting a formula to annually update the threshold for capital expenditure projects under the Certificate of Public Need program. Using a formula that will be updated will ensure a more timely process of the required annual increases.

VDH suggests there is a technical misstatement of the percentage amount used in the analysis write up - the dollar amounts are correct, equating to an increase of 3.0% increase, taken from the Consumer Price Index for Urban Medical. The percentage recorded in the EIA is misstated at 3.2%. However, the misstatement is minor and does not affect the analysis or the agreed upon formula being promulgated in the regulation.