

VIRGINIA STATE BOARD OF HEALTH APPROVES COPN FEE SCHEDULE FAST TRACK ACTION

January 4, 2024

On December 15, 2023, the State Board of Health approved a new Certificate of Public Need ("COPN") Application Fee Schedule. Under the proposed schedule, all COPN projects will incur higher fees due to increases in overall fee rates and fee caps as detailed below. The intent behind these changes is to update the fees pursuant to statutory changes, offset administrative costs, and ensure operational sufficiency of the COPN division.

Currently, COPN application fees are set at 1% of the project's estimated capital expenditures with a minimum application fee of \$1,000 and maximum application fee of \$20,000. There are no application fees for replacement equipment or capital expenditure registration filings. Under the proposed fee schedule, application fees will be adjusted as follows:

- o An increase of the fee percentage for COPN applications from 1% to 1.5% of the total capital expenditure
- o An increase of the minimum fee cap from \$1,000 to \$1,600
- An increase of the maximum fee cap from \$20,000 to \$44,000
- Required payment of \$70 for registration of replacement of existing medical equipment
- o Required payment of \$70 for registration of certain capital expenditures
- Prescription of a \$50 fee for dishonored payments (e.g., check or money draft not honored by bank or financial institution named)

Promulgated pursuant to Fast Track Action, the proposed fee schedule will be submitted to the Office of the Attorney General initiating the Executive Branch review process. Upon approval by the Executive Branch, the proposed change will be published in the Virginia Register of Regulations and on the Virginia Regulatory Town Hall website for a 30-day public comment period. Fifteen days after the close of the public comment period, the regulations will take effect.

If you have any questions or need assistance regarding the new fee schedule or other COPN matters, please contact a member of Hancock Daniel's <u>Certificate of Public Need</u> team.

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