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EXECUTIVE ORDER NUMBER 14

NOV 21 2003

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

WHEREAS, I, Governor Bob Riley, have determined that the citizens of Alabama have an overriding interest in the containment of health care costs and, particularly, in the control of the growth in spending on our Medicaid programs; and

WHEREAS, a variety of factors, including federal regulation, unfunded federal mandates, and the lack of adequate state funds, have resulted in severe concerns about the current status of the financial well-being of the Medicaid program and the budgets of the State of Alabama; and

WHEREAS, health care and Medicaid costs and budgets can be adversely impacted by addition of new institutional health services, such as unneeded skilled nursing facility beds, particularly if the necessity therefor has not been reasonably justified; and

WHEREAS, the Certificate of Need Review Board and the State Health Planning and Development Agency ("SHPDA") are responsible for the approval of the addition of skilled nursing facility beds; and

WHEREAS, I find that a moratorium until further notice, on the acceptance and processing of Certificate of Need applications for additional skilled nursing facility beds, including applications to add skilled nursing facility beds under the exception to the Certificate of Need process provided under Ala. Code § 22-21-265(d), would be in the best interest of the people of the State of Alabama in that it would allow the administration and legislature to study and act upon the financial situation of our Medicaid system and the overall health care delivery system.

NOW, THEREFORE, based upon these considerations, and for other good and valid reasons relating thereto, I, Bob Riley, as Governor of the State of Alabama, by virtue of the authority vested in me by the Constitution and laws of the State of Alabama, do hereby impose a moratorium on all applications to add skilled nursing facility beds.

BE IT FURTHER ORDERED that no adjustments by the Statewide Health Coordinating Council, and any of its committees, to the State Health Plan for the purpose of adding more skilled nursing facility beds to the now described need, and on the filing of, acceptance of, consideration of, and acting upon any and all Certificate of Need applications to add skilled nursing facility beds, either before the Certificate of Need Review Board or an Administrative Law Judge or to add skilled nursing facility beds under an exception to the Certificate of Need process under Ala. Code § 22-21-265(d) shall be made.

BE IT FURTHER ORDERED that no Certificate of Need applications for the addition of skilled nursing facility beds upon which a final decision has been rendered by SHPDA, even where a Certificate of Need has not yet been issued, shall be affected.

BE IT FURTHER ORDERED that this moratorium shall become effective immediately upon the signing hercof, and shall remain in effect until amended or rescinded by the Governor.

DONE AND ORDERED this 21st day of November, 2003.



B. B. Riley

Bob Riley
Governor

ATTEST:

Nancy Worley

Nancy Worley
Secretary of State