



## STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

100 NORTH UNION STREET, SUITE 870  
MONTGOMERY, ALABAMA 36104

### MEMORANDUM

DATE: September 17, 2015

TO: Interested Parties

FROM: Alva M. Lambert *aml*  
Executive Director

SUBJECT: New Certificate of Need Application Fee and  
Monetary Threshold for Review  
Effective October 1, 2015

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 1.7% for the months of September 2014 through August 2015 (series id CUUR0000SEMC).

The expenditure threshold for major medical equipment will be increased from \$2,806,834 to \$2,854,550; the new annual operating cost will be increased from \$1,122,733 to \$1,141,819; and any other capital expenditure by or on behalf of a healthcare facility or health maintenance organization will be increased from \$5,613,667 to \$5,709,099.

Based on a 1.7% increase in the CPI, the maximum Certificate of Need filing fee will be increased from \$21,373 to \$21,736.

AML/kwm