

# Certificate of Need For Kentucky's Long-Term Care Facilities



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# Long-Term Care Facilities Subject To Certificate Of Need (“CON”) in Kentucky

- Skilled Nursing Facilities
  - State veterans’ nursing homes are exempt
- Personal Care Homes (non-substantive review only)
  - Assisted Living Communities are exempt

# Our Position on Certificate Of Need

- Support the current model
- In 2014, our association responded to the Cabinet for Health and Family Services' request for comments to the October 8, 2014, Special Memorandum on CON Modernization
  - Association recommended certain conditions be met to move nursing facility beds from one county to another county. In 2015, the Cabinet adopted our recommended changes in the state health plan.

# Keep Certificate of Need For Skilled Nursing Facilities

- 35 states operate a certificate of need program, ***and ALL include long-term care facilities in their program;***
- Indiana repealed CON in 1994
  - In 2006, Indiana enacted a moratorium on nursing homes beds and prohibited new construction;
  - In 2019, Indiana re-enacted CON laws for nursing facilities
- South Carolina repealed its CON law in 2023 with a sunset date of 2027
  - South Carolina specifically ***excluded nursing facilities from CON repeal; CON for nursing facilities will continue in South Carolina***

# Policy Reasons To Maintain CON For Skilled Nursing Facilities

- No free market for skilled nursing facilities as they do not set the price that they charge for services. ***Government payors such as Medicare and Medicaid set the price. Commercial insurance does not pay for skilled nursing facility services and there is very little private pay.***
- Existing facilities have the capacity and infrastructure to meet both current demands and future growth. In most counties, potential residents and families have multiple options when choosing a center.
- Certificate of need helps nursing facilities retain their market value. A reduction in value makes it difficult to attract investment for renovations, upgrades, and modernization, ***which is important to the residents and improving quality of care.***

# Questions



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