

equipment results in costly duplication and underuse of such facilities, services, and equipment; and that such proliferation increases the cost of quality health care within the Commonwealth. Therefore, it is the purpose of this chapter to fully authorize and empower the Cabinet for Health and Family Services to perform any certificate-of-need function and other statutory functions necessary to improve the quality and increase access to health-care facilities, services, and providers, and to create a cost efficient health-care delivery system for the citizens of the Commonwealth.

The fiscal impact of SB 13 on local governments is unquantifiable. The Cabinet for Health and Family Services (CHFS) and the Kentucky Hospital Association (KHA) were consulted for this mandate analysis.

CHFS states that automatic approval of some applicants seeking certificate of need by non-substantive review in some area development districts would enable new providers there to enter the health care market “rather quickly”. While CHFS believed doing so would benefit patients in terms of increased access to health care, it could result in increased competition to other local health facilities providing the same services as the new facility and have a negative financial impact on existing facilities.

It was the opinion of the KHA that the bill would have a negative fiscal impact on their membership.

Part III: Differences to Local Government Mandate Statement from Prior Versions

Part II applies to SB 13 as introduced. There is no earlier version for comparison.

Data Source(s): Cabinet for Health and Family Services; Kentucky Health Association

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