

**216B.061 Actions requiring certificates of need -- Prohibitions against dividing projects to evade expenditure minimums and against ex parte contacts.**

- (1) Unless otherwise provided in this chapter, no person shall do any of the following without first obtaining a certificate of need:
  - (a) Establish a health facility;
  - (b) Obligate a capital expenditure which exceeds the capital expenditure minimum;
  - (c) Make a substantial change in the bed capacity of a health facility;
  - (d) Make a substantial change in a health service;
  - (e) Make a substantial change in a project;
  - (f) Acquire major medical equipment;
  - (g) Alter a geographical area or alter a specific location which has been designated on a certificate of need or license;
  - (h) Transfer an approved certificate of need for the establishment of a new health facility or the replacement of a licensed facility.
- (2) No person shall separate portions of a single project into components in order to evade any expenditure minimum set forth in this chapter. For purposes of this chapter, the acquisition of one (1) or more items of functionally-related diagnostic or therapeutic equipment shall be considered as one (1) project.
- (3) No person shall have ex parte contact with the final decision making authority engaged in certificate of need activities regarding a certificate-of-need application from the commencement of the review cycle to the final decision. If an ex parte contact occurs, it shall be promptly made a part of the record.
- (4) No person shall obligate a capital expenditure in excess of the amount authorized by an existing certificate of need unless the person has received an administrative escalation from the cabinet as prescribed by regulation.
- (5) No person shall proceed to obligate a capital expenditure under an approved certificate of need if there has been a substantial change in the project.
- (6) A certificate of need shall be issued for a specific location and, when applicable, for a designated geographical area.

**Effective:** July 15, 1996

**History:** Amended 1996 Ky. Acts ch. 371, sec. 45, effective July 15, 1996. -- Amended 1994 Ky. Acts ch. 512, Part 7, sec. 31, effective July 15, 1994. -- Amended 1990 Ky. Acts ch. 499, sec. 5, effective July 13, 1990. -- Amended 1988 Ky. Acts ch. 210, sec. 14, effective July 15, 1988. -- Created 1982 Ky. Acts ch. 347, sec. 11, effective July 15, 1982.