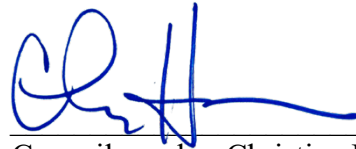
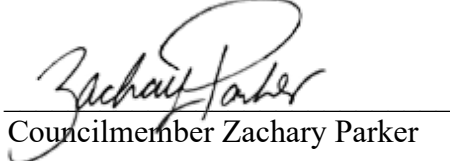


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3 Councilmember Charles Allen



Councilmember Christina Henderson

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7 Councilmember Zachary Parker



Councilmember Janeese Lewis George

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Councilmember Anita Bonds

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14 A BILL

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19 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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24 To amend the Health Services Planning Program Re-establishment Act of 1996 to exempt from
25 the certificate of need process digital-only telehealth platforms and providers and primary
26 care and specialty care providers not affiliated with hospitals and medical schools, to
27 define group practice and nonpatient care project, to remove the 3 year maximum on
28 certificate of need applications for active projects, to require the State Health Planning
29 and Development Agency to update the capital expenditure and medical equipment
30 spending thresholds every two years, to increase the number of beds that must be added
31 or removed at a health care facility in order to trigger a certificate of need, and to require
32 the Department of Health to create a registration process for facilities offering primary
33 and secondary care, virtual provider networks, and virtual telehealth platforms.
34

35 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
36 act may be cited as the “Certificate of Need Improvement Amendment Act of 2025.”

37 Sec. 2. The Health Services Planning Program Re-establishment Act of 1996, effective
38 April 9, 1997 (D.C. Law 11-191; D.C. Official Code § 44-401 *et seq.*), is amended as follows:

39 (a) Section 2 is amended as follows:

40 (1) Paragraph (3) is amended as follows:

41 (A) Subparagraph (A) is amended as follows:

42 (i) Sub-subparagraph (i) is amended by striking the phrase
43 “SHPDA may, by rule, adjust this threshold annually” and inserting the phrase “SHPDA shall,
44 by rule, adjust this threshold every 2 years” in its place.

45 (ii) Sub-subparagraph (ii) is amended by striking the phrase
46 “SHPDA may, by rule, adjust this threshold annually” and inserting the phrase “SHPDA shall,
47 by rule, adjust this threshold every 2 years” in its place.

48 (B) A new subparagraph (C) is added to read as follows:

49 “(C) The term “capital expenditure” does not include an expenditure on a
50 nonpatient care project.”.

51 (2) A new paragraph (9B) is added to read as follows:

52 “(9B) “Group practice” means:

53 “(A) A group of 2 or more health professionals, including a faculty practice
54 plan, legally organized and authorized to do business in the District of Columbia, for which:

55 “(i) Each member of the group is licensed to practice in the District
56 of Columbia and provides substantially the full range of services which the health professional
57 routinely provides, including medical care, consultation, diagnosis, or treatment, through the
58 joint use of shared office space, facilities, equipment and personnel, except surgery as defined at
59 D.C. Official Code § 44-501(13A);

60 “(ii) Substantially all of the services provided through the group are
61 billed under a billing number assigned to the group and amounts received are treated as revenue
62 of the group;

63 “(iii) The overhead expenses of and the income from the practice are
64 distributed in accordance with methods previously determined by group members;

65 “(iv) No member of the group directly or indirectly receives
66 compensation based on the volume or value of referrals by the health professional; and

67 “(v) Members of the group personally conduct no less than 75
68 percent of the patient encounters of the group practice.

69 “(B) In the case of a faculty practice plan associated with a hospital,
70 institution of higher education, or medical school with an approved medical residency training
71 program, paragraph (A) of this section shall only apply to the services provided within the
72 faculty practice plan.”.

73 (3) Paragraph (10) is amended to read as follows:

74 “(10) “Health care facility” or “HCF” means any private general hospital,
75 psychiatric hospital, other specialty hospital, rehabilitation facility, skilled nursing facility,
76 intermediate care facility, ambulatory care center or clinic, ambulatory surgical facility, kidney
77 disease treatment center, freestanding hemodialysis facility, diagnostic health care facility home
78 health agency, hospice, or other comparable health care facility which has an annual operating
79 budget of at least \$500,000. The term “health care facility” shall not include the private office
80 facilities, clinics, or other establishments with no operating rooms where a health professional or
81 group of health professionals provides primary care services or specialty care services according
82 to the applicable scope of practice defined by their licensure; a virtual provider network or
83 virtual telehealth platform; or a health care facility licensed or to be licensed as a community
84 residence facility, or an Assisted Living Residence as defined by section 201 of the Assisted

85 Living Residence Regulatory Act of 2000, effective June 24, 2000 (D.C. Law 13-127; D.C.
86 Official Code § 44-102.01).”.

87 (4) Paragraph (12) is amended by striking the phrase “services provided by
88 physicians, dentists, HMOs, and other individual providers in individual or group practice.” and
89 inserting the phrase “services provided within private office facilities, clinics, or other
90 establishments with no operating rooms where a health professional or group of health
91 professionals provides primary care services or specialty care services according to the
92 applicable scope of practice defined by their licensure, or services provided by a virtual
93 provider network or accessed through a virtual telehealth platform.” in its place.

94 (5) Paragraph (14)(A)(i) is amended by striking the phrase “SHPDA may, by rule,
95 adjust this threshold annually” and inserting the phrase “SHPDA shall, by rule, adjust this
96 threshold every 2 years” in its place.

97 (6) Paragraph (15) is amended as follows:

98 (A) Subparagraph (A) is amended as follows:

99 (i) Sub-subparagraph (iii) is amended by striking the phrase “Any
100 new health service;” and inserting the phrase “Any new health service with a physical location;”
101 in its place.

102 (ii) Sub-subparagraph (iv) is amended by striking the phrase “or
103 10%” and insert the phrase “or 20%” in its place.

104 (B) Subparagraph (B) is amended by striking the phrase “SHPDA may, by
105 rule, adjust this threshold annually” and inserting the phrase “SHPDA shall, by rule, adjust this
106 threshold every 2 years” in its place.

107 (7) A new paragraph (15A) is added to read as follows:

108 “(15A) “Nonpatient care project” means any capital project by a healthcare facility or a
109 hospital that does not solely directly or indirectly impact clinical procedures, treatments, patient
110 interactions, or clinical areas. Nonpatient care projects can include the construction or renovation
111 of administrative offices; the purchase of non-medical equipment such as office furniture or IT
112 systems; renovation or replacement of electrical, heating, cooling and ventilation systems;
113 replacement or renovation of elevator and escalators or other means of ingress and egress;
114 renovation or replacement of fire and life safety systems; and other initiatives focused solely on
115 supporting the administrative functions of the facility.”.

116 (8) New paragraphs (21) and (22) are added to read as follows:

117 “(21) “Virtual provider network” means a provider-owned and managed entity which
118 employs or contracts with licensed health care providers, and which exclusively provides
119 telehealth or telemedicine health care services through a virtual telehealth platform. The term
120 “virtual provider network” does not mean an entity who maintains a physical facility, office, or
121 other similar location in any jurisdiction where a person may go to seek care in person.

122 “(22) “Virtual telehealth platform” means a digital-only telehealth or telemedicine entity
123 which facilitates the ability for District residents to access licensed health care providers by
124 exclusively providing health care services through a virtual provider network. The term “virtual
125 telehealth platform” does not mean an entity who maintains a physical facility, office, or other
126 similar location in any jurisdiction where a person may go to seek care in person.”.

127 (b) Section 3 is amended as follows:

128 (1) Subsection (b-1) is repealed.

129 (2) A new subsection b-2 is inserted to read as follows:

130 “(b-2)(1) The Director of the Department of Health shall create a registration process for
131 facilities offering primary care and specialty care services, virtual provider networks, and virtual
132 telehealth platforms operating in the District.

133 “(2) The registration process shall be consistent with and shall not create
134 requirements more restrictive than those set forth in the provisions contained in this Act.”.

135 (c) Section 8(b) is amended as follows:

136 (1) Paragraph (3) is amended by striking the phrase “requiring the obligation of a
137 capital expenditure of less than \$8 million;” and inserting a semicolon in its place.

138 (2) A new paragraph (21) is added to read as follows:

139 “(21) Any proposal by a virtual telehealth platform or virtual provider network to
140 provide access to, offer, or develop health care services provided exclusively via a virtual
141 telehealth platform and accessible by District of Columbia residents.”.

142 (d) Section 12(a) is amended by striking the phrase “; except that no certificate of need
143 shall be effective for more than 3 years from the original date of issuance.” and inserting a period
144 in its place.

145 Sec. 3. Fiscal impact statement.

146 The Council adopts the fiscal impact statement in the committee report as the fiscal
147 impact statement required by section 4a of the General Legislative Procedures Act of 1975,
148 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

149 Sec. 4. Effective date.

150 This act shall take effect following approval by the Mayor (or in the event of veto by the
151 Mayor, action by the Council to override the veto), a 30-day period of congressional review as
152 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December

153 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of
154 Columbia Register.