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Title 22@ Social Security

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Division 3@ Health Care Services

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Subdivision 1@ California Medical Assistance Program

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Chapter 7@ CONSTRUCTION/RENOVATION REIMBURSEMENT PROGRAM

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Article 2@ ELIGIBILITY FOR CONSTRUCTION/RENOVATION REIMBURSEMENT PROGRAM

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Section 57030@ Capital Expenditure Project Certification

## **57030 Capital Expenditure Project Certification**

### **(a)**

An eligible hospital's capital expenditure project or portion thereof shall be certified by the Department before supplemental reimbursement is made. In order to be certified or to remain certified, the capital expenditure project shall satisfy the following conditions: (1) Final plans shall be submitted to the Office of Statewide Health Planning and Development and to the Office of the State Architect after July 1, 1989 and prior to June 30, 1994. (2) Project funding shall be through the issuance of new debt. (3) The hospital facilities being constructed, renovated, or replaced by the capital expenditure project shall be related to a covered service reimbursable by the Medi-Cal program and shall be available and accessible to Medi-Cal patients for the duration of the project debt reimbursement period. (4) The capital expenditure project shall be for the construction, renovation, or replacement of the eligible hospital's facilities. (5) The total capital expenditure project cost shall be not less than five million dollars (\$5,000,000) unless the eligible hospital provides evidence that the project is necessary for the retention of federal and state licensing and certification and for meeting fire and life safety, seismic, or other regulatory standards. (6) All supplemental reimbursement received by the eligible hospital shall be placed in a special account, the funds of which shall be used exclusively for the payment of debt service issued to finance the project or to reimburse the eligible hospital for debt

service already paid for the project. (7) The capital expenditure project shall finance the upgrading or construction of buildings and equipment to a level required by currently accepted medical practice standards, including projects designed to ensure that buildings and equipment meet the Joint Commission on Accreditation of Hospitals and Health Systems fire and life safety, seismic, or other related regulatory standards.

**(1)**

Final plans shall be submitted to the Office of Statewide Health Planning and Development and to the Office of the State Architect after July 1, 1989 and prior to June 30, 1994.

**(2)**

Project funding shall be through the issuance of new debt.

**(3)**

The hospital facilities being constructed, renovated, or replaced by the capital expenditure project shall be related to a covered service reimbursable by the Medi-Cal program and shall be available and accessible to Medi-Cal patients for the duration of the project debt reimbursement period.

**(4)**

The capital expenditure project shall be for the construction, renovation, or replacement of the eligible hospital's facilities.

**(5)**

The total capital expenditure project cost shall be not less than five million dollars (\$5,000,000) unless the eligible hospital provides evidence that the project is necessary for the retention of federal and state licensing and certification and for meeting fire and life safety, seismic, or other regulatory standards.

**(6)**

All supplemental reimbursement received by the eligible hospital shall be placed in a special account, the funds of which shall be used exclusively for the payment of debt service issued to finance the project or to reimburse the eligible hospital for debt service already paid for the project.

**(7)**

The capital expenditure project shall finance the upgrading or construction of buildings and equipment to a level required by currently accepted medical practice standards, including projects designed to ensure that buildings and equipment meet the Joint Commission on Accreditation of Hospitals and Health Systems fire and life safety, seismic, or other related regulatory standards.

**(b)**

The eligible hospital shall submit to the Department evidence that demonstrates that conditions set forth in subsection (a) of this section have been satisfied. Such evidence may include, but is not limited to copies of bank statements showing deposits and withdrawals, contracts, the official statement of the debt instrument, and the final plan date stamped by the Office of Statewide Health Planning and Development.