

EXECUTIVE ORDER NUMBER 28

WHEREAS, I have determined that the containment of health care cost is a primary concern and interest of the citizens of the State of Alabama, and

WHEREAS, health care costs are adversely impacted by increased numbers of new hospital/medical beds, which may be unnecessary, and increased numbers of expensive medical treatments and services, which may not be reasonably justified, and

WHEREAS, I have determined that the State Health Planning and Development Agency (SHPDA), through no fault of its own, does not currently have adequate staff, adequate computerization, adequate rules, regulations and procedures, adequate need methodologies and bed need methodologies for various areas of medical services, all of which inadequacies are currently being dealt with by the SHPDA Board, but for which solutions have not yet been determined or implemented, and

WHEREAS, I have determined that the SHPDA Board is being inundated with applications for Certificates of Need, the volume of which is so great that the SHPDA Board cannot reasonably investigate and act on them in appropriate fashion, and

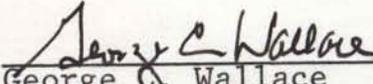
WHEREAS, I find that the existing situation places the State of Alabama and its State Health Planning and Development Agency in a position of being unable to adequately regulate the health care industry of the state from both a professional and economic standpoint, thus resulting in actual or likely unreasonable increases in health care costs, and

WHEREAS, I find that a moratorium on the acceptance and processing of Certificates of Need would be in the best interest of the SHPDA Board and in the best interest of the citizens of the State of Alabama, and would allow the SHPDA Board reasonable opportunity to complete its computerization project, to complete its new procedures manual, to consider and act on the recommendations of its various task forces who are considering need methodologies and bed methodologies, and to deal with other matters which they deem necessary and appropriate, the solutions to which will ultimately result in a better capability of regulating the health care industry, of considering and acting on Certificate of Need applications, which will result in the best health care being delivered to the citizens of the State of Alabama at the least possible cost.

THEN, THEREFORE, based upon these considerations, and for other good and valid reasons which relate thereto, I, George C. Wallace, as Governor of the State of Alabama, do hereby declare

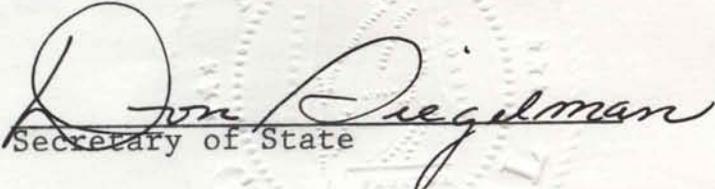
and impose a moratorium on the filing, acceptance of, consideration of and acting upon any and all Certificates of Need applications and/or "grandfathering" requests from all entities and organizations regulated under the Certificate of Need law including but not limited to hospitals, nursing homes, home health care agencies, etc. However, exceptions may be made for those applications made to authorize expenditures of an emergency nature, or for the authorization of the replacement of necessary existing equipment and shall be governed by the existing rules, regulations and procedures of the SHPDA Board as they exist now or as they may be modified or amended in the future. This moratorium shall extend for a period of 180 days from the date of the signing hereof or for such greater or lesser period as may be established by the Governor of the State of Alabama in further executive orders on this subject. This order shall apply to any pending applications.

DONE and ORDERED this 15th day of August, 1984.



George C. Wallace
Governor

ATTEST:



Secretary of State

