

**House Human Services Committee
Representative Robin Weisz, Chair
Mar. 10, 2021
SB 2241**

Good afternoon, Chairman Weisz and members of the committee. My name is Cole Johnson and I am the senior director for Sanford Health Bismarck construction and planning. Thank you for the opportunity to speak with you this morning.

I am here today to ask for your support of SB 2241.

As you might imagine, there are numerous factors that go into planning and constructing healthcare facilities. As one of the most regulated industries in the country, we have multiple federal, state and accreditation-related standards to meet as we work to coordinate design, review, contracting and construction. Add to the mix construction projects that take place in hospital that often operates at capacity and you can imagine the intricate balancing act required to complete projects in a timely manner without unnecessarily displacing patient care.

Interestingly, one of the most difficult pieces of our planning projects is trying to project the N.D. Department of Health Safety and Construction review timeline. The lack of expected review timelines creates challenges in scheduling and estimating projects, resulting in delayed projects, increased cost and delayed access to patient care.

For that reason, we support definitive review process timelines.

Sanford also supports the addition of a third-party contractor to review construction and renovation plans. Recognizing there are times when NDDoH is working through several reviews and unable to process the queue of projects waiting, having the option to hire an outside entity to expedite the review process will be an important tool for healthcare facilities going forward.

For comparison, please consider the following average review times and fee structures for North Dakota, South Dakota and Minnesota:

- North Dakota
 - Projects Less than \$1 Million, within 60 days of receipt of complete application.
 - Projects Over \$1 Million, no required review timeline.

- Fees range from 1% to .25% of project cost.
- South Dakota
 - Typical Review time 2-6 weeks.
 - No Fees for review.
- Minnesota
 - Typical review time 8-10 weeks.
 - Fees range from \$30 - \$4,800.
 - DLI review and fees also required.

Finally, we wish to be on record saying we look forward to NDDoH creating its innovation waiver review process. This requirement was approved during the 2019 legislative session (SB 2317) and has been delayed with good cause, but we would encourage the Department to consider drafting waiver rules as soon as possible. The COVID-19 public health emergency has delayed many construction projects and may also cause us to, at times, rethink how best to design care delivery facilities. When hospitals are able to resume construction and renovation schedules, there may be a surge of review requests and having the innovation waiver option would be one more tool to improve the overall process.

I would be happy to answer any questions. Thank you for your time and your consideration.

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