

## **Health Care Alert**

## August 12, 2009

## New Category of Specialized Hospital

The Appellate Court of Puerto Rico, as per judgment entered on June 30, 2009, affirmed a decision by the Secretary of Health granting a certificate of need to San Jorge Children's Hospital, Inc. ("San Jorge"), authorizing it to establish Puerto Rico's first women and children's hospital. See Case No. 04-07-129, San Jorge Children's Hospital, Inc., proponent.

The Secretary of Health specifically determined that a women and children's hospital is a "specialized hospital" and therefore that San Jorge's application for a certificate of need had been correctly evaluated as such instead as one to establish a general hospital.

The issue before the Health Department was that Regulation 112 – which regulates certificate of need proceedings – did not specifically list a women and children's hospital as a specialized hospital. However, it did grant the Secretary discretion to create additional categories of specialized hospitals. The Secretary relied on such discretion to hold that a women and children's hospital constituted a specialized hospital. The Appellate Court's decision upholding such ruling became final and unappealable on August 4, 2009.

If you have any question or comment, or wish additional information regarding this matter, please contact any of the attorneys listed below, members of our Health Care Practice Team.

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