Economic Development Commission



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November 24, 2014



Ms. Julie Halatek Project Analyst Certificate of Need Section 2704 Mail Service Center Raleigh, NC 27699-2704

RE: Comments Regarding Caldwell Surgery Center, CON Project ID # E-10358-14

Dear Ms. Halatek:

The purpose of this letter is to provide written comments and information in support of the approval of the Certificate of Need application filed by Caldwell Memorial Hospital to develop an ambulatory surgical facility in Granite Falls. Caldwell Memorial Hospital has existing licensed operating rooms that it intends to transfer to the separately licensed ASF in the southeastern region of the county where the majority of the population resides.

This project is needed by the community because the population of Caldwell County has high utilization of ambulatory surgery and historically many patients obtain surgery at facilities in other counties. The approval and development of Caldwell Surgery Center will benefit our citizens, businesses and industry with access to cost-effective ambulatory surgery in their home county. Caldwell Surgery Center will have joint ownership with the hospital and physicians. Having an ambulatory surgery center in Caldwell County in conjunction with the Caldwell Memorial prepares for future reimbursement models that favor quality, accountability and shared risk. This project will enable patients to receive surgical services in the most appropriate service setting by providing greater choice to facility types and locations within Caldwell County.

The North Carolina Health Professions 2012 Data Book shows that Caldwell County has only 9.81 physicians per 10,000 population which is far lower that adjoining Burke, Catawba and Watauga Counties. One important goal of the Caldwell Surgery Center is to increase the number of physicians who practice in Caldwell County and recruit additional physicians who will obtain privileges at the proposed surgery center as well as Caldwell Memorial Hospital. The Caldwell Surgery Center Certificate of Need application includes physician support letters that document the physicians' intent to perform surgery at the new center. A physician recruitment plan is also included to document that additional surgical specialists will be recruited.

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Caldwell Surgery Center represents an important project from a direct economic development standpoint because the new facility will provide increased level of services within Caldwell County and will add more than 30 healthcare positions. The construction of a new medical office building near the proposed surgery center supports physician recruitment and will add further healthcare jobs. Personal income for the healthcare positions result in greater retails sales as well as sales tax for Caldwell County.

Healthcare is a growth industry in Caldwell County. This project supports the redeployment of existing operating rooms to increase market share, expand access to cost-effective services, and strengthen the overall healthcare system in our community. Having a strong healthcare system is vital to ensuring high quality of life for Caldwell County residents. It is also essential to support local economic growth and development. If a strong healthcare system is not present, patients and healthcare dollars will leave the county resulting in the potential loss of local jobs, taxes and revenue.

Caldwell Memorial Hospital works diligently with community partners and employers to keep all community residents and workers healthy. Keeping a community healthy requires new investments in healthcare infrastructure to provide accessible and cost-effective healthcare and a continuum of services. The proposed Caldwell Surgery Center project application should be approved because the facility will be an important catalyst to improve access, recruit new physicians and strengthen our healthcare system.

I appreciate the opportunity to provide comments in the support of this proposal. Please do not hesitate to contact me if I can provide additional information.

Sincerely,

Deborah Murray

Executive Director

DM: dmw