

Agency Report

Cape Fear Valley Health System

Adjusted Need Determination Petition

AC Bed Petitioner 1:

Cape Fear Valley Health System
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Requests:

1. Designating Hoke and Cumberland Counties as one multi-county service area for acute care beds, operating rooms and magnetic resonance imaging (“MRI”), as a result of updating data used to define service areas in accordance with Step 1 of the defined acute care beds and operating room methodologies and
2. Designating Moore County as a single county service area for acute care beds, operating rooms and MRI as a result of using the same updated data.

Background Information

The standard methodology which projects need for acute care beds, divides the State into Acute Care Bed Service Areas, as described below:

“The Acute Care Bed Service Area is a single county, except where there is no hospital located within the county in which case the county or counties without a hospital are combined in a multi-county grouping with a county that has a hospital. Multi-county groupings are determined based on the county in which the hospital or hospitals that provide the largest number of inpatient days of care to the residents of the county which has no hospital. Data to determine patient’s county of residence (based on the Thomson data) that is used to establish the multi-county grouping were provided by the Sheps Center.”

The standard methodology which projects need for operating rooms, divides the State into Operating Room Service Areas, as described below:

“Each county is a separate Operating Room Service Area except where there is no licensed facility with an operating room located within the county, in which case the county or counties without a licensed facility providing operating rooms are combined in a multi-county grouping with a county that has at least one licensed facility with an operating room. Multi-county groupings were determined based on surgical patient origin data from the Hospital and the Ambulatory Surgical Facility License Renewal Applications, supplemented by surgical patient origin data from Blue Cross and Blue Shield. Counties without a facility providing operating rooms were grouped with the contiguous county, whenever possible, which served the largest reported number of surgical patients. In 2006, in response to an adjusted need determination petition, the State Health Coordinating Council added Swain County to the Jackson-Graham Multi-County Operating Room Service Area. This created a Multi-County Operating Room

Service Area including two counties with operating rooms and one county without operating rooms.”

The Multi-county Acute Care Bed and Operating Room Service Areas were first identified and used in the 2004 State Medical Facilities Plan (SMFP), when the current acute care bed and operating room need projection methodologies were implemented. Patient origin data for inpatient days of care from 2001, provided by Solucient, were used to identify the Acute Care Multi-county Service Areas. Surgical patient origin data from License Renewal Applications, supplemented by Blue Cross Blue Shield surgical patient origin data from 2002, were used to identify the Operating Room Multi-county Service Areas. When the current Acute Care Bed and Operating Room Need methodologies were developed, a mechanism for updating the Multi-county Service Areas was not made part of the methodologies, consequently the data used to identify the Multi-county Service Areas have not been updated.

In deference to the standard methodology, Chapter 2 of the Plan allows persons to petition for an adjusted need determination in consideration of “...unique or special attributes of a particular geographic area or institution...,” if they believe their needs are not appropriately addressed by the standard methodology.

Analysis/Implications

The petitioner is requesting **updating** the Acute Care Bed and Operating Room Multi-county Service Areas using 2008 data, not changing the methodology for identifying multi-county service areas. Therefore, the Agency has determined that this is an adjusted need determination petition and not a petition for a methodology change.

Acute Care Service Areas:

The 2008 Thomson Reuters patient origin data for inpatient days of care are shown in the table below.

<i>Number of Inpatient Days Utilized by Hoke County Residents at Cape Fear Valley, FirstHealth Moore and Other Locations</i>			
	Cape Fear Valley Health System	FirstHealth Moore Regional	Other
2008 Thomson Reuters Inpatient Days Excluding Newborns	7,001	6,321	3,198
2008 Thomson Reuters Total Inpatient Days	7,685	6,403	3,212
Notes:			
1. 2008 Thomson Reuters Inpatient Days Data Provided by the Sheps Center.			
2. 2008 data were used for projecting acute care bed need in the 2010 SMFP.			

Review of the data in the above table shows that in 2008, Cape Fear Valley (Cumberland County) provided the largest number of inpatient days of care to residents of Hoke County.

Operating Room Service Areas:

2008 surgical patient origin data, from the 2009 License Renewal Applications, are shown in the table below:

<i>Number of Hoke County Residents Receiving Surgical Services In Cumberland, Moore and Other Counties</i>			
	Cumberland	Moore	Other
Number of Hoke County Residents Receiving Surgical Services (2008 data from the 2009 License Renewal Applications)	1,369	1,212	413
Note: 2008 data were used for projecting operating room need in the 2010 SMFP.			

Review of the data in the above table shows that in 2008, Cumberland County surgical providers served the largest number of Hoke County surgical patients.

Agency Recommendation

The agency has three recommendations.

1. In consideration of the data showing that in 2008, Cumberland County provided the largest number of inpatient days of care to Hoke County residents and served the largest reported number of Hoke County surgical patients, the Agency recommends approval of Cape Fear Valley Health System’s petition. Approval of the petition means designating Hoke and Cumberland Counties as one Multi-county service area for acute care beds and operating rooms in the 2010 State Medical Facilities Plan. Additionally, approval of the petition means designating Hoke and Cumberland Counties as one Multi-county service area for MRI and Cardiac Catheterization because the MRI and Cardiac Catheterization Service Areas are defined to be the same as the Acute Care Bed Services Areas.
2. In development of the Proposed 2011 SMFP, the Agency recommends that the State Health Coordinating Council review and update the inpatient days of care and surgical patient origin data to determine if further changes need to be made in the Acute Care Bed and Operating Room Multi-county Services Areas.
3. In development of the Proposed 2011 SMFP, the Agency recommends that the SHCC consider adopting a change in the methodologies for determining need for Acute Care Beds and Operating Rooms that would require updating and adjusting, as indicated, the Acute Care Bed and Operating Room Multi-county Service Areas every three years thereafter, i.e., in the Proposed 2014 SMFP, Proposed 2017 SMFP, etc.