



## Acute Care Services Committee Minutes

**April 3, 2018**  
**10:00 AM – 12:00 PM**  
**Brown Bldg. Room 104**

MEMBERS PRESENT: Dr. Sandra Greene; Rep. Gale Adcock, Christina Apperson, Mr. Allen Feezor, Mr. William (Brian) Floyd, Kenneth Lewis, Dr. Robert McBride, Dr. Christopher Ullrich ( <i>ex officio</i> , did not vote on any motions)
MEMBERS ABSENT: Dr. Charul Haugan
HPCON Staff Present: Dr. Amy Craddock, Elizabeth Brown, Dr. Tom Dickson, Dr. Andrea Emanuel, Martha Frisone, Lisa Pittman, Jane Rhoe-Jones, Bernetta Thorne-Williams
Attorney General’s Office: Derek Hunter

Agenda Items	Discussion/Action	Motions	Recommendations/ Actions
<b>Welcome &amp; Introductions</b>	<p>Dr. Greene welcomed members, staff, and the public to the first Acute Care Services Committee meeting of 2018. Dr. Greene asked Committee members and staff in attendance to introduce themselves. Dr. Greene explained that the meeting was open to the public, but discussions, deliberations and recommendations would be limited to members of the Acute Care Services Committee and staff.</p> <p>Dr. Greene stated that the purpose of this meeting was to review the policies and methodologies for the Proposed 2019 State Medical Facilities Plan (SMFP).</p>		
<b>Review of Executive Order No. 46 Reauthorizing the State Health Coordinating Council and Executive Order No. 122 Extending the State Health Coordinating Council</b>	<p>Dr. Greene reviewed Executive Orders 46 and 122, with committee members and explained procedures to observe before taking action at the meeting. Dr. Greene inquired whether any member had a conflict of interest or needed to declare that they would derive a financial benefit from any matter on the agenda. She asked if any member intended to recuse himself or herself from voting on any agenda item. There were no recusals. Dr. Greene requested members to make a declaration of the conflict if a conflict of arose for a member during the meeting.</p>		
<b>Approval of minutes from the September 12, 2017 Meeting</b>	<p>Dr. McBride requested clarification of the minutes to state that facilities in the single specialty ambulatory demonstration project will not be required to report to CON after the five-year demonstration period. A motion was made</p>	<p>Mr. Lewis Ms. Adcock</p>	<p>Minutes approved</p>

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	and seconded to approve the September 13, 2016 minutes, including Dr. McBride's requested clarification.		
<b>Acute Care Hospital Beds – Chapter 5</b>	<p><b>Policies and Need Methodology Review</b></p> <p>No petitions or comments were received pertaining to Chapter 5.</p> <p>Dr. Craddock reviewed the GEN policies in Chapter 4 of the SMFP. They apply to all Health Services. Dr. Craddock reviewed Policy AC-1 (Use of Licensed Bed Capacity for Data Planning Purposes), AC-3 (Exemption from Plan Provisions for Certain Academic Medical Center Teaching Hospital Projects), AC-4 (Reconversion to Acute Care) and AC-5 (Replacement of Acute Care Bed Capacity).</p> <p>Dr. Craddock reviewed the methodology for Chapter 5.</p> <ol style="list-style-type: none"> <li>1. Determine acute care bed service areas</li> <li>2. Determine number of beds in inventory (licensed, CONs, prior year need determinations).</li> <li>3. Enter total inpatient days of care for current reporting, as provided to IBM Watson Health.</li> <li>4. Calculate the growth rate multiplier by using the average change in days of care over the past four years.</li> <li>5. Calculate projected average daily census for the projection year.</li> <li>6. Multiply projected census by target occupancy factor.</li> <li>7. Determine the surplus or deficit of beds for each facility or owner (for facilities under common ownership).</li> <li>8. Sum the surpluses and deficits for each service area/owner to determine the number of beds needed.</li> </ol> <p><b>Committee Recommendations</b></p> <p>A motion was made and seconded to carry forward the Acute Care Bed policies and need determination methodology without changes.</p>	<p>Mr. Apperson Ms. Lewis</p>	<p>Motion approved</p>
<b>Operating Rooms – Chapter 6</b>	<p><b>Need Methodology Review</b></p> <p>There are no OR policies in Chapter 4 of the SMFP.</p>		

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	<p>Dr. Craddock began the review of the methodology with a presentation of a clarification to the text in Step 5-b of the methodology. The change clarifies the text only, and is not a substantive change.</p> <p>Dr. Craddock summarized the OR methodology:</p> <ol style="list-style-type: none"> <li>1. Delineation of service areas</li> <li>2. Determine the inventory of ORs</li> <li>3. Determine each facility's adjusted case times(s)</li> <li>4. Group facilities according to total surgical hours</li> <li>5. Project future ORs required based on growth of surgical hours</li> <li>6. Calculate health system deficit/surplus within each service area</li> <li>7. Determine service area OR need</li> </ol> <p>Dr. Craddock next presented a proposed minor change to the methodology. The standard operating hours per OR in ambulatory surgical facilities for full utilization is 1,312.5. Staff proposed rounding that number down to 1,312. The result is that, to trigger a deficit, ambulatory surgical facilities would have to produce one-half hour fewer surgical hours for the entire year. This change is not expected to make any difference in actual deficits calculated, but at the next committee meeting data will be presented to verify this information.</p> <p><b>Committee Recommendation:</b> A motion was made and seconded to carry forward the methodology for Operating Rooms, including the changes proposed by Staff.</p> <p>One petition was received for Chapter 6. Dr. Craddock summarized the Agency Report.</p> <p><i>Petitioners: American Access Care of NC, Eastern Nephrology Associates, Metrolina Nephrology Associates, NC Nephrology, Fresenius Vascular Care d/b/a Azura Vascular Care</i></p> <p>The Petitioners request a change to the OR methodology to exempt dedicated vascular access ORs in single specialty ambulatory surgical centers (ASCs)</p>	<p>Rep Adcock Dr. McBride</p>	<p>Motion approved</p>

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	<p>from the planning inventory. The Petitioners proposed an alternative to the methodology change, consisting of a demonstration project.</p> <p>The committee discussed the petition and the rationale presented in the Agency Report. Concern was expressed regarding whether the state should undertake the approach proposed in the petition, given that a major policy shift at the Federal level has been implemented to address cost of vascular access care. In addition, concern was expressed about the wisdom of approving such a major change in the first year of implementation of the new operating room methodology.</p> <p><b>Committee Recommendation:</b> The committee discussed the petition and Agency Report. A motion was made to deny the petition from the Practices and Azura.</p>	<p>Dr. McBride Ms. Apperson</p>	<p>Motion approved</p>
<p><b>Other Acute Care Services - Chapter 7</b></p>	<p><b>Policies and Need Methodology Review</b></p> <p>There were no petitions or comments received regarding the policies and methodology for Chapter 7.</p> <p>Dr. Craddock reviewed the Acute Care policy pertaining to this chapter.</p> <p><b>Policy AC-6 Heart-Lung Bypass Machines for Emergency Coverage</b> A need is determined for one additional heart lung bypass machine whenever a hospital is operating an open heart surgery program with only 1 heart-lung bypass machine.</p> <p><b><u>Methodology</u></b></p> <p><b><u>Open Heart Surgery Services</u></b> This need determination methodology was eliminated beginning with the 2012 SMFP. However, a CON is required to obtain heart-lung bypass equipment.</p> <p><b><u>Burn Intensive Care Services</u></b> There will be a need for new burn ICU beds when both of the existing services have an average annual occupancy rate of at least 80% for the immediate two</p>		

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	<p>reporting years. If this occurs, then calculations are performed to determine the number of beds needed.</p> <p>To determine need:</p> <ol style="list-style-type: none"> <li>1. Calculate 4-year average annual growth rate for burn unit days of care, using the 5 most recent years of data.</li> <li>2. Determine the number of beds needed such that the total projected utilization (of existing and CON-approved beds) would be 80%.</li> <li>3. To arrive at the need determination, subtract the total existing beds from number of beds generated by the projected utilization for 2020.</li> </ol> <p><b><u>Transplantation Services</u></b></p> <p><b>Bone Marrow Transplantation Services</b> The need determination is based solely on the number of allogeneic bone marrow transplants performed. These are performed only Academic Medical Center Teaching Hospitals. A need is determined when each of the existing services has performed at least 20 allogeneic bone marrow transplants during the fiscal year just prior to the development of the current SMFP.</p> <p><b>Solid Organ Transplantation Services</b> Solid organ transplantation services are limited to Academic Medical Center Teaching Hospitals and availability of solid organs. There is no mathematically-based methodology for calculating need.</p> <p><b>Committee Recommendation:</b> A motion was made and seconded to carry forward the current methodology for the Other Acute Care Services.</p>	<p>Mr. Feezor Rep. Adcock</p>	<p>Motion approved</p>
<p><b>Inpatient Rehabilitation Services – Chapter 8</b></p>	<p><b>Need Methodology Review</b> Dr. Craddock reviewed the Inpatient Rehabilitation Services methodology steps, and explained that need determination was calculated by Health Service Area (HSA).</p> <ol style="list-style-type: none"> <li>1. Calculate 3-year average annual rate of change for inpatient rehabilitation days of care, using the 4 most recent years of data for each HSA.</li> </ol>		

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	<p>2. Determine the number of beds needed in 2020 such that the total utilization (of existing and additional beds) would be 80%.</p> <p>3. To arrive at the need determination, subtract the total existing beds from number of beds generated by the projected utilization for 2020.</p> <p>There were no petitions or comments received regarding the policies and methodology for Chapter 8.</p> <p><b>Committee Recommendation:</b> A motion was made and seconded to carry forward the current methodology for Inpatient Rehabilitation Services.</p>	<p>Rep. Adcock Ms. Apperson</p>	<p>Motion approved</p>
<b>Other Business</b>	<p>None. Dr. Greene announces that the next meeting of the Committee is Tuesday, May 15, 2018 at 10:00 am.</p>		
<b>Adjournment</b>	<p>Dr. Greene adjourned the meeting.</p>	<p>Rep. Adcock Mr. Lewis</p>	<p>Motion approved</p>