MISSION HOSPITAL

Comments Regarding Carolinas HealthCare System Petition to Change Methodology for Mobile PET Scanners

Submitted to:
The Honorable William L. Wainwright
Chair, North Carolina State Health Coordinating Council
c/o Medical Facilities Planning Section
Division of Health Service Regulation
2714 Mail Service Center
Raleigh, North Carolina 27699-2714

Submitted by:
Mission Hospital
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Dear Representative Wainwright:

Please accept these Comments from Mission Hospital, Inc. in Asheville, Buncombe County regarding the Petition of Carolinas Healthcare System (CHS) for a change in the Need Methodology for Mobile PET Scanners.

CHS proposes that the need for an additional PET scanner in a mobile PET service area (defined as eastern and western North Carolina) should be generated when an existing mobile PET scanner performs 2,400 procedures in the previous federal fiscal year.

For the reasons set forth below, Mission respectfully requests that the CHS Petition be denied.

On page 4 of the Petition, CHS alleges:

> *However, CHS believes that there are still several counties that are home to hospitals that may require access to PET services now or in the future."*

CHS does not identify those "several counties" or the "hospitals that may require access to PET services now or in the future." CHS has not provided documentation from communities in need.

On page 5 of its Petition, CHS provides a table showing the fixed PET scanner utilization each year between 1994 and 2011 and the mobile PET scanner utilization each year between 2006 and

2011. A closer examination of the data in that table is instructive, particularly utilization during the years 2006-2011, as shown in the following table.

North Carolina PET Scanner Utilization
SMFP 2006 – 2011

PET Scans	SMFP 2006	SMFP 2007	SMFP 2008	SMFP 2009	SMFP 2010	SMFP 2011
Fixed	13,198	21,270	28,215	33,089	32,303	36,869
Annual Growth	56.6%	61.2%	32.7%	17.3%	-2.4%	14.1%
Mobile	2,248	3,621	3,248	4,862	5,815	5,258
Annual Growth		61.1%	-10.3%	49.7%	19.6%	-9.6%

Source: CHS Petition page 5

The previous table shows that mobile PET utilization has declined twice since mobile PET scanners became operational in North Carolina in 2006. The most recent decline, a nearly 10% decline, occurred in the most recent fiscal year. Fixed PET scanner utilization, by contrast, experienced a minor decline in 2010, resuming double-digit growth in 2011. As stated in the CHS Petition, CHS attributes the decline in mobile PET utilization to "newly-approved fixed sites developing scanners (Alamance Regional Medical Center and Nash General Hospital)." It is reasonable to expect that mobile PET utilization will change as hospitals transition from mobile to fixed PET scanners, and other hospitals begin mobile PET service. However not all CON approved PET scanners are operational and the decrease in mobile PET volume associated with the fixed PET scanners opening in 2010 has yet to be fully reflected in the data. It is premature to add additional mobile PET scanners in North Carolina at this time.

On page 6 of the Petition, CHS asserts:

> *In addition, many community hospitals report that they are unable to secure sufficient, accessible hours with the existing mobile vendor due to the capacity constraints on the mobile scanners. Although the vendor may state that there is sufficient capacity to serve all existing and future mobile PET sites, the capacity available does not offer a practical solution for many providers.*

CHS does not identify the "many community hospitals." It would have been valuable for CHS to include in its Petition information reported by even a few of the "many community hospitals." Equally valuable, CHS could have submitted its Petition jointly with one or more of the "many community hospitals" to provide documentation in support of its request to change the Need Methodology for mobile PET scanners.

Interestingly, at a PET Discussion Group held on April 9, 2008, Dr. Christopher Ullrich, Chairman of the Technology & Equipment Committee noted that "[i]t should be easy to survey host sites of mobile PET scanners and determine whether there is an objectionable backlog." No attempt was made by CHS to do so.

On page 8 of its Petition, CHS provides a table showing utilization of the two mobile scanners serving the Western and Eastern Regions of North Carolina, respectively. CHS highlighted that the annual utilization of the mobile scanner in the Western Region has been declining over the last two fiscal years. CHS acknowledges that:

> *Please note that CHS is aware that the western North Carolina mobile PET volume has declined in recent years.*

CHS did not document, however, the magnitude of that decline, as shown in the following table.

North Carolina Mobile PET Scanner Utilization by Region
SMFP 2006 – Proposed SMFP 2012

SMFP reported Procedures	2006 - 2004 Data	2007 - 2005 Data	2008 - 2006 Data	2009 - 2007 Data	2010 - 2008 Data	2011 - 2009 Data	2012 - 2010 Data
Western NC	1,051	1,446	1,685	2,826	3,196	2,821	2,589
Annual Growth		37.6%	16.5%	67.7%	13.1%	-11.7%	-8.2%
Eastern NC	1,197	2,175	1,743	2,036	2,619	2,437	2,568
Annual Growth		81.7%	-19.9%	16.8%	28.6%	-6.9%	5.4%

Source: CHS Petition page 8

The mobile PET scanner serving the Western Region is at its lowest utilization since 2006. CHS hypothesizes and rationalizes the declining utilization of the mobile scanner serving the Western Region:

> *This is **likely** partially attributable to the discontinuation of high volume host sites as facilities developed dedicated fixed PET scanners, and the replacement of those sites with lower volume sites. Although the new sites are contracted to have the mobile scanner on site during a set schedule, these sites are **likely** not using the scanner to full capacity yet. However, it is **likely** that the volume of these scanners will increase in the near future, as the majority of host sites experience a ramp up in utilization following the development of mobile PET services. Further, the western North Carolina scanner was operating well above capacity as shown in the 2010 SMFP. As stated previously, this resulted in many facilities being offered time slots that were less than optimal for cancer patients, and **may have** contributed to the decline in utilization. [**Emphasis** added.]*

CHS offers no data or evidence of "time slots that were less than optimal for cancer patients." Speculation cannot and should not be a substitute for factual evidence. CHS could have, but did not include with its Petition letters from oncology programs and/or from cancer patients to document "less than optimal time slots."

The work of the SHCC, its Committees, and Work Groups are data-driven. The Need Methodology for mobile PET scanners relies on utilization by PET scanner host sites of existing mobile dedicated scanners. It is unreasonable to ask the SHCC to alter the Need Methodology for mobile PET scanners without solid data on which the SHCC can rely.

The absence of documentation, data, and other evidence calls into question the validity the statements made in support of CHS's request to change the Need Methodology for mobile PET scanners.

Lastly, CHS opines that the special need petition process is less desirable than a change in the Need Methodology for mobile PET scanners. Mission strongly disagrees. The annual special need petition process is very equitable and cost-effective. It affords an opportunity for any existing or new provider to state its case with documentation, data, and other evidence in support of a need for a requested health care facility, service and/or technology. It is cost-effective because it allows a proposed project to be vetted during the initial phase of a health planning process. It requires an existing or new provider to expend only a fraction of the time, money, and other resources required to prepare and submit a certificate of need application.

The special need petition process is available to CHS should it wish to present documentation, data, and other evidence to support a need for a mobile PET scanner in the State of North Carolina or a particular region or service area.

It is noteworthy that there has not been a special need petition for a mobile PET scanner in over three years. Surely, a special need petition would have been submitted were there an actual documented need for an additional mobile PET scanner in North Carolina.

In the event the SHCC believes that there is merit to a detailed and comprehensive evaluation of the Need Methodology for mobile PET scanners, it may wish to appoint a Work Group comprised of subject matter experts and members of the SHCC. The SHCC could charge the Work Group to study and make recommendations to the Technology & Equipment Committee and the SHCC about whether to change the Need Methodology for mobile PET scanners. Additionally, a Work Group will allow CHS, among others, to bring forth relevant data and for that data to be reviewed in that venue.

Thank you in advance for your consideration.

Sincerely,

Brian Moore
Director, Strategic Planning and Public Policy
Mission Hospital, Inc.