

Presentation of Special Needs Petition for PET/CT

Carteret County

Proposed 2024 State Medical Facilities Plan

July 20, 2023

Presented by: Kyle Marek, President, Carteret Health

Introduction

Good afternoon. My name is Kyle Marek, I am President of Carteret Health Care. I have been the President for less than a year but have been with Carteret Health Care for 24 years. My roles have included VP of General Services and CIO.

Thank you, members of the SHCC, for arranging this opportunity. I am here to ask you to modify Chapter 15F of the *2024 State Medical Facilities Plan* to include a **special need for a new shared PET scanner/ CT simulator in Carteret County in HSA VI**. This special need involves a rural adjustment that also reduces the expected number of PET only scans from 2,080 to 1,040 by the third operational year.

Background

Carteret Health Care is a 135-bed, not-for-profit, community hospital, with a Community Cancer Center, diagnostic centers, and physician offices. Located in Morehead City, the cancer center also serves residents from Craven and Onslow Counties. Our mission is “to provide Quality Health Care with exceptional compassion and respect.” To support that mission, we are constantly looking for ways to offer services locally, so that transportation is not an access barrier for residents. We also look for ways to keep costs down.

Current Situation

Today, Carteret Health Care provides PET scan services through a contracted mobile unit that comes **once a week on Sunday**. As you know, PET scanning technology involves radiopharmaceuticals with short half-lives. Our mobile contract limits us to one isotope, FDG. However, PET scanning has advanced, and other organ specific isotopes are now available. Without them we cannot perform brain, breast, or prostate cancer scans. That means we are referring almost half of our PET scans out of county.

Even with the limitations, our one-day mobile PET service is busier than three of the fixed full-time PET scanners in the state. This year, we expect to provide about 600 PET scans and we have a two-week backlog. Six hundred is our maximum. The contract limits us to twelve scans a day. We are grateful that the service is available – but it is no longer enough to meet demand. Combined PET/ CT scanner simulators have been around for almost two decades.

The standard Plan methodology will not generate a need for a new fixed PET scanner because the four PET scanners in rural HSA VI operate at 17 to 55 percent and the requirement for a new need is 80 percent. Carteret Health Care has two linear accelerators and offers medical and radiation therapy, but it is not a “major cancer center,” so methodology Option 2 is not available. Another mobile does not work. That is just more of the same problem.

Carteret Health Care is in a unique position today. PET/CT simulator technology has advanced, and the price is down. We are midway through plans for major improvements to Carteret Health Care’s cancer center. Construction should be complete by mid-2025. Our current radiation therapy CT simulator is a dual work engine already, serving as the backup CT scanner for the ED and the simulator for the linear accelerator. During peak season, it cannot meet demand. The emergency room takes precedence, and we find work arounds or delay the simulations. We need more simulator capacity, but not a full-time simulator.

While deciding how to address the problem, we discovered that two manufacturers have a simulator that has a dual function as a PET scanner. Although the initial investment is more than a standard CT simulator, our CFO found that the savings from not leasing the mobile PET scanner and the income from simulations and additional PET scans would offset the extra capital and operating cost over the equipment’s useful life. Economically, it makes sense to our very cost-conscious board. Keeping costs affordable to our community is one of their high priorities. Carteret Health Care rarely borrows money for improvements. We save and pay cash.

This is a unique request for a rural county. However, there is precedent in the Plan's Shared Fixed Cardiac Catheterization Equipment— one piece of equipment does both angiography and cardiac cath. Two physician specialists work together. Carteret Health Care has one and it works well. Qualified hospitals can apply if they show a minimum number of caths done on a mobile unit, 250. Then they must meet a reduced performance standard in their CON applications— about one fourth of the cath capacity standard. We request that you do the same for this proposal. A threshold of 1,040 PET scans would be very reasonable.

The dual function of a shared PET/CT scanner/ simulator would permit us to make available full-time fixed services that we might not otherwise afford a rural community hospital. Today rural hospitals must be cost conscious.

Reasons

This request is consistent with the Basic Principles of the State Medical Facilities Plan.

Access

- Carteret Health Care could:
 - offer PET services in Carteret County seven days per week, if necessary.
 - can meet the patients where – and when – they are, instead of forcing them to choose between a limited schedule and traveling long distances.
 - offer a full range of isotopes and scan most cancer types.

Value / Cost Efficiency:

- The operating cost of the new dual function scanner will be less than the current mobile contract on a unit scan basis.

Safety and Quality

- Carteret Health Care
 - has expertise and knowledge that normally would not be available in a community hospital.
 - is a member of the Mayo Clinic Care Network. After an extensive vetting process, Carteret Health Care was the **only North Carolina hospital** granted special access to Mayo's clinical, educational, research and operational knowledge and resources. It helps Carteret Health Care to stay independent, competitive, and innovative. Additionally, and most importantly, it provides patients with the care they need, close to home, at no additional cost to them.
- Our radiologists, Eastern Radiology, are in full support.

Conclusion

I ask that you approve our request for a special need determination for a shared fixed PET scanner/CT simulator in Carteret County, HSA VI and provide for a reduced performance standard of 1,040 combined procedures. I will submit a formal petition later this month. You will hear more about the Community from our Board Member, Julius Taylor. My colleague, Dr. Kyle Rusthoven, will give you more technical information about the equipment and our current patient numbers, but I will be happy to respond to any of your questions.