



## North Carolina State Health Coordinating Council Minutes

*Wednesday, September 26, 2007*

**Medical Facilities Planning**

**10:00 am - 12:00 Noon**

McKimmon Center

**MEMBERS PRESENT:** Dr. Dan Myers, Chair, Bill Bedsole, Greg Beier, Dr. Richard Bruch, Dr. Dennis Clements, Senator Anthony Foriest, Dr. Sandra Greene, Ted Griffin, Charles Hauser, Laurence Hinsdale, Ken Hodges, Frances Mauney, Mac McCrary, Dr. William McMillan Jr., Jack Nichols, Stephen Nuckolls, Jerry Parks, Dr. Thomas J. Pulliam, Timothy Rogers, Michael Tarwater, Dr. Christopher Ullrich, Dr. Zane Walsh

**MEMBERS ABSENT:** Donald Beaver, Daniel Hoffmann, Rep. William Wainwright

Standing Agenda	Discussion	Motion/ Seconded	Recommendations/ Actions
<b>Welcome &amp; Introductions</b>	Dr. Myers introduced Senator Foriest to Council and welcomed all visitors to today's meeting.		
<b>Approval of Minutes</b>	Review of minutes. Minutes approved.	C. Hauser T. Rogers	The motion was unanimously approved.
<b>Committee Report:</b>  <b>Acute Care Services Committee</b>	<p>Mr. Tarwater reviewed the following recommendations from the Acute Care Services Committee to the Council Members:</p> <p>Acute Care Beds:</p> <ol style="list-style-type: none"> <li>1. Approval of the Acute Care Beds Chapter of the 2008 State Medical Facilities Plan.</li> <li>2. Approval of the need determination for 27 beds for Mecklenburg County and 41 beds for Wake County and asterisking in Table 5A hospitals that do not correct their data, noting that Acute Care Bed Need is not affected by the incorrect data.</li> <li>3. Denial of the adjusted need determination petition from Cape Fear Valley Health System for 20 additional beds in Cumberland County.</li> </ol> <p>Operating Rooms:</p> <ol style="list-style-type: none"> <li>1. Approval of the Operating Room Chapter of the 2008 State Medical Facilities Plan</li> <li>2. Denial of the following adjusted need determination petitions:               <ol style="list-style-type: none"> <li>A. Franklin Regional Medical Center petition for 1 additional operating room for Franklin County.</li> <li>B. Park Ridge Hospital petition for 1 additional operating room for Henderson County.</li> <li>C. Pitt county Memorial Hospital petition for 6 additional operating rooms for the</li> </ol> </li> </ol>		

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	<p>Pitt-Greene Multi-County Operating Room Service Area.</p> <p>D. Randolph Hospital petition for 1 additional operating room for Randolph County</p> <p>E. Mecklenburg Foot and Ankle Associates and Diabetic Foot Clinic, P.C. petition for one single-specialty operating room dedicated for podiatric surgery cases only for Mecklenburg County.</p> <p>F. Raleigh Orthopaedic Clinic petition for six dedicated orthopedic ambulatory operating rooms to be developed in one or more freestanding (non-hospital) ambulatory surgery centers in Wake County.</p> <p>3. Approval of the Rex Hospital petition for 4 additional operating rooms for Wake County.</p> <p>4. Changing part (d) of the current Certificate of Need (CON) Rule 10A NCAC 14C .2106 such that the CON Section is not required in a competitive review to consider more favorably an applicant proposing to perform ambulatory surgical procedures in at least three specialty areas.</p> <p>Other Acute Care Services: Approval of the Other Acute Care Services chapter of the 2008 State Medical Facilities Plan.</p> <p>Inpatient Rehabilitation Services: Approval of the Inpatient Rehabilitation Services chapter of the 2008 State Medical Facilities Plan.</p> <p>Motion to accept the ACS Committee's recommendations.</p>	<p>M. Tarwater J. Nichols</p>	
<p><b>Discussion of recommendations of the Acute Care Committee</b></p>	<p>CON rule 10A NCAC 14C .2106: Committee discussed implications of changing the CON rule 10A NCAC 14C .2106. Ms. Hoffman clarified that when need is determined for operating rooms it is determined for generic operating rooms, which are available for anyone to apply for. Ms. Hoffman noted that the SHCC has not developed a methodology for determining need for particular surgical specialty operating rooms, which would be very difficult to do.</p> <p>Mr. Nichols moved to incorporate the basic principles governing the development of the Plan into a Policy, shown below, to be added to the 2009 and subsequent State Medical Facilities Plans.</p> <p>“A CON application to meet the need for new healthcare facilities, services or equipment shall be consistent with the three Basic Principles governing the State Medical Facilities Plan (SMFP); promote cost-effective approaches, expand health care services to the medically underserved, and encourage quality health care services. The Applicant shall document plans for providing access to services for patients with limited financial resources, commensurate with community standards,</p>	<p>J. Nichols R. Bruch</p>	<p>The motion was unanimously approved.</p>

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	<p>as well as the availability of capacity to provide those services. The Applicant shall also document how its projected volumes incorporate the three Basic Principles in meeting the need identified in the SMFP as well as addressing the needs of all residents in the proposed service area.”</p> <p>Mr. Nichols clarified that this policy would apply to all health services addressed in the Plan. Ms. Hoffman noted that incorporating the basic principles into a policy would enable the CON Section to use those principles in CON reviews.</p> <p>Request was made to vote separately on the Acute Care Services adjusted need determination petitions.</p> <p>Cape Fear Valley Health System petition:</p> <ol style="list-style-type: none"> <li>1. Dr. Walsh spoke in favor of the petition noting that the growth factor in the standard methodology does not work well for areas with very high growth, such as Cumberland County, which are at the extreme end of the bell curve. He suggested that the BRAC, the returning troops, and the high Cumberland County growth rate present a special need for additional beds at Cape Fear Valley Health System.</li> <li>2. Mr. Tarwater noted that the ACS Committee did discuss the growth rate used in the standard methodology when deliberating the petition and that the primary reason for denying the petition related to the projected surplus of 28 beds in Cumberland County.</li> <li>3. Further discussion ensued related to the petition process, the difference between the growth rates used for the acute care and operating room methodologies, concern about the surplus of acute care beds in Cumberland County going away before need for more beds is projected, and concern about changing committee recommendations at the SHCC meeting.</li> </ol> <p>Motion to reverse the ACS Committee’s recommendation to deny the Cape Fear Valley Health System petition</p> <p>Franklin Regional Medical Center petition: Dr. Walsh spoke in support of the petition but said that he did not support a change in “rounding up” (as described in the petition) in determining operating room need. Dr. Bruch also supported the petition citing the need to attract more surgeons to the area and the county’s high growth rate.</p>	<p>J. Nichols T. Griffin <b>Z. Walsh recused from vote</b></p>	<p>MOTION FAILED</p>

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	<p>Motion to accept Franklin Regional Petition for 1 operating room</p> <p>Park Ridge Hospital petition: Mr. Nuckolls spoke in support of the petition pointing out that there are 3 operating rooms that are not in use located at the other hospital in Henderson County. However, it was noted that those 3 operating rooms are allowed one more year by the Certificate of Need Section to meet the target utilization threshold.</p> <p>Motion to accept Park Ridge Hospital Petition for 1 operating room</p> <p>Pitt County Memorial Hospital petition:  <ol style="list-style-type: none"> <li>1. Mr. Parks spoke in support of the petition noting that patients come from outside Pitt County's service area from more than 20 counties for surgery and that the hospital is a major referral source for tertiary care in eastern North Carolina.</li> <li>2. Dr. Greene spoke in opposition to the petition noting that the utilization data for the past three years show only a modest increase in surgery volume; and that whereas the hospital justifies the need for more operating rooms by citing approval for 100 more acute care beds, data is not provided to support the justification.</li> <li>3. Further discussion ensued related to advocating for ambulatory surgery operating rooms; the addition of a dental program to ECU, resulting in need for more operating rooms and suggestion made that 4 operating rooms be approved instead of 6.</li> </ol> </p> <p>Motion to accept Pitt County Petition for 6 operating rooms</p> <p>Randolph Hospital petition:  <ol style="list-style-type: none"> <li>1. Dr. Walsh spoke in favor of the petition noting that the hospital plans to collaborate with physicians to build an ambulatory surgery center and that this will help attract more doctors to Randolph County.</li> <li>2. Dr. Bruch asked to amend the motion for approval of the petition for 1 operating room to approval of 2 operating rooms. Dr. Walsh accepted the amendment and Dr. Copeland voiced support for 1 operating room.</li> </ol> </p> <p>Motion to accept Randolph Hospital Petition for 2 operating rooms</p>	<p>Z. Walsh R. Bruch</p> <p>R. Bruch S. Nuckolls</p> <p>J. Parks T. Rogers</p> <p>Z. Walsh R. Bruch</p>	<p>MOTION FAILED</p> <p>MOTION FAILED</p> <p>Motion Carries – 12-11</p> <p>MOTION FAILED</p>



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	<p>Lithotripsy: Approval of the Lithotripsy Section of Chapter 9 of the 2008 State Medical Facilities Plan.</p> <p>Gamma Knife: Approval of the Gamma Knife Section of Chapter 9 of the 2008 State Medical Facilities Plan.</p> <p>Linear Accelerators:</p> <ol style="list-style-type: none"> <li>1. Approval of the Linear Accelerator Section of Chapter 9 of the 2008 State Medical Facilities Plan. There is no need based on the regular methodology for any additional linear accelerator anywhere in the State unless there are adjusted need determinations that are approved based on petitions.</li> <li>2. Denial of the adjusted need determination petition from Moses Cone Health System to add one linear accelerator with stereotactic radiosurgery capabilities in Linear Accelerator Service Area 12 (Guilford and Rockingham Counties).</li> <li>3. Denial of the petition from Cape Fear Valley Health System to separate the Cyber Knife linear accelerator from the regular category of linear accelerator equipment.</li> <li>4. Approval of an adjusted need determination for an additional linear accelerator in Linear Accelerator Service Area 18 (Cumberland, Bladen, Robeson, Sampson Counties). The approval does not recommend creating a need determination that specifies certain configurations or specifications.</li> <li>5. Denial of the petition from Rex Hospital in its request to add an entity in Franklin County to the inventory of linear accelerators because a determination has not been made to date as to whether or not an oncology treatment center was developed prior to August 2005.</li> </ol> <p>Positron Emission Tomography (PET) Scanners:</p> <ol style="list-style-type: none"> <li>1. Approval of the methodology in the Positron Emission Tomography (PET) Scanners Section of Chapter 9 of the Proposed 2008 SMFP that shall continue over into the Final 2008 SMFP, including retaining the annual capacity of a fixed dedicated PET scanner at 2,600 procedures.</li> <li>2. Approval of a need determination based on the methodology in the Proposed 2008 SMFP for one fixed dedicated PET scanner in Health Service Area (HSA) II.</li> <li>3. Approval of the petition from Presbyterian Hospital for an adjusted need determination for a fixed dedicated PET scanner in HSA III. There is no need for any additional fixed dedicated PET scanners anywhere else in the state.</li> <li>4. Approval of a no need determination for any additional mobile dedicated PET scanners anywhere in the State.</li> </ol>		

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	<p>Magnetic Resonance Imaging (MRI) Scanners:</p> <ol style="list-style-type: none"> <li>1. Approval of need determinations through the methodology for an additional MRI scanner in each of the 11 MRI Scanner Service Areas of Carteret, Chowan, Craven, Forsyth, Jackson, Lenoir, Lincoln, Orange, Surry, Vance-Warren, and Wilkes.</li> <li>2. Approval of a no need determination based on the regular methodology for any additional fixed MRI scanners anywhere else in the State unless there are adjusted need determinations that are approved based on petitions.</li> <li>3. Approval of an adjusted need determination for two demonstration projects for a multi-position MRI scanner to be included in the Final 2008 SMFP. One demonstration project shall be located in the western portion of the state (HSAs I, II, and III). One demonstration project shall be located in the eastern portion of the state (HSAs IV, V and VI).</li> <li>4. Approval of the following language to be included as part of the language for multi-position MRI scanners: The multi-position MRI scanners are MRI scanners that can be placed in an upright position. The multi-position MRI scanners shall not be counted in the regular inventory of MRI scanners for the first year of operation. After the first year of operation they would be placed in the inventory of the MRI Service Area in which it is located. They could not later be replaced with a conventional MRI scanner. There would be equal access to all spine surgeons (both neurological and orthopaedic surgeons in the state). An annual report would be provided to the CON and Medical Facilities Planning Sections outlining the utilization of the MRI scanners and the patient mix of insured, underinsured, and uninsured clients.</li> <li>5. Denial of the petition from Alliance Imaging Inc. in its request for a change in Chapter 9 of the Final 2008 SMFP to include the following statement: "There is no need for any additional mobile magnetic resonance imaging scanners anywhere in the State."</li> <li>6. Approval of the petition from Ashe Memorial Hospital for an adjusted need determination for a fixed MRI scanner for the Ashe MRI Service Area in the Final 2008 SMFP given the area's geographic issues and limited access to mobile MRI services.</li> <li>7. Denial of the petition from Greensboro Orthopaedics, P.A. for an adjusted need determination for a fixed MRI scanner for the Guilford MRI service area in the Final 2008 SMFP.</li> <li>8. Denial of the petition from HOPE, A Women's Cancer Center, for an adjusted need determination for a fixed dedicated breast MRI scanner for HSA I.</li> </ol> <p>Cardiac Catheterization Equipment</p> <ol style="list-style-type: none"> <li>1. Approval of a need determination through the regular methodology of two additional fixed units of cardiac catheterization equipment: one each in Catawba County and one each in Moore County to be included in the Final 2008 SMFP. Services shall only be</li> </ol>		

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	<p>approved for development on hospital sites.</p> <ol style="list-style-type: none"> <li>2. Approval of a need determination that no need exists for additional units of fixed cardiac catheterization equipment anywhere else in the State and no other reviews are scheduled.</li> <li>3. Approval that mobile cardiac catheterization equipment and services shall only be approved for development on hospital sites.</li> <li>4. Approval of a need determination that no need exists for additional units of shared fixed cardiac catheterization equipment unless there are adjusted need determinations that are approved based on petitions.</li> <li>5. Approval of the petition from Halifax Regional Medical Center for an adjusted need determination for one unit of shared fixed cardiac catheterization equipment in Halifax County.</li> <li>6. Approval of the petition from Scotland Memorial Hospital for an adjusted need determination for one unit of shared fixed cardiac catheterization equipment in Scotland County.</li> </ol> <p>Dr. Ullrich indicated that the above concluded the report.</p>		
<b>Discussion of recommendations of Technology &amp; Equipment Committee</b>	<p>Dr. Ullrich made the following motion: Mr. Chairman, I move that the Technology and Equipment Committee Report, dated September 26, 2007, be approved by the North Carolina State Health Coordinating Council and the appropriate material from the report be included in the Final 2008 State Medical Facilities Plan (SMFP).</p>	C. Ullrich C. Hauser	The motion was unanimously approved.
<b>Committee Report:  Long-Term &amp; Behavioral Health Committee</b>	<p>Dr. Pulliam reviewed the following recommendations from the Long-Term &amp; Behavioral Health Committee to the Council Members regarding the 2008 SMFP:</p> <p>Nursing Care Facilities: Approval of the Nursing Care Facilities policies, assumptions, methodology and need determinations.</p> <p>Adult Care Homes:</p> <ol style="list-style-type: none"> <li>1. Denial of the adjusted need determination petition from the Housing Authority of the City of Wilson for 58 adult care home beds in Wilson County.</li> <li>2. Approval of the Adult Care Homes policies, assumptions, methodology and need determinations.</li> </ol>		



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	<p>Home Health Services: Approval of the Home Health policy, assumptions, methodology and need determination. It was noted that a Home Health Task Force will be convened to consider issues for the Proposed 2009 Plan.</p> <p>Hospice Services:</p> <ol style="list-style-type: none"> <li>1. Approval of the Hospice and Palliative Care Cleveland County petition for an adjusted need determination for four hospice inpatient beds for Cleveland County.</li> <li>2. Approval of the Hospice and Palliative Care Center in Forsyth County petition for an adjusted need determination for ten hospice inpatient beds for Forsyth County.</li> <li>3. Denial of the Hospice of Gaston County petition for elimination of the need determination for seven additional hospice inpatient beds in Gaston County.</li> <li>4. Approval of the Haywood Regional Medical Center Hospice petition for an adjusted need determination for six hospice inpatient beds for Haywood County.</li> <li>5. Approval of the Johnston Memorial Hospital Authority petition for an adjusted need determination to reduce the need determination for Johnston County to four hospice inpatient beds rather than the eight beds that was in the Proposed 2008 Plan.</li> <li>6. Approval of the Angel Hospice and Palliative Care petition for an adjusted need determination for six hospice inpatient beds for Macon County.</li> <li>7. Approval of the Hospice assumptions, methodologies and need determinations. It was noted that Agency staff will work with the Carolinas Center for Hospice and End of Life Care and the Association for Home and Hospice Care to come up with recommendations for changes in the hospice inpatient methodology for the 2009 Plan.</li> </ol> <p>End-Stage Renal Disease Dialysis Facilities – Chapter 14</p> <ol style="list-style-type: none"> <li>1. Approval of the adjusted need determination petition from Transylvania County Department of Public Health for a new dialysis facility to be located in Transylvania County. The committee recommends approval of an eight-station facility.</li> <li>2. Approval of the End Stage Renal Dialysis Facilities Chapter of the 2008 State Medical Facilities Plan.</li> </ol> <p>Psychiatric Inpatient Services:</p> <ol style="list-style-type: none"> <li>1. Approval of the final Chapter with any appropriate updates in the narrative and with continued updated inventory or other appropriate data in the Chapter's tables.</li> <li>2. Approval of the revised Policy PSY-2. The revisions clarify the language that was in the Proposed 2008 SMFP. There were no comments or petitions submitted during the</li> </ol>		

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	<p>public review and comment period related to Policy PSY-2.</p> <p>3. Approval of the petition from Appalachian Regional Healthcare System for an adjusted need determination for 10 adult inpatient psychiatric beds in Mental Health Planning Area 3.</p> <p>Substance Abuse Inpatient and Residential Services:</p> <ol style="list-style-type: none"> <li>1. Approval of the final Chapter with any appropriate updates in the narrative and with continued updated inventory or other appropriate data in the Chapter's tables.</li> <li>2. Approval of the petition from Path of Hope, Inc., for an adjusted need determination for twelve additional adult chemical dependency (substance abuse) residential treatment beds for the Piedmont Behavioral Healthcare Planning Area, comprising of Cabarrus, Davidson, Rowan, Stanly and Union Counties.</li> </ol> <p>Intermediate Care Facilities for the Mentally Retarded: Approval of the final Chapter with any appropriate updates in the narrative and with continued updated inventory or other appropriate data in the Chapter's tables.</p> <p><u>Other</u></p> <p>The committee recommended authorizing staff to update narrative, tables and need determinations as data was received between the committee meeting and the Council meeting.</p>		
<p><b>Discussion of recommendations of Long-Term &amp; Behavioral Health Committee</b></p>	<p>Mr. Nichols inquired about the ICF/MR beds and indicated that he would like to have the transfer of unoccupied ICF-MR beds considered during the 2008 planning process. Sen. Foriest asked if he could assume there were guidelines for petitions and that the Committees were looking at how well petitions met guidelines. Dr. Pulliam indicated that there were standard methodologies for developing need determinations.</p>	<p>T.J. Pulliam K. Hodges</p> <p><b>C. Hauser recused from vote</b></p>	<p>The motion was unanimously approved.</p>
<p><b>Comments regarding the Tentative CON Review Schedule</b></p>	<p>Ms. Hoffman indicated that the Certificate of Need Section would be assigning specific dates for the review of need determinations identified in the 2008 Plan.</p>		

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<b>Adoption of Final Recommendations regarding the 2008 SMFP</b>	Dr. Myers entertained a motion to accept all final recommendations from all committees as voted on today to accept the Final 2008 North Carolina State Medical Facilities Plan.	L. Cutchins J. Parks	The motion was unanimously approved.
<b>Other Business</b>	Dr. Myers announced, as recommended by the Acute Care Services Committee, the formation of a Work Group that will look at incorporating into the planning process the basic principles from the State Medical Facilities plan related to cost, quality and access. This work group will be chaired by Dr. Copeland and Dr. Myers asked that anyone interested in joining the Work Group contact staff by November 1. Dr. Myers also announced that Mr. Charles Hauser will chair a Home Health Task Force and that anyone interested please inform staff no later than November 1.		
<b>Adjournment</b>	Meeting was adjourned.		