## **Acute Care Services Committee**

# Recommendations to the North Carolina State Health Coordinating Council October 3, 2012

The Acute Care Services Committee met on September 18, 2012 to consider petitions and comments received in response to Chapters 5 through 8 of the North Carolina Proposed 2013 State Medical Facilities Plan (SMFP). The following is an overview of the Committee meeting and recommendations for the Acute Care Services chapters of the NC 2013 SMFP.

## **Chapter 5: Acute Care Beds**

Acute Care Days Data:

Committee members reviewed a listing of 22 hospitals with discrepancies between their 2011 Truven Health Analytics ("Truven") and Division of Health Service Regulation Hospital License Renewal Application ("Licensure") acute care days of care data of greater than  $\pm$  five percent. Ten hospitals resubmitted their Truven data, four hospitals corrected their Licensure data and one hospital resubmitted both Truven and Licensure data. Seven other hospitals were unable to submit new data, and two hospitals' refreshed data still exceeded the  $\pm$  five percent discrepancy criterion. It appeared that further attempts to reconcile the data would not change the projection of no need for new beds in any of the affected service areas.

Committee Recommendation Regarding Acute Care Days Data: The Committee directed staff to place a note in the NC 2013 SMFP for hospitals that were not able to reconcile the data, or whose refreshed data was still beyond the established criterion.

The Medical Facilities Planning Branch received the resubmitted Truven data from the Sheps Center in September. As shown in draft Table 5A, the refreshed data did not change acute care bed need determinations in the 2013 Proposed SMFP. There is need for one bed in Bertie County, 119 beds in Cumberland-Hoke, 40 beds in Mecklenburg, and 24 beds in Pitt-Greene-Hyde service areas for a total of 184 additional beds needed statewide.

#### Petitions and Comments:

Two Acute Care Bed petitions were received over the summer and one comment from Carolinas HealthCare System supporting the need determination for 40 acute care beds in Mecklenburg County. Petitioner requests and Committee recommendations are summarized below.

Petitioner: Cape Fear Valley Health System

<u>Request</u>: Cape Fear Valley Health System requested that the need determination for 119 acute care beds in the Cumberland-Hoke service area be reduced to zero in the 2013 SMFP.

<u>Committee Recommendation</u>: The Committee discussed the petition and agency report, which recommended that the petition be approved. The discussion included concerns about approving the petition, such as the large size of the need generated by the methodology (119 beds), the implications and message sent by not following the methodology, and the precedent

set by considering bed surpluses outside the service area to decide about a petition for one service area. In discussing positive aspects of approving the petition, comments focused on the potential impact of the two new hospitals approved for Hoke County, particularly in light of the relatively small population of Hoke County - 46,000 to 47,000 people. Members noted the benefits of seeing if the high bed utilization rate continues into next year, and the likelihood that need for additional acute care beds would occur in next year's Plan. The Committee recommends to the SHCC approval of the petition to decrease the need determination for acute care beds in the Cumberland-Hoke service area from 119 to zero.

Petitioner: Vidant Medical Center

<u>Request</u>: Vidant Medical Center requested that the need determination in the Proposed 2013 SMFP for 24 acute care beds in the Pitt-Greene-Hyde service area be reduced to zero beds.

<u>Committee Recommendation</u>: The Committee discussed the petition and the agency report, which recommended approving the change in the acute care bed need determination to zero beds for the service area, but not to change the calculation of the average growth rate. Members acknowledged the impact of bringing a large number of beds into operation at once. The Committee recommends to the SHCC approval of the petition to decrease the need determination for 24 acute care beds to zero in the Pitt-Greene-Hyde service area.

Committee Recommendation Regarding Chapter 5: In light of the petitions for this chapter, the Committee recommends that a workgroup be established to review the acute care bed need methodology, particularly the impact of bringing new beds into operation. The Committee further recommends to the SHCC approval of Chapter 5, Acute Care Hospital Beds for the NC 2013 SMFP, with changes as approved, and with the understanding that staff will update tables as indicated.

## **Chapter 6: Operating Rooms**

Since the Proposed 2013 SMFP, there have been no changes in need projections for operating rooms (ORs). There is a need for one OR in Dare County; there is no need for ORs anywhere else in the state.

Dr. Greene provided an update about using Truven data instead of Licensure data in the OR need methodology. The North Carolina Hospital Association hosted a meeting of representatives from several hospitals to discuss their efforts to reconcile the Truven and Licensure data. Dr. Greene reported that the dialogue was positive and insightful, negating the need for a workgroup.

#### Petitions and Comments:

Over the summer, the Committee received two petitions for this chapter and no comments, other than comments received about specific petitions. Petitioner requests and Committee recommendations are summarized below:

Petitioner: Blue Ridge Bone and Joint Clinic

<u>Request</u>: The petitioner requested that the NC 2013 SMFP include a demonstration project for a single specialty, two operating room, ambulatory surgical facility in the Buncombe-Madison-Yancey operating room service area.

<u>Committee Recommendation</u>: The Committee discussed the petition and agency report, and continued its support for the Single Specialty Ambulatory Surgery Facility Demonstration Project criteria, as well as the limitation to three demonstration project sites. The three facilities have received certificates of need, and one facility became licensed to operate in February 2012. The Committee concluded that evaluation of existing project sites should occur before consideration of additional sites. The Committee therefore, recommends to the SHCC denial of the petition.

Petitioner: WakeMed Health & Hospitals

<u>Request</u>: The petitioner requested an adjusted need determination in the 2013 Plan for two dedicated pediatric operating rooms in Wake County.

Committee Recommendation: The Committee considered the petition and agency report, which recommended denying the petition. Discussion included a brief review of the work done by the Pediatric Operating Room workgroup in 2011. A concern was raised that WakeMed had followed through with an adjusted needs petition as suggested by the Committee in 2011, but the petition process appeared not to be resulting in dedicated pediatric ORs for Wake County. Further discussion focused on other North Carolina hospitals that have managed to designate pediatric ORs from among their existing inventory; the request to include pediatric ORs in the SMFP has come only from one hospital. In addition, members noted that the volume of pediatric surgical cases declined over the past several years, as shown in data provided by the petitioner. The Committee therefore recommends to the SHCC denial of the petition.

<u>Committee Recommendation Regarding Chapter 6</u>: The Committee recommends to the SHCC approval of Chapter 6, Operating Rooms for the NC 2013 SMFP, with the understanding that staff will update tables as indicated.

#### **Chapter 7: Other Acute Care Services**

Since the Proposed 2013 SMFP, there have been no changes in need projections for open-heart surgery services, burn intensive care services or transplantation services. There is no need indicated anywhere in the state for additional services discussed in Chapter 7.

#### Petitions and Comments:

Over the summer, the Committee received no petitions or comments for Chapter 7.

<u>Committee Recommendation Regarding Chapter 7</u>: The Committee recommends to the SHCC approval of Chapter 7 Other Acute Care Services for the NC 2013 SMFP, with the understanding that staff will update tables as indicated.

## **Chapter 8: Inpatient Rehabilitation Services**

Since the Proposed 2013 SMFP, there have been no changes in need projections for inpatient rehabilitation beds. There is no need indicated anywhere in the state for additional inpatient rehabilitation services.

### Petitions and Comments:

Over the summer, the Committee received no petitions or comments for Chapter 8.

<u>Committee Recommendation Regarding Chapter 8</u>: The Committee recommends to the SHCC approval of Chapter 8, Inpatient Rehabilitation Services for the NC 2013 SMFP, with the understanding that staff will update tables as indicated.