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## Technology and Equipment Committee

May 25, 2016

### Recommendations to the N. C. State Health Coordinating Council

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The Technology and Equipment Committee met on March 30, 2016 and April 27, 2016.

Topics reviewed and discussed included:

- Current policies, assumptions and methodologies for Lithotripsy, Gamma Knife, Linear Accelerators, Positron Emission Tomography (PET) Scanners, Magnetic Resonance Imaging (MRI) Scanners and Cardiac Catheterization Equipment for the Proposed 2017 State Medical Facilities Plan (SMFP);
- Preliminary drafts of need projections generated by the standard methodologies;
- One petition requesting a new policy for MRI Scanners;
- One petition requesting changes to the methodology for Cardiac Catheterization;
- One petition requesting changes to the methodology for Lithotripsy; and
- Policy TE-3: Plan Exemption for Fixed Magnetic Resonance Scanners.

The following is an overview of the Committee's recommendations for consideration by the North Carolina State Health Coordinating Council (SHCC) in preparation of Chapter 9 - Technology and Equipment, for the Proposed 2017 Plan. The report is organized by equipment section of Chapter 9 of the SMFP.

#### **Chapter 9: Lithotripsy**

There was one petition and three comments on this Section of this Chapter. The Committee reviewed and discussed policies, methodology and assumptions for lithotripsy.

***Petitioner:*** Hampton Roads Lithotripsy, LLC

***Request:*** Hampton Roads Lithotripsy, LLC requests that the *North Carolina 2017 State Medical Facilities Plan (SMFP)* include a new policy regarding lithotripsy.

**Comments:** Three comments were received which were opposed.

**Committee Recommendation:** The discussion during the Committee meeting included lithotripter inventory, capacity, and this year's need determination as detailed in the 2016 State Medical Facilities Plan. The members were also interested to discuss geographical distribution of sites as outlined in the agency's report. The Committee voted unanimously to recommend denying the petition.

- The inventory has been updated based on available information to reflect any changes, and includes placeholders when applicable. The inventory is subject to further changes.
- Application of the methodology based on data and information currently available results in no need determination in the statewide service area at this time. Need determinations are subject to change.

#### **Recommendations Related to Lithotripsy Services:**

The Committee recommends the current assumptions, methodology and draft tables be accepted for the Proposed 2017 Plan. Also, references to dates would be advanced one year, as appropriate.

#### **Chapter 9: Gamma Knife**

There were no petitions or comments on this Section of this Chapter. The Committee reviewed and discussed policies, methodology and assumptions for gamma knife.

- Based on data and information currently available, no draft need determinations have been identified at this time. Need determinations are subject to change.

#### **Recommendations Related to Gamma Knife Services:**

The Committee recommends the current assumptions, methodology and draft tables be accepted for the Proposed 2017 Plan. Also, references to dates would be advanced one year, as appropriate.

#### **Chapter 9: Linear Accelerators**

There were no petitions or comments on this Section of this Chapter. The Committee reviewed and discussed policies, methodology and assumptions for linear accelerators.

- The inventory has been updated based on available information to reflect any changes, and includes placeholders when applicable. The inventory is subject to further changes.
- Application of the methodology based on data and information currently available results in no draft need determinations at this time. Need determinations are subject to change.

#### **Recommendations Related to the Linear Accelerators:**

The Committee recommends the current assumptions, methodology and draft tables be accepted for the Proposed 2017 Plan. Also, references to dates would be advanced one year as appropriate.

### **Chapter 9: Positron Emission Tomography (PET) Scanners**

There were no petitions or comments on this Section of this Chapter. The Committee reviewed and discussed policies, methodology and assumptions for positron emission tomography scanners.

- The inventory has been updated based on available information to reflect any changes, and includes placeholders when applicable. The inventory is subject to further changes.
- Application of the methodology based on data and information currently available results in one draft need determination for HSA IV. This is an update from the information initially presented at the April 27<sup>th</sup> Committee meeting. Duke Raleigh Hospital, with 4 linear accelerators exceeding 12,500 ESTV procedures, generated a need through the Methodology Part 2. Need determinations are subject to change.

### **Recommendations Related to Positron Emission Tomography (PET) Scanners:**

The Committee recommends the current assumptions, methodology and draft tables be accepted for the Proposed 2017 Plan. Also, references to dates would be advanced one year as appropriate.

### **Chapter 9: Magnetic Resonance Imaging (MRI) Scanners:**

There was one petition on this Section of this Chapter.

***Petitioner:*** Cape Fear Valley Health System

***Request:*** [Cape Fear Valley Health System] CFVHS requests the SHCC continue its discussion regarding fixed MRI in community hospitals and requests that a new policy, Policy TE-3: Fixed MRI Scanners in Community Hospitals be included in the 2017 *State Medical Facilities Plan*.

***Comments:*** Four comments were received on this petition.

***Committee Recommendation:*** Members of the Committee acknowledged the recent history of petitions related to MRI capacity for small hospitals located in counties without fixed MRI scanners. Discussions included the number of procedures required to breakeven on a machine, the emergent need for MRI capacity, and the development of additional services lines requiring MRI capabilities. There was consensus that the methodology provided a barrier to obtaining MRI scanners. Members suggested the threshold may be too high for small counties. The Committee voted unanimously to recommend to deny the petition. Dr. Ullrich, Chair, requested staff develop a policy to present at the second committee meeting in April (see Policy TE-3 below).

### **Policy TE-3: Plan Exemption for Fixed Magnetic Resonance Imaging Scanners:**

*Qualified applicants may apply for a fixed magnetic resonance imaging scanner (MRI).*

*To qualify, the health service facility proposing to acquire the fixed MRI scanner shall demonstrate in its certificate of need application that it is a licensed North Carolina acute care hospital with emergency care coverage 24 hours a day, seven days a week and is located in a county that does not currently have an existing or approved fixed MRI scanner as reflected in the inventory in the applicable State Medical Facilities Plan.*

*The applicant shall demonstrate that the proposed fixed MRI scanner will perform at least 850 weighted MRI procedures during the third full operating year.*

*The performance standards in 10A NCAC 14C .2703 would not be applicable.*

*The fixed MRI scanner must be located on the hospital's "main campus" as defined in 131E-176-(14n)a.*

This policy was developed by staff at the request of the Technology and Equipment Committee and was presented at the April 27<sup>th</sup> Committee meeting.

**Committee Recommendation:** The Committee discussed the 850 threshold and had further conversation about the breakeven for a machine. Members expressed support of counties with no fixed MRI scanner obtaining the equipment through a policy. The committee recommends including Policy TE-3 in the Proposed 2017 Plan.

- The inventory has been updated based on available information to reflect any changes, and includes placeholders when applicable. The inventory is subject to further changes.
- Application of the methodology based on data and information currently available, results in two need determination for fixed MRI scanners in Lincoln and Mecklenburg Counties at this time. Need determinations are subject to change.

### **Recommendations Related to Magnetic Resonance Imaging (MRI) Scanners:**

The Committee recommends the current assumptions, methodology and draft tables be accepted for the Proposed 2017 Plan. Also, references to dates would be advanced one year, as appropriate.

### **Chapter 9: Cardiac Catheterization Equipment**

There was one petition with two comments to this petition received on this Section of this Chapter.

***Petitioner:*** UNC Rex Healthcare

***Request:*** The petitioner requests that the methodology for determining need for cardiac catheterization equipment in North Carolina be revised for the 2017 State Medical Facilities Plan. Specifically, the petitioner requests changes to steps 5 and 6 of the Cardiac Catheterization Methodology 1 so that "The number of units of fixed cardiac catheterization equipment needed is

calculated for each hospital, and a need determination is generated irrespective of surpluses at other hospitals in the service area” with the exception of hospitals under common ownership, where the “surpluses and deficits would be totaled.”

**Comments:** Two comments were received about this petition – both were in opposition.

**Committee Recommendation:** The Committee discussed the recent history of the petitions for both methodology changes and adjusted need determinations. Using data from the most recent SMFP, changes to the methodology as outlined in the petition, would impact only Rex Healthcare, the petitioner. Since, the current methodology produces very few need determinations and over the years the adjusted need determination process has been used successfully in special situations, the committee recommended denying the petition.

The Committee reviewed and discussed policies, methodology and assumptions for cardiac catheterization.

- The inventory has been updated based on available information to reflect any changes, and includes placeholders when applicable. The inventory is subject to further changes.
- Application of the methodology based on data and information currently available, results in one need determination for fixed cardiac catheterization equipment in Cumberland County at this time. Need determinations are subject to change.

**Recommendations Related to Cardiac Catheterization Equipment:**

The Committee recommends the current assumptions, methodology and draft tables be accepted for the Proposed 2017 Plan. Also, references to dates would be advanced one year, as appropriate.

**Other Recommendations**

The Committee authorized staff to update all narratives, tables and need determinations for the Proposed 2017 Plan as new and corrected data are received.