# Acute Care Services Committee Recommendations to the NC State Health Coordinating Council June 5, 2024

The Acute Care Services Committee met twice this year, on April 9th and May 7th.

Topics reviewed and discussed included:

- policies and methodologies for all acute care chapters;
- a petition regarding a general policy in the State Medical Facilities Plan (SMFP);
- a comparison between hospital licensure and Hospital Industry Data Institute (HIDI) acute care bed days of care data; and
- preliminary drafts of need projections for acute care services based on the currently available data.

The following is an overview of the Committee's recommendations for Acute Care Services for the *Proposed 2025 SMFP*.

# Chapter 5: Acute Care Hospital Beds

The Committee received no petitions or comments regarding these beds. At its first meeting of the year, the Committee reviewed the policies and methodology for acute care beds.

At its second meeting in May, the Committee reviewed Licensure and HIDI acute days of care for discrepancies exceeding  $\pm 5\%$ . Staff will work with the Sheps Center, HIDI, and the hospitals during the summer to improve discrepant data. Resolution of discrepant data may change need determinations. Staff will notify the Committee if need projections change.

The committee members also reviewed the draft tables for acute care beds that had been posted to the webpage. The tables were based on two need projection models. For the past three SMFPs, due to the continuing effects of the COVID-19 pandemic on bed need the, SHCC has approved adjustments to the need determination calculations. One adjustment was to use a county growth rate multiplier (GRM) from the 2021 SMFP, which reflects the 2015 - 2019 pre-pandemic reporting years. If this same approach were used for the *Proposed 2025 SMFP*, based on the data and information available at the time of the meeting, there would be need determinations totaling 339 beds. The service areas and needs are:

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- 3 in Anson
- 31 in the Buncombe/Graham/Madison/Yancey service area
- 28 in Cabarrus
- 42 in the Durham/Caswell/Warren service area
- 23 in Forsyth
- 43 in Hoke
- 94 in Mecklenburg
- 24 in Orange
- 32 in Union
- 19 in Wake

However, due to concern that continuing to make projections based on 2015 - 2019 data may be inappropriate for the 2025 SMFP, Agency staff prepared and shared with the Committee a second model for need determinations. Before the COVID-19 pandemic, the acute care bed need methodology used a GRM based on the most recent five years of each facilities' acute days of care. For the 2025 SMFP, that would mean calculating a GRM according to 2019 - 2023 days of care. This would include the weighted days of care for the 2020 data year. Based on this model and the data available at the time of the May meeting, there would be need determinations for 1,060 beds across nine service areas. Specifically, the determinations are for:

- 46 in Alamance
- 129 in the Buncombe/Graham/Madison/Yancey service area
- 126 in Cabarrus
- 82 in the Durham/Caswell/Warren service area
- 201 in Mecklenburg
- 43 in Pender
- 136 in Union
- 30 in Vance/Warren
- 267 in Wake

The Committee agreed with the Agency recommendation to use the model that calculates a GRM based on the 2019 – 2023 days of care.

# Chapter 6: Operating Rooms

The Committee received no petitions or comments regarding ORs. The Committee reviewed the policies and methodology for ORs in April. Draft data tables were posted to the webpage and discussed during the May meeting. Based on data available at the time of the meeting, application of the methodology resulted in need determinations for additional ORs in four service areas. They are:

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- 2 in Davidson
- 3 in Henderson
- 6 in Mecklenburg
- 5 in Pitt/Greene/Hyde/Tyrrell

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

Chapter 7 covers Burn ICU beds, open heart surgery services, bone marrow transplants, and solid organ transplants. The Committee received no petitions or comments regarding these services. The Committee reviewed the policies and methodology for these services in April. Draft data tables were posted to the webpage and discussed during the May meeting. According to the data and information available at the time of the May meeting, there are no draft need determinations for any services covered in Chapter 7.

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

The Committee received no petitions or comments regarding inpatient rehabilitation services. Agency staff reviewed with the Committee the policies and methodology for these services at the April meeting. Draft data tables were posted to the webpage and discussed during the May meeting. Application of the methodology based on data and information available at the time of the meeting resulted in no draft need for additional inpatient rehabilitation beds anywhere in the state.

# Chapter 9: End-Stage Renal Disease (ESRD) Dialysis Facilities

The Agency received one petition regarding ESRD facilities.

**Health Systems Management (HSM)** petitioned to modify Policy GEN-3: Basic Principles ("Policy GEN-3") in the 2025 SMFP. The Agency received one comment requesting further modification to the policy. First included in the 2007 SMFP, Policy GEN-3 requires certificate of need (CON) applicants "applying to develop or offer a new institutional health service for which there is a need determination in the [SMFP]" to demonstrate how their projects will be consistent with the SMFP's three basic principles of safety and quality, access, and value. There are several policies in the SMFP that allow for changes in health service capacity without regard to a need determination. This petition was developed out of concern that those who apply for CONs that are not the result of a need determination are not required to adhere to Policy GEN-3. Asserting that there is a need to increase transparency, the Petitioner requested a modification so that the policy GEN-3 is duplicative of the CON statutory criteria used to evaluate CON applications. This is because in 2021, the Healthcare Planning and Certificate of Need Section revised the statutory criteria used to

evaluate CON applications, and as a result, eleven of the fourteen criteria encompass the SMFP's basic principles. The Committee approved the Agency recommendation to deny the Petition to modify Policy GEN-3. The Committee also approved the Agency recommendation to remove Policy GEN-3 from the *SMFP*.

Application of the county need determination methodology resulted in no need determinations anywhere in the state. The facility need determination methodology calculations shows needs for 348 dialysis stations across 58 dialysis facilities throughout the state.

# Committee Recommendation Regarding Acute Care Services for the *Proposed* 2025 SMFP

The Committee recommends that the State Health Coordinating Council (SHCC) approve the policies, methodologies and draft need determinations for Chapters 5 - 9, and the removal of Policy GEN-3 for the *Proposed 2025 SMFP*. Also, the Committee recommends that the SHCC authorize staff to update chapter narratives, tables, and need determinations as necessary.