Sondra Smith Talking Points for March 2, 2022 SHCC Public Hearing
Regarding 2023 State Medical Facilities Plan

Good morning. I am Sondra Smith, and I serve as the VP of Strategy & Planning for Mission Health System, which includes eight hospitals across WNC. I appreciate the opportunity to share some thoughts and comments about the 2023 State Medical Facilities Plan on behalf of Mission Health.

Over the past three years since HCA's acquisition of Mission Health System, Mission Health has invested millions of dollars into upgraded and renovated health care facilities, new and upgraded equipment, and additional services for the 18 western counties, and the larger surrounding area, which we serve.

Those 18 counties comprise nearly 1/5 of North Carolina's 100 counties.

Mission Health's flagship hospital, Mission Hospital, serves as the tertiary care center, trauma center, and the site of most complex medical care for western North Carolina.

As we have worked to upgrade and improve health care in the west, we have abided by the rules and procedures of the CON Section, the Healthcare Planning Section, and the annual SMFP planning process which is the jurisdiction of the SHCC.

To be frank, these processes, have been very challenging for Mission Health during the past two years, but we remain committed to working within the system and hopefully helping to improve it over time.

My comments today will focus on the work of the MRI Need Methodology Workgroup whose findings were just reported during the SHCC meeting.

First, we sincerely appreciate the hard work and thoughtfulness of the committee and the Healthcare Planning Staff in exploring issues with the *current* MRI need methodology.

That said, we respectfully submit that more needs to be done and that the important work of reviewing and revising the MRI need methodology isn't done.

It is our suggestion that the MRI need methodology remain on the table for now, that more inquiry, investigation, and work be done on the methodology before it is brought before the Technology and Equipment Committee and the full SHCC.

Members of the public who have attended the MRI Workgroup meetings, including Mission, have been able to listen in but have not been able to observe the various charts, spreadsheets. and other working documents which have been shared with the Workgroup and, as we understand it, have actually been tweaked and modified during the meetings to reflect various outcomes from different metrics being considered as part of a revised MRI methodology.

These tweaks are only available to the public after the meetings, which has made it incredibly difficult to actually follow the public work of the Group.

So, again, we think more work needs to be done, in a manner which the public and affected healthcare providers can actually see and track more easily, and we believe that there remain unresolved some important issues and questions around a new statewide MRI methodology.

For example, issues and questions Mission feels need more study include the following:

1. The proposed revised methodology, as we understand it, actually decreases need for MRIs at a time when many believe MRI is a necessary and standard component of quality of care.
    a. Increasing the minimum threshold number of scans required to generate additional MRI need, despite other proposed changes in the methodology, makes it more difficult to generate additional MRI need.
    b. We wonder if in that sense the proposed methodology goes in the wrong direction when MRI has become such a basic imaging modality and widely the standard of care?

2. We also wonder if this state's health planning policy should continue the past practice which requires large hospitals and tertiary care / trauma centers to compete with smaller local hospitals, diagnostic centers, and others for MRIs?

    a. In earlier meetings of the MRI Workgroup, there were discussions about creating a tiered system for MRI need based, in part, on the special needs of larger hospitals or hospitals that serve as trauma or tertiary care centers.

        i. We believe that this approach should be reexamined and incorporated into the SMFP need methodology.

3. <u>A few words about mobile MRIs</u>:

    a. Mission also wonders, while this need methodology is under review, whether it's time to *revisit* the mobile MRI issue and the impact of mobile MRI approvals *and the State's current treatment of them* for need determination and planning purposes

    b. The CON Section has for years allowed mobile MRI providers to obtain a CON to add a new mobile MRI a service area, as designated by the annual SMFP.

        i. In CON applications for such mobile MRIs, the applicant has to demonstrate "need" pursuant to statutory review criteria, <u>for the county or counties it proposes to serve at the time its CON application is filed</u>.

        ii. However, the CON Section has long allowed those very providers to then add additional service areas and counties at will by simply filing a Material Compliance Determination Request.

            1. Such a request asks the Agency to agree that the requesting provider, when adding these new "host sites" is still in material compliance with its originally-issued CON

a. How can that be when the original CON focused only on the need in the applicant's originally-identified service area and counties?

b. These mobile MRI volumes are then counted in the need methodology for these additional counties, which the mobile provider has been allowed to serve without obtaining a CON, and they have the effect of deflating future need for MRIs by providers actually located in the MRI service area.

    i. To be specific, these additional mobile MRI scans are counted in the total scans provided in the service area, and are added to the total service area MRI scan volume--a number which is then divided among all fixed "equivalent" MRIs (which includes all or part of any mobile MRI providing scans in the service area) to calculate an average scan/per MRI and ultimately capacity, volume and need.

    ii. Respectfully, this makes a mockery of the CON need methodology and planning process for MRIs and is inherently unfair to providers of *fixed* MRIs who must obtain and then abide by the CON for which they applied and were granted, including the limits on applicable service areas.

c. Further, at least in some areas of the state, the presence of a mobile MRI operating in a county or multi-county service area is not even reflected in the annual SMFP MRI inventory for a county where it's providing scans.

d. And, we've seen some examples of mobile MRI scans being double-counted in the SMFP inventory

because they are reported by a licensed host site, such as a hospital, and also reported on the mobile MRI provider's annual Equipment Registration Form.

i. The Healthcare Planning Section has informed us that even when these mobile scans are "double-reported" they are only counted once. We believe that the Sections' intentions are good, but we also know that for the Agency to truly know if all mobile scans are only being reported once, as they say, the staff would have to pull every LRA for a licensed facility reporting mobile scans and compare that to the Equipment Registration Form filed by that mobile vendor, make sure they match, and then make sure they are only counted once. Further, since we know of some counties, like Buncombe where mobile providers are present, but which are not reported on the annual SMFP MRI scanner for that county, we can't understand how the State can have an accurate count of <u>total scans</u> being provided in that county.

e. We understand that mobile MRIs are here to stay and can serve an important role in our state's imaging assets.

f. But we also understand from State officials that, in many ways, those mobile MRIs have created ongoing challenges for developing and then applying a fair, rational, and reasonable MRI need methodology

g. We wonder if it's time to consider a separate need methodology for mobile MRIs, separate and distinct from fixed MRIs like the separate fixed and mobile PET/CT methodologies?

c. In closing, we again sincerely thank the members of the Healthcare Planning Staff and the MRI Need Methodology Workgroup for their efforts. We would like to see this group opened up to perhaps wipe the slate clean and answer a bigger question of how MRI should be regulated in NC, rather than focusing on how the current methodology could be tweaked.

    i. We feel these individuals have started an important dialogue-*to which we are responding*- and we appreciate the group helping focus attention on the MRI need methodology, including some of the issues I've addressed today.