



**ADVENTHEALTH PUBLIC HEARING COMMENTS SUPPORTING 2025 SMFP NEED  
DETERMINATION FOR 126 ADDITIONAL ACUTE CARE BEDS IN THE  
BUNCOMBE/GRAHAM/MADISON/YANCEY MULTI-COUNTY SERVICE AREA**

**THURSDAY, JULY 18, 2024**

PRESENTED BY:

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Good afternoon. My name is Mark Murrill, and I am speaking on behalf of AdventHealth to express our support for the need determination for 126 additional acute care beds in the Proposed 2025 SMFP for the Buncombe/Graham/Madison/Yancey multi-county service area.

AdventHealth is proud to operate AdventHealth Hendersonville in Henderson County, a facility that has served western North Carolina for over 100 years. AdventHealth has also received conditional approval from the CON Section to develop a new 67-bed hospital in Buncombe County, the first new hospital to enter Buncombe County in over a century. As a provider that is deeply rooted in western North Carolina and with a vested interest in enhancing patient access, AdventHealth strongly believes that the identified need for 126 additional acute care beds is crucial to ensuring adequate healthcare access and fostering competition in the four-county service area.

We fully support the SHCC's decision to use the acute care bed methodology model that calculates a growth rate multiplier based on 2019-2023 inpatient days of care. Although the alternative model, which uses data from 2015 to 2019, projects a need for 31 acute care beds, we believe that need is suppressed under this model based on outdated data and limited access to acute care beds.

Prior to 2019, acute care growth in the service area was limited because the sole hospital operated only a portion of its licensed bed capacity. In late 2019, the hospital finished implementation of a bed tower project, which allowed the facility to bring on-line its full complement of licensed acute care beds. Therefore, the acute care bed methodology model based on 2019-2023 days of care more accurately reflects the growth in inpatient days corresponding to the full capacity of acute care beds in the service area.

Additionally, AdventHealth has observed that hospitals - both large and small - are experiencing increasing lengths of stay. As average length of stay increases, a hospital's ability to accommodate growth in patient discharges can be limited, potentially compromising the quality of care that patients receive. Thus, we believe the model that uses a growth rate multiplier based 2019-2023 days of care effectively incorporates both the rise in patient discharges and days of care in the service area. The resulting need for 126 acute

care beds is necessary to ensure adequate access as the population in western North Carolina continues to grow and age rapidly.

Western North Carolina has experienced significant population growth over the past decade, a trend that is projected to continue well into the future. Compared to North Carolina, western North Carolina is approximately eight years older. Older adults generally have a higher prevalence of chronic diseases and illness that result in hospitalization, leading to a greater demand for acute care services.

The current availability of acute care beds in the service area is insufficient to meet these growing needs. By adding 126 acute care beds, we can ensure that service area residents have access to the necessary medical services without delays or overcrowding.

In addition to capacity, the need determination for 126 additional acute care beds can dramatically increase competition in the service area. Mission Health is the only existing provider of acute care services in the four-county service area. You may be familiar with the numerous lawsuits against Mission Health alleging degradation of patient care and high prices for healthcare. Earlier this year, Mission was informed by CMS that it was in "immediate jeopardy" related to deficiencies in patient care, citing nine deficiencies related to incidents occurring over 19 months. There is a dire need to foster competition in the service area to promote enhanced quality, access, and cost effectiveness.

I am proud to state that AdventHealth is currently approved to develop a 67-bed acute care hospital in Buncombe County. While this is a significant milestone, expanding our approved facility to include additional acute care beds will significantly enhance its scope and scale. The 126-bed need determination will allow AdventHealth the opportunity to apply for additional acute care beds and offer a broader range of services, better meet the needs of our growing and aging population and improve patient outcomes.

Moreover, the introduction of additional acute care beds will foster healthy competition in the healthcare market. At present, Mission Health holds a monopoly in the provision of acute care services within the service area. AdventHealth is unable to develop its approved facility because Mission has appealed the Agency's decision. Competition is vital in any industry as it drives innovation, improves service quality, and ensures more cost-effective care for patients. Enhanced competition will also encourage both providers to continually improve their services and operations. AdventHealth is committed to providing high-quality, compassionate care, and the additional beds will enable us to do so more effectively.

In conclusion, the projected population growth and aging demographics of our service area necessitate an increase in acute care bed capacity. The Proposed 2025 SMFP's determination for 126 additional acute care beds is essential for meeting these needs and enhancing the quality of healthcare in our community. Furthermore, this expansion will promote healthy competition, driving improvements in service delivery and patient outcomes.

AdventHealth wholeheartedly supports the need determination for 126 acute care beds in the Buncombe/Graham/Madison/Yancey multi-county service area, and we look forward to contributing to a healthier, more competitive healthcare landscape in western North Carolina.