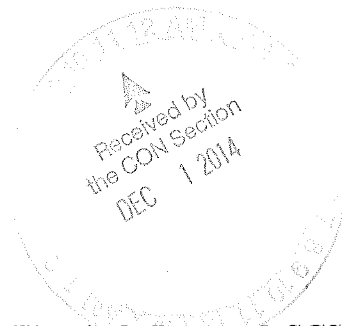

Written Comments
Frye Regional Medical Center
December 1, 2014

Project I.D. Number E-10358-14 / Caldwell Memorial Hospital, Inc. and SCSV, LLC / Develop a new freestanding ambulatory surgical facility with three operating rooms and one procedure room to be constructed in leased space in a new building / Caldwell County

Overview

Frye Regional Medical Center opposes the CON Application filed on October 15, 2014 by Caldwell Memorial Hospital ("CMH") and SCSV, LLC ("SCSV") (collectively, "Caldwell") proposing to move three (3) operating rooms from CMH's hospital based surgery center, Hancock Surgery Center ("HSC"), in Lenoir, North Carolina to Caldwell Surgery Center ("CSC"), a new freestanding ambulatory surgery center ("ASC") in Granite Falls, North Carolina (the "Caldwell Application"). This application is a second attempt by Caldwell to provide this service. Caldwell filed a similar application on May 1, 2014, Project I.D. Number E-10261-14 (the "Prior Caldwell Application"), which was disapproved by the Agency by decision dated August 28, 2014 and Required State Agency Findings (the "Findings) dated September 5, 2014. This proposal does not correct multiple flaws found in the Prior Caldwell Application and likewise should be disapproved.

Based on the address provided in Exhibit 46 of the CON Application, the proposed site of the Caldwell ASC is located on the Caldwell/Burke/Catawba County line, approximately 14 miles from CMH in central Caldwell County, and approximately 5 miles from Frye Regional Medical Center in Hickory, Catawba County. The proposed CSC site is also as close or closer to at least four other existing ASCs and hospitals than to CMH: Viewmont Surgery Center, Graystone Eye Surgery Center, Catawba Valley Medical Center, and Blue Ridge-Valdese General Hospital.

The Caldwell Application states that this project will reduce the percentage of Caldwell County residents travelling to facilities outside the county for ambulatory surgical procedures. However, the Caldwell Application fails to provide reasonable assumptions that would demonstrate that Caldwell would reduce this patient outmigration or that Caldwell County residents even need such an alternative. The Caldwell Application fails to accurately identify the number of Caldwell County residents it will serve, fails to adequately demonstrate that it will meet the projected utilization by Caldwell County residents, and fails to demonstrate that medically underserved Caldwell County residents will have adequate access to its services. The Caldwell Application's methodology makes unsupported and unreasonable assumptions about both the needs of Caldwell County residents and Caldwell's projected market share. For these reasons, the Caldwell Application is non-conforming with Criteria 3, 4, 5, 6, 13(c) and 18a, as well as the Performance Standards in the applicable Agency rules, and must be disapproved.

1. The Caldwell Application Fails to Address Multiple Deficiencies in the Prior Caldwell Application which were Found in the Agency Findings

The CON Section's Required State Agency Findings found multiple problems and deficiencies with the Prior Caldwell Application. As set forth below, the current Caldwell Application fails to remedy or address many of those deficiencies.[1]

Criterion 3

Need

- Findings p. 8 – Applicants provide insufficient information to show a correlation, if any, between national trends and Caldwell County trends to adequately document an unmet need for an ASF located near the southern Caldwell County line.

[1] The bullet pointed items below reference the prior Agency Findings, followed by a discussion of Caldwell's failure to remedy the identified problems.

- App. p. 34 discusses a correlation between national trends and Caldwell County trends, but doesn't say why there is an unmet need near the southern Caldwell County line.

- As discussed in Part 2 below, the national data used to project the number of cases that could be performed at CSC is outdated and unrelated to North Carolina ASC experience.

- Findings p. 9 – Applicants provide insufficient information to adequately document a correlation between the higher median age of the population of Caldwell County and an unmet need for an ASF located near the southern Caldwell County line.

  - Although the Caldwell Application states on p. 35 that older age segments have higher amsurg utilization rates, Caldwell provided no data showing that there were more "older" people in southern Caldwell County than in Lenoir.

  - The national data provided in the Caldwell Application does show that over two thirds of the ophthalmology cases performed nationwide were on patients 65 and over. The Caldwell Application does not propose to serve this population at either CMH or CSC.

- Findings p. 9 – Applicants provide insufficient information to adequately document a correlation between a 3.4 percent increase in the population of Caldwell County aged 45 years and older, over a five-year period, and an unmet need for an ASF located near the southern Caldwell County line.

  - Again, the increase in median age could account for more need for ambulatory surgery overall, but doesn't address why the need would be greater in southern Caldwell County than in Lenoir, nor does it propose to serve the relatively high proportion of older residents in need of ophthalmology surgery.

- Findings p. 9 – Applicants do not adequately document the basis for the conclusion that Caldwell County residents' higher than statewide ambulatory surgery use rate, "supports the need for the proposed ambulatory surgical facility project."

  - App. p. 37 – CMH's argument is that the "heightened use rate supports the need for the proposed ambulatory surgical facility project because utilization for the Caldwell population is increasing whereas the overall NC rate appears to be stable." This response does not address the Agency's findings that the higher ambulatory surgery use rate for Caldwell County residents equally could show (1)

that those residents already have greater access to ambulatory surgery services than residents of the state as a whole, or (2) that the applicants did not provide sufficient information to adequately document that Caldwell County residents who required outpatient surgical services were unable to obtain those services.

- The higher use rate could also reflect a higher use rate of ophthalmology services by Caldwell County residents.

- Findings p. 10 – Applicants do not adequately document why Caldwell County needs an AFS, just because other counties in NC with a population size similar to that of Caldwell County have one or more AFSs.
  - App. p. 38 –While the Caldwell Application does discuss why the applicants used the counties they did to make their comparison, they still do not address the analyst's concern. Further, residents of Caldwell County already have access to two ASCs less than 5 miles from the proposed CSC site. Viewmont Surgery Center provides both orthopaedic and ENT surgery, which Caldwell proposes to provide at CSC.
- Findings, p. 12 – Regarding plans to recruit additional surgeons, the applicants do not state where the surgeons will locate their office or when they may begin practicing in Caldwell County, therefore the applicant doesn't adequately document that the proposed recruitment supports an unmet need for the proposed ASF located near the southern Caldwell County line.
  - App. p. 49 states "There are no CON review criteria or regulatory standards that require an application to make forecasts regarding the office locations and start dates of physicians."
- Findings p. 14 – No correlation between high traffic counts on Highway 321 or traveling to another county for employment and an unmet need for an ASF in Granite Falls.
  - App. p. 72 states that high traffic counts and the fact that many persons from Caldwell County commute to work in other counties show that proposed facility will be located at a visible and accessible location. However, the Application still does not explain why existing facilities in those counties are insufficient to meet patient needs.
- Findings p. 15 – 6 of the 16 support providers who estimate that they will perform more than half of the projected annual procedures have offices located closer to the existing

HSC and CMH than to the proposed facility. The applicants do not adequately document why it is reasonable to assume that all of the estimated cases would be performed at the proposed facility 14 miles from Lenoir where some physicians have their offices.

- The two general surgeons supporting the Caldwell Application still have offices near and perform all of their surgeries at CMH and HSC in Lenoir. The Caldwell Application does not offer any explanation as to why it is reasonable to assume that 900 to 1,200 of their cases would be performed at the proposed facility 14 miles from Lenoir.

- One of those surgeons, Dr. Bast, practices at Foothills Dialysis Access in Lenoir, creating and maintaining access portals for patients in need of hemodialysis or peritoneal dialysis. As the only dialysis facility in Caldwell County is in Lenoir, it is likely that Lenoir is a more convenient location for those patients than Granite Falls.

Projected Utilization of ORs

- Findings p. 17 – CSC projected use rates include ophthalmic surgical cases, which Caldwell does not propose to offer, therefore the projected use rate is overstated.

    - Page 55 of the Caldwell Application states that it does not exclude the ophthalmic surgical cases from the projections to calculate the total ambulatory surgery use rate for operating rooms for the Caldwell County population "in order to compare that rate to the statewide rate." However, overstating the Caldwell County use rate in this manner continues to overstate the need for the proposed ASC.

- Findings p. 18 – there is nothing in the application to support the projected 0.5% annual increases in utilization that the applicant assumes.

    - The current Caldwell Application projects a ***0.75%*** annual increase in utilization, but provides nothing to support this increase, or why it should be higher than previously proposed.

- Findings p. 23 – applicants do not document why it is reasonable to assume that residents of Watauga, Wilkes, Ashe and Avery Counties are likely to travel to the proposed ASF for services. These counties lie north or west of Caldwell County and, assuming residents of these counties would utilize main roads, they would have to travel more than 10 miles past the hospital and its ORs to reach the proposed ASF.

  - App. p. 60 states that physicians with Carolina Orthopaedic Specialists have offices in Watauga and Alexander Counties, among others. However, the Application still makes no effort to explain why those patients would travel more than 10 miles past the hospital and its ORs to reach the proposed ASF.

- Findings p. 27 – projected utilization at CMH following completion of the project is not based on reasonable and adequately supported assumptions regarding the projected 67% market share for outpatient surgical services.

  - The Caldwell Application still fails to provide sufficient information to justify this substantial increase in market share, as discussed in Part 2 below.

Criterion 4

- Findings p. 37 – The Applicants do not adequately demonstrate that the "strengths" of the proposed project could not be achieved by separately licensing HSC for a lower capital cost.

- Findings p. 38 - The applicants do not provide enough documentation to support their assertion that HSC would be more costly to renovate and utilize as an ASF than developing the proposed project.

  - App. p. 77 states that a separate ASC could not be developed at HSC without significant, expensive renovations. However, this argument assumes that a separate wing would need to be created in order to continue operating the GI endoscopy rooms as part of the hospital. The Caldwell Application does not explain why conversion of the entire HSC facility, including the endoscopy rooms, would not be a less costly and more effective alternative.

Criterion 13(a)

- Findings p. 47 - Applicants do not provide sufficient information in the application to adequately document that relocating the existing dedicated outpatient ORs from the City of Lenoir to a location near the southern Caldwell County line where fewer low-income and medically underserved groups reside would not negatively impact access by low-income and medically underserved groups.

  - App. p. 75 discusses the fact that there are low income/subsidized housing options in the Granite Falls and Hudson areas that would be near the proposed surgery center and that there are several options for transportation, but the Caldwell

Application failed to address the impact that relocating the outpatient ORs would have on the City of Lenoir where there are **more** low-income and medically underserved groups than in southern Caldwell County.

2. **THE CALDWELL APPLICATION OVERSTATES THE NUMBER OF CALDWELL COUNTY RESIDENTS WHO ARE LIKELY TO RETURN TO THE COUNTY FOR AMBULATORY SURGICAL PROCEDURES**

According to the Caldwell Application, CMH's operating rooms served approximately 36% of Caldwell County residents in FY 2013. Caldwell expects that this number will decrease to 34% in 2014. (Application, p. 64). Thereafter, Caldwell projects that in the first three years of operation, the proposed ASC will achieve market shares of 38%, 42%, and 46%, respectively, of **all** Caldwell County outpatient surgery patients (Application, p. 57), while CMH will retain a market share 19%, 20% and 21% of those patients during that same time period (Application, p. 64). Thus, the Caldwell Application projects that Caldwell's combined market share of Caldwell County outpatient surgery cases will **double** from the 2014 level of 34% per year to ***67% per year*** by the third year of operation.

Caldwell attempts to justify this sudden and significant increase in market share by using data from Table 8 of a report prepared by the Centers for Disease Control and Prevention (the "CDC"), arguing that this data supports the assumption that the proposed ASC will be able to serve up to 75% of Caldwell County residents in need of ambulatory surgery. Caldwell states that the only types of surgeries the ASC will not perform are ophthalmic surgery, obstetrical procedures, bronchoscopies and cardiac procedures, which it asserts comprise only 25% of ambulatory surgery cases, according to the CDC data. This argument is flawed for several reasons:

1. The CDC report was prepared in 2009 and was based on 2006 data from hospitals and ASCs across the country. The Caldwell Application makes no effort to demonstrate that this data has any relevance eight years later to current outpatient surgery practices in North Carolina or in Caldwell's proposed service area.

2. The ambulatory surgery cases in Table 8 of the report are cases performed in *both* hospitals and ASCs. It provides no basis for assuming, as Caldwell does, that 75% of the cases represented by those would be appropriate cases for an *ASC*. Many of those cases must be performed in a hospital, due to the complexity of the case or the acuity of the patient. Because the CDC data reports only the patient's first-listed ICD-9-DM diagnosis, there is no way to determine whether multiple diagnoses would warrant that higher level of case. Therefore, this data does not support the assumption that 75% of the ambulatory cases performed on Caldwell County patients would be appropriate for its proposed ASC.

3. License Renewal Application data shows that the types and number of ambulatory surgery cases performed in North Carolina ASCs is substantially different than projected in the Caldwell Application. In particular, Caldwell's representation that only 25% of ambulatory surgery cases could not be performed in an ASC is incorrect. As shown in the chart attached as Exhibit 1 hereto, 2014 License Renewal Applications filed by North Carolina hospital-based and freestanding ASCs show that obstetric and ophthalmology cases alone account for almost *43%* of the ambulatory surgical cases in those facilities. Ophthalmology cases alone account for almost 40% of these cases.

4. According to the chart on page 41 of the Caldwell Application, there were a total of 1,450 ambulatory surgery cases performed on Caldwell County residents in single specialty optometry ASCs, which represents *73%* of the total ambulatory surgery cases on Caldwell County residents in North Carolina ASCs.

5. Because the Caldwell Application significantly understates the number and percentage of ophthalmology cases which likely will be performed on Caldwell County residents, its market share assumptions are unsupportable.

Caldwell's projected market share also is unrealistic, given the limited case mix of the physicians supporting the Caldwell Application. Those physician's specialties are limited to orthopaedic, podiatry, and general and vascular surgery (Application, p. 66). The historical

utilization of the facilities serving Caldwell County residents shows that there are not enough Caldwell County surgical patients in these specialties to support Caldwell's projected utilization.

The chart on page 41 of the Caldwell Application shows that there were 1,989 cases performed on Caldwell County residents in ASCs in 2013, based on 2014 hospital ASC License Renewal Applications. Since 1,450 were performed in single specialty ophthalmology ASCs, that leaves a total of ***539*** ASC cases that could conceivably return to Caldwell County, although if patients are travelling the distances to go to these facilities, they are probably going for a specific reason (i.e., choosing a specific doctor who does not practice in Caldwell County or does not propose to serve patients at CSC, and/or obtaining an ambulatory surgical procedure that will not be performed at CSC), and will also be unlikely to return to Caldwell County.

Page 41 of the Caldwell Application also contains a separate chart showing that 5,226 ambulatory cases were performed on Caldwell County residents in hospitals in 2013. It is unreasonable to assume that all of those cases would shift to CSC. 674 of those cases are being performed at hospitals[2] so far away from CSC's proposed site that the patient is likely travelling for a specific reason and would not return to Caldwell County even if CSC was built. At least two of those hospitals are closer to some Caldwell County residents than CSC's proposed site. For instance, 86 outpatient surgery cases were performed in 2013 on Caldwell County residents at Watauga Medical Center in Boone. Watauga Medical Center is over 38 miles and 47 minutes by car from CSC's proposed site in Granite Falls, and there are significant portions of Caldwell County that are closer to Boone than to Granite Falls. Similarly, Wilkes Regional Medical Center is more accessible to parts of Caldwell County than to CSC's proposed location.

[2] These include all of the hospitals listed on page 41 of the Caldwell Application beginning with Wake Forest NC Baptist.

Other reasons why patients likely have chosen another hospital outside Caldwell's proposed service area include the acuity level of the patient (requiring outpatient surgery in a hospital setting), a specialty that is not proposed for CSC, or a particular specialist physician at a large tertiary care facility or academic medical center. According to the data on page 41 of the Caldwell Application, several of those facilities served significant numbers of Caldwell County outpatient surgery patients.

Because the Caldwell Application does not consider any of these factors in projecting the facility's significant increase in ambulatory surgery market share, it has failed to identify the population to be served and the need that population has for the services proposed.

3. THE CALDWELL APPLICATION FAILS TO SHOW ADEQUATE SERVICE TO CALDWELL COUNTY RESIDENTS BY THE PHYSICIANS SUPPORTING THE APPLICATION

The Caldwell Application uses the physician letters found in Exhibit 10 and summarized on page 40 to show support for the project and to back up its case projections used throughout the application. The letters indicate that these supporting physicians will collectively perform 3,745 to 4,190 cases at CSC. However, the letters fail to indicate how many of those cases will be performed on Caldwell County residents, thereby remedying the outmigration problem that CSC is supposed to solve.

In fact, the chart attached to these comments as Exhibit 2 shows that in 2012, the supporting physicians performed 1,684 cases on Caldwell County residents; in 2013, that number went down to 1,626 cases. This data was obtained from Truven Health Analytics ("Truven"), which is a national company that obtains healthcare data from various resources, and makes it available to its customers to analyze market trends, improve healthcare quality and access, and

reduce costs. The data in Exhibit 2 is based on information submitted directly to Truven from licensed hospitals and ambulatory surgery centers in North Carolina. The State sets guidelines for the data submission and Truven collects and processes the data. Truven's analytic software allows its customers to identify the type of service performed by the physician and the county of residence of the patient. The Cecil G. Sheps Center for Health Services Research, which is affiliated with UNC Hospitals (CMH's owner), actually maintains a database of Truven ambulatory surgery discharge data. See web link at https://www.shepscenter.unc.edu/data/nc-hospital-discharge-data/.[3] Truven data submitted by hospitals to the Sheps Center is relied upon by the Agency to determine the accuracy of License Renewal Data submitted by hospitals in determining need for some acute care services in the SMFP.

Exhibit 2 compares the number of surgeries projected by the physicians who have written letters of support for Caldwell Memorial Hospital's CON application with the actual number of surgical procedures performed on Caldwell County residents in federal fiscal years 2012 and 2013. The Truven data detailing each physician and the outpatient surgery procedures performed by them on Caldwell County residents is attached as Exhibit 3.[4]

Drs. Bast and Purcell, the two general physicians who supported the Caldwell Application, have very specialized practices. The majority of cases performed by both are cardiovascular and cardiothoracic procedures. Neither performed any urology or ENT cases,

[3] Therefore, this information clearly was available to CMH, had it chosen to consult it to determine whether the projections in the physicians letters accurately reflected the number of Caldwell County residents those physicians could expect to serve.

[4] As noted in Exhibit 3, the Truven data initially included visits and services billed by these physicians that are either not surgical in nature, or are not projected to be performed at CSC. Those services/visits were filtered out of Exhibit 3, since they would not be billed as a surgical procedure at CSC.

which are included (along with general surgery), in the 38% of projected cases on p. 65 of the Caldwell Application.[5]

Further, if the cases done by the four physicians and podiatrists who currently only have privileges at CMH (and are therefore already doing all of their procedures at CMH and HSC) are removed, the total number of Caldwell County ambulatory surgery patients served by the remaining 11 physicians supporting the Caldwell Application drops to 636 in 2012 and to 605 in 2013. Those 11 physicians projected to perform a total of between 1,880 and 2,180 cases at CSC. The low number of actual Caldwell County ambulatory surgery cases actually performed by these physicians means that Caldwell *either* (1) cannot achieve the projected 3,864 cases by the third year of operation (Application, p. 24) required under Agency Rules to justify three operating rooms; or (2) must depend on significant in-migration of patients from existing facilities in surrounding counties in order to achieve its utilization projections of 3,149 to 3,864 ambulatory surgery cases in the first three years of operation.[6] That higher number of non-Caldwell County patients likely would have to come from patients already served in Frye's operating rooms, since many of the physicians identified in the Caldwell Application already have privileges at Frye. In-migration of non-Caldwell County patients would be inconsistent with the projection on page 84 of the Caldwell Application that only 11% of its patients will come from other counties. Data from the 2014 SMFP shows that operating rooms in these counties are already underutilized, even before any cases are moved to Caldwell County.

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[5] It is interesting to note that Caldwell significantly alters its case mix in this Application, decreasing the percentage of orthopaedic and podiatric cases from 85% (prior Caldwell Application, p. 48) to 62% (Caldwell Application, p. 65), while increasing the number of general surgery and other cases from 15% to 38%, despite the fact that the number of general surgeons supporting the Application dropped from three to two.

[6] What is not likely is that multiple unknown and unnamed physicians who Caldwell seeks to recruit (according to a letter in Exhibit 23 to the Application) will be able to essentially double the number of outpatient surgery cases performed on Caldwell County residents, simply because the hospital owns an ASC in Granite Falls.

4. Caldwell's Proposal Fails to Serve the Needs of Medically Underserved Caldwell County Residents

The proposed payor mix in the Caldwell Application is the same as CMH's ambulatory surgery payor mix. Caldwell offers no explanation as to why the ASC's limited payor mix for outpatient surgery would be the same as the hospital's current services, when over 10% of those outpatient surgery cases were obstetrics, gynecology and endoscopies. CMH clearly has historical information for the payor source of all outpatient surgeries performed at CMH and HSC, and could have used that information to calculate a payor mix which excludes surgeries which are not projected to be performed at CSC.

In fact, the payor mix of ASCs which have a high orthopaedic surgery component, as Caldwell has proposed, have a significantly different payor mix than Caldwell projects. The chart below compares Caldwell's projected payor mix with the actual FY 2013 payor mix of existing ASCs with 50% or more orthopaedic surgery cases, based on their 2014 License Renewal Applications.[7] As can be seen, ASCs specializing in orthopaedic surgery typically have a significantly *higher* percentage of commercial insurance and managed care patients, and a significantly *lower* percentage of Medicare and Medicaid patients, than Caldwell projects.

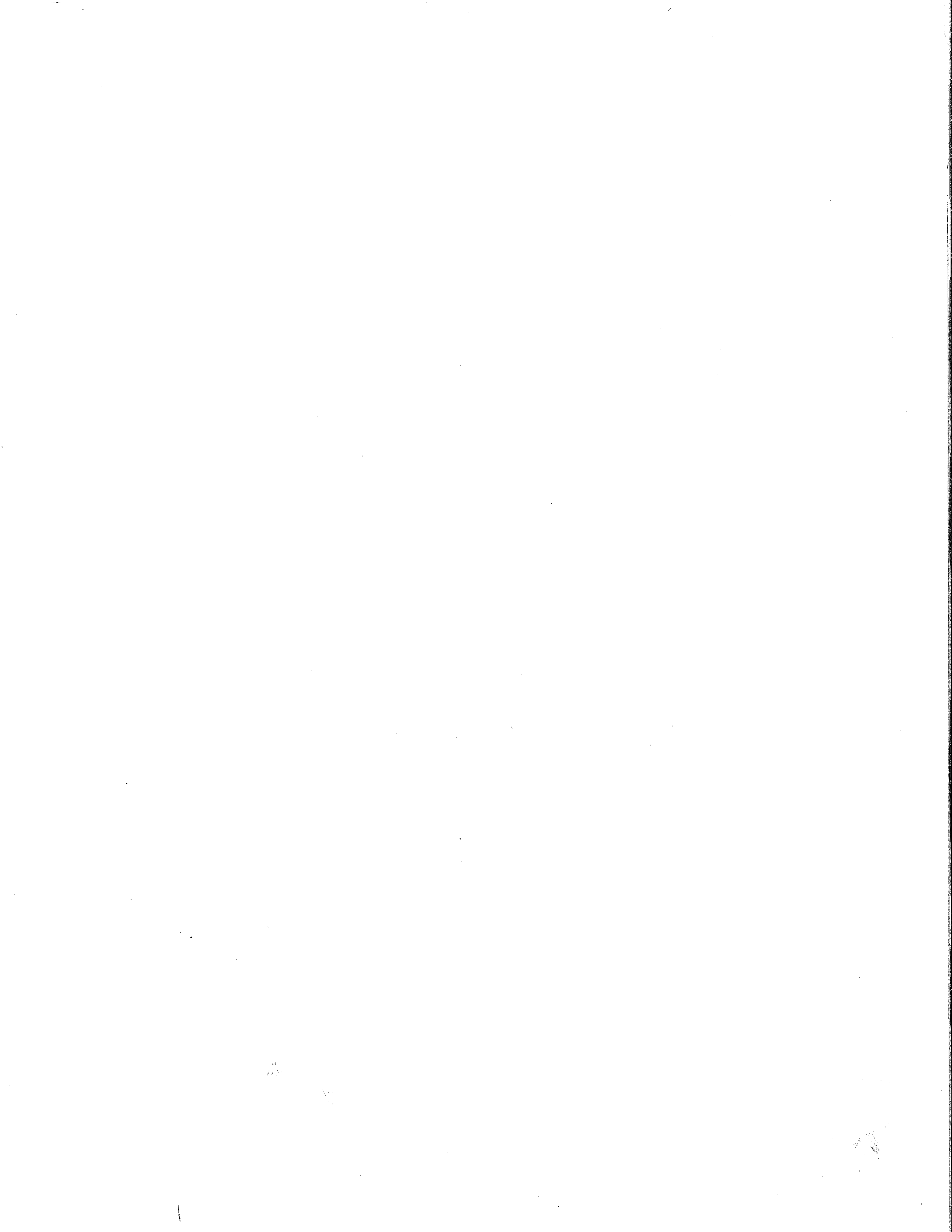
[7] Pertinent portions of the 2014 License Renewal Applications for those ASCs containing the above data are attached as Exhibit 4.

Facility	% Ortho	Self Pay/Indigent	Medicare	Medicaid	Commercial Insurance	Managed Care	Other
CSC PROPOSED ASC	50%	4.00%	47.40%	15.40%	31.60%	Shared with CI	1.60%
TRIANGLE ORTHOPAEDIC SURGERY CENTER	100%	4.11%	9.33%	3.64%	68.03%	0.02%	14.72%
MATTHEWS SURGERY CENTER	100%	1.3%	27.74%	4.38%	4.15%	53.92%	8.54%
ORTHOPAEDIC CENTER OF ASHEVILLE	100%	0.22%	37.02%	6.09%	33.08%	13.32%	10.28%
CAPITAL CITY SURGERY CENTER	100%	0.60%	25.96%	4.90%	62.95%	0.92%	4.67%
CHARLOTTE SURGERY CENTER	100%	0.94%	35.28%	3.61%	0.97%	56.97%	2.22%

Clearly, the Caldwell Application fails to demonstrate that the ASC it proposes to develop, containing a significantly different case mix from its existing hospital outpatient surgery program, will adequately serve medically underserved Medicare and Medicaid patients.

CONCLUSION

For the above reasons, Frye Regional Medical Center respectfully requests that the CON Application filed by Caldwell Memorial Hospital and SCSV, LLC be found nonconforming with the applicable CON review criteria and rules and be denied.



	Cardiothoracic	General Surgery	Neurosurgery	Obstetrics and GYN	Ophthalmology	Oral Surgery	Orthopedics	Otolaryngology	Plastic Surgery	Urology	Vascular	Other Surgeries / Dental and Pain Mgmt	Other Surgeries / Gastro /Endoscopies	Other Surgeries / Podiatry	Other Surgeries / Podiatry/Pacemaker	Other Surgeries / Bronch/EGD/Colonoscopy	Other Surgeries / Cytoscopy	Other Surgeries / C-Section	Other Surgeries / ENT	Other Surgeries / Pediatrics	Other Surgeries / Orthopedic Hand Surgery	Other Surgeries / Unspecified	TOTAL
HOSPITAL BASED ASFs																							
Alamance Reg'l - Mebane Surgery Center	0	59	0	0	549	0	6	794	16	2	1	187	131										1,745
Caldwell Mem'l - Hancock Surgery Center	0	31	0	52	0	0	338	105	0	0	0			248									774
CarolinaEast Med Ctr - CarolinaEast Surgery Center	1	510	0	323	3,369	252	1,502	708	93	3	0												6,761
Novant Health / Forsyth - Hawthorne Outpatient Su	0	0	0	0	4,614	509	0	538	33	0	0			201									5,895
Novant Health / Forsyth - Orthopedic Outpatient Su	0	0	0	0	0	0	2,686	0	0	0	0												2,686
Frye - Tate Surgery Center	0	0	0	0	252	164	1,299	0	1	0	0			6									1,722
Mission Hosp - Asheville Surgery Center	0	515	60	391	2,705	93	2,599	1,937	776	27	0												9,103
Rex Hosp - Wakefield	0	296	10	15	1	4	1,085	99	45	22	15											50	1,642
Rowan Reg'l - Julian Rd Outpatient Surgery	1	49	0	18	648	3	1,100	386	201	0	2			70									2,478
CMC-Lincoln - East Lincoln Surgery Center	0	14	0	0	75	25	24	160	0	0	0			18									316
CMC-University - CMC-Huntersville	0	115	0	97	862	0	132	632	27	102	0	147											2,114
Cone Health - Moses Cone Surgery Center	0	1,087	0	0	165	52	2,370	710	245	0	0									167		26	4,822
Cone Health - Wesley Long Surgery Center	0	23	0	151	37	24	343	0	21	1,013	0									4			1,616
Presby Med Ct - NH Midtown Outpatient Surgery	0	1,133	1	469	48	348	328	38	14	112	0												2,491
Presby Med Ct - NH Charlotte Outpatient Surgery	2	760	0	1	4,593	0	0	1	2	0	0												5,359
UNC - Conner Drive Surgery Center	0	0	0	143	0	31	16	13	0	0	2												205
WakeMed - WakeMed North Healthplex	0	70	0	372	613	0	348	404	20	13	0			266									2,106
HOSPITAL BASED ASF TOTALS	4	4,662	71	2,032	18,531	1,505	14,176	6,525	1,494	1,294	20	334	131	809	0	0	0	0	0	171	0	76	51,835
FREESTANDING ASFs																							
Associated Health Services Inc - James E Davis Ambulatory Surgical Center	0	553	0	388	1,289	28	630	566	142	34	296			408									4,334
Blue Ridge Day Surgery Center LP	0	136	0	172	880	0	2,603	1,797	0	121	0			240									5,949
Capital City Surgery Center LLC	0	62	173	0	726	0	3,079	874	0	362	0												5,276
Carolina Birth Center Inc	0	0	0	557	0	0	0	0	0	0	0												557
CaroMont Health Services Inc - CaroMont Specialty Surgery	0	0	0	0	2,249	0	221	1,229	116	0	0			71									3,886
Central Piedmont Surgery Center LLC	0	161	0	77	441	0	258	73	0	53	0			35									1,098
Charlotte Surgery Center	0	0	0	150	2,795	0	5,318	0	21	5	0			861									9,150
Cleveland Ambulatory Services LLC	0	3	0	0	440	0	94	447	49	30	0	60	56										1,179
Eye Surgery And Laser Clinic Inc	0	0	0	0	2,520	0	0	0	0	0	0												2,520
Fayetteville Ambulatory Surgery Center Ltd Partnership - Fayetteville Ambulatory Surgery Center	0	1,107	25	440	3,614	0	3,619	2,504	0	180	0											564	12,053
FEMCARE, Inc	0	0	0	745	0	0	0	0	0	0	0												745
Gateway Ambulatory Surgery Center LLC	0	1,311	0	235	58	69	1,893	2,138	189	385	0			155									6,433
Graystone Eye Surgery Center	0	0	0	0	6,025	0	0	0	0	0	0												6,025
Greensboro Specialty Surgical Center Ltd	0	1	330	0	1,114	15	92	0	19	0	0	54	872										2,497
High Point Surgery Center	0	769	0	223	982	244	1,466	902	2	243	0												4,831
Iredell Head Neck and Ear Ambulatory Surgery Center Inc	0	0	0	0	0	0	0	550	0	0	0												550
Iredell Surgical Associates LLP - Iredell Surgical Center	0	144	0	2	756	0	124	194	0	0	0			80									1,300
Matthews Surgery Center LLC	0	0	0	0	0	0	995	0	0	0	0												995
Morganton Eye Physicians PA - Eye Surgery Center of Shelby	0	0	0	0	1,828	0	0	0	0	0	0												1,828
Morganton Eye Physicians PA - Surgery Center of Morganton Eye Physicians PA	0	0	0	0	2,258	0	0	0	0	0	0												2,258
Orthopaedic Surgery Center of Asheville	0	0	0	0	0	2,904	0	0	0	0	0			256									3,160
Orthopaedic Surgery Center of Raleigh LLC - Raleigh Orthopaedic Surgery Center	0	0	0	0	0	0	411	0	0	0	0												411
Piedmont Outpatient Surgery Center LLC	0	0	0	0	0	0	0	1,930	0	0	0												1,930
Presbyterian SameDay Surgery Center At Ballantyne LLC - Novant Health Ballantyne Outpatient Surgery	0	16	0	103	0	0	49	88	421	46	0			77								40	840
Presbyterian SameDay Surgery Center at Monroe LLC	0	0	0	5	167	0	19	87	0	0	0											1	279

EXHIBIT 1

Presbyterian Surgery Center of Huntersville LLC - Novant Health Huntersville Outpatient Surgery	0	158	0	4	739	0	424	547	0	48	0			129									2,049
Raleigh Plastic Surgery Center Inc	0	0	0	0	0	0	0	0	267	0	0												267
Regional Medical Services Inc - RMS Surgery Center	0	112	0	0	493	0	69	10	2	0	0												686
Rex Surgery Center of Cary LLC	0	1,489	0	381	167	0	927	1,014	116	492	0			440								82	5,108
Southern Eye Associates PA - Southern Eye Associates Ophthalmic Surgery Center	0	0	0	0	373	0	0	0	0	0	0												373
SouthPark Surgery Center LLC	0	5	0	0	6,981	0	0	3,989	1	0	0												10,976
Surgery Center of Pinehurst LLC	0	528	0	521	353	102	1,536	1,096	222	258	0			193									4,809
Surgery Center of Wilson LLC - Eastern Regional Surgical Center	0	35	0	114	559	0	301	171	0	95	0			23									1,298
Surgical Center of Greensboro LLC	0	433	0	320	4,606	164	5,095	1,523	249	0	0												12,390
SurgiCenter of Eastern Carolina LLC - Vidant SurgiCenter	0	1,412	2	431	2,874	581	2,105	2,742	232	540	0			504									11,423
The Center of Morehead City LLC - The Surgical Center of Morehead City	0	171	0	0	600	0	661	2	0	112	0			123									1,669
The Eye Surgery Center of the Carolinas LP	0	0	0	0	7,323	0	0	0	0	0	0												7,323
The Foot Surgery Center of NC LLC - Piedmont Surgical Center	0	0	0	0	0	0	0	0	0	0	0			714									714
The Greensboro Ophthalmology ASC LC - Surgical Eye Center	0	0	0	0	2,717	0	0	0	0	0	0												2,717
The Town of Wilkesboro - Wilkes Regional Medical Center Ambulatory Surg. Facility	0	46	0	47	397	147	54	18	0	8	0			7								1	725
Triangle Orthopaedics Surgery Center LLC	0	0	0	0	0	0	632	0	0	0	0												632
Union Health Service LLC - Union West Surgery Center	0	9	0	52	1,078	0	5	495	2	43	0			39									1,723
Viewmont Surgery Center	0	0	0	0	0	12	555	2,004	0	0	0			43									2,614
Wake Forest University Health Sciences - Plastic Surgery Center Of North Carolina	0	0	0	0	0	0	0	0	165	0	0												165
Waveco LLC - Carolina Center for Specialty Surgery	0	0	1,017	31	0	0	317	0	6	15	0			16									1,402
Wilmington Surgery Center LP - Wilmington SurgCare	0	282	0	65	3,729	0	1,884	1,072	291	213	0											842	8,378
Wilson OB Gyn PA	0	0	0	158	0	0	0	0	0	0	0												158
WNC Eye Surgery Center Inc - Asheville Eye Surgery Center	0	0	0	0	4,089	0	0	0	0	0	0												4,089
FREESTANDING ASF TOTALS	0	8,943	1,547	5,221	65,220	4,266	35,436	28,062	2,512	3,283	296	114	928	4,414	0	0	0	0	0	0	0	1,530	161,772
TOTAL ALL ASF FACILITIES	4	13,605	1,618	7,253	83,751	5,771	49,612	34,587	4,006	4,577	316	448	1,059	5,223	0	0	0	0	0	171	0	1,606	213,607
Prcentage of Total ASF Procedures in Hospital-Based and Freestanding Facilities	0.00%	6.37%	0.76%	3.40%	39.21%	2.70%	23.23%	16.19%	1.88%	2.14%	0.15%	0.21%	0.50%	2.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.08%	0.00%	0.75%	100.00%

2

Physician Letters of Support from Caldwell Memorial CON Application, p. 66						Actual Physician Case Numbers from Truven Data	
Name	**Practice***	**Location***	**Specialty**	**Hospital Privileges****	**Projected Outpatient Cases/Year**	**Caldwell Residents FY 2012**	**Caldwell Residents FY 2013**
Randall P. Bast, MD	Foothills Dialysis Access***	Lenoir	General	Caldwell	800 to 1000	168	167
Peter N. Purcell, MD	Horizon	Lenoir	General	Caldwell	100 to 200	377	266
Alfred Geissele, MD	Carolina Ortho	Hickory/ Newton	Orthopedic	CVMC Frye	35 to 40	18	12
James A. Hurt, MD	Carolina Ortho	Hickory/ Lenoir	Orthopedic	CVMC Caldwell	400 to 500	0	7
James E. Stanislaw, MD	Carolina Ortho	Lenoir	Orthopedic	CMC-Blue Ridge Caldwell Frye	175	211	195
Jeffrey P. Keverline, MD	Carolina Ortho	Lenoir	Orthopedic	CMC-Blue Ridge CVMC Caldwell	250	154	182
Matthew D. Hannibal, MD	Carolina Ortho	Boone/ Lenoir	Orthopedic	CMC-Blue Ridge Caldwell	80	76	49
Jason Norcross, MD	OrthoCarolina	Hickory	Orthopedic	CVMC Frye	75	15	11
Brian A. Krenzel, MD	OrthoCarolina	Hickory	Orthopedic	CVMC Frye	75 to 100	42	31
Mark R. McGinnis, MD	OrthoCarolina	Hickory	Orthopedic	CVMC Frye	50 to 100	23	29
William M. Pekman, MD	OrthoCarolina	Hickory	Orthopedic	CVMC Frye	450 to 500	34	47
Jeremy C. Johnson, MD	OrthoCarolina	Hickory	Orthopedic	CVMC Frye	250 to 300	48	33

EXHIBIT 2

Ralph Maxy, MD	Carolina Ortho	Hickory/ Morganton	Orthopedic	CMC-Blue Ridge CVMC Frye-Alex.	40 to 60	15	9
Derek Pantiel, DPM	Horizon	Lenoir	Podiatric	Caldwell***	150-200	0¥	0¥
P. Ross Jenkins, DPM	Horizon	Lenoir	Podiatric	Caldwell***	200	503	588
Total					3130 to 3780	1684	1626

* From letters of support and practice web sites

** From NC Medical Board web site

*** Caldwell Memorial web site

¥ There was no Truven data on record for Dr. Pantiel at Caldwell. According to the NC Board of Podiatry Examiners web site, he was first licensed in North Carolina in July 2013.

3

Physician Analysis
Area: Caldwell, NC
Source of Market Outpatient Data: Outpatient NC 10/01/2011 - 09/30/2013
2012 includes 10/01/2011-09/30/2012; 2013 includes 10/01/2012-09/30/2013
Selected Physician Type: Attending Physician
Selected Physician Group: Caldwell County ASC Letters of Support
Source of APC Procedure Data: Market Expert APC Product Line (2014)
**** Note: Patients are counted for each product line in which a procedure was performed.**
**** Procedure count includes all codes submitted on a patient record. Therefore, some surgical cases may have been double-counted.**
**** The following services/visits have been filtered out: Biopsy, Biopsy/Aspiration, Cardiac Cath, CAT Scans, Clinic Visits, Colorectal Screening, Emergency Visits, Endoscopy Airway, Injections, MRI, Nerve Procedures, Nervous System Injection, Nuclear Medicine, Pathology, PET Scans, Pulmonary Test, Radiology, Transfusion, Tube Changes**

State Data Analyst 2.13
SDAT1108.SQP
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Sum of MktVisits	Column Labels	
Row Labels	2012	2013
Bast, Randal P	**168**	**167**
Caldwell Memorial Hospital	**168**	**167**
Cardiovascular Procedures	117	145
Laparoscopy	6	10
Other	2	3
GI Procedures	8	3
Miscellaneous Procedures	5	1
Cardiothoracic Procedures		1
Musculoskeletal Procedures		1
Abdominal Procedures	8	1
Skin Repair		1
Incision & Drainage		1
Sigmoidoscopy	1	
GI Endoscopy	17	
Anal/Rectal Procedures	1	
Breast Procedures	3	
Geissele, Alfred E	**18**	**12**
Caldwell Memorial Hospital		**1**
Cardiovascular Procedures		1
Catawba Valley Medical Center	**5**	**5**
Musculoskeletal Procedures	5	3
Other		1
Cardiovascular Procedures		1
Frye Regional Medical Center	**13**	**6**
Musculoskeletal Procedures	6	5
Debridement & Destruction		1
Other	1	
Cardiovascular Procedures	2	
Cardiothoracic Procedures	2	
Miscellaneous Procedures	2	
Hannibal, Matthew D	**76**	**49**
Blue Ridge HealthCare Hospitals Inc	**1**	
Musculoskeletal Procedures	1	

EXHIBIT
3

Caldwell Memorial Hospital	**74**	**49**
Musculoskeletal Procedures	55	30
Cardiovascular Procedures	4	14
Skin Repair	2	2
Miscellaneous Procedures	6	2
Debridement & Destruction	3	1
Other Musculoskeletal Procs	4	
Carolinas Medical Center - Lincoln	**1**	
Hurt Iii, James A		**7**
Caldwell Memorial Hospital		**7**
Musculoskeletal Procedures		4
Arthroscopy		3
Jenkins, Philip R	**503**	**588**
Caldwell Memorial Hospital	**503**	**588**
Musculoskeletal Procedures	111	186
Debridement & Destruction	223	151
Other Musculoskeletal Procs	62	149
Cardiovascular Procedures	37	39
Miscellaneous Procedures	25	20
Skin Repair	27	16
Incision & Drainage	9	15
Other	7	8
Arthroscopy	1	3
Pulmonary Treatment		1
Cardiothoracic Procedures	1	
Johnson, Jeremy C	**48**	**33**
Frye Regional Medical Center	**42**	**33**
Arthroscopy	32	29
Musculoskeletal Procedures	9	4
Other Musculoskeletal Procs	1	
Viewmont Surgery Center	**6**	
Musculoskeletal Procedures	1	
Arthroscopy	5	
Keverline, Jeffrey P	**154**	**182**
Blue Ridge HealthCare Hospitals Inc	**1**	
Other Musculoskeletal Procs	1	
Caldwell Memorial Hospital	**151**	**181**
Arthroscopy	62	82
Musculoskeletal Procedures	56	53
Miscellaneous Procedures	14	18
Other Musculoskeletal Procs	9	11
Debridement & Destruction	4	7
Cardiovascular Procedures	3	5
Skin Repair	2	4
Other		1
Pulmonary Treatment	1	
Catawba Valley Medical Center	**2**	
Musculoskeletal Procedures	1	
Arthroscopy	1	

Frye Regional Medical Center		**1**
Pulmonary Treatment		1
Krenzel, Brian A	**42**	**31**
Caldwell Memorial Hospital		**1**
Other Musculoskeletal Procs		1
Catawba Valley Medical Center	**2**	**3**
Musculoskeletal Procedures	2	2
Arthroscopy		1
Frye Regional Medical Center	**40**	**27**
Miscellaneous Procedures	27	12
Musculoskeletal Procedures	3	6
Arthroscopy	10	6
Other Musculoskeletal Procs		2
Incision & Drainage		1
Maxy, Ralph J	**15**	**9**
Catawba Valley Medical Center	**5**	**3**
Incision & Drainage		1
Musculoskeletal Procedures	4	1
Cardiovascular Procedures		1
Cardiothoracic Procedures	1	
Frye Regional Medical Center	**10**	**6**
Musculoskeletal Procedures	6	6
Debridement & Destruction	1	
Miscellaneous Procedures	3	
Mcginnis, Mark R	**23**	**29**
Catawba Valley Medical Center		**2**
Musculoskeletal Procedures		2
Frye Regional Medical Center	**23**	**27**
Musculoskeletal Procedures	16	14
Other Musculoskeletal Procs	2	6
Skin Repair	4	3
Incision & Drainage	1	2
Debridement & Destruction		2
Norcross, Jason P	**15**	**11**
Catawba Valley Medical Center	**6**	**2**
Other Musculoskeletal Procs		1
Musculoskeletal Procedures	1	1
Arthroscopy	2	
Cardiovascular Procedures	3	
Frye Regional Medical Center	**9**	**9**
Miscellaneous Procedures	6	6
Arthroscopy	2	2
Pulmonary Treatment		1
Musculoskeletal Procedures	1	
Pekman, William M	**34**	**47**
Frye Regional Medical Center	**34**	**47**
Musculoskeletal Procedures	30	42
Skin Repair	2	2
Cardiovascular Procedures		1

Debridement & Destruction		1
Incision & Drainage	1	1
Other Musculoskeletal Procs	1	
Purcell, Peter N	**377**	**266**
Blue Ridge HealthCare Hospitals Inc		**1**
Cardiothoracic Procedures		1
Caldwell Memorial Hospital	**377**	**265**
Cardiovascular Procedures	255	113
Other Musculoskeletal Procs	35	52
Cardiothoracic Procedures	47	45
Debridement & Destruction	22	32
Miscellaneous Procedures	9	10
Other	8	3
Skin Repair	1	3
Incision & Drainage		3
Laparoscopy		3
Pulmonary Treatment		1
Stanislaw, James E	**211**	**195**
Blue Ridge HealthCare Hospitals Inc	**1**	**1**
Musculoskeletal Procedures		1
Other Musculoskeletal Procs	1	
Caldwell Memorial Hospital	**209**	**192**
Musculoskeletal Procedures	93	98
Arthroscopy	55	57
Other Musculoskeletal Procs	15	13
Cardiovascular Procedures	5	8
Skin Repair	13	6
Miscellaneous Procedures	18	5
Debridement & Destruction	6	3
Other		1
Pulmonary Treatment	1	1
Incision & Drainage	3	
Frye Regional Medical Center	**1**	**2**
Musculoskeletal Procedures	1	1
Arthroscopy		1
Grand Total	**1684**	**1626**

4

Surgical and Non-Surgical Cases

Surgical Cases by Specialty Area Table - Enter the number of surgical cases performed only in licensed operating rooms by surgical specialty area in the chart below. Count each patient undergoing surgery as one case regardless of the number of surgical procedures performed while the patient was having surgery. Categorize each case into one specialty area – the total number of surgical cases is an unduplicated count of surgical cases. **Please do not include abortion procedures on this table. Count all surgical cases performed only in licensed operating rooms. The total number of surgical cases should match the total number of patients listed in the Patient Origin Table on page 8.**

Surgical Specialty Area	Cases
Cardiothoracic	
General Surgery	
Neurosurgery	
Obstetrics and GYN	
Ophthalmology	
Oral Surgery	
Orthopedics	632
Otolaryngology	
Plastic Surgery	
Urology	
Vascular	
Other Surgeries (specify)	
Other Surgeries (specify)	
Total Surgical Cases Performed Only in Licensed ORs (must match total on page 8)	632

Non-Surgical Cases by Category Table - Enter the number of non-surgical cases by category in the table below. Count each patient undergoing a procedure or procedures as one case regardless of the number of non-surgical procedures performed. Categorize each case into one non-surgical category – the total number of non-surgical cases is an unduplicated count of non-surgical cases. **Count all non-surgical cases, including cases receiving services in operating rooms or in any other location, *except* do not count cases having endoscopies in GI Endoscopy rooms. Report cases having endoscopies in GI Endoscopy Rooms on page 5.**

Non-Surgical Category	Cases
Pain Management	
Cystoscopy	
Non-GI Endoscopies *(not reported on page 5)*	
GI Endoscopies *(not reported on page 5)*	
YAG Laser	
Other (specify)	
Other (specify)	
Other (specify)	
Total Non-Surgical Cases	Ø

Average Operating Room Availability and Average Case Times:
The Operating Room Methodology assumes that the average operating room is staffed 9 hours a day, for 260 days per year, and utilized at least 80% of the available time. This results in 1,872 hours per OR per year. The Operating Room Methodology also assumes 1.5 hours for each Outpatient Surgery.

Based on **your facility's** experience, please complete the table below by showing the assumptions for the **average operating room in your facility.**

Average Hours per Day **Routinely** Scheduled for Use *	Average Number of Days per Year **Routinely** Scheduled for Use	Average "Case Time" ** in **Minutes** for Ambulatory Cases
9	259	51

* (Use only Hours per Day **routinely** scheduled when determining. Example: 2 rooms @ 8 hours per day plus 2 rooms @ 10 hours per day equals 36 hours per day; divided by 4 rooms equals an average of 9 hours / per room / per day.)

** **"Case Time" = Time from Room Set-up Start to Room Clean-up Finish**. Definition 2.4 from the "Procedural Times Glossary" of the AACD, as approved by ASA, ACS, and AORN. *NOTE: This definition includes all of the time for which a given procedure requires an OR/PR. It allows for the different duration of Room Set-up and Room Clean-up Times that occur because of the varying supply and equipment needs for a particular procedure*

Reimbursement Source

Primary Payer Source	**Number of Cases**
Self Pay/Indigent/Charity	26
Medicare & Medicare Managed Care	59
Medicaid	23
Commercial Insurance	430
Managed Care	1
Other (Specify) WC/other	93
TOTAL	632

Surgical and Non-Surgical Cases

Surgical Cases by Specialty Area Table - Enter the number of surgical cases performed only in licensed operating rooms by surgical specialty area in the chart below. Count each patient undergoing surgery as one case regardless of the number of surgical procedures performed while the patient was having surgery. Categorize each case into one specialty area – the total number of surgical cases is an unduplicated count of surgical cases. **Please do not include abortion procedures on this table. Count all surgical cases performed only in licensed operating rooms. The total number of surgical cases should match the total number of patients listed in the Patient Origin Table on page 8.**

Surgical Specialty Area	Cases
Cardiothoracic	
General Surgery	
Neurosurgery	
Obstetrics and GYN	
Ophthalmology	
Oral Surgery	
Orthopedics	995
Otolaryngology	
Plastic Surgery	
Urology	
Vascular	
Other Surgeries (specify)	
Other Surgeries (specify)	
Total Surgical Cases Performed Only in Licensed ORs (must match total on page 8)	995

Non-Surgical Cases by Category Table - Enter the number of non-surgical cases by category in the table below. Count each patient undergoing a procedure or procedures as one case regardless of the number of non-surgical procedures performed. Categorize each case into one non-surgical category – the total number of non-surgical cases is an unduplicated count of non-surgical cases. **Count all non-surgical cases, including cases receiving services in operating rooms or in any other location, *except* do not count cases having endoscopies in GI Endoscopy rooms. Report cases having endoscopies in GI Endoscopy Rooms on page 5.**

Non-Surgical Category	Cases
Pain Management	281
Cystoscopy	
Non-GI Endoscopies *(not reported on page 5)*	
GI Endoscopies *(not reported on page 5)*	
YAG Laser	
Other (specify)	
Other (specify)	
Other (specify)	
Total Non-Surgical Cases	281

Average Operating Room Availability and Average Case Times:
The Operating Room Methodology assumes that the average operating room is staffed 9 hours a day, for 260 days per year, and utilized at least 80% of the available time. This results in 1,872 hours per OR per year. The Operating Room Methodology also assumes 1.5 hours for each Outpatient Surgery.

Based on **your facility's** experience, please complete the table below by showing the assumptions for the **average operating room in your facility.**

Average Hours per Day **Routinely** Scheduled for Use *	Average Number of Days per Year **Routinely** Scheduled for Use	Average "Case Time" ** in **Minutes** for Ambulatory Cases
9	253	73.0

* (Use only Hours per Day **routinely** scheduled when determining. Example: 2 rooms @ 8 hours per day plus 2 rooms @ 10 hours per day equals 36 hours per day; divided by 4 rooms equals an average of 9 hours / per room / per day.)

** **"Case Time" = Time from Room Set-up Start to Room Clean-up Finish.** Definition 2.4 from the "Procedural Times Glossary" of the AACD, as approved by ASA, ACS, and AORN. *NOTE: This definition includes all of the time for which a given procedure requires an OR/PR. It allows for the different duration of Room Set-up and Room Clean-up Times that occur because of the varying supply and equipment needs for a particular procedure*

Reimbursement Source

Primary Payer Source	**Number of Cases**
Self Pay/Indigent/Charity	16
Medicare & Medicare Managed Care	354
Medicaid	56
Commercial Insurance	53
Managed Care	688
Other (Specify) *	109
TOTAL	1,276 **

* Other Gov't + Workers Comp.
** Includes OR case and Pain management cases.

Surgical and Non-Surgical Cases

Surgical Cases by Specialty Area Table - Enter the number of surgical cases performed only in licensed operating rooms by surgical specialty area in the chart below. Count each patient undergoing surgery as one case regardless of the number of surgical procedures performed while the patient was having surgery. Categorize each case into one specialty area – the total number of surgical cases is an unduplicated count of surgical cases. **Please do not include abortion procedures on this table. Count all surgical cases performed only in licensed operating rooms. The total number of surgical cases should match the total number of patients listed in the Patient Origin Table on page 8.**

Surgical Specialty Area	Cases
Cardiothoracic	
General Surgery	
Neurosurgery	
Obstetrics and GYN	
Ophthalmology	
Oral Surgery	
Orthopedics	2904
Otolaryngology	
Plastic Surgery	
Urology	
Vascular	
Other Surgeries (specify) PODIATRY	256
Other Surgeries (specify)	
Total Surgical Cases Performed Only in Licensed ORs (must match total on page 8)	3160

Non-Surgical Cases by Category Table - Enter the number of non-surgical cases by category in the table below. Count each patient undergoing a procedure or procedures as one case regardless of the number of non-surgical procedures performed. Categorize each case into one non-surgical category – the total number of non-surgical cases is an unduplicated count of non-surgical cases. **Count all non-surgical cases, including cases receiving services in operating rooms or in any other location, *except* do not count cases having endoscopies in GI Endoscopy rooms. Report cases having endoscopies in GI Endoscopy Rooms on page 5.**

Non-Surgical Category	Cases
Pain Management	90
Cystoscopy	
Non-GI Endoscopies *(not reported on page 5)*	
GI Endoscopies *(not reported on page 5)*	
YAG Laser	
Other (specify)	
Other (specify)	
Other (specify)	
Total Non-Surgical Cases	90

Average Operating Room Availability and Average Case Times:
The Operating Room Methodology assumes that the average operating room is staffed 9 hours a day, for 260 days per year, and utilized at least 80% of the available time. This results in 1,872 hours per OR per year. The Operating Room Methodology also assumes 1.5 hours for each Outpatient Surgery.

Based on **your facility's** experience, please complete the table below by showing the assumptions for the **average operating room in your facility.**

Average Hours per Day **Routinely** Scheduled for Use *	Average Number of Days per Year **Routinely** Scheduled for Use	Average "Case Time" ** in **Minutes** for Ambulatory Cases
8	252	105

* (Use only Hours per Day **routinely** scheduled when determining. Example: 2 rooms @ 8 hours per day plus 2 rooms @ 10 hours per day equals 36 hours per day; divided by 4 rooms equals an average of 9 hours / per room / per day.)

** **"Case Time" = Time from Room Set-up Start to Room Clean-up Finish.** Definition 2.4 from the "Procedural Times Glossary" of the AACD, as approved by ASA, ACS, and AORN. *NOTE: This definition includes all of the time for which a given procedure requires an OR/PR. It allows for the different duration of Room Set-up and Room Clean-up Times that occur because of the varying supply and equipment needs for a particular procedure*

Reimbursement Source

Primary Payer Source	**Number of Cases**
Self Pay/Indigent/Charity	7
Medicare & Medicare Managed Care	1203
Medicaid	198
Commercial Insurance	1075
Managed Care	433
Other (Specify) Workcomp/Federal	334
TOTAL	3250

Surgical and Non-Surgical Cases

Surgical Cases by Specialty Area Table - Enter the number of surgical cases performed only in licensed operating rooms by surgical specialty area in the chart below. Count each patient undergoing surgery as one case regardless of the number of surgical procedures performed while the patient was having surgery. Categorize each case into one specialty area – the total number of surgical cases is an unduplicated count of surgical cases. **Please do not include abortion procedures on this table. Count all surgical cases performed only in licensed operating rooms. The total number of surgical cases should match the total number of patients listed in the Patient Origin Table on page 8.**

Surgical Specialty Area	Cases
Cardiothoracic	0
General Surgery	62
Neurosurgery	173
Obstetrics and GYN	0
Ophthalmology	726
Oral Surgery	0
Orthopedics	3079
Otolaryngology	874
Plastic Surgery	0
Urology	302
Vascular	0
Other Surgeries (specify)	
Other Surgeries (specify)	
Total Surgical Cases Performed Only in Licensed ORs (must match total on page 8)	5276

Non-Surgical Cases by Category Table - Enter the number of non-surgical cases by category in the table below. Count each patient undergoing a procedure or procedures as one case regardless of the number of non-surgical procedures performed. Categorize each case into one non-surgical category – the total number of non-surgical cases is an unduplicated count of non-surgical cases. **Count all non-surgical cases, including cases receiving services in operating rooms or in any other location, *except* do not count cases having endoscopies in GI Endoscopy rooms. Report cases having endoscopies in GI Endoscopy Rooms on page 5.**

Non-Surgical Category	Cases
Pain Management	28
Cystoscopy	
Non-GI Endoscopies *(not reported on page 5)*	
GI Endoscopies *(not reported on page 5)*	
YAG Laser	
Other (specify)	
Other (specify)	
Other (specify)	
Total Non-Surgical Cases	28

Average Operating Room Availability and Average Case Times:
The Operating Room Methodology assumes that the average operating room is staffed 9 hours a day, for 260 days per year, and utilized at least 80% of the available time. This results in 1,872 hours per OR per year. The Operating Room Methodology also assumes 1.5 hours for each Outpatient Surgery.

Based on **your facility's** experience, please complete the table below by showing the assumptions for the **average operating room in your facility.**

Average Hours per Day Routinely Scheduled for Use *	Average Number of Days per Year **Routinely** Scheduled for Use	Average "Case Time" ** in **Minutes** for Ambulatory Cases
8 hrs		90 minutes

* (Use only Hours per Day routinely scheduled when determining. Example: 2 rooms @ 8 hours per day plus 2 rooms @ 10 hours per day equals 36 hours per day; divided by 4 rooms equals an average of 9 hours / per room / per day.)

** **"Case Time" = Time from Room Set-up Start to Room Clean-up Finish.** Definition 2.4 from the "Procedural Times Glossary" of the AACD, as approved by ASA, ACS, and AORN. *NOTE: This definition includes all of the time for which a given procedure requires an OR/PR. It allows for the different duration of Room Set-up and Room Clean-up Times that occur because of the varying supply and equipment needs for a particular procedure.*

Reimbursement Source

Primary Payer Source	**Number of Cases**
Self Pay/Indigent/Charity	32
Medicare & Medicare Managed Care	1377
Medicaid	260
Commercial Insurance	3339
Managed Care	49
Other (Specify) Wcomp	247
TOTAL	5304

Surgical and Non-Surgical Cases

Surgical Cases by Specialty Area Table - Enter the number of surgical cases performed only in licensed operating rooms by surgical specialty area in the chart below. Count each patient undergoing surgery as one case regardless of the number of surgical procedures performed while the patient was having surgery. Categorize each case into one specialty area – the total number of surgical cases is an unduplicated count of surgical cases. **Please do not include abortion procedures on this table. Count all surgical cases performed only in licensed operating rooms. The total number of surgical cases should match the total number of patients listed in the Patient Origin Table on page 8.**

Surgical Specialty Area	Cases
Cardiothoracic	Ø
General Surgery	Ø
Neurosurgery	Ø
Obstetrics and GYN	150
Ophthalmology	2,795
Oral Surgery	Ø
Orthopedics	5,318
Otolaryngology	Ø
Plastic Surgery	21
Urology	5
Vascular	Ø
Other Surgeries (specify) PODIATRY	861
Other Surgeries (specify)	~~861~~
Total Surgical Cases Performed Only in Licensed ORs (must match total on page 8)	9,150

Non-Surgical Cases by Category Table - Enter the number of non-surgical cases by category in the table below. Count each patient undergoing a procedure or procedures as one case regardless of the number of non-surgical procedures performed. Categorize each case into one non-surgical category – the total number of non-surgical cases is an unduplicated count of non-surgical cases. **Count all non-surgical cases, including cases receiving services in operating rooms or in any other location, *except* do not count cases having endoscopies in GI Endoscopy rooms. Report cases having endoscopies in GI Endoscopy Rooms on page 5.**

Non-Surgical Category	Cases
Pain Management	2773
Cystoscopy	Ø
Non-GI Endoscopies *(not reported on page 5)*	Ø
GI Endoscopies *(not reported on page 5)*	Ø
YAG Laser	172
Other (specify)	Ø
Other (specify)	Ø
Other (specify)	Ø
Total Non-Surgical Cases	2,945

Average Operating Room Availability and Average Case Times:
The Operating Room Methodology assumes that the average operating room is staffed 9 hours a day, for 260 days per year, and utilized at least 80% of the available time. This results in 1,872 hours per OR per year. The Operating Room Methodology also assumes 1.5 hours for each Outpatient Surgery.

Based on **your facility's** experience, please complete the table below by showing the assumptions for the **average operating room in your facility.**

Average Hours per Day **Routinely** Scheduled for Use *	Average Number of Days per Year **Routinely** Scheduled for Use	Average "Case Time" ** in **Minutes** for Ambulatory Cases
9	260	104

* (Use only Hours per Day **routinely** scheduled when determining. Example: 2 rooms @ 8 hours per day plus 2 rooms @ 10 hours per day equals 36 hours per day; divided by 4 rooms equals an average of 9 hours / per room / per day.)

** **"Case Time" = Time from Room Set-up Start to Room Clean-up Finish.** Definition 2.4 from the "Procedural Times Glossary" of the AACD, as approved by ASA, ACS, and AORN. *NOTE: This definition includes all of the time for which a given procedure requires an OR/PR. It allows for the different duration of Room Set-up and Room Clean-up Times that occur because of the varying supply and equipment needs for a particular procedure*

Reimbursement Source

Primary Payer Source	Number of Cases
Self Pay/Indigent/Charity	114
Medicare & Medicare Managed Care	4267
Medicaid	437
Commercial Insurance	117
Managed Care	6891
Other (Specify) W.C. + Ossatron	269
TOTAL	12,095