



## Technology & Equipment Committee Minutes - *Draft*

May 13, 2015

10:00 am

Brown Bldg Room 104

Healthcare Planning & Certificate of Need Section

<b>Members Present:</b> Dr. Christopher Ullrich, Trey Adams, Dr. Richard Akers, Kelly Hollis, Dr. Jeffrey Moore, Dr. Prashant Patel
<b>Members Absent:</b> Senator Ralph Hise
<b>Healthcare Planning Staff:</b> Shelley Carraway, Greg Yakaboski, Paige Bennett, Elizabeth Brown, Amy Craddock, Tom Dickson, Kelli Fisk
<b>DHSR Staff:</b> Drexdal Pratt, Patsy Christian, Martha Frisone, Lisa Pittman
<b>AG's Office:</b> Bethany Burgon

Agenda Items	Discussion/Action	Motions	Recommendations/ Actions
<b>Welcome &amp; Introductions</b>	Dr. Ullrich welcomed members, staff and visitors to the meeting and asked members and staff to introduce themselves. He noted the meeting was open to the public, but that the meeting did not include a public hearing. Therefore, discussion would be limited to members of the committee and staff.		
<b>Review of Executive Order No. 46: Reauthorizing the State Health Coordinating Council</b>	<p>Dr. Ullrich reviewed the Executive Order 46 Reauthorizing the State Health Coordinating Council and gave an overview of the procedures to observe before taking action at the meeting. Dr. Ullrich inquired if anyone had a conflict or needed to declare that they would derive a benefit from any matter on the agenda or intended to recuse themselves from voting on the matter. Dr. Ullrich asked members to review the agenda and declare any conflicts on today's agenda. There were no recusals.</p> <p>Dr. Ullrich stated that if a conflict of interest, not on the agenda, came up during the meeting that the member with the conflict of interest would make a declaration of the conflict.</p>		
<b>Approval of April 22, 2015 Minutes</b>	A motion was made and seconded to approve the minutes.	Dr. Akers Dr. Patel	Motion approved
Magnetic Resonance Imaging	Dr. Ullrich stated during the last T & E meeting an action was suspended		

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(MRI) – Chapter 9	<p>acting on a MRI report and petition on J. Arthur Doshier Memorial Hospital to allow members more time for discussion on a proposed amendment. Dr. Ullrich asked Ms. Bennett to review the agency report on this petition.</p> <p>Ms. Bennett stated the agency received 2 comments against, 2 comments from the petitioner and 32 letters of support.</p> <p>Ms. Bennett stated there are two fixed MRI machines in the county and one mobile machine. The number of procedures performed in the Brunswick County service area in the 2015 SMFP is 62.3% of the number of procedures needed to generate a need for a new MRI machine. Doshier performed 22.5% of the adjusted procedure total, or 1,246 weighted procedures. The petitioner performed fewer than the number of procedures to meet the threshold for a need determination of one machine in a county without an existing fixed MRI, which is 1,716 weighted procedures.</p> <p>Ms. Bennett stated the petitioner also requested in the proposed language that, “The threshold tier of adjusted MRI scans for such a replacement shall equal that of a service area with no MRI scanners.” This proposed change would require an applicant to meet the minimum threshold of 1,716 weighted procedures for zero fixed MRI scanners. The current threshold for the Brunswick service area is 4,118, the threshold for two fixed scanners. If this policy were approved, the lower threshold requirement with the condition that MRI services must be offered full-time has the potential of being perceived as inequitable treatment.</p> <p>For example, certain facilities that have higher utilization than the petitioner (i.e. those in a multiscanner service area that are in contract with a vendor for part-time services) would not be able to replace their contract with a fixed scanner under this policy. In addition, the wording of this policy limits the type of applicants to hospitals only and not all types of facilities that provide MRI services, such as independent diagnostic centers.</p> <p>Ms. Bennett stated if this policy were to be enacted, and the petitioner qualified under the conditions as they are currently written, the resulting</p>		

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	<p>outcome would not increase the number of fixed scanners in the Brunswick County service area. They would be replacing one machine with another, but the MRI scanner located at Doshier is a grandfathered scanner. Thus, this equipment was approved prior to the time that the requirement for a certificate of need for MRI scanners came into effect. The vendor will be able to locate the equipment in any other service area in the state. Thus, while it may not increase the inventory in the petitioner's county, it would increase the overall statewide inventory and has the potential to be placed in another health service area that already has excess capacity.</p> <p>Given available information submitted by the March 20, 2015 deadline date for comments on petitions and comments, and in consideration of factors discussed above, the Agency recommends that the petition for a policy and revisions to the methodology for MRI scanners be denied.</p> <p>Dr. Ullrich stated he received a proposal from another Planner late yesterday afternoon and it was too late to circulate this to Committee members. Dr. Ullrich asked Ms. Bennett to review the draft Policy TE-3.</p> <p>Ms. Bennett reviewed the draft Policy TE-3 for amendment to agency report by Trey Adams:</p> <p>DRAFT Policy TE-3: Certificate of Need for Fixed MRI Scanners in Community Hospitals. A certificate of need may be issued to a hospital licensed under GS 131E, Article 5, without regard to the MRI need shown in Chapter 9: Magnetic Resonance Imaging, provided that the certificate of need application demonstrates the following:</p> <ol style="list-style-type: none"> <li>1. The hospital currently contracts for MRI services with an unrelated vendor;</li> <li>2. The hospital performed a minimum of 858 weighted MRI scans in the twelve months immediately prior to the submission of the certificate of need application;</li> </ol>		

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	<p>3. The hospital demonstrates that it will perform at least 1,716 weighted MRI scans during the third year of operation following the completion of the project;</p> <p>4. The existing MRI service will be terminated once the new fixed MRI scanner begins service;</p> <p>5. The hospital demonstrates that acquisition of an MRI scanner by the facility will reduce the hospital's costs of providing MRI services which will be passed on to patients and third party payors in the form of lower charges.</p> <p>Dr. Ullrich stated this policy as proposed had missed the first cycle of comments. Dr. Ullrich stated that he felt there were 2 things the Committee should do</p> <ol style="list-style-type: none"> <li>1) Take more time to do the policy</li> <li>2) The petition as proposed was unacceptable, but Dr. Ullrich stated a special need petition should be filed this summer and the discussion on this issue should continue.</li> </ol> <p>Dr. Ullrich stated the petition would come back to the T &amp; E Committee.</p> <p>Dr. Ullrich asked for a vote – a vote yes was to accept the Proposed Policy TE-3 and a no was to deny the Proposed TE-3.</p> <p>Dr. Ullrich asked for a vote – a vote yes was to accept the J. Arthur Doshier Memorial Hospital petition, a no was to deny the J. Arthur Doshier Memorial Hospital petition.</p>		<p>5 votes no to deny the Proposed Policy TE-3 (Unanimous)</p> <p>5 votes no to deny the J. Arthur Doshier Memorial Petition (Unanimous)</p>

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	<p>Dr. Ullrich asked Ms. Bennett to review the CPT Code Data.</p> <p>Ms. Bennett stated the agency had been concurrently collecting data for both the total number of procedures for inpatient, outpatient, and with and without contrast and the associated CPT procedure codes for MRI.</p> <p>Ms. Bennett reviewed the LRA/Registration and Inventory Forms for MRI. Ms. Bennett stated the agency was concurrently collecting data for both total procedures and by CPT Code.</p> <p>Ms. Bennett noted the MRI methodology requires weighting for both inpatient and outpatient procedures and with and without contrast in order to calculate a fixed equivalent. The CPT codes capture the level of detail of contrast and the weighting for inpatient and outpatient can be determined by the facility submitting the data.</p> <p>Ms. Bennett stated that she and Dr. Dickson reviewed the data for the last 3 SMFPs. The unweighted procedure totals as compared to the CPT code totals by county. 2013 SMFP 2.3%; 2014 SMFP -2.61% difference; 2015 SMFP -3.03% difference. This demonstrates we could most likely use the only CPT codes for the methodology calculations without concerns that it would be inaccurate.</p> <p style="text-align: center;"><u>Recommendations</u> Dr. Ullrich entertained a motion starting in 2016 to only collect CPT code data for MRI and circulate for public comment.</p> <p>Ms. Bennett noted as part of the methodology for linear accelerators, the agency currently collects data by CPT code on all data collection forms. This data is used to determine treatment complexity for appropriate weighting for conversion to ESTVs. Research and verification of the full set of CPT codes related to linear accelerators will be necessary for carrying out a review of</p>		<p style="text-align: center;">Motion approved (Unanimous)</p>

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	<p>the methodology. This review will also determine if the use of ESTVs continues to be appropriate as the methodology standard.</p> <p>Ms. Bennett stated data for linear accelerators is being collected by CPT code only. These are weighted to calculate ESTVs. Therefore, there is no comparison for the committee to review. Healthcare Planning receives updates on the Registration and Inventory forms to the CPT codes which are sometimes conflicting. In addition to MRI, Ms. Bennett will be working to ensure a complete and accurate code set moving forward for next year.</p> <p style="text-align: center;"><u>Recommendations</u> Dr. Ullrich entertained a motion to circulate and receive public comment on the code set to make sure we have the correct codes to meet current practice.</p>	<p>Dr. Akers Mr. Adams</p>	<p>Motion approved (Unanimous)</p>
<p><b>Linear Accelerator – Chapter 9</b></p>	<p style="text-align: center;"><b><u>Update Need Determination</u></b></p> <p>Ms. Bennett reviewed new Tables 9G, 9H, 9K:</p> <p>Ms. Bennett noted there was an error in the data for linear accelerators. For those of you at the meeting you will recall Ms. Martha Frisone indicated there was a need in last year’s plan that was still outstanding. That is true; The database automatically calculates a need based on the population when the population reaches the 120,000 threshold and there is not a linear accelerator in the county. Revisions have been made to tables 9G, 9H adding appropriate placeholders and Table 9K was revised to remove the need in Harnett County.</p> <p style="text-align: center;"><u>Recommendations</u> Motion with second and vote to accept the changes to Tables 9G, 9H, and 9K with the understanding that staff will make necessary corrections and changes.</p>	<p>Dr. Patel Dr. Akers</p>	<p>Motion approved (Unanimous)</p>

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	<p align="center"><b><u>Final Recommendation</u></b>  A motion was made and seconded authorizing staff to make updates and corrections to all tables and narratives as needed. Including updates to the preambles.</p>	Mr. Adams Ms. Hollis	Motion approved
Adjournment	There being no further business, Dr. Ullrich entertained a motion for adjournment.		