
Acute Care Services Committee
Recommendations to the North Carolina State Health Coordinating Council
June 10, 2020

The Acute Care Services Committee met twice this year, first on April 7th and again on May 19th.

Topics reviewed and discussed at the April 7th meeting included:

- the current Acute Care Services policies and methodologies;
- a petition to allow Dental Single Specialty Ambulatory Surgical Facility Demonstration Projects to include the participation of ENTs;
- a proposed policy to allow the development or expansion of a kidney disease treatment center on a hospital campus; and
- three petitions related to end-stage renal disease dialysis facilities.

Topics reviewed and discussed at the May 19th meeting included:

- a comparison between hospital licensure and IBM Watson Health data;
- proposed edits to Chapter 9; End-Stage Renal Disease Dialysis Facilities; and
- preliminary drafts of need projections generated by the standard methodologies in the Acute Care Services chapters;

The following is an overview of the Committee's recommendations for Acute Care Services for the Proposed 2021 SMFP.

Chapter 5: Acute Care Hospital Beds

- At the April meeting, the Committee reviewed the policies and methodology. At the May meeting, Licensure and IBM Watson Health Analytics acute days of care were reviewed for discrepancies exceeding $\pm 5\%$. Staff will work with the Sheps Center, IBM Watson Health, 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.
- Committee members reviewed draft tables. At the time of the meeting, calculations resulted in a **need determination of 312 acute care beds**:
 - **22 beds in Cabarrus County**
 - **53 beds in Cumberland County**
 - **40 beds in the Durham/Caswell County service area**
 - **26 beds in Hoke County**
 - **76 beds in Mecklenburg County**
 - **35 beds in New Hanover County**

- **60 beds in the Pitt/Greene/Hyde/Tyrrell County service area**
- The Committee discussed that the calculated need for 26 beds in Hoke County is a mathematical anomaly, and therefore, it voted unanimously to remove the need from the 2021 Proposed SMFP.

Chapter 6: Operating Rooms

- At the April meeting, the Committee reviewed the methodology. During the May meeting, the committee discussed the petition from Valleygate Dental Surgery Center Holdings.

Valleygate requested that the SHCC review the Dental Single Specialty Ambulatory Surgical Facility Demonstration Project Criterion 3 to allow the participation of ENTs as needed for dental cases. The Agency recommended that dental demonstration project facilities be allowed to submit a certificate of need application proposing to allow ENT specialists to provide surgical services as needed to complete dental cases. The Agency further recommended the following stipulations: 1) the project facility will not allow ENT specialists to have block time at the facility; and 2) the project facility will not permit ENT specialists to perform ENT-only surgical cases. The Committee voted to approve the Agency recommendation regarding the Petition.

- During the May 19th meeting, the Committee reviewed draft tables. At the time of the meeting, the methodology resulted in a **need determination for 11 ORs**:
 - **2 ORs in Brunswick County**
 - **4 ORs in the Durham/Caswell County service area**
 - **3 ORs in Orange County**
 - **2 ORs in Wake County**

Chapter 7: Other Acute Care Services

- At the April meeting, the Committee reviewed the policy and methodologies for open-heart surgery, burn intensive care, and bone marrow and solid organ transplantation services.
- At the May meeting, staff presented draft tables for this chapter. There are **no need determinations for these services** at this time.

Chapter 8: Inpatient Rehabilitation Services

- The Committee reviewed the methodology and draft utilization table.
- Application of the standard methodology indicated **no need for additional inpatient rehabilitation beds** in the state at this time.

Chapter 9: End-Stage Renal Disease Dialysis Facilities

- The Committee reviewed the policy and methodologies.

During the April 7th committee meeting staff proposed a new dialysis policy, ESRD-3. The proposed policy would allow acute care hospitals to apply for a CON to develop an outpatient dialysis facility at the hospital. These facilities would only serve outpatients who need to receive dialysis at the hospital. This policy reflects the rationale behind an adjusted need petition from UNC Hospitals that was approved last year. The Committee approved proposed Policy ESRD-3 as presented by staff.

- There were three petitions received related to dialysis.

Petition 1: The first petition was from Wake Forest Baptist Health. The Agency received two comments; one in support and one in opposition. The Petitioner proposed a need determination methodology for home hemodialysis training stations dedicated to training patients on a full-time basis. The Agency found that the Centers for Medicare and Medicaid Services (CMS) does not certify dialysis stations by task. That is, when an in-center station is not being used to train a new home hemodialysis patient, it may be used for an in-center hemodialysis patient, and vice versa. ESRD providers are free to apply to develop a home-training-only facility so that they do not have to use in-center stations for home training. The Agency recommended denial of the Petition because it requested a methodology that cannot be implemented. The Committee voted to deny the Petition.

Petition 2: DaVita requested a policy to replace the current facility need methodology. One comment was received in opposition. This Petition is like the one they submitted in the Summer of 2019. **The 2020 SMFP is the first year of implementation of the modified facility need methodology.** The Committee and the SHCC agreed that it will be evaluated after 1 full year of implementation, which will occur next year. Neither the Agency nor the Committee were persuaded to change this plan. The Committee voted to deny the Petition.

Petition 3: Fresenius Medical Care and its related facilities in North Carolina petitioned to amend the certificate of need review schedule in Chapter 3 of the 2020 SMFP. The contents of Chapter 3 are within the sole purview of the Department, and do not fall within the purview of the SHCC. The Agency, therefore, treated this petition as a comment on the

SMFP. CON may choose to respond directly to this comment. The Agency recommended denial and the Committee voted to deny the Petition.

- At the May meeting, staff proposed language to clarify definitions regarding “new” and “small” dialysis facilities in the Facility Need Determination Methodology for the Proposed 2021 SMFP. The Committee approved these clarifications.
- Finally, staff presented draft ESRD data tables. At the time of the meeting, the county need determination methodology calculations resulted in **no need determinations anywhere in the state**. The facility need determination methodology calculations showed needs for **933 dialysis stations across 115 dialysis facilities throughout the state**.

Committee Recommendation Regarding Acute Care Services:

The Committee recommends acceptance of the Acute Care Services policies, methodologies, and draft tables, with the understanding that staff will make updates as needed.