

AUG 1 - 2008

Medical Facilities
PLANNING SECTION

Presentation by Bob Morrison, President, Randolph Hospital
August 1, 2008
Raleigh, NC

Good afternoon. My name is Bob Morrison and I am President of Randolph Hospital. I am here today to speak on behalf of a petition that is being filed jointly by 22 surgeons who practice in Randolph County and Randolph Hospital. This petition asks the State Health Coordinating Council to adjust the 2009 State Medical Facilities Plan to recognize a special need for three additional Operating Rooms in Randolph County.

We currently have the unwanted distinction of having the worst ratio of operating room access to population in the state of North Carolina. Randolph County has 1 operating room for every 28,800 persons versus the state median of one operating room per 10,900 persons. (The state average is 1 OR per 7,300 persons.) If we were an average county, we would have twenty operating rooms! Instead we have five. We are not asking for twenty. We are asking to increase from five to eight. If we were talking about classrooms and I was the superintendent of schools, and if we had 80 children in each classroom while other communities had twenty, I would have parents lined up outside my office. Legislators and public officials would be demanding to know what I was going to do to improve the situation. In health care, it works differently. Most surgeons go to places where they have convenient access to Operating Rooms. Patients in need of elective procedures follow those surgeons.

We have worked very hard to make the best possible use of the operating rooms that we have. In order to give our surgeons better access, we have moved just about every procedure that does not absolutely require an OR out of that environment. You will not find cystoscopy, chest tube insertions, or

superficial procedures in our ORs. We could have built up lots of statistics to justify ORs by doing simple procedures in the high cost operating room environment. Maybe we should have, but we didn't. We have ORs that are occupied with more complex procedures and they are filled to the point that schedule access is bad.

I'm very proud of the commitment of our surgeons. They make the best of a difficult situation but they have a hard time recruiting. New surgeons want access to surgical block time to build their practices and we just can't offer it. We have had success recruiting non-surgical specialists, but surgical recruitment is more difficult every year as the expectations of new surgeons rise. In other communities, they are promised the access that they want.

Our recruitment is not just important to the hospital and our current surgical staff. It is important to our community. Our Emergency Department sees over 40,000 patients each year. Many of them are in need of surgical services. Most of our surgeons take call 1 night in four. The ENT surgeon who will talk to you in a moment has taken at least one in two call for most of his career. If we don't recruit successfully, our call schedule will collapse and it will be necessary to transfer those ER patients and even to refer those who need office follow-up to other communities. Our orthopedic service is already in danger. We have four surgeons taking call. Three are age 58 or older and approaching retirement. We've had great candidates but it is very unlikely that we will successfully recruit them without better OR access.

We're aware that there are proposed changes to the formula for allocating ORs, including a tiering system. None of the proposed changes to the formula will address our unique situation because we are so extremely abnormal in our ratio of population to ORs. Our situation does not fit neatly into a formula for calculating operating room needs because our circumstances are so desperate that we can't build the statistics. The best analogy I can give

you is that we need to prime the pump. Once we get enough OR access and get better ambulatory surgery access, it will be easier to recruit and easier to justify future growth in accord with a formula.

Patient origin data reported on the licensure applications of providers in adjacent counties demonstrate that Patients from Randolph County who have sought surgical services outside of the county filled the equivalent of 6 additional operating rooms last year. It is important to note that this figure does not include patients that sought surgical services at any of the academic medical centers or further away in Charlotte, Winston-Salem or Raleigh. The great majority of these were outpatients. Those 6 OR equivalents represent patients that could have had their services close to home in their own county if there had been appropriate access.

We are asking for three additional operating rooms. If you grant our petition, you will reduce our population per OR from one to 28,800 to one to 18,000. That compares to a North Carolina average of one per 7,300 people. Our ratio will still be 2.5 times greater than the state average AFTER the petition is granted.

Last year, we asked for one room in a conservative effort to gain OR access and we relied heavily on the assumptions set forth in the OR methodology. That is not the intended purpose of a special need petition. We come to you this year to address our need in terms of what is required by the basic principles of the State Medical Facilities Plan: Cost, Quality and Access to Care. The citizens of Randolph County deserve the same access that is afforded to other counties. They deserve the cost savings, efficiencies, and flexibilities that an Ambulatory Surgery Model provides without compromising their access to inpatient surgical care. Our physicians want to be able to meet the needs of their patients and provide them with options in when they receive their care. Today's healthcare consumer demands that. In fact, last

Asheboro since 1992 and that makes me one of the more senior surgeons on the medical staff. I only get one 8 hour block of time a week to do all of my surgical cases. That is all I get. I am an ENT surgeon so a large part of my surgical practice is elective and a large part is pediatrics. I have to line up these cases in my one 8 hour block and sometimes children are waiting until after noon to get their procedures done. They can't eat or drink after midnight the night before surgery, so quite often we are dealing with irritable children and dissatisfied parents. And it is not just children. Patient satisfaction for all surgical patients drops as the wait in the day lengthens.

Patients are educated health care consumers. They want their surgery done when it is convenient for them—not when it is convenient for us. If a patient does not like my assigned time on Mondays, but wants a procedure to be done on Friday so he/she can recover over the weekend and go back to work on Monday, I can't meet that need.

Data from my professional academy indicates that one ENT physician is needed to serve a population of 30-35,000 people. I am the only ENT doctor on the active medical staff at our hospital whose operating room service area includes more than 140,000 people. The majority of my surgical cases as a general ENT doctor are outpatient. The lack of an ambulatory surgery center and the lack of adequate OR time has been a major stumbling block in the recruitment of another physician to my practice. Many other surgical specialties are finding this to be an issue as well.

Mr. Morrison discussed the outmigration of Randolph County surgical patients that support as many as six operating rooms in contiguous counties. The volume of this outmigration creates a unique situation in our Emergency Department that is concerning to our local surgeons. It is not uncommon for our surgeons to be called to our Emergency Department to evaluate a post surgical complication in a patient that had surgery elsewhere. We expect this to some extent in our community, but it occurs so frequently that it is an additional call burden and liability risk for the local surgeons who respond to these patients. If a patient's surgeon is not available to address problems that arise, then that patient does not have good access to care.

We want to meet the healthcare demands of our community and to provide our community with a choice of surgical facilities to use. If this petition is not granted, it will adversely affect our ability to provide access to quality surgical care.

There is a special need in Randolph County that cannot be addressed by the current OR need methodology and that special need is urgent. If the petition is approved, and we can accomplish our goals, then Randolph County patients can enjoy the same level of access, quality and cost-effective surgical services that patients in the rest of North Carolina enjoy and that are consistent with the goals of our State Medical Facilities Plan.

Thank you for your consideration of our petition and for the opportunity to speak to you in support of this petition.

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Good afternoon. My name is Lance Sisco and I am an orthopedic surgeon who has been practicing for 16 years. I have been on active staff at Randolph Hospital for the last 5 years. I am here today to speak on behalf of a petition that is being filed jointly between Randolph Hospital and 10 surgeons who practice in Randolph County. **This petition asks the State Health Coordinating Council (SHCC) to adjust the 2009 State Medical Facilities Plan to allow for a special needs adjustment for one Operating Room in Randolph County.**

Some of you will recall that we filed a similar petition one year ago and also submitted a letter during the March 2008 SHCC meeting asking that the need in Randolph County be reviewed. **The reason we keep coming back is that OR access is still a challenge in Randolph County, and this is not reflected by the current OR need methodology.** We will submit a written petition that will provide complete details including qualitative and quantitative support for our petition. Today, I want to spend a few minutes highlighting the reasons this is imperative for my patients and the citizens of Randolph County.

Access to surgical care for Randolph County citizens is our foremost concern. Additional OR capacity would greatly enhance our ability to recruit more orthopedic surgeons and other specialists to our community. Over the last 4 years, the hospital has been unsuccessful in recruiting an additional orthopedic surgeon. There are 4 orthopedic surgeons here, including myself. Two are in their 60's and very near retirement. My partner is 58, and wants to retire in 2 years. Soon, I may be the only orthopedic surgeon in Asheboro. This would very negatively impact patient access to orthopedic care because Emergency room orthopedic coverage would not be 24/7. We need at least 4 orthopedic surgeons here. We have interviewed several orthopedic surgeons over the last 4 years and all were very concerned over the lack of an Ambulatory Surgery Center and block time availability and this played a major role in their decision not to come here.

In addition, I am concerned about **quality of care, patient comfort, and good outcomes**. Our current OR capacity is not always conducive to ideal patient care. Due to our current capacity constraints, we often have patients who have to be scheduled for procedures in the afternoon. This can be a particular strain when patients have to go without water and food nearly all day prior to the procedure. This can be especially challenging for pediatric patients and their families. There is emerging evidence that good outcomes are more difficult to achieve with afternoon surgery times. By moving some of the out-patient surgery to an ASC, this would decompress the O.R. schedule at the hospital. The result of this would be increased room availability for emergency cases and less delayed cases.

As I have referenced earlier, we need to develop an **ambulatory surgery alternative**. Randolph Hospital is currently the sole provider of surgical services in Randolph County. The entire current Operating room inventory of 5 rooms (excluding one c-section room) is on the hospital campus. Ninety percent of the surgery I do is out-patient. Because all of our operating rooms are located at the main hospital, hospital inpatients must take priority over outpatients, which sometimes result in cancellations or postponements of several hours for outpatients. An additional O.R. in Randolph County would allow this to happen, as a joint-venture between the physicians and the hospital.

An ASC delivers care much more efficiently, and this reduces costs. Health Insurance companies know this and steer their patients to ASC's in their preferred provider network. This is an inconvenience to the patients in Randolph County. This out-migration of out-patient surgery patients greatly reduces our volume of surgery. This is one reason our current O.R. volumes are artificially low.

The aforementioned reasons combined with the statistical data we will provide in our petition, all lead us to request that the State Health Coordinating Council allocate one operating room in Randolph County in the 2009 SMFP. This will allow the hospital and its surgeons to work together to address these issues of capacity and allow the citizens of Randolph County improved access, continued quality, and cost-effective health care.

Thank you for your time and careful consideration.