

**Presentation of:  
PETITION FOR ADJUSTED NEED DETERMINATION**

**Petitioner:**

Rex Hospital  
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Raleigh, NC 27607

**Represented by:**

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DFS Health Planning  
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**AUG 1 - 2008**

Medical Facilities  
Planning Section

Good afternoon. My name is Steve Burriss, and I represent Rex Hospital. I appreciate this opportunity to present our request for an adjusted need determination of 16 inpatient rehabilitation beds in Health Service Area IV.

In Rex's view, HSA IV faces a unique set of circumstances regarding access to inpatient rehabilitation services. North Carolina has undergone a tremendous population surge recently and HSA IV is leading that surge. The service area has grown 10.3% since 2005 and this growth is expected to continue for the foreseeable future, increasing 10.5% by 2012 making it the fastest growing service area in the State. Moreover, HSA IV is projected to have an 18% increase in residents over 65 by 2012. Wake County, the HSA's largest county is expected to have a staggering 25% increase in this at risk population.

Currently, HSA IV is the second most populated service area behind HSA II. Yet a comparison shows health service areas with far less population have higher inpatient rehabilitation bed inventories. So even though Health Service Area IV ranks second in terms of population, it ranks fourth in total inpatient rehab beds. In fact, HSA IV has 428,000 more residents than HSA V but 15 fewer beds.

Further examination in our petition shows that Health Service Area IV clearly lags behind the other service areas in terms of a residents-to-beds ratio. Not only does HSA IV have the lowest bed to population ratio, but its ratio is more than 16% below the state average. Also, because its population is growing at a faster rate than the rest of the state, the lack of access only gets worse by 2012, when the service area will be almost 20% below the state average bed to population ratio if beds are not added to the 2009 SMFP.

31 inpatient rehabilitation beds could be added to HSA IV's inventory in order to reach the state average of population to beds. In addition, while the providers in HSA IV may have a total of 155 licensed inpatient rehabilitation beds, the number of staffed beds in use is lower. According to the 2007 and 2008 Hospital Licensure Renewal Applications, two of the four inpatient rehabilitation providers (Durham Regional, Maria Parham) utilized fewer beds than shown in the current inventory for the State Medical Facilities Plan. Utilization based on staffed beds would have resulted in a need determination of 17 beds in 2007 and 10 beds in 2008.

As a full service acute care hospital, Rex cares for a wide range of medical conditions. The analysis based on CMS' designated medical conditions for inpatient rehabilitation included in the written petition demonstrates that Rex has an eligible patient population in place to support at least 16 new inpatient rehabilitation beds. This eligible patient population is only expected to increase as HSA IV grows and Rex adds additional acute care beds in 2009. Rex also anticipates receiving Joint Commission Stroke Center designation and accordingly will see an increase of stroke inpatients in the fall of 2008, a patient population that generally requires inpatient rehabilitation care.

As detailed in the written petition, Rex has a number of attributes that would make it the right choice for the 16 new inpatient rehabilitation beds requested for HSA IV. Based on the analysis presented here, the State Health Coordinating Council could reasonably add as many as 31 inpatient rehabilitation beds in order to match the accessibility in HSA IV to the rest of the state. We conservatively request half that number since Rex could clearly utilize 16 inpatient rehabilitation beds today.

I appreciate this forum to present our views on why we feel HSA IV deserves greater access to inpatient rehabilitation care and why the 800,000 residents of Wake County should have a choice in providers. Thank you for this time today, for listening to our request, and for all your work throughout the year to support health care providers in North Carolina.