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Medical Facilities
PLANNING SECTION

August 6, 2008

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FAMILY BIRTH CENTER

HEART & VASCULAR CENTER

HEALTHPLEX

LIFELINK
CRITICAL CARE TRANSPORT

PRIMARY CARE PRACTICES

SLEEP CENTER

Carol G. Potter
Medical Facilities Planning Section
701 Barbour Drive
Raleigh, NC 27603
Fax (919) 715-4413

Re: Cary Urology's application for a prostate cancer-specific linear accelerator in Service Area 20

Dear Ms. Potter,

Cape Fear Valley wishes to comment on the special need petition filed by Cary Urology for a Prostate Health Center in Service Area 20. Cary Urology has requested a need adjustment for a linear accelerator in the 2009 State Medical Facilities Plan to establish a comprehensive and multispecialty prostate health center to provide better access for residents of this service area, especially African Americans.

The facilities in Wake County are well-established comprehensive, multidisciplinary, cancer programs that have been providing high quality care for all cancer patients, regardless of ethnicity or ability to pay. Cary Urology intends to create their market simply by cannibalizing existing patients receiving radiation treatments from any of the existing providers in the Wake County area. Additionally, the proposed linear accelerator would be located in Cary, an affluent community with a profitable payor mix. Furthermore, their petition proposes to treat only prostate cancer with this linear accelerator utilizing both IMRT and IGRT, the most lucrative component of any Radiation Oncology business. This scenario spells out the true intent of this petition.

According to the 2009 Proposed SMFP (pg. 4) "the preferential selection by providers of well-funded patients may undermine the advantages that can accrue to the public from market competition in health care. A competitive marketplace should favor providers that deliver the highest quality and best value care, but only in the circumstance that all competitors deliver like services to similar populations." Having a prostate specific treatment center does not deliver like services to similar populations. Having a prostate specific treatment center defies the basis of why Certificate of Need laws were in part created-access to care for all North Carolinian's regardless of ethnicity or ability to pay, and non-duplication of expensive programs thereby providing better value and less cost for North Carolina. Cary Urology proposes to duplicate existing services already

provided in Cary by Wake Radiology and Oncology, as well as three additional existing providers in Service Area 20. Cary Urology's intent to parse out the prostate market in Wake County will sap the existing providers of financial resources needed for capital reinvestment and programmatic resources that are vital to truly comprehensive cancer programs. This result does not lead to better quality, but rather the opposite.

If Cary Urology's special need petition was awarded, then the CON section must consider the ramifications of this decision. Special Need Petitions would abound for Breast Treatment Centers, Lung Treatment Centers, GYN Treatment Centers, etc. This precedent would effectively undo the basis for which Certificates of Need were created-providing accessible, high quality, cost efficient care to all residents of North Carolina regardless of ability to pay.

Cape Fear Valley is similarly competing for a Linac CON, the result of our own special need petition filed in 2007, with a urology driven group proposing much the same as the Cary Urology petition. We are obviously concerned about the impact on existing providers who serve all the patients in their respective service areas if this precedent is set and the floodgates for similar requests follow.

Thank you for considering our comments when evaluating this petition. Please call me for further details or if additional assistance is needed.

Yours truly,



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