

JUL 28 2009

Medical Facilities
PLANNING SECTION

Public Hearing Comments

Good Afternoon, I am Sandy Godwin, Executive Director for Corporate Planning with Cape Fear Valley Health System. Here with me today are _____ and _____ also representing Cape Fear Valley.

As you are aware, Cape Fear Valley submitted a Petition for Adjustment to the Acute Care Beds Need Methodology, Operating Rooms Need Methodology and MRI Methodology Multi-County Service Areas for Moore, Hoke, and Cumberland Counties. In our petition, Cape Fear Valley specifically requests that the following 2 adjustments be made in the 2010 SMFP:

1. Designate Hoke and Cumberland Counties as one multi-county service area for acute care beds, operating rooms and MRI, and
2. Designate Moore County as a single county service area for acute care beds, operating rooms and MRI.

Cape Fear Valley believes our request is supported by the State's own rules, the most current Hoke - Cumberland County data, and Cape Fear Valley's past and present service to Hoke County. We will discuss each of these reasons in turn.

First, as you know, the State's rules found in Step 1 of all three methodologies defines a service area as single or multi-county. Therefore, when a county does not have a hospital, surgical facility, or MRI within its borders a multi-county service area is defined by grouping that county with the neighboring county in which the most patients go for inpatient care or surgical care.

In the Proposed 2010 SMFP, Hoke and Moore Counties continue to be grouped together as a multi-county acute care beds and operating rooms service area for purposes of determining future need. The problem is that this multi-county designation is based upon Fiscal Year 2001

data, thus **the data used to determine multi-county service areas has not been updated in seven years.** As a result, the Proposed 2010 SMFP does not take into account the most current data available. If it did, Hoke County would be properly aligned with Cumberland County.

Second, there is no question that Cumberland and Moore Counties, and not any other county, provide the clear majority of the providers significantly serving Hoke County. As you would expect, patterns of care can change greatly in seven years, and they have as we have documented in our Petition. According to the most current Thomson data, in 2008 the number of inpatient days of care provided to Hoke County residents in Cumberland County was 22.8% greater than the number of Hoke County inpatient days of care provided in Moore County, which caused an 8.6% shift in market share. This increase for Cumberland County and decrease for Moore County is a continuing trend and not a one-time change. In fact this trend continues in FY 2009. Clearly, the most current data establishes that Cumberland County now has the plurality of inpatient days of care for Hoke County residents and that Hoke County should be combined with Cumberland County for the multi-county acute care beds grouping in the 2010 SMFP. As you know, acute care beds services areas are linked to MRI service areas. Therefore, Hoke and Cumberland Counties should be combined for the multi-county MRI service areas in the 2010 SMFP as well.

Next, surgical data reflected in the Annual Hospital and Ambulatory Surgical Facility Licensure Renewal Applications show that, since Fiscal Year 2007, Cumberland County surgical providers treated a greater number of Hoke County patients than did Moore County providers. Continuing in Fiscal Year 2008, the data shows that Cumberland County providers treated 12.9% more surgical cases from Hoke County than did Moore County providers. Again, the most current data clearly establishes that Cumberland County now has the plurality of surgical cases

for Hoke County residents and that Hoke County should be combined with Cumberland County for the multi-county operating room grouping in the 2010 SMFP.

Third, our petition is consistent with the provisions of the Basic Principles. Cape Fear Valley's commitment to Hoke County is not new. Since at least 1998, Cape Fear Valley has had a strong presence and existing practice in Hoke County. Hoke Family Medical Care in Raeford is open 6 days per week and currently has 3 primary care physicians, 3 physician extenders, cardiologist, Ob/Gyn, Hematology, Nephrology, Allergy, and GI coverage, and will soon be providing neurology and neurosurgery coverage. Cape Fear Valley also offers Hoke County residents after-hours urgent care, radiology services, EKG, pulmonary function, occupational medicine, city employees sick call, all county and city drug testing, Special Olympics participant physicals and an array of laboratory services.

Finally we are not asking for acute care beds only the opportunity to shift existing resources as the needs arise.

Additionally, as a result of the Base Realignment and Closure Plan (BRAC), Fort Bragg continues to significantly expand, resulting in further growth of the population of Hoke and Cumberland Counties. Cape Fear Valley is currently working with representatives from Fort Bragg to meet the needs of this population. As you can see in the map provided to you today, Cape Fear Valley is the closest health system to the population growth in Hoke County. The infrastructure, a four-lane highway, is in place, and most Hoke County residents can reach Cape Fear Valley in less than 20 minutes. As reflected in the data discussed today, Hoke County residents are speaking with their feet by choosing Cumberland County providers as their providers of choice. Again, Cape Fear Valley's commitment to Hoke County is not new. In addition to the data, excellent roads, geographic proximity, quality of care, access to care, and

value all establish that the proper realignment of Hoke County with Cumberland County for acute care beds, operating rooms and MRI supports the Basic Principles.

In conclusion, Cape Fear Valley requests that the State follow its own rules and adjust the 2010 SMFP by designating Hoke and Cumberland Counties, and not Moore County, as one multi-county service area for acute care beds, operating rooms and MRI's .

I am happy to answer any questions now, or after the hearing concludes. Thank you for your time and consideration of our Petition.
