

North Carolina State Health Coordinating Council
c/o Medical Facilities Planning Section
Division of Health Service Regulation
2714 Mail Service Center
Raleigh, NC 27699-2714

Re: Cape Fear Valley Health System's Petition for an Adjustment to the Acute Care Bed Need Determination in the *Proposed 2014 SMFP* to Decrease the Need for 126 Acute Care Beds in the Cumberland Service Area to 34 Acute Care Beds in the Cumberland Service Area

I. Petitioner

Sandy Godwin
Executive Director of Corporate Planning
Cape Fear Valley Health System
P.O. Box 2000
Fayetteville, NC 28302-2000
stgodwin@capefearvalley.com

II. Requested Adjustment

Cape Fear Valley Health System (CFVHS) is submitting this petition for an adjustment to Table 5B: Acute Care Bed Need Determinations in the *Proposed 2014 State Medical Facilities Plan (SMFP)* to show an adjusted bed need determination for the Cumberland Service Area of **34** acute care beds if the FirstHealth Hoke Community Hospital opens in 2013 as expected.

Currently Table 5B shows a need for **0** acute care beds in the *Proposed 2014 State Medical Facilities Plan*. However, Table 5A identifies a need for **126** additional acute care beds in Cumberland Service Area. If the FirstHealth Hoke Hospital does open as scheduled in 2013, there is no longer a requirement to zero out the bed need in Cumberland County. Thus, the acute care bed need for Cumberland County will be determined by the Acute Care Bed Need Methodology. Using that Methodology, Cumberland County will show a need for **126** acute care beds in Table 5B for Cumberland County. Cape Fear Valley Health System believes the *Proposed 2014 SMFP* bed need for Cumberland County needs to be further analyzed.

III. Reasons for Proposed Adjustment

Cumberland County has experienced significant population growth during the last several years. Much of that growth was directly associated with the military and the Base Reassignment that occurred during that time. The population growth essentially has flattened and in fact was not as large as originally projected.

As a result of this growth Cape Fear Valley Medical Center (CFVMC) already has added 96 acute care beds over the last several years and has CON approval to add 65 more acute care beds

in Cumberland County. In addition, CFVHS will be opening a 41 bed acute care hospital in Hoke County in 2014; these are all new acute care beds.

CFVMC continues to operate at very high utilization as illustrated in the following table. The opening of the CFV Hoke Community Hospital in 2014 should help relieve the need for continued use of temporary licensed beds at CFVMC. However, even with the additional 41 beds at CFV Hoke Community Hospital and the 65 beds at CFV North, utilization of existing licensed bed capacity at CFVMC, with and without the 49 temporary acute care beds and with and without the additional CON approved acute care beds, continues to exceed the 78% planning target.

**Cape Fear Valley Medical Center
Acute Care Bed Utilization 2008-2012**

	SMFP/Truven Data					
	FFY 2008	FFY 2009	FFY 2010	FFY 2011	FFY 2012	FFY 2013 (Oct-Jun Annualized)
Cape Fear Valley Medical Center	145,017	150,096	154,432	170,143	167,794	171,016
Licensed Beds	487	490	490	490	490	490
Utilization of Licensed Beds	82%	84%	86%	95%	94%	96%
Licensed and Temporary Licensed Beds	487	490	490	539	539	539
Utilization of Licensed and Temporary Licensed Beds	82%	84%	86%	86%	85%	87%
Licensed and CON Approved Beds	531	531	596	596	596	596
Utilization of Licensed and CON Approved Beds	75%	77%	71%	78%	77%	79%

As shown above, even if all of the additional 106 acute care beds approved for CFVHS were operational in 2013, utilization of CFVHS would have been greater than the 78% planning target for all 596 licensed and CON approved acute care beds which results in additional acute care beds need at CFVMC utilizing in the *SMFP* Acute Care Bed Need Methodology.

Cape Fear Valley Health System is requesting the adjusted bed need determination based upon the following factors.

1. Acute Care Bed Methodology Growth Rate for Cumberland County is Too High

The Acute Care Bed Need Methodology utilizes facility specific growth rates. This means that the bed need reflected in the *Proposed 2014 SMFP* was generated solely by CFVMC, since CFVMC is the only acute care provider in the service area.

In FFY 2011, CFVMC began operating 49 additional temporary licensed beds. A temporary licensed bed is a special approval received from the DHSR Licensure Section which allows hospitals to operate over their licensed acute care capacity when occupancy levels are consistently above 90%. CFVMC has received approval from DHSR continually for the last 30 months for 49 temporary licensed beds as reflected in Attachment 1. As a result of this additional capacity, growth at CFVMC peaked from FFY 2010 to FFY 2011 resulting in a one year growth rate for CFVMC of 10.1% as shown below.

The average growth at CFVMC over the last five years was 3.80% as reflected in the reflected in the *Proposed 2014 SMFP*. However the average annual growth rate calculation in the *Proposed 2014 SMFP* includes a spike year of 10.1% resulting from the opening of the 49 temporary licensed acute care beds. Patient days at CFVMC decreased slightly from 2011-2012 and has increased slightly in the current year, 2012-2013. CFVMC believes the “spike” year skews the average and, as a result, the 3.8% *SMFP* growth rate is overstated. Removing the 10.1% “spike” annual growth rate from the calculation of the *SMFP* growth rate for Cumberland County in Step 4 of the *SMFP* Acute Care Bed Need Methodology results in an “adjusted” 4 Year Growth Rate of 1.67% in Step 4 as shown in the following table.

Cumberland County Adjusted 4 Year Growth Rate

	SMFP/Truven Data					Avg 4 Year Growth Rate	Avg 4 Year Growth Rate - Adjusted to Remove Spike Year
	FFY 2008	FFY 2009	FFY 2010	FFY 2011	FFY 2012		
Cape Fear Valley Medical Center Patient Days	145,017	150,096	154,432	170,143	167,794		
Annual Growth Rate		3.50%	2.89%	10.17%	-1.38%	3.8%	
Annual Growth Rate		3.50%	2.89%		-1.38%		1.67%

Calculating the acute care bed need for Cumberland County using the “adjusted” 4 Year Growth Rate of 1.67% in Step 4 results in an acute care bed need of 75 beds for Cumberland County as shown in the following table.

Cumberland County Acute Care Beds Using “Adjusted” 4 Year Growth Rate

	Licensed Beds	Approved Beds	2012 Truven Days	Growth Rate	Projected Days	Projected ADC	Bed Need	Bed Need Deficit
Cumberland Cape Fear Valley Medical Center	490	65	167,794	1.0167	179,288	491	630	75

This change is consistent with actions taken by the SHCC regarding previous petitions submitted to decrease acute care bed need. Deleting the “spike” year in calculating the 4 year growth rate decreases the bed need in Cumberland County to 75 acute care beds.

2. Cape Fear Valley Acute Care Beds Under Development

CFVHS currently has 106 new acute care beds under development in Cumberland County and Hoke County.

- 65 acute care beds in Cumberland County
- 41 bed acute care hospital in Hoke County

The 65 beds under development in Cumberland County are included in the Cumberland County inventory in the Acute Care Bed Need Methodology. The 41 beds under development by CFVHS in Hoke County **are not included** in the Cumberland County acute care bed inventory in the Acute Care Bed Need Methodology. However, the days of care which generated the need for Cape Fear Valley’s 41 acute care bed hospital in Hoke County **are included** in the 2012 Truven patient days utilized in the Acute Care Bed Need Methodology to calculate the Cumberland County acute care bed need. As a result, the bed need for Cumberland County needs to be reviewed.

Cape Fear Valley Hoke Community Hospital will open in 2014 and patient days will shift from Cape Fear Valley Medical Center to fill the 41 beds at Cape Fear Valley Hoke Community at that time. Therefore, an adjustment needs to be made to the Cumberland County bed need deficit resulting from the Acute Care Bed Need Methodology to account for this future shift in patient days from Cumberland County to Hoke County.

**Proposed Cumberland County Acute Care Bed Need 2014 SMFP
Adjusted to Remove "Spike" Year Growth Rate and
Impact of CFV Hoke Community Medical Center**

	Bed Need Deficit
Cumberland County - Cape Fear Valley Medical Center	75
CFV Hoke Community Hospital Bed Capacity	- 41
Cumberland County - Cape Fear Valley Medical Center Bed Need in 2014 SMFP	34

CFVHS proposes an adjustment to the acute care bed need for Cumberland County, decreasing the bed need deficit in Table 5B from 126 to 34 acute care beds in the *2014 SMFP*.

IV. Duplication of Health Resources

Cape Fear Valley Medical Center is the only hospital located in Cumberland Service Area and serves as referral center for surrounding counties. Because of Cape Fear Valley Medical Center's unique situation, there will not be a duplication of services. A duplication of services suggests that there would be an excess of services within the market. The data and the narrative provided demonstrates that while there is an identified need for additional acute care beds in Cumberland Service Area in the *Proposed 2014 SMFP* there are 106 beds in the area not yet developed and other circumstances in the market which make adjusting the need for 126 additional beds to 34 additional beds in the *Proposed 2014 SMFP* the most reasonable health planning decision.

V. Consistency with SMFP Basic Principles

The petition is consistent with the provisions of the Basic Principles of the State Medical Facilities Plan.

1. Safety and Quality Basic Principle

The State of North Carolina recognizes the importance of systematic and ongoing improvement in the quality of health services. Providing care in a timely manner is a key component of assuring safety and quality care to the citizens of Cumberland Service Area and western North Carolina. Emerging measures of quality address both favorable clinical outcomes and patient satisfaction, while safety measures focus on the elimination of practices that contribute to avoidable injury or death and the adoption of practices that promote and ensure safety. Providing appropriate care in the appropriate setting works to assure quality care. Cape Fear Valley Medical Center participates in a variety of nationally recognized metrics addressing these criteria, including programs at both the federal and state levels. CFVMC has participated in the North Carolina Hospital Quality Performance Report since initiation and has continually improved quality scores since 2007. The proposed adjusted need determination for Cumberland

Service Area is consistent with this basic principle as it will result in continued provision of care in an appropriate setting in a timely manner.

2. Access Basic Principle

Equitable access to timely, clinically appropriate and high quality health care for all the people of North Carolina is a foundation principle for the formulation and application of the North Carolina State Medical Facilities Plan. The formulation and implementation of the North Carolina State Medical Facilities Plan seeks to reduce all of these types of barriers to timely and appropriate access. The first priority is to ameliorate economic barriers and the second priority is to mitigate time and distance barriers. The SMFP is developed annually as a mechanism to assure the availability of necessary health care services to a population. The proposed adjustment will not negatively impact access to inpatient services for residents of Cumberland County as previously discussed.

The impact of economic barriers is twofold. First, individuals without insurance, with insufficient insurance, or without sufficient funds to purchase healthcare will often require public funding to support access to regulated services. Cape Fear Valley Medical Center has long been recognized as the safety net for patients regardless of income or insurance in south central North Carolina. As the tertiary provider for south central North Carolina, Cape Fear Valley Medical Center has no barriers to care for the uninsured and the underinsured.

3. Value Basic Principle

The SHCC defines health care value as maximum health care benefit per dollar expended. Disparity between demand growth and funding constraints for health care services increases the need for affordability and value in health services. Measurement of the cost component of the value equation is often easier than measurement of benefit. Cost per unit of service is an appropriate metric when comparing providers of like services for like populations. The cost basis for some providers such as Cape Fear Valley Medical Center, one of the top ten providers of inpatient Medicaid days in North Carolina, may be inflated by disproportionate care to indigent and underfunded patients.

Measurement of benefit is more challenging. Standardized safety and quality measures, when available, can be important factors in achieving improved value in the provision of health services. Cape Fear Valley Medical Center participates in a variety of benchmark programs to compare the use of inpatient and outpatient resources to other large tertiary hospitals. CFVMC uses this information to improve processes and decrease costs wherever possible.

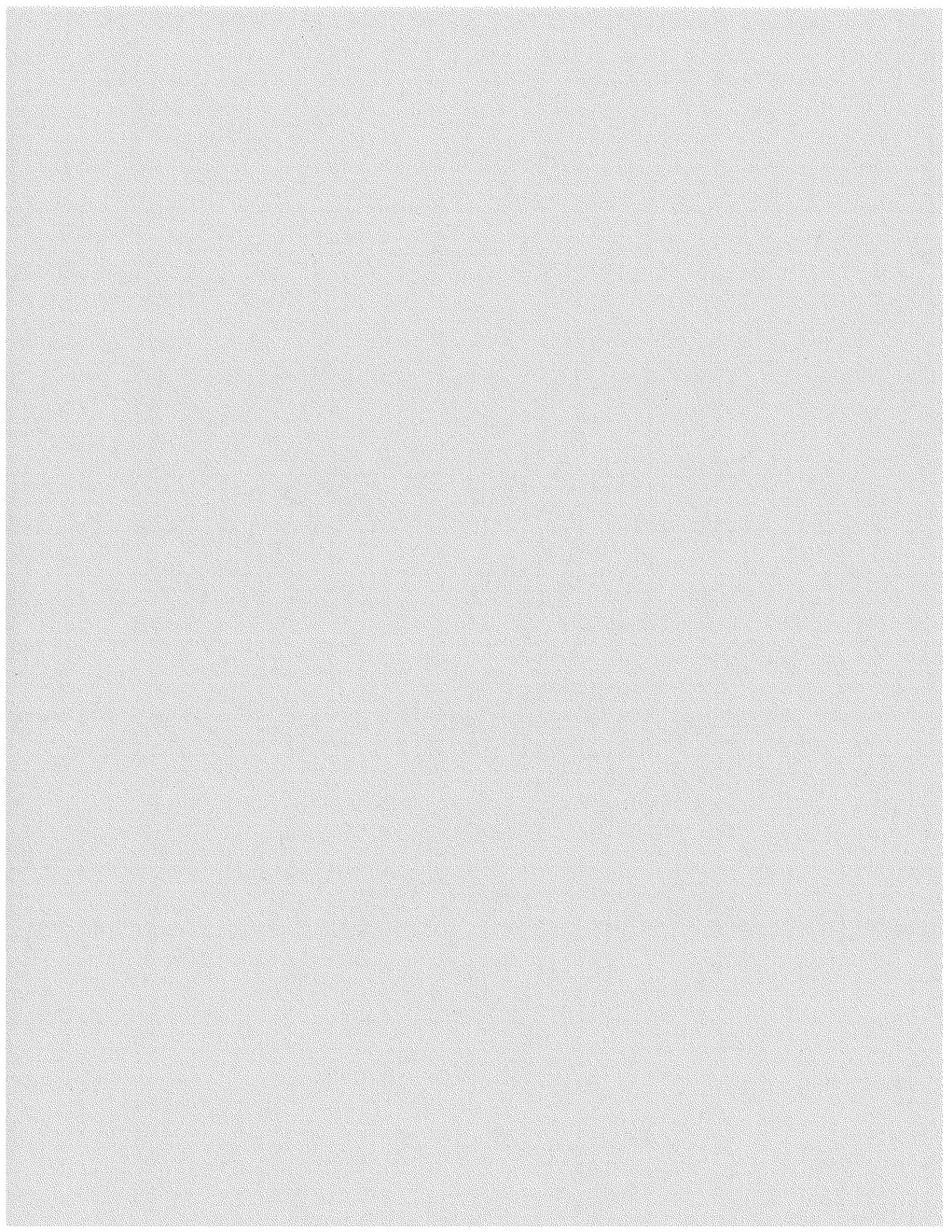
VI. Summary

For all of these reasons, Cape Fear Valley Health System believes that decreasing the 126 bed need for Cumberland County in the *Proposed 2014 SMFP* to 34 acute care beds is the most reasonable health planning option at this time. Letters from CFVHS leadership supporting this Petition are included in Attachment 2. CFVHS believes that a better understanding of the impact of the beds under development and the impact of health care reform is needed.

The Petitioners request that the State Health Coordinating Council adjust the need determination as requested. Therefore, the Petitioners specifically request a specific adjustment in the *Proposed 2014 SMFP* approving their request to:

Adjust Table 5B: Decrease the Acute Care Bed Need Determinations for Cumberland Service Area from 126 additional acute care to 34 acute care beds in the *Proposed 2013 State Medical Facilities Plan (SMFP)*.

Thank you for consideration of the Petition.





**North Carolina Department of Health and Human Services
Division of Health Service Regulation
Acute and Home Care Licensure and Certification Section
2712 Mail Service Center v Raleigh, North Carolina 27699-2712**

Beverly Eaves Perdue, Governor
Lanier M. Cansler, Secretary
Drexdal Pratt, Director

<http://www.ncdhhs.gov/dhsr>

Azzie Y. Conley, Chief
Phone: 919-855-4620
Fax: 919-715-3073

March 7, 2011

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of March 3, 2011, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective **March 3, 2011**, through **May 2, 2011**.

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

/AYC





North Carolina Department of Health and Human Services
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Azzie Y. Conley, Chief
Phone: 919-855-4620
Fax: 919-715-3073

May 2, 2011

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of April 26, 2011, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective **May 2, 2011** through **July 1, 2011**.

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

/AYC





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Azzie Y. Conley, Chief
Phone: 919-855-4620
Fax: 919-715-3073

June 30, 2011

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of June 29, 2011, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective **July 1, 2011** through **August 30, 2011**.

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

/AYC





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Azzie Y. Conley, Chief
Phone: 919-855-4620
Fax: 919-715-3073

August 31, 2011

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of August 30, 2011, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective **August 31, 2011** through **October 30, 2011**.

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

/AYC





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Azzie Y. Conley, Chief
Phone: 919-855-4620
Fax: 919-715-3073

August 31, 2011

***AMENDED**

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of August 30, 2011, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective ***September 1, 2011 through *October 31, 2011.**

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

/AYC





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Azzie Y. Conley, Chief
Phone: 919-855-4620
Fax: 919-715-3073

November 1, 2011

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of October 27, 2011, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective **November 1, 2011** through **December 31, 2011**.

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

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Azzie Y. Conley, Chief
Phone: 919-855-4620
Fax: 919-715-3073

December 29, 2011

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of **December 22, 2011**, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective **January 1, 2012** through **March 1, 2012**.

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

/AYC





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Azzie Y. Conley, Chief
Phone: 919-855-4620
Fax: 919-715-3073

February 23, 2012

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of **February 23, 2012**, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective **March 2, 2012** through **May 1, 2012**.

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

/AYC





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Drexdal Pratt, Division Director

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Azzie Y. Conley, Chief
Phone: 919-855-4620
Fax: 919-715-3073

May 4, 2012

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of **April 25, 2012**, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective **May 2, 2012** through **July 1, 2012**.

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

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Azzie Y. Conley, Chief
Phone: 919-855-4620
Fax: 919-715-3073

July 2, 2012

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of **June 27, 2012**, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective **July 2, 2012** through **August 31, 2012**.

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

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Azzie Y. Conley, Chief
Phone: 919-855-4620
Fax: 919-715-3073

August 31, 2012

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of **August 28, 2012**, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective **September 1, 2012 through October 31, 2012**.

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

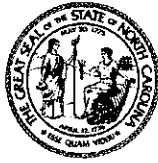
Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

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Azzie Y. Conley, Chief
Phone: 919-855-4620
Fax: 919-715-3073

October 30, 2012

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of **October 29, 2012**, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective **November 1, 2012** through **December 31, 2012**.

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

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Drexdal Pratt, Division Director

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Azzie Y. Conley, Chief
Phone: 919-855-4620
Fax: 919-715-3073

December 30, 2012

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of **December 27, 2012**, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective **January 1, 2013** through **March 1, 2013**.

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

/AYC





North Carolina Department of Health and Human Services
Division of Health Service Regulation
2712 Mail Service Center • Raleigh, North Carolina 27699-2712

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Drexdal Pratt, Director

February 28, 2013

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of **February 26, 2013**, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective **March 2, 2013** through **May 1, 2013**.

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

/AYC



Acute and Home Care Licensure and Certification Section

<http://www.ncdhhs.gov/dhsr/>

Phone: (919) 855-4620 v Fax: (919) 715-3073

Location: 1205 Umstead Drive (Lineberger Building) v Dorothea Dix Hospital Campus v Raleigh, N.C. 27603

An Equal Opportunity / Affirmative Action Employer





North Carolina Department of Health and Human Services
Division of Health Service Regulation
2712 Mail Service Center • Raleigh, North Carolina 27699-2712

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS
Drexdal Pratt, Director

May 8, 2013

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of **April 26, 2013**, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective **May 2, 2013** through **July 1, 2013**.

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

/AYC



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Ambassador (Ret.)
Secretary DHHS
Drexdal Pratt, Director

July 8, 2013

Mr. Michael Nagowski, CEO
Cape Fear Valley Medical Center
P O Box 2000
Fayetteville, NC 28461

RE: Approval for Temporary Increase in Licensed Acute Care Beds

Dear Mr. Nagowski:

This letter is in response to your correspondence of **June 27, 2013**, requesting a temporary bed increase of a total of 49 beds. Based on review of the information you submitted, the request to temporarily activate the sum total of 49 additional beds is approved, effective **July 2, 2013** through **August 31, 2013**.

It should be noted that this determination is based solely on the facts represented by you and that any change in the facts as represented would require further consideration by this Agency and a separate determination. Should you have questions, please do not hesitate to contact me at the above number.

Sincerely,

Azzie Y. Conley

Azzie Y. Conley, RN,

cc: Section Chief, Certificate of Need (via email)
Section Chief, Construction (via email)
Sandy Godwin, Executive Director of Planning

/AYC



Acute and Home Care Licensure and Certification Section

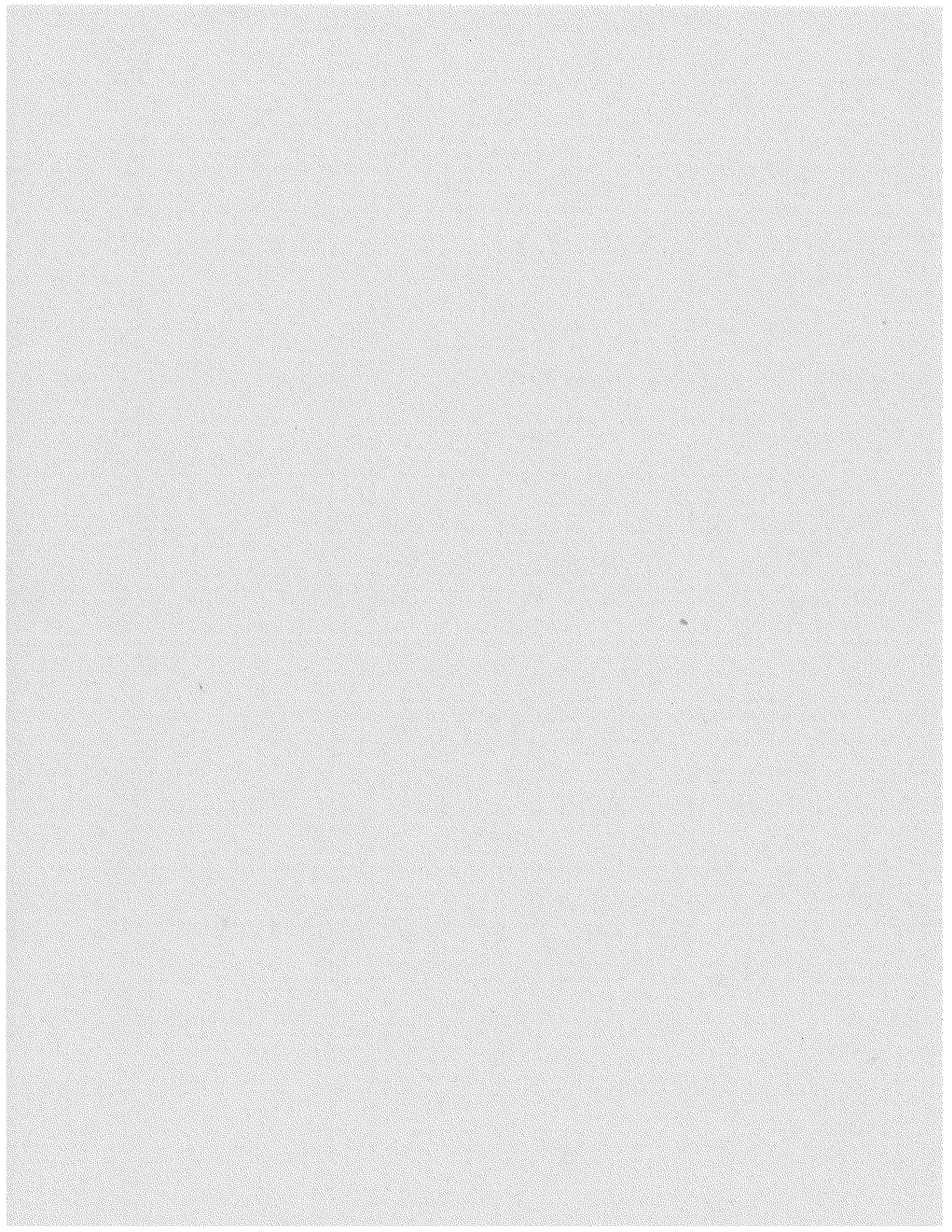
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Location: 1205 Umstead Drive (Lineberger Building) v Dorothea Dix Hospital Campus v Raleigh, N.C. 27603

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July 31, 2013

BEHAVIORAL HEALTH CARE
BLADEN COUNTY HOSPITAL
CAPE FEAR VALLEY MEDICAL CENTER
CAPE FEAR VALLEY REHABILITATION CENTER
HEALTH PAVILION NORTH
HIGHSMITH-RAINEY SPECIALTY HOSPITAL
BLOOD DONOR CENTER
BREAST CARE CENTER
CANCER CENTER
CARELINK
CAPE FEAR VALLEY HOMECARE & HOSPICE, LLC
CUMBERLAND COUNTY EMS
FAMILY BIRTH CENTER
HEART & VASCULAR CENTER
HEALTHPLEX
LIFELINK CRITICAL CARE TRANSPORT
PRIMARY CARE PRACTICES
SLEEP CENTER

Mr. Jerry Parks
Chairman, North Carolina State Health Coordinating Council
c/o Medical Facilities Planning Branch
Division of Health Service Regulation
2714 Mail Service Center
Raleigh, NC 27699-2714

Re: Cape Fear Valley Health System Petition for an Adjustment to the Acute Care Bed Need Determination to Decrease the Need from 126 to 34 Acute Care Beds in the Cumberland Service Area in the 2014 SMFP

Dear Mr. Parks:

I am the Chief Medical Officer for Cape Fear Valley Health System (CFVHS) and a member of the medical staff.

Cumberland County has experienced significant population growth during the last several years. Much of that growth was directly associated with the military and the Base Reassignment that occurred during that time. As a result of that growth, Cape Fear Valley Medical Center (CFVMC) added 96 acute care beds over the last several years, and has CON approval to add 65 more acute care beds in Cumberland County. In addition, CFVHS will be opening a 41-bed acute care hospital in Hoke County in 2014, which are all new acute care beds. Since then, the population growth essentially has flattened, and population increases were, in fact, not as large as originally projected.


CFVHS submitted a Petition for an adjustment to the acute care bed need determination for the Cumberland Service Area for 34 acute care beds in the 2014 SMFP. That adjustment is takes into consideration the future opening of CFVHS Community Medical Center which will open in 2014.

CFVHS requests the adjusted bed need determination based upon the following factors:

- Acute care bed methodology growth rate for Cumberland County is too high
- Acute care beds under development by CFVHS.

For these reasons, CFVHS believes that decreasing the 126 bed need for Cumberland County in the *Proposed 2014 SMFP* to 34 acute care beds is the most reasonable health planning option at this time. Further, CFVHS believes that a better understanding of the impact of the beds under development is needed.

Please convey to the members of the Acute Care Services Committee and the State Health Coordinating Council, my approval and enthusiastic support for CFVHS's Petition.

Sincerely, 
Christopher T. Aul, MD, Chief Medical Officer
Cape Fear Valley Health System



BEHAVIORAL HEALTH CARE
BLADEN COUNTY HOSPITAL
CAPE FEAR VALLEY MEDICAL CENTER
CAPE FEAR VALLEY REHABILITATION CENTER
HEALTH PAVILION NORTH
HIGHSMITH-RAINEY SPECIALTY HOSPITAL
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FAMILY BIRTH CENTER
HEART & VASCULAR CENTER
HEALTHPLEX
LIFELINK CRITICAL CARE TRANSPORT
PRIMARY CARE PRACTICES
SLEEP CENTER

July 31, 2013

Mr. Jerry Parks
Chairman, North Carolina State Health Coordinating Council
c/o Medical Facilities Planning Branch
Division of Health Service Regulation
2714 Mail Service Center
Raleigh, NC 27699-2714

Re: Cape Fear Valley Health System Petition for an Adjustment to the Acute Care Bed Need Determination to Decrease the Need from 126 to 34 Acute Care Beds in the Cumberland Service Area in the 2014 SMFP

Dear Mr. Parks:

I am the Chief Nursing Officer for Cape Fear Valley Health System (CFVHS).

Cumberland County has experienced significant population growth during the last several years. Much of that growth was directly associated with the military and the Base Reassignment that occurred during that time. As a result of that growth, Cape Fear Valley Medical Center (CFVMC) added 96 acute care beds over the last several years, and has CON approval to add 65 more acute care beds in Cumberland County. In addition, CFVHS will be opening a 41-bed acute care hospital in Hoke County in 2014, which are all new acute care beds. Since then, the population growth essentially has flattened, and population increases were, in fact, not as large as originally projected.


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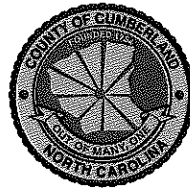
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Please convey to the members of the Acute Care Services Committee and the State Health Coordinating Council, my approval and enthusiastic support for CFVHS's Petition.

Sincerely,

Jana Stonestreet, Ph.D., RN, NEA-BC, Chief Nursing Officer
Cape Fear Valley Health System

JIMMY KEEFE
Chairman



CANDICE WHITE
Clerk to the Board

JEANNETTE M. COUNCIL
Vice Chairman

KELLIE BEAM
Deputy Clerk

KENNETH S. EDGE
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CUMBERLAND
★ COUNTY ★
NORTH CAROLINA

BOARD OF COMMISSIONERS

July 31, 2013

Mr. Jerry Parks
Chairman, North Carolina State Health Coordinating Council
c/o Medical Facilities Planning Branch
Division of Health Service Regulation
2714 Mail Service Center
Raleigh, NC 27699-2714

Re: Cape Fear Valley Health System Petition for an Adjustment to the Acute Care Bed Need Determination to Decrease the Need from 126 to 34 Acute Care Beds in the Cumberland Service Area in the 2014 SMFP

Dear Mr. Parks:

I am Chairman of the Cumberland County Board of Commissioners.

Cumberland County has experienced significant population growth during the last several years. Much of that growth was directly associated with the military and the Base Reassignment that occurred during that time. As a result of that growth, Cape Fear Valley Medical Center (CFVMC) added 96 acute care beds over the last several years, and has CON approval to add 65 more acute care beds in Cumberland County. In addition, CFVHS will be opening a 41-bed acute care hospital in Hoke County in 2014, which are all new acute care beds. Since then, the population growth essentially has flattened, and population increases were, in fact, not as large as originally projected.

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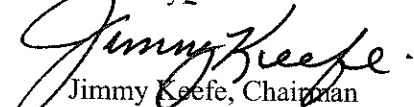
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Please convey to the members of the Acute Care Services Committee and the State Health Coordinating Council, my approval and enthusiastic support for CFVHS's Petition.

Sincerely,


Jimmy Keefe, Chairman
Cumberland County Board of Commissioners