

Healthcare Planning received this comment after the 5:00 PM March 16, 2017 deadline.

Christopher Ullrich, M.D., Chairman
North Carolina State Health Coordinating Council and Technology and Equipment Sub-Committee
c/o Medical Facilities Planning Section
Division of Health Service Regulation
2714 Mail Service Center
Raleigh, NC 27699-2714

Re: Novant Health Comments Regarding the Doshier Petition to Add a New Policy to Require CAH Support for New Certificate of Need Operating Room Projects

Dear Dr. Ullrich:

Novant Health appreciates the opportunity to comment on the Petition submitted by Doshier Hospital to add a new policy in the 2017 State Medical Facilities Plan.

Novant Health does not agree with following proposed Policy.

Policies Applicable to Acute Care Hospital (AC) Policy AC-7:

Critical Access Hospitals: To ensure the viability of Critical Access Hospitals (CAH) in North Carolina, addition of one or more operating rooms to a service area in which a CAH operates is only permitted if the certificate of need application includes a signed letter from an authorized representative of the CAH stating that the project will not have an adverse impact on the its ability to provide comprehensive emergency, inpatient and outpatient medical services to residents of the CAH service area. This shall apply if the CAH has an active license in good standing with NC DHSR.

The proposed policy will impact only one county and one CAH. This was written in an effort for Doshier Hospital to be protected against new competition and market growth. There are only two counties where a CAH resides with another acute care hospital, Brunswick County and Macon County.

In Brunswick County both Doshier Hospital and Novant Health Brunswick Medical Center, a rural community hospital with 74 acute care beds and four operating rooms, serve the growing population of the county. Brunswick County is the fourth fastest growing county in North Carolina and is one of the fastest growing retirement communities in the State. As a result, utilization of surgical service at Novant Health Brunswick Medical Center and Brunswick Medical Center resulted in a need for an additional operating room in the 2017 SMFP.

Doshier has fought the need for an additional operating room to serve the growing population throughout the CON process and has proposed the Policy to impede future surgical growth in the market. The number of surgeons locating offices in Brunswick County has grown significantly in the last four years. NHBMC had 17 surgeons on the Active Medical Staff in 2012, including general surgeons, orthopedic surgeons, one urologist, OB/GYNs, one ENT and

ophthalmologists. Total surgical staff on the Active Medical Staff at NHBMC in 2016 includes 26 surgeons with general surgeons, orthopedic surgeons, five urologists, OB/GYNs, four ENTs and ophthalmologists. In addition, NHBMC currently has an oral and maxillary surgeon, plastic surgeon, and a podiatrist on its active medical staff.

**Novant Health Brunswick Medical Center
Active Surgical Staff 2012 - 2016**

Year	Active Surgical Staff	Net Increase
2016	26	1
2015	25	4
2014	21	1
2013	20	3
2012	17	

Source: NHBMC

These surgeons need operating rooms to meet the needs of the population. The proposed Policy would allow one CAH to control the future of surgical services in Brunswick County.

During the past 10 years, population growth in Brunswick County has outpaced state and national growth by a large margin. The population of Brunswick County is the fastest growing of any county in North Carolina, and has a population of nearly 125,000 persons in 2016. From 2010 to 2016 Brunswick County was the fastest growing county in North Carolina based upon percentage growth as shown in the following table.

Counties with Greatest Population Growth in North Carolina 2010-2016

County	2010	2011	2012	2013	2014	2015	2016	CAGR
Brunswick	108,085	110,276	112,583	115,670	117,834	121,577	124,668	2.4%
Mecklenburg	923,417	940,107	962,839	992,527	1,013,199	1,032,620	1,054,561	2.2%
Wake	906,910	924,069	945,522	964,934	985,310	1,005,367	1,025,434	2.1%

Source: NC Office State Budget and Management

As reflected in the previous table, the percentage population growth in Brunswick County was larger than growth in Mecklenburg and Wake Counties during the last six years. Much of the growth in Brunswick County is associated with the increasing number of retirement communities in the county. The following table shows considerable and steady growth of population of Brunswick County residents ages 55+, the age group most likely to utilize outpatient surgery services.

**Brunswick County Population Projected Growth
Aged 55 and Greater**

Ages 55+	2012	2015	2016	2017	2018	2019	2020	2021	CAGR 2016-2021
Brunswick	46,354	51,148	52,653	54,104	58,372	60,280	62,164	63,927	4.0%

Source: NC Office State Budget and Management

The previous table shows the increase in Brunswick County's population of 55+ which is projected to grow significantly with a CAGR of 4.0% from 2012 to 2021. This reflects an actual growth in the population from 46,354 in 2012 to 63,927 in 2021. A large contributor to the growth shown in the previous table is that Brunswick County is a very popular retirement destination. The area offers a lifestyle where residents can enjoy beautiful weather, great beaches, endless events and activities, hospitable communities, and much more.

Macon County is the only other county in North Carolina with two hospitals, one of which is a CAH. In fact, both hospitals in Macon County are CAHs and both are owned by Mission Health. Therefore, the proposed policy would not impact those CAHs.

Consistency with SMFP Basic Principles

The proposed Policy is not consistent with the SMFP Basic Principles. In fact, the Policy decreases access to care to the most vulnerable of the population, the elderly.

In addition, the Policy will not decrease the cost of care for surgical services. In fact it blocks the future development of freestanding ambulatory surgical centers which could provide lower cost options to the residents of Brunswick County.

We respectfully request you deny the proposed Petition. Thank you for the opportunity to submit our concerns regarding the Doshier Petition.

Sincerely,



VP Surgical Services, Mission Health