

Cape Fear Valley Health System
Request for an Adjustment to the Acute Care Bed Need Determination
in the Cumberland County Service Area
Proposed 2023 SMFP Public Hearing Presentation
July 20, 2022

Good afternoon. My name is Sandy Godwin. I am the Vice President of Planning for Cape Fear Valley Health System, and I am here today to speak on behalf of our petition for an adjusted need determination to include 20 additional acute care beds in the Cumberland County Service Area.

I want to start by thanking Agency Staff and members of the acute care committee for the time and attention that has been devoted to the acute care bed need methodology, especially during the past two years of the COVID-19 pandemic. I believe the adjustments to the methodology in the 2022 SMFP and Proposed 2023 SMFP are appropriate in light of the sustained impacts of the pandemic. I also support the removal of NICU beds from the bed methodology. Specific to Cumberland County, we feel there are individual factors that support an adjusted need determination for 20 additional acute care beds in the Cumberland County service area in the 2023 SMFP.

Cape Fear Valley Medical Center is the flagship hospital of the 8th largest healthcare system in North Carolina. Designated a Level III Trauma Center, Cape Fear Valley's ED is the busiest in North Carolina and one of the top 13 busiest in the nation. Cape Fear Valley is the healthcare provider of choice for hundreds of thousands of families in the Cape Fear Region. Accordingly, the hospital has consistently operated its existing licensed acute care beds at a very high occupancy rate. Pre-COVID, our acute care discharges increased by a 5-year compound annual growth rate of 3.5 percent. For the past ten years, we have continuously obtained temporary bed capacity approvals from the licensure section.

The impetus of our petition is based on the discrepancy between our licensure days of care and HIDI days of care. Each year during the development of the Proposed SMFP, the acute care committee performs a comparison of HIDI and licensure acute care days to ascertain the number and percent difference of acute care days between the two data sources. Facilities with a discrepancy rate greater

than five percent are included in a “HIDI/Licensure Acute Care Days Draft Data Discrepancy Report.” Cape Fear Valley Medical Center was not included in the 2021 data report because its discrepancy rate is 3.1 percent, which is below the 5 percent threshold. However, Cape Fear Valley Medical Center would note that a 3.1 percent discrepancy rate for a 524-bed facility with a high occupancy rate results in a substantial number of acute inpatient days of care. Specifically, our 3.1 percent discrepancy rate equates to the difference of 4,787 acute inpatient days of care being excluded from the acute care bed methodology. This is a significant number of days, which equates to an average daily census of approximately 13 patients.

We spent a considerable amount of time endeavoring to reconcile the discrepancy between our 2021 HIDI and licensure data. The difference between HIDI and licensure days does not appear to be driven by the exclusion of NICU Services. Rather, HIDI data for Cape Fear Valley Medical Center reports fewer overall inpatient days of care and a total of 2,726 “unknown” days of care, which are excluded from the total acute inpatient days of care that are included in Table 5A: Acute Care Bed Need Projections. The combination of these two factors ultimately results in 4,787 acute inpatient days of care being excluded from the acute care bed methodology compared to Cape Fear Valley Medical Center’s licensure data.

Based on 2021 licensure data, the acute care bed methodology projects a need for 30 additional beds in Cumberland County. In light of the discrepancy between HIDI and licensure days of care, we respectfully request an adjustment be made to the Proposed 2023 SMFP to include a need determination for 20 additional acute care beds in Cumberland County. The requested adjustment is conservative compared to the projected bed need based on 2021 licensure data. It is also equivalent to an approximate average of the projected bed need based on HIDI data and licensure data. Finally, the request is consistent with the threshold for acute care bed need determinations per the standard methodology.

Cape Fear Valley Medical Center demonstrates the need for the proposed adjusted need determination based on several factors including:

- Historical inpatient utilization,

- Emergency department utilization, both pre- and post-COVID,
- Declined patient transfer requests,
- And ongoing investments in education and research as evidenced by our established relationship with Campbell University and Drexel University College of Medicine.

Each of these factors will be described in detail in our petition which will be submitted to the acute care committee.

In summary, Cape Fear Valley Health System supports the work of the acute care committee and the Proposed 2023 SMFP acute care bed need methodology. However, minor discrepancies between HIDI and licensure data can result in a dramatically different number of acute care beds needed in Cumberland County. Based on our internal review of licensure data compared with the fiscal year 2021 HIDI data that excludes 4,787 acute inpatient days from the acute care bed methodology; we feel it is appropriate to include an adjusted need determination of 20 additional acute care beds in Cumberland County in the 2023 SMFP,

Thank you for the opportunity to present this information. Cape Fear Valley Health System will be submitting a formal petition for an adjusted need determination in Cumberland county on July 27th. We appreciate your time and consideration.