

1 10A NCAC 14C .1403 is proposed for reoption with substantive changes as follows:

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3 **10A NCAC 14C .1403 PERFORMANCE STANDARDS**

4 ~~(a) An applicant shall demonstrate that the proposed project is capable of meeting the following standards:~~

5 ~~(1) if an applicant is proposing to increase the total number of neonatal beds (i.e., the sum of Level II,~~
6 ~~Level III and Level IV beds), the overall average annual occupancy of the combined number of~~
7 ~~existing Level II, Level III and Level IV beds in the facility is at least 75 percent, over the 12 months~~
8 ~~immediately preceding the submittal of the proposal;~~

9 ~~(2) if an applicant is proposing to increase the total number of neonatal beds (i.e., the sum of Level II,~~
10 ~~Level III and Level IV beds), the projected overall average annual occupancy of the combined~~
11 ~~number of Level II, Level III and Level IV beds proposed to be operated during the third year of~~
12 ~~operation of the proposed project shall be at least 75 percent; and~~

13 ~~(3) The applicant shall document the assumptions and provide data supporting the methodology used~~
14 ~~for each projection in this rule.~~

15 ~~(b) If an applicant proposes to develop a new Level III or Level IV service, the applicant shall document that an unmet~~
16 ~~need exists in the applicant's defined neonatal service area, unless the State Medical Facilities Plan includes a need~~
17 ~~determination for neonatal beds in the service area. The need for Level III and Level IV beds shall be computed for~~
18 ~~the applicant's neonatal service area by:~~

19 ~~(1) identifying the annual number of live births occurring at all hospitals within the proposed neonatal~~
20 ~~service area, using the latest available data compiled by the State Center for Health Statistics;~~

21 ~~(2) identifying the low birth weight rate (percent of live births below 2,500 grams) for the births~~
22 ~~identified in (1) of this Paragraph, using the latest available data compiled by the State Center for~~
23 ~~Health Statistics;~~

24 ~~(3) dividing the low birth weight rate identified in (2) of this Paragraph by .08 and subsequently~~
25 ~~multiplying the resulting quotient by four; and~~

26 ~~(4) determining the need for Level III and Level IV beds in the proposed neonatal service area as the~~
27 ~~product of:~~

28 ~~(A) the product derived in (3) of this Paragraph, and~~

29 ~~(B) the quotient resulting from the division of the number of live births in the initial year of the~~
30 ~~determination identified in (1) of this Paragraph by the number 1000.~~

31 (a) An applicant proposing to develop a new neonatal intensive care service without increasing the total number of
32 acute care beds on the hospital license shall:

33 (1) provide projected utilization of the proposed NICU beds during each of the first three full fiscal
34 years of operation following completion of the project;

35 (2) document that the occupancy rate for the proposed NICU beds shall be at least 65 percent during
36 the third full fiscal year of operation following completion of the project; and

1 (3) provide the assumptions and methodology used for the projected utilization and occupancy rate
2 required by Subparagraphs (1) and (2) of this Paragraph.

3 (b) An applicant proposing to develop a new neonatal intensive care service or increase the number of NICU beds on
4 the hospital license shall:

5 (1) provide projected utilization of all existing, approved, and proposed NICU beds on the hospital
6 license during each of the first three full fiscal years of operation following completion of the
7 project;

8 (2) document that the occupancy rate for all existing, approved, and proposed NICU beds on the hospital
9 license shall be at least 65 percent during the third full fiscal year of operation following completion
10 of the project; and

11 (3) provide the assumptions and methodology used for the projected utilization and occupancy rate
12 required by Subparagraphs (1) and (2) of this Paragraph.

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14 *History Note: Authority G.S. 131E-177(1); 131E-183(b);*
15 *Temporary Adoption Eff. September 1, 1993 for a period of 180 days or until the permanent rule*
16 *becomes effective, whichever is sooner;*
17 *Eff. January 4, 1994;*
18 *Temporary Amendment Eff. March 15, 2002;*
19 *Amended Eff. April 1, 2003;*
20 *Temporary Amendment Eff. February 1, 2009;*
21 *Amended Eff. November 1, 2009;*
22 *Temporary Amendment Eff. February 1, 2010;*
23 *Amended Eff. November 1, ~~2010~~ 2010;*
24 *Temporary Amendment Eff. January 27, ~~2023~~ 2023;*
25 *Readopted Eff. January 1, 2024.*