

March 31, 2022

Julie Faenza  
Project Analyst  
Certificate of Need Section  
Division of Health Service Regulation  
2704 Mail Service Center  
Raleigh, NC 27699-2704

VIA EMAIL

Dear Ms. Faenza:

Iredell Surgical Associates, LLP<sup>1</sup>, owner of Iredell Surgical Center, files these comments on the application submitted by Piedmont Surgical Center of Excellence, LLC (“PSCE”) Project ID F-12183-22 to change the scope of the previously approved Project ID F-11998-20 to develop a single-specialty ambulatory surgical facility (“ASF”) in Statesville, North Carolina. PSCE is requesting approval to convert the facility to a multi-specialty ASF.

Iredell Surgical Center is an existing, multi-specialty ASF with four operating rooms in Statesville, North Carolina.

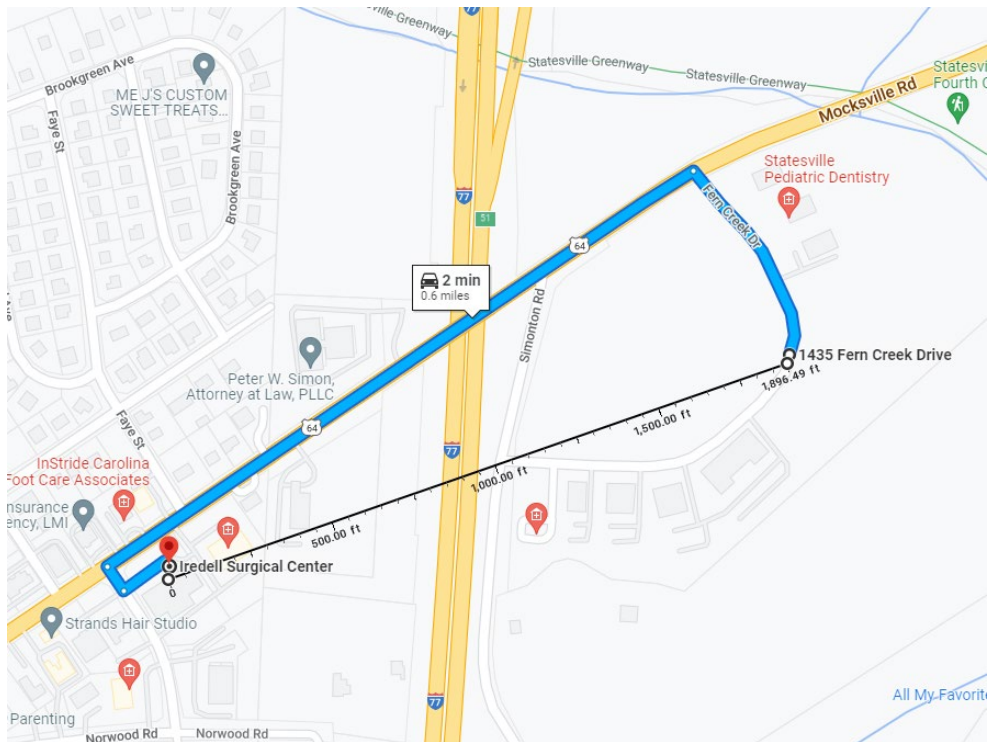
There are numerous reasons why the PSCE application should not be approved.

1. **Existing ASFs have available capacity.** There are two existing ASFs in Iredell County, located in Statesville, and one ASF in Mooresville. Those three ASFs have a total of six operating rooms and have the equivalent capacity of 5.25 operating rooms available as shown on page 74 of the 2022 State Medical Facilities Plan. Iredell Surgical Center would welcome the opportunity to credential at its facility the surgeons who submitted letters in the PSCE application indicating their desire to shift patients out of a hospital-based setting. Their use of the capacity that already exists in the county would be the fastest, least costly, and most effective method for shifting patients to the ASF setting.
2. **The unnecessary duplication of services at existing providers.** Page 70 of the PSCE application states the conversion to a multi-specialty ASF will offer a service that cannot be duplicated by any other Iredell County facility. The statement is not supported by any relevant facts. There are two other multi-specialty ASFs in the county with available capacity that can be used by any surgeons who meet credentialing standards. In fact, on page 22 of the CON Section’s Findings for the original application, PSCE was found non-conforming on the unnecessary duplication of service criterion. The expansion of PSCE’s ASF from a single-specialty to a multi-specialty facility will result in an even higher level of duplication of existing providers in the community. Another area of concern with duplicating services is the impact on available staffing. The expansion of services at PCSE could impact surgical services staffing at the existing providers in the county.
3. **Unsupported assumptions regarding the projected cases in the proposed specialties to be added to the ASF.** On page 101 of the PSCE application the number of cases from the additional

<sup>1</sup> Iredell Surgical Associates, LLP is owned by Carolinas Physician Network, Inc., Iredell Memorial Hospital, and two retired physicians—Drs. Jeffrey Kuhlman and Paul Swaney.

specialties proposed include: 50 GYN cases, 60 urology cases and 90 general surgery cases. However, the application includes support letters indicating an estimate of cases to be performed at the ASF as 405 GYN, 80 urology and 120 general surgery. PCSE does not provide any supporting documentation for the assumptions reduce the number of cases from the physician letters to the amounts included in the projections. PSCE references an assumption of 50 percent that was used in the original application, but the shift percentages based on the information provided in the application are under 35 percent.

4. **Outmigration is not because of the lack of ASF capacity.** Page 43 of the PSCE application cites statistics regarding the percentage of Iredell County patients who seek ASF services in other counties. While this may be true, the availability of a lower-cost, convenient ASF alternative is not the cause of this outmigration. As stated, there are three existing ASFs in Iredell County—all of which have available capacity to accommodate additional cases.
5. **Existing ASFs are located conveniently.** Two of the three campuses associated with the existing ASFs are located in Statesville. In fact, as shown on the Google map below, the proposed location for PSCE is less 0.4 miles from our Iredell Surgical Center facility, and only 0.6 miles in driving distance. The convenience and available capacity of our facility is sufficient to meet the needs of the surgeons seeking an ASF alternative for their patients.



As an existing provider of ambulatory surgery services in a multi-specialty ASF in Iredell County Iredell Surgical Center has more capacity available than needed to accommodate the cases identified by the surgeons' letters in the PSCE application. We appreciate your consideration of our comments and your review of this application in light of this unnecessary duplication of resources that already exist in a location that is convenient for both the surgeons and their patients.

Please let me know if you have any questions of us, or if we can assist with additional information for your review.

Sincerely,

A handwritten signature in black ink, appearing to be 'SCR' with a horizontal line extending from the end.

Scott C. Rissmiller, M.D.  
President  
Iredell Surgical Associates, LLP