AdventHealth Asheville, Inc.
Project ID# B-012716-25
CON for a Change of Scope and Cost Overrun for
Project ID# B-012233-22 and Project ID# B-012526-24
Opposition on Behalf of MH Mission Hospital, LLLP

Introduction

AdventHealth Asheville, Inc. ("AdventHealth Asheville") has filed an application Project ID# B-012716-25 ("2025 CON Application" or "2025 Project" or "2025 Change of Scope") to change the scope of its Buncombe County hospital project (Project ID# B-012233-22) ("2022 CON Application" or "2022 Project") and 2024 Change of Scope and Cost Overrun Project (Project ID# B-012526-24) ("2024 CON Application" or "2024 Project" or "2024 Change of Scope"). The term AdventHealth is used collectively to refer to AdventHealth Asheville and AdventHealth Hendersonville, the existing community hospital in adjacent Henderson County.

AdventHealth's application uses criticisms of Mission Hospital to support a need for its 129-bed expansion, rather than discussing an independent need for additional beds. AdventHealth Asheville's application does not demonstrate that it has any patient demand or specific service offerings as a basis for a need for additional beds at its proposed hospital. Instead, AdventHealth's application largely focuses on its criticism of Mission Hospital while simultaneously failing to identify and support the new tertiary level services it claims the proposed hospital will provide. AdventHealth's plan actually shifts patients from small rural hospitals, placing those facilities at greater risk for long-term viability. AdventHealth's attacks are non-responsive to any relevant statute, Statutory Review Criteria, or any question in the application form.

AdventHealth's subjective criticisms of Mission should be ignored. Criticism of another hospital is not a reasonable basis to justify adding 129 beds to an approved but undeveloped hospital – which is requesting to more than double its bed count, when AdventHealth is sitting on an underutilized hospital just a few minutes away. In its application, AdventHealth overstates its scope of services and market share. AdventHealth's attacks only undermine a valuable community resource, Mission Hospital, to which it refers patients to on a daily basis for care because it cannot provide care for high acuity patients. AdventHealth Hendersonville refers and transfers hundreds of its patients to Mission Hospital each year, and there is no doubt that AdventHealth Asheville will continue to do the same. While the Agency does not and has not considered AdventHealth's attacks as relevant in prior reviews, Mission Hospital feels compelled to set the record straight on some of these attacks for anyone that may review this document.

<u>Response to AdventHealth's Attacks on Mission</u>

Hurricane Helene

AdventHealth's criticism of Mission's response to Hurricane Helene is not just inaccurate and intentionally ignorant; it lacks empathy and a complete understanding of the impact Helene had on Buncombe County and the level of Mission's response to serve its community with high quality, person-centered care through the most difficult conditions. Further, it diminishes the heroic work of Mission's staff that selflessly cared for the community under the most trying circumstances.

- On page 48 of its application, AdventHealth claims that Mission lost utilities and was overwhelmed in the aftermath of Hurricane Helene and that a second full-service hospital is needed for continuity of care during emergencies.
    - All areas of Buncombe County were impacted by Hurricane Helene and almost all of Buncombe County was without utilities. Had there been a second hospital in Buncombe County last fall, it would have likely been equally impacted.
    - AdventHealth is already approved. If the courts decide in their favor, they will be a second full-service provider in Buncombe County regardless of the outcome of this application and will be "a full-service hospital" with or without the additional 129 beds.
    - Mission could not, nor could any provider, have anticipated the vast impact of Hurricane Helene. To attempt to criticize Mission for an interruption of utility services during Helene is bizarre and inappropriate for inclusion in a certificate of need application.
- Mission stepped up to serve western North Carolina during and in the aftermath of Helene.
    - In the immediate impact and aftermath of Hurricane Helen, Mission Hospital treated 600 ED patients, more than twice the number of a typical day. 300 of these patients arrived in a six-hour period.
    - Despite being without communications, Mission's emergency department (ED) never closed. It continued to see walk-in patients and EMS patients. By prioritizing the stand up of an internal internet service, Mission built momentum and infrastructure. After the first satellite device was brought in from the corporate emergency response team in Nashville, Mission communicated internally via cellular devices. Mission was also able to communicate with its patient logistics center, housed in Richmond, Virginia. Within a few days, Mission was able to receive transferred patients again.
    - With all four interstate highway access points to the hospital completely cut off, HCA's CEO reached out to the CEO of Walmart for assistance. HCA provided helicopter support to secure and deliver perishable and non-perishable food and home goods from a Sam's Club in Asheville where it offloaded them every 15 minutes onto a football field at a nearby high school. From there, the goods were shuttled by bus to the hospital.
    - A newsletter published by the **US Department of Health and Human Services** ASPR Technical Resources, Assistance Center, and Information Exchange (TRACIE)[1] highlighted and detailed Mission's historic response to Hurricane Helene.
        - "First, Asheville's municipal water supply was severely damaged and inaccessible, so we had to quickly supply water to meet our own needs. We dug a 900-foot well Sunday afternoon to supply our air handlers."
        - "Next, we had to fuel our generators. We got a truck in on Monday that helped restock our fuel supply and keep the generators running"
        - "The next barrier we addressed was telecommunications. The city, county, and state Emergency Operation Centers (EOCs) were all without power. Even though areas like Raleigh weren't directly hit by the flooding, for example, they experienced tornados which knocked out their EOC infrastructure for the state. Our corporate emergency response team was able to fly into the Asheville airport, bringing us a satellite uplink that enabled us to come back online."
        - "**For about a week, we were the only location in the county that had internet and running water and the only location that could provide healthcare**."

[1] https://files.asprtracie.hhs.gov/documents/mission-accomplished--how-a-hospital-sheltered-in-place-kept-patients-and-staff-safe-and-maintained-operations-after-hurricane-helene.pdf

        - "Two tanker trucks—one with 8,000-gallon capacity and the other with 12,000-gallon capacity—pumped 300,000 gallons a day into Mission Hospital. We relied on our HCA enterprise relationships and our state partnership with South Carolina to accomplish this feat. Together with the Spartanburg Regional Water Authority, we facilitated the 24-hour rotation of tanker trucks carrying water up and down I-26 for several months. We were very fortunate to have pre-existing hookups that worked seamlessly with the trucks. **We were without municipal water for 54 days**."
    - In the days and weeks following Helene:
        - Mission provided water, gas, basic supplies, and shelter for its employees.
        - Mission continued to accept patient transfers from Advent Health Hendersonville and other hospitals in the region, deliver babies, and provide needed surgeries despite the challenges with infrastructure to ensure continued access to high acuity care in the area.
        - Mission remained committed to delivering safe and high-quality care even when it lacked access to traditional sources of power and water.
- HCA provided the resources needed to support Mission Hospital in its effort to serve the community.
    - According to an article in the Citizen Times[2]:
        - "Within a couple of days, HCA Healthcare sent 300 nurses from Music City and other cities and states to Mission. And Asheville area nurses and doctors who were off duty hurried to the ER."
        - "HCA has brought in relief medical personnel, food, supplies and water to all of its six regional hospitals. The hospital system also brought in gas tankers and is donating $1 million toward disaster relief efforts."
        - "HCA is bringing in more than 200,000 gallons of water each day and thousands of bottles of water."
        - "HCA Healthcare…sent about 300 relief nurses to Mission Hospital from sister hospitals across the nation, including Kansas, Utah, Texas, Virginia, Georgia, Florida and California."

The links below contain videos and podcasts that highlight just some of the heroic efforts made by Mission staff during and following Hurricane Helene to care for the Buncombe County and western North Carolina communities. From these accounts it becomes even clearer that AdventHealth has grossly misrepresented Mission's heroic measures has provided information in its application that is erroneous, misstated, and indefensible. In fact, in the 30 days following Hurricane Helene, Advent transferred 58 of their patients to Mission Hospital.

- https://www.youtube.com/watch?v=RA0bjkhCo68
- https://www.youtube.com/watch?v=q_fChjbFcsE&authuser=0
- https://www.ncmedboard.org/resources-information/multimedia/medboard-matters-podcast/remembering-helene-when-the-lights-and-water-went-out-at-mission-hospital

[2]https://www.citizen-times.com/story/news/local/2024/10/04/asheville-nc-flooding-mission-er-chief-describes-early-reponse-to-helene/75485129007/

Level I Trauma Status

Without any documentation or support of its claim, AdventHealth in its application states that Mission's pursuit of a Level I Trauma designation has "generated serious concerns among local community leaders and stakeholders (p.52)." In attempt to support this statement, AdventHealth refers to a recent letter sent from the Buncombe County Board of Commissioners to the "NC Department of Health and Human Services" that it references as Exhibit C.8-1. It is important to note that the letter included in the Applicant's exhibits (PDF pages 30-31) is an unsigned, watermarked draft addressed to the NC Office of Emergency Medical Services.

At this point in time, Mission has received a verification notice from the American College of Surgeons (ACS) that all the requirements have been met for Level I trauma center designation. The external agency that performed the survey determines the appropriateness of Mission for a Level I trauma designation and does not utilize public opinion and unsupported allegations in its determination process.

More importantly, AdventHealth's claims to seek a Level III trauma designation are misleading in the context of becoming a second tertiary-level provider for the service area. After AdventHealth Asheville's opening, it will take years to build and achieve the clinical infrastructure necessary to seek and receive a trauma center designation. It is not realistic to suggest that this will happen during the identified Project Years for the change in scope under review. Further, as discussed in detail to follow, AdventHealth's application erroneously assumes that it can provide trauma-level surgeries without having a licensed general operating room. The assumption that the Applicant can perform trauma surgeries in a procedure room is both inaccurate and ironic given AdventHealth's focus on quality throughout its application.

Lawsuits

In its application, AdventHealth Asheville criticizes Mission Hospital on numerous fronts, many of which are unsupported allegations or references to lawsuits that are still pending and have not been resolved. As such, the claims behind any lawsuits are simply unproven allegations. These criticisms have no role in a CON review or healthcare planning, and such allegations have nothing to do with the CON review criteria. Therefore, AdventHealth's arguments should be disregarded.

Background On Service Area Bed Need

Due to Mission Hospital's high level of utilization, the 2025 SMFP recognized a need determination of 129 additional acute care beds for the Buncombe, Graham, Madison, and Yancey County service area. In response to the 2022 and 2024 SMFP need determinations for acute care beds, the Agency initially approved AdventHealth Asheville's application for a new 67-bed hospital in Buncombe County (See Project ID# B-12233-22) and then a change of scope to add 26 beds in 2024, for a total of 93 beds. AdventHealth is now applying for an additional 129 beds that will bring its total number of acute care beds to 222 at AdventHealth Asheville.

Mission Hospital's 2022 and 2024 CON applications to add acute care beds were denied and Mission has not had any relief to address its high occupancy rates. Since the 2022 acute care bed application, Mission's utilization has only continued to grow, resulting in a need for 31 beds in 2023[3], 26 beds in 2024, and 129

[3] UNC Pardee Hospital, a provider located outside the service area, petitioned to remove need for 31 beds from the 2023 SMFP and was approved. Despite Mission's objections to the petition and its continuously high occupancy rate, the SHCC decided to remove the bed need determination from 2023 SMFP acute care bed need.

beds in 2025. As a result, **Mission Hospital's high utilization levels generated a cumulative need for 222 beds from the 2022, 2024, and 2025 SMFP acute care bed need calculations. Mission has been operating at over 90% occupancy in 2025 and is often forced to turn away patients in need of transfer from other hospitals due to capacity constraints.**

As described in detail to follow, AdventHealth utilizes both its Hendersonville hospital with 62 beds and Mission Hospital with 733 beds as proxies for AdventHealth Asheville depending on the factor or the issue at hand. The idea that both facilities could simultaneously provide relevant assumptions to support volume and utilization methodology for the proposed project is unreasonable.

Criterion (1)

AdventHealth's Project Does Not Consider Quality or Cost Effectiveness

AdventHealth Asheville does not demonstrate the commitment to quality that it claims throughout its application. AdventHealth cannot ensure quality and safety if it provides tertiary level services without licensed, general purpose operating rooms, or even a full-time fixed MRI unit, a standard diagnostic tool in inpatient and emergency care. Even though AdventHealth has been permitted to build a new hospital without these and other components, it is not prudent to do so and does not ensure that quality and safety of its patient population is protected.

AdventHealth Asheville does not represent a cost-effective alternative to meet the need for additional acute care beds. AdventHealth claims it will be more cost effective for it to spread operating costs over more beds but ignores the fact that its occupancy rate is low, and many beds are empty.

- In 2022, AdventHealth Asheville projected to operate 67 beds at 74.8 percent occupancy, equivalent to 17 empty beds on an average day.
- In 2024, AdventHealth Asheville was approved to operate 93 beds at 72.8 percent occupancy, or 25 empty beds on an average day.
- Now, in 2025, AdventHealth proposes to spend an additional $254 million to build an additional 129 beds for a total of 222 beds operating at 74.4 percent occupancy in Year 3, an equivalent of 66 vacant beds any given day.

Given Mission's demonstration of its current capacity constraints, the approval of more beds at AdventHealth will not meet the current and future needs of the community. In each of its applications for AdventHealth Asheville, AdventHealth claims that its project will alleviate the capacity constraints and the bed need at Mission Hospital. How can this be true if AdventHealth does not project to fill the proposed beds?

It is Unlikely that the Proposed Project will Meet the Performance Standard for Acute Care Beds (See later discussion.)

AdventHealth should not be found conforming with Criterion (1).

Criterion (3)

In 2022 and 2024, AdventHealth claimed that a community hospital was needed to provide an alternative acute care provider in the service area and to relieve capacity constraints at Mission Hospital. In both

applications, it claimed Mission's repeated requests for acute care beds for the purpose of serving higher acuity patients were not necessary and could be met by a patient shift of lower acuity patients to a community level provider. In its 2025 application, which will more than double the bed count of the currently approved 93-bed facility, AdventHealth has changed course and now agrees that the service area needs additional beds to serve high-acuity patients and that this project will now provide "tertiary level services" to meet this need (pages 53 and 54).

AdventHealth's application is rife with contradictions, unsupported claims, and flaws in its methodology that are intended to inflate the number of patients it projects to serve so that it can meet the performance standards for acute care beds.

AdventHealth's Current Vision for the Project is Undefined and Unsupported

Despite its new intent to provide "tertiary level services," AdventHealth argues both sides of the acuity debate in its application, continuing to claim that higher-acuity beds are not necessarily needed to meet the needs of the community and then arguing that they are, and that AdventHealth Asheville can meet them. Conflicting claims throughout its application include:

Statements Refuting the Need for Beds to Support Higher-Acuity Patients

- "The need for acute care beds is increasing in areas where the population is increasing, not necessarily because higher acuity care is necessarily required or solely driving the need." (page 50)
- "To the extent that Mission argues the 2025 SMFP bed need is predominately for high-acuity patients, it is crucial to understand that any increase in acute care beds in the service area, including those at AdventHealth Asheville, would help mitigate capacity issues at Mission Hospital." (page 51)

Statements Supporting the Need for Beds to Support Higher-Acuity Patients

- "Mission Health has argued that Western North Carolina needs more than another community hospital to meet its future healthcare demands. AdventHealth agrees. The proposed 222-bed AdventHealth Asheville project represents precisely the type of advanced, multi-specialty hospital that Mission itself has argued is necessary, a facility capable of delivering tertiary-level care in a resilient, high-performing environment." (page 53)
- "AdventHealth Asheville is designed to provide the higher-acuity, multi-specialty, and tertiary-level services that regional leaders, including Mission's own executives, have acknowledged are urgently needed." (page 54)

Tertiary Level Services are Undefined and Unreasonable

Despite AdventHealth's recharacterization of its service capabilities to be implemented at a tertiary level, AdventHealth provides little information to support this claim. On pages 52 and 53, the Applicant identifies its "pursuit toward tertiary care capabilities" to include the following four details:

- Pursuit of a Level III Trauma Designation (page 52)
    - The main substance of this discussion has little to do with AdventHealth's plans and focuses on criticizing Mission Hospital and its pursuit of a Level I Trauma designation
    - AdventHealth provides no proposed timeline for achieving this designation or any discussion of how this designation modifies or enhances the patients it intends to treat given its broad DRG assumptions.
    - AdventHealth will not have a licensed operating room. It is absurd to believe that a hospital can provide services and procedures associated with a Level III trauma designation without

an OR. AdventHealth does not explain how it will meet the trauma designation from the American College of Surgeons without an OR.

- Cardiac Catheterization (page 53)
    - AdventHealth states that it will provide diagnostic and therapeutic catheterization via a grandfathered mobile catheterization unit.
    - The application and the letter of support from the mobile vendor do not indicate if this service will be provided on a full-time or part-time basis. A full-time, 24/7 cath lab is generally a standard of care for a tertiary-level and trauma provider. The letter of support only states that there is capacity to serve AdventHealth. A tertiary-level provider offers full-time 24/7 cardiac cath services, not part-time mobile cath services. No emergency cardiac catheterization can be provided when the service is not available 24/7.
    - If cardiac cath services are needed, there is nothing to prevent AdventHealth from developing such services in Hendersonville, and presumably, developing them sooner. Clearly, AdventHealth does not believe this service is needed for many years to come.
- Neonatal Acute Care Beds (page 53)
    - AdventHealth states that it intends to apply for Neonatal Acute Care beds, presumably Level II beds, through a separate CON application but does not indicate a time frame or any specifics. Further, there is no guarantee that a future application will be approved. Without this project component, AdventHealth cannot reasonably support the scope of its OB program. Claiming to apply for Level II neonatal beds at some point in the future is insufficient to support the need for this CON application.
    - Pages 63-64 state: "To align projections with the planned scope of services at AdventHealth Asheville's 222-bed hospital, AdventHealth refined the data to exclude discharges associated with specialized services that will not be offered during the initial three years of operation. Specifically, discharges related to open-heart surgery, transplant services, **neonatal intensive care**, burn care, trauma, craniotomy, and defibrillator procedures were removed."
        - This statement clarifies that AdventHealth's reference to the addition of neonatal care beds on page 53 refers to Level II neonatal services, as Level III or IV are termed as "neonatal intensive care" which AdventHealth states it will not provide in the first three years of operation.
        - While Level II beds require CON approval, Level II beds do not rely on a SMFP need determination. This service component could have been included in AdventHealth's current CON application. Why weren't they included in the application if AdventHealth intends to offer the service as part of its tertiary-level expansion in scope?
        - Regardless of the Applicant's tertiary-level intentions, the implementation of 16 OB beds without an associated neonatal care unit is not supportive of claims to offer tertiary care services. This application should not be approved as it does not have the support services needed for the OB beds it proposes.
        - The line drawings do not indicate a space for a neonatal care unit. Will this require separate construction? This is a fragmented and more costly way of executing this project it has purportedly already planned.
    - There is no guarantee that this component will be approved, or that the Applicant will even apply for neonatal care services in a time frame that is consistent with this application.

- Open Medical Staff (page 53)
    - AdventHealth now intends to implement an open medical staff model for its hospital and claims this to be an indicator of its intent to provide a tertiary level of care. The model of medical staff used by a hospital has no bearing on the level or scope of services provided. The use of an open medical staff is not an indicator of tertiary-level services.
    - AdventHealth does not describe how it will recruit medical staff through this "open model" to support the tertiary services it proposes. Its current medical staff at AdventHealth Hendersonville does not support tertiary services. As described below, its current network of providers is largely based in Hendersonville and supports only community level services. It is unclear how this same medical staff will support the tertiary services at the proposed hospital and how it will magically transform into a medical staff that can support such services overnight when the new facility opens.

The four items used to demonstrate AdventHealth's advancement to tertiary-level care through the proposed project are not meaningful indicators of tertiary service delivery. Aside from its broadly-defined DRG and excluded service definitions, the AdventHealth provides no information to meaningfully demonstrate that it has the infrastructure or the specialty and subspecialty physician support to provide higher acuity services through the proposed project – though it now agrees that the service area needs access to beds for higher acuity patients. Further, AdventHealth's terminology and wording suggest that it does not realistically intend to operate at a defined tertiary level as a result of this project but just plans long term work toward tertiary services:

- "Increased capacity provides a platform for the development of additional specialty and subspecialty services, moving AdventHealth Asheville closer to the capabilities of a tertiary care hospital (p. 52)."
- "This progression includes the pursuit of specialized services traditionally associated with tertiary-level hospitals (p. 52)."
- "AdventHealth's plan to pursue Level III Trauma designation, coordinate diagnostic and interventional cardiac catheterization via mobile capabilities with DLP Cardiac Partners and seek separate approval for neonatal acute care beds provides measured, sustainable advancement toward tertiary-level capabilities, prioritizing safety, staffing, and system reliability for the region (p. 61)."
- "Importantly, the proposed expansion positions AdventHealth Asheville to evolve toward tertiary care capabilities (p.82)."

Each of these statements demonstrates that AdventHealth is not undertaking tertiary-level care through this application. Yet, AdventHealth utilizes a set of DRGs and exclusions is very limited, which indicate it will provide services for high acuity patients requiring tertiary-level care on day one of the new hospital. These statements conflict with the service offerings used in its projections; both cannot be true at the same time.

Outreach and Support Does not Equate Need

- On pages 67-71, AdventHealth describes its extensive outreach and support to demonstrate need for the project.
- Based on the information provided in the application, AdventHealth Asheville will not provide the scope, level, or depth of services that are offered at Mission Hospital.

- While AdventHealth may have an abundance of letters and pictures, these do not provide any indication that AdventHealth Asheville can or will provide the high-acuity care driving the need for these beds.

There is Not a Sufficient Volume of Patients to Support the Project

In its 2024 application, AdventHealth assumed that the Asheville hospital would serve DRGs with a weight less than 3.5 (p. 64-65). The 2025 Application does not utilize a DRG threshold and simply excludes open heart surgery, transplant services, NICU, burns, craniotomy, defibrillator, inpatient rehabilitation, and inpatient behavioral health. See application page 139.

As shown below, using a DRG cut-off weight of 3.5, AdventHealth Asheville assumed that its 93-bed hospital proposed in 2024 could treat 88.4% of all patients treated at Mission Hospital in CY 2023. The remaining 11.6% of Mission Hospital's patients had DRG weights above 3.5.

Mission Hospital Distribution of Patients by DRG Weight

DRG Weight	% of Patients	Cumulative %
3.5 or greater	11.6%	11.61%
3.0 to 3.499	3.1%	14.68%
2.5 to 2.99	3.7%	18.33%
2.0 to 2.49	7.0%	25.37%
1.5 to 1.99	24.2%	49.56%
1.0 to 1.499	22.1%	71.66%
0.5 to 0.99	28.2%	99.86%
< 0.5	0.1%	100.00%
Total	**100.00%**	

Source: CY 2023 HIDI Analytics

AdventHealth's current and previously projected patient volumes are largely based on shifting patients from Mission Hospital to its proposed facility. Given that its previous application assumed shifts based on 88 percent of Mission's patients (patients with DRGs less than 3.5), less than ten percent of Mission's patients remain as a new patient base to shift as part of this project once AdventHealth's excluded services are removed. Other community hospitals in the area, including AdventHealth Hendersonville, are not providing significant volumes of care to patients with DRG weights exceeding 3.5, thus shifted patients will come from Mission.

AdventHealth proposes to add 129 beds – more than doubling the size of its 2024 project – but it can only capture a very limited number of additional patients from Mission Hospital since its 2024 project already assumed its patient shift from the 88% of Mission patients with DRGs less than 3.5. There is simply not enough additional patient volume to support this 129-bed expansion given AdventHealth's previous assumptions.

AdventHealth Does Not Appropriately Define its Patient Population to be Served

- AdventHealth's application boasts that 90% of patients occupying the 129-beds will originate from the Buncombe/Graham/Madison/Yancey County service area (page 50). It also criticizes Mission's

larger service area that does not capture as high of a percentage of patients from the SMFP defined 4-county service area.

- Mission Hospital's service area captures a significant percentage of patients outside of the four-county service area because of its tertiary and quaternary services that are not available in community hospitals.
- It is illogical that AdventHealth Asheville's geographic service area would be this limited if AdventHealth plans on expanding its service capabilities to a tertiary level, which would organically bring patients who can't receive these services at closer rural and community hospitals from outside of the defined service area. Yet, AdventHealth continues to limit its service area as if it is a community hospital.

AdventHealth's Regional Network Does Not Support Its Proposed Service Area

- Pages 65-67 provide a listing of the 50 clinics in AdventHealth's Regional network to support the need and the referral network for this project.
    - Only 13 of the 50 clinic sites are located in the proposed service area of Buncombe, Graham, Madison, and Yancey Counties. **All 13 of these clinics are in Buncombe County**.
    - **AdventHealth has no primary care or any other presence in Graham, Madison or Yancey Counties**, the areas it states are the focus of its proposed hospital. If serving these counties is such a priority for AdventHealth, why do they not have established primary care or specialty providers in these areas? Without such outreach, it is unclear how AdventHealth would receive referrals from these distant counties.
    - The majority of AdventHealth's regional network (28 of 50 clinics) is in Henderson County and would be much more likely to utilize and refer to AdventHealth Hendersonville.
    - See **Attachment 1** for a listing of AdventHealth's regional network providers included on pages 65-67 of the Application.

There Are Numerous Errors and Flaws in AdventHealth's Methodology

- AdventHealth excluded any patient discharges that were related to services that AdventHealth does not intend to initially provide at AdventHealth Asheville during the initial operating years, including open-heart surgery, transplant services, NICU, burns, craniotomy, defibrillator, inpatient rehabilitation, and inpatient behavioral health. (page 129)
    - AdventHealth's excluded patients are too narrowly defined and overlook patient categories that should have also been excluded:
        - Pediatrics
        - Numerous high-level surgical procedures (in addition to open-heart surgery) that should not be performed in a facility without licensed operating rooms or true tertiary capabilities.
    - AdventHealth's exclusions do not recognize that it will not have a licensed OR. When originally proposed as a hospital with only procedure rooms, AdventHealth stated it would have limited service offerings that were appropriate for procedure rooms. Now AdventHealth places virtually no limit on the range of surgical services it will offer without an OR. This is unreasonable and demonstrates poor quality of care.
- Page 132 shows the projected Med/Surg discharges appropriate to be served at AdventHealth Asheville. **Figure 1** below shows the difference in the 2027 projected Med/Surg discharges appropriate to be served at AdventHealth Asheville.

Figure 1

	Projected 2027 AdventHealth Claimed Appropriate Discharges				
County	**2022 CON**	**2024 CON**	**2025 CON**	**Change from 24-25**	**% Change from 24-25**
Buncombe	17,376	17,572	21,441	3,869	22.0%
Graham	678	464	568	104	22.4%
Madison	1,619	1,614	2,044	430	26.6%
Yancey	1,582	1,448	2,026	578	39.9%
Total	**21,255**	**21,098**	**26,079**	**4,981**	**23.6%**
	Year 3 Beds				
Beds	66	93	222	**129**	**138.7%**

- As shown in **Figure 1**, the 2027 projected service area discharges appropriate for AdventHealth Asheville grew by 4,981, or 23.6%, from the 2024 CON application to the 2025 CON application based on its claimed expanded capabilities. This growth does not correlate with the proposed expansion of additional Med/Surg beds, which represents a 138.7% growth over the 93 beds proposed in 2024. AdventHealth does not need 129 beds to accommodate only 23.6% potential growth in patient base.

- On pages 134-135, AdventHealth applies an assumed market capture to the projected discharges by ZIP code. Without any reasonable explanation or support, it significantly increases its market share assumptions from the previous two applications and now assumes <u>at least</u> 30% capture for all except five service area ZIP codes in Project Year 3. The latest market share assumptions also utilize a 45% capture for 28787. See the table below which shows the increase in market share percentage assumptions over the course of each AdventHealth Asheville application. The assumed market share is outrageously overstated for any new hospital, particularly when applied to an overstated pool of patients it can appropriately serve.
    - There is no basis for an expanded market share capture and no evidence of a larger medical staff that will be able to refer the volume of patients that would generate the higher market share. AdventHealth relies on an "if you build it, they will come" theory to support its higher market shares.
    - If it were so easy to capture 10%, 20%, or even 30% of the market share, then why is AdventHealth Hendersonville unable to do so? This small hospital remains only moderately well utilized and has not developed the medical staff to support more than basic hospital services. There is nothing to suggest that AdventHealth Asheville will be any different.

Comparison of 2022, 2024, and 2025 Projected Market Shares for AdventHealth Asheville			
Buncombe			
Zip Code	**2022 CON**	**2024 CON**	**2025 CON**
28701	20.0%	**30.0%**	**40.0%**
28704	10.0%	10.0%	10.0%
28709	20.0%	**30.0%**	**40.0%**
28711	20.0%	20.0%	**30.0%**
28715	20.0%	20.0%	**30.0%**
28728	20.0%	20.0%	**30.0%**
28730	10.0%	10.0%	10.0%
28748	20.0%	**30.0%**	30.0%
28757	20.0%	20.0%	**30.0%**
28770	20.0%	20.0%	**30.0%**
28776	20.0%	20.0%	**30.0%**
28778	20.0%	20.0%	**30.0%**
28787	20.0%	**30.0%**	**45.0%**
28801	20.0%	20.0%	**30.0%**
28802	20.0%	20.0%	**30.0%**
28803	20.0%	20.0%	**30.0%**
28804	20.0%	**30.0%**	**40.0%**
28805	20.0%	20.0%	**30.0%**
28806	20.0%	20.0%	**30.0%**
28810	*	*	**30.0%**
28813	20.0%	20.0%	**30.0%**
28815	20.0%	20.0%	**30.0%**
28816	20.0%	20.0%	**30.0%**
Graham County			
Zip Code	**2022 CON**	**2024 CON**	**2025 CON**
28702	12.0%	**20.0%**	20.0%
28733	12.0%	**20.0%**	20.0%
28771	12.0%	**20.0%**	20.0%
Madison County			
Zip Code	**2022 CON**	**2024 CON**	**2025 CON**
28743	15.0%	**30.0%**	**40.0%**
28753	15.0%	**30.0%**	**40.0%**
28754	15.0%	**30.0%**	**40.0%**
Yancey County			
Zip Code	**2022 CON**	**2024 CON**	**2025 CON**
28714	15.0%	**30.0%**	**40.0%**
28740	15.0%	**30.0%**	**40.0%**
28755	15.0%	**30.0%**	**40.0%**

Source: 2022 CON application page 137, 2024 CON application page 133, 2025 Application page 134

**28810 was not previously included in the service area*

- The failure to appropriately filter patients that can be served at AdventHealth Asheville combined with unrealistically high market share assumptions results in a dramatic over projection of discharges.
    - If the Applicant uses market share percentage assumptions from 2024 and all other assumptions are accepted to be reasonable, the proposed project will result in a 51.4% occupancy and will not meet the performance standards for acute care beds.
    - If only the ZIP codes with 40% and 45% market shares do not meet their expected capture – but still capture 30% of the projected appropriate discharges (i.e. no other assumptions are changed), the proposed project will result in a 63.6% occupancy and will not meet the performance standards for acute care beds.
    - See **Attachment 2** for the market share adjustment analysis.
- AdventHealth Asheville's average length of stay (ALOS) jumped from 4.2 days in its 2024 application to 5.12 days in its application under review.
    - As shown above, the growth in discharges is being driven by an increase in market share, not any significant assumed incremental volume of high-acuity discharges. As a result, it is not reasonable to assume a 22% increase in ALOS; this increase is implemented for the purpose of meeting the performance standards, not because it realistically reflects a meaningful base of patients that will require longer stays.
    - This increase in ALOS places AdventHealth projected ALOS in the range of Mission Health's ALOS with its full range of tertiary and trauma services including Level IV NICU which has an ALOS approaching 20 days. It is unreasonable and unrealistic that AdventHealth would have an ALOS similar to Mission Hospital.
- The assumptions used to project ICU days of care (pages 138 and 139) conflict with statements made throughout the application regarding the proposed tertiary capabilities of AdventHealth Asheville. The Applicant uses AdventHealth Hendersonville as a surrogate to project ICU days of care, and indicates that it is a comparable facility:
    - "AdventHealth Hendersonville continues to serve as a strong proxy for ICU demand given its contiguous location and comparable clinical service mix."
        - Hendersonville has 66-beds and does not provide tertiary-level services
        - If the clinical service mix is comparable, AdventHealth Asheville will not be offering tertiary-level services
    - "Using HIDI data, AdventHealth analyzed the average DRG weight for historical discharges associated with the proposed project, **which was 1.5** during CY2024. **This is comparable to the average DRG weight of service area residents treated at AdventHealth Hendersonville in CY2024**, further validating the applicability of Hendersonville's experience."
        - An average DRG of 1.5 is not in line with tertiary level providers.
- Projected market share percentages for OB beds have increased dramatically, similar to Med/Sug beds, with all but six ZIP codes projected to capture at least 30% market share by Project Year 3. AdventHealth projects to capture 40% market share in nine ZIP codes including all of Madison and Yancey Counties (Page 145).
    - This is unreasonably high for a new hospital and does not correlate with the small addition of three OB beds in relation to its 2024 application, taking total OB beds from 13 to 16 with this change in scope.

    - These projections are also inconsistent with the experience of AdventHealth Hendersonville, which operated 12 OB beds at only 31.1% occupancy in 2024. It is unreasonable to assume the same medical staff will be able to capture such a dramatically high market share of the proposed service area.
    - The increase in market share is also unsupported by anything more than a promise that Level II neonatal services would be offered. There is no tangible support in this application for any increase in market share.
- ED projections are based on an incomplete analysis.
    - ED ratios used to project volume are only based on Buncombe County patients (page 155) and not the entire service area or surrounding counties that may utilize the service.
    - This is unreasonable particularly for a claimed tertiary hospital that would serve emergency patients from a broad geographic region.

Criterion (4) Where alternative methods of meeting the needs for the proposed project exist, the applicant shall demonstrate that the least costly or most effective alternative has been proposed.

- AdventHealth fails to demonstrate that its project is either the least costly or most effective alternative.
- From a cost standpoint, adding beds to an existing facility is the more cost-effective option because it only requires building the actual beds/patient care units and associated costs. In contrast, adding beds to an approved but not yet constructed hospital not only requires constructing the beds (the only services identified as needed in the SMFP), but also requires the cost to build all required ancillary and support services needed to operate a new hospital. The Applicant's change of scope brings additional ancillary and clinical service costs into the total cost of the project.
- The same is true for operating costs. Operating incremental beds in an existing hospital only requires the staff directly associated with additional beds as opposed to the clinical, administrative, support staff, services, and overhead required to support an entirely new hospital operation.
- On page 82, AdventHealth claims that it considered adding less beds but determined that all 129 beds were needed. As shown above related to Criterion 3, the request for 129 beds does not correlate with the documented incremental patients AdventHealth could potentially serve through this expansion. As a result, AdventHealth is forced to claim a tertiary patient base that it cannot realistically or safely serve and then apply market shares it cannot possibly attain in order to project an adequate volume of patient days to meet performance standards.

Criterion (5) Financial Feasibility

- As discussed in detail in Criterion (3), Advent's projected utilization is inaccurate and overstated due to use of an overstated patient base and unsupported and unreasonable market share percentage assumptions used to project volume. Because the volume projections are overstated, the financial feasibility of the project is highly questionable.
- For these reasons and the associated discussion in Criteria (3), (8), and (12), AdventHealth cannot be found conforming with Criterion (5).

Criterion (6) Unnecessary Duplication

- AdventHealth now claims that it will duplicate Mission Hospital, offering many of the high-level services that Mission provides to patients throughout Western North Carolina. While specifics are murky, AdventHealth's intent is clear:
    - "The proposed 222-bed AdventHealth Asheville project represents precisely the type of advanced, multi-specialty hospital that Mission itself has argued is necessary, a facility capable of delivering tertiary-level care in a resilient, high-performing environment." (page 53)
    - However, details in the application do not support this claim
        - No timeline or details regarding trauma designation or neonatal care unit
        - Patient origin only reflects service to a 4-county service area typical of a community hospital.
        - No medical staff plan is presented to recruit the specialty and subspecialty physicians needed to support tertiary care services.

- More likely, AdventHealth will duplicate other small community hospitals that serve the service area.
    - Duke LifePoint Harris Regional is a significant provider of low acuity, community hospital services to Graham County, where AdventHealth projects to capture 40% market share of patients.
    - Duke LifePoint Haywood Regional Medical Center is a provider to lower acuity Madison County residents.
    - Blue Ridge Regional Hospital, which focuses on serving lower acuity patients, has over 42% market share of Yancey County where AdventHealth Asheville projects to capture a 40% market share.
    - Simply put, AdventHealth will take patients from these small rural hospitals, placing them at greater risk for long term viability.

For these reasons and the associated discussion regarding Criteria (1), (3), (4), and (18a), AdventHealth should be found non-conforming with Criterion (6).

Criterion (7) Availability of Resources

- The healthcare industry is facing considerable staffing shortages. The proposed project will place further demands on staff availability in the planning area and region. It will require AdventHealth to compete for staff with its affiliated hospital in Henderson County and other existing facilities serving the service area,
- According to Advent's proposal, the latest iteration of the hospital will require over 891 incremental FTEs by the third year of operation. This includes over 368 nursing staff and over 165 technical and therapy staff, all of whom are in high demand and in short supply. See Section Q, Form H (pages 169-170). AdventHealth does not clearly document how it will obtain such high staffing levels.

AdventHealth should be found non-conforming with Criterion (7).

Criterion (12) Cost and Design

- There are numerous timeline discrepancies in the application which make it difficult to understand phasing.
    - Section P (Timeline) shows that services will be offered (presumably for Phase II of the project under review) 01/01/30 (p. 123)
    - Forms C.1-C.3 show an interim year (Implementation of Phase 1, which represents Year 1 for the 2022 and 2024 Applications) in CY 2029 (p. 125-128)
    - Projected Patient Origin on pages 73-74 show Project Years 1-3 to be CY 2027-2029.
    - It is completely unclear what the actual timeframe will be for the proposed project.
- While these discrepancies make the implementation schedule unreliable, one thing is certain, AdventHealth continues to push its implementation to gain more beds with each SMFP need determination. This does not demonstrate the commitment to serve the community and meet its immediate needs that AdventHealth claims in each of its applications.
- AdventHealth does not include evidence of site entitlement or documentation of availability of zoning or utilities.
- AdventHealth claims that it will provide neonatal care beds but includes no space for this service.
    - The line drawings show no designated space for neonatal care beds. While these are not included in the application, AdventHealth lists them among the services that will bring the hospital toward a tertiary level of care.

AdventHealth should be found non-conforming with Criterion (12).

Criterion (13) Medically Underserved Population

- AdventHealth indicates that the change of scope will not have any significant impact on payor mix and access to care. Thus, no revised payor mix assumptions are provided. (p. 113-114) This claim is unrealistic given the change in scale, scope, and service offerings along with the change in patient origin associated with the again-updated market share capture rates.
- Given the transition from community-level to tertiary-level capabilities, a change in payor mix would typically follow.
- Page 173 states, *"The projected payor mix for each service component is based on AdventHealth Hendersonville's CY2024 payor mix for each service component. Henderson County is contiguous to Buncombe County and residents of Buncombe County travel to Henderson County to receive acute care services at AdventHealth Hendersonville. Residents of Graham, Madison, and Yancey counties also receive acute care services at AdventHealth Hendersonville. Additionally, AdventHealth confirmed the scope of DRGs served at AdventHealth Hendersonville is comparable to the DRGs projected for the proposed project. Therefore, AdventHealth Hendersonville is a reasonable proxy for projecting payor mix for each service component at AdventHealth Asheville."*
    - No part of this assumption is reasonable.
        - The four-county service area for the proposed project does not replicate or even resemble the service area for AdventHealth Hendersonville. The patient origin for AdventHealth Hendersonville is not a proxy for AdventHealth Asheville.
        - Further, AdventHealth's application is based on an expansion into tertiary-level care which is not representative by the scope of DRGs at AdventHealth Hendersonville, a 62-bed community hospital.

        - Based on these comparisons, AdventHealth Hendersonville is not a reasonable proxy for the proposed change in scope.
- AdventHealth has not provided appropriate documentation to show that it will serve the same patients in terms of financial accessibility. It also has not shown that its projected payor mix is reasonable based on the change in the nature of the patients to be served.

AdventHealth should be found non-conforming with Criterion (13).

Criterion (18a)

- AdventHealth is already an approved provider in the service area. The award of more beds to AdventHealth will not enhance competition.
- AdventHealth also does not discuss how it will not have a negative impact on competition.
- AdventHealth does not project to fill the proposed beds in its application. As referenced in Criterion 1 above, AdventHealth Asheville projects that an average of 66 beds will be vacant on any given day in Project Year 3. This does not enhance competition when Mission Hospital is operating at over 90% capacity and using temporary licensed beds.

Criterion (20)

AdventHealth provides no documentation to support that its newly assumed tertiary capabilities can be safely performed in the infrastructure largely planned for a 67-bed community hospital. While the two following iterations added bed floors and a handful of ancillary services, its initial infrastructure has not significantly changed while its intended service offerings have gone from that of a small community hospital to a tertiary-level provider.

In its previous applications, AdventHealth has argued that it could safely provide lower-acuity surgeries in surgical procedure rooms, rather than in licensed operating rooms. In the 2025 application, AdventHealth states its intent to provide high-level and trauma surgeries as part of its change in scope, which will be performed in unlicensed procedure rooms, as it is not approved for licensed operating rooms. Advent Health states:

> *"By pursuing Level III [trauma] designation, AdventHealth will ensure that trauma services are right sized to the needs of the community, providing timely assessment, resuscitation,* ***surgery****, and stabilization of injured patients, while ensuring seamless transfer to higher-level trauma centers when necessary (page 52)."*

AdventHealth Asheville's only stated surgical exclusions now only include open-heart and transplantation. In other words, AdventHealth intends to perform the highest-level surgeries - including trauma related, cardiothoracic and vascular surgeries - in procedure rooms. This does not represent quality or safety for its patients.

Conclusion

There are numerous flaws and illogical or unsupported assumptions throughout AdventHealth's change of scope application that should result in a finding of non-conforming with Criteria (1), (3), (4), (5), (6), (8), (12), (13), (18a), and (20). AdventHealth's application must be denied.

Attachment 1
Clinics in AdventHealth's Regional Network

Clinic	Location	County
AdventHealth Child Advocacy Center	Hendersonville, NC	Henderson
AdventHealth Infusion Center Asheville	Asheville, NC	Buncombe
AdventHealth Infusion Center Haywood	Clyde, NC	Haywood
AdventHealth Infusion Center Hendersonville	Hendersonville, NC	Henderson
AdventHealth Infusion Center Weaverville	Weaverville, NC	Buncombe
AdventHealth Medical Group Audiology, Breast Center, and Surgery Specialists	Hendersonville, NC	Henderson
AdventHealth Medical Group Behavioral Health	Hendersonville, NC	Henderson
AdventHealth Medical Group Cardiology	Hendersonville, NC	Henderson
AdventHealth Medical Group Dermatology	Hendersonville, NC	Henderson
AdventHealth Medical Group Ear, Nose, and Throat	Hendersonville, NC	Henderson
AdventHealth Medical Group Endocrinology	Hendersonville, NC	Henderson
AdventHealth Medical Group Family Medicine at Biltmore Park	Asheville, NC	Buncombe
AdventHealth Medical Group Family Medicine at Black Mountain	Black Mountain, NC	Buncombe
AdventHealth Medical Group Family Medicine at Brevard	Brevard, NC	Transylvania
AdventHealth Medical Group Family Medicine at Forge Mountain	Mills River, NC	Henderson
AdventHealth Medical Group Primary Care at Hendersonville	Hendersonville, NC	Henderson
AdventHealth Medical Group Family Medicine at Mills River	Mills River, NC	Henderson
AdventHealth Medical Group Family Medicine at Parkway	Asheville, NC	Buncombe
AdventHealth Medical Group Integrative Medicine	Hendersonville, NC	Henderson
AdventHealth Medical Group Internal Medicine at Hendersonville	Hendersonville, NC	Henderson
AdventHealth Medical Group Multispecialty at Candler	Candler, NC	Buncombe
AdventHealth Medical Group Multispecialty at Laurel Park	Hendersonville, NC	Henderson
AdventHealth Medical Group Multispecialty	Hendersonville, NC	Henderson
AdventHealth Medical Group Multispecialty at Parkway	Asheville, NC	Buncombe
AdventHealth Medical Group Multispecialty at South Asheville	Arden, NC	Buncombe
AdventHealth Medical Group Multispecialty Obstetrics and Gynecology at Hendersonville	Hendersonville, NC	Henderson
AdventHealth Medical Group Multispecialty Neurology at Hendersonville	Hendersonville, NC	Henderson
AdventHealth Medical Group Multispecialty Obstetrics and Gynecology	Hendersonville, NC	Henderson
AdventHealth Medical Group Multispecialty Pediatrics at MOB	Hendersonville, NC	Henderson
AdventHealth Medical Group Multispecialty Psychiatry at MOB	Hendersonville, NC	Henderson
AdventHealth Medical Group Multispecialty Pulmonary and Sleep	Hendersonville, NC	Henderson
AdventHealth Medical Group Multispecialty Rheumatology	Hendersonville, NC	Henderson
AdventHealth Medical Group Sleep Medicine at Parkway	Asheville, NC	Buncombe
AdventHealth Medical Group Multispecialty Urology	Hendersonville, NC	Henderson
AdventHealth Medical Group Multispecialty Wound Care	Hendersonville, NC	Henderson
Southeastern Orthopedics and Spine at Brevard	Brevard, NC	Transylvania
Southeastern Orthopedics and Spine at Turtle Creek	Asheville, NC	Buncombe
Southeastern Orthopedics and Spine at One Health Park	Hendersonville, NC	Henderson
Southeastern Orthopedics and Spine at Hendersonville	Hendersonville, NC	Henderson
AdventHealth Medical Group Radiation Oncology at Goldsboro	Goldsboro, NC	Wayne
AdventHealth Medical Group Radiation Oncology at Clinton	Clinton, NC	Sampson
AdventHealth Medical Group Radiation Oncology at Marion	Marion, NC	McDowell
AdventHealth Medical Group Radiation Oncology at Forest City	Forest City, NC	Rutherford
AdventHealth Medical Group Radiation Oncology at Brevard	Brevard, NC	Transylvania
AdventHealth Cancer Center Weaverville	Weaverville, NC	Buncombe
AdventHealth Cancer Center Asheville	Asheville, NC	Buncombe
AdventHealth Cancer Center Clyde	Clyde, NC	Haywood
AdventHealth Medical Group Radiation Oncology at Hendersonville	Hendersonville, NC	Henderson
Asheville Urology Associates - Asheville	Asheville, NC	Buncombe
Asheville Urology Associates - Hendersonville	Hendersonville, NC	Henderson

Source: Application, pages 65-67

Attachment 2
Market Share Adjustment Analysis

ZIP Code	CY 2032 Projected Appropriate Discharges	2024 Market Share	Projected Discharges	2025 Adjusted Market Share	Projected Discharges
Buncombe County					
28701	289	30.0%	86.70	30.0%	86.70
28704	1,911	10.0%	191.10	10.0%	191.10
28709	244	30.0%	73.20	30.0%	73.20
28711	1,374	20.0%	274.80	30.0%	412.20
28715	2,850	20.0%	570.00	30.0%	855.00
28728	95	20.0%	19.00	30.0%	28.50
28730	862	10.0%	86.20	10.0%	86.20
28748	1,554	30.0%	466.20	30.0%	466.20
28757	72	20.0%	14.40	30.0%	21.60
28770	20	20.0%	4.00	30.0%	6.00
28776	63	20.0%	12.60	30.0%	18.90
28778	1,096	20.0%	219.20	30.0%	328.80
28787	2,258	30.0%	677.40	30.0%	677.40
28801	2,303	20.0%	460.60	30.0%	690.90
28802	153	20.0%	30.60	30.0%	45.90
28803	3,173	20.0%	634.60	30.0%	951.90
28804	1,925	30.0%	577.50	30.0%	577.50
28805	2,097	20.0%	419.40	30.0%	629.10
28806	3,890	20.0%	778.00	30.0%	1,167.00
28810	3	0.0%	-	30.0%	0.90
28813	51	20.0%	10.20	30.0%	15.30
28815	40	20.0%	8.00	30.0%	12.00
28816	47	20.0%	9.40	30.0%	14.10
	26,370		**5,623**		**7,356**
Graham County					
28702	33	20.0%	6.60	20.0%	6.60
28733	6	20.0%	1.20	20.0%	1.20
28771	606	20.0%	121.20	20.0%	121.20
	645		**129**		**129**
Madison County					
28743	207	30.0%	62.10	30.0%	62.10
28753	1,307	30.0%	392.10	30.0%	392.10
28754	973	30.0%	291.90	30.0%	291.90
	2,487		**746**		**746**
Yancey County					
28714	2,386	30.0%	715.80	30.0%	715.80
28740	293	30.0%	87.90	30.0%	87.90
28755	57	30.0%	17.10	30.0%	17.10
	2,736		**821**		**821**

Source: 2024 CON application page 133, 2025 Application pages 132 and 134

**28810 was not previously included in the service area*

County	Projected Discharges Using 2024 Market Share	Projected Discharges Using Adjusted 2025 Market Share
Buncombe	5,623	7,356
Graham	129	129
Madison	746	746
Yancey	821	821
Inmigration	813	1,006
Total	**8,132**	**10,058**
ALOS	5.12	5.12
Days of Care	41,637	51,498
Occupancy	**51.4%**	**63.6%**

Comparative Review of 2025 Buncombe County
Acute Care Bed CON Applications

Pursuant to G.S. 131E-183(a)(1) and the 2025 State Medical Facilities Plan ("SMFP"), no more than 129 acute care beds may be approved for the Buncombe/Graham/Madison/Yancey County service area in this review. Because the applications in the review collectively propose to develop 421 additional acute care beds in Buncombe County, all applicants cannot be approved for the total number of beds proposed. Therefore, after considering all review criteria, Mission conducted a comparative analysis of each proposal to demonstrate why Mission is the comparatively superior applicant and should be approved.

Below is a brief description of each project included in the Acute Care Bed Comparative Analysis.

- Project ID B-012716-25/**AdventHealth Asheville, Inc. ("Advent") -** Develop 129 additional acute care beds at AdventHealth Asheville pursuant to the 2025 SMFP Need Determination. [1]
- Project ID B-012709-25/**Novant Health Asheville Medical Center, LLC ("Novant") -** Develop a new hospital with 34 acute care beds pursuant to the 2025 SMFP Need Determination.
- Project ID B-012708-25/ **UNC Health West Medical Center ("UNC") -** Develop a new hospital with 129 acute care beds pursuant to the 2025 SMFP Need Determination.
- Project ID B-012720-25/**MH Mission Hospital, LLLP ("Mission") -** Develop 129 additional acute care beds at Mission's existing hospital in Asheville pursuant to the 2025 SMFP Need Determination.

The table below summarizes information from each application.

Facility Name	**AdventHealth Asheville**	**Novant Health Asheville**	**UNC Health West Medical Center**	**Mission Hospital**
Hospital Level of Care	Community Hospital Pursuing Limited Tertiary Services	Community Hospital	Community Hospital	Tertiary Care Hospital
Number of Existing/Approved Beds^	93	0	0	682
Beds Proposed to be Added	129	34	129	129
Total Number of Proposed Beds*	222	34	129	811
Third Full Fiscal Year	CY 2032	CY 2032	FY 2034	CY 2033
Projected Discharges - Year 3	12,212	1,565	8,262	52,222
Projected Acute Care Days - Year 3	60,251	9,192	32,319	265,903
% Occupancy - Year 3	74.4%	74.1%	68.6%	89.8%

Source: Applications

^ does not include NICU beds

**Proposed Beds = Number of existing beds + Number of Beds Requested in the application*

*** Assuming all beds requested by each applicant are approved*

[1] AdventHealth Asheville's 67-bed proposal (Project ID# B-012233-22), filed as a change of scope to the originally approved project, remains under appeal. Its 26-bed proposal (Project ID# B-012526-24), also a change of scope, is pending an Administrative Law Judge decision.

Because of the significant differences in types of facilities, number of total acute care beds, number of projected acute care days and discharges, levels of patients acuity which can be served, total revenues and expenses, and differences in presentation of pro forma financial statements, some comparative factors may be of less value and result in less than definitive outcomes than if all applications were being reviewed for like facilities of similar size proposing similar services and using the same reporting formats.

Conformity with Review Criteria

Among the competing applicants, only the **Mission** application conforms with all applicable statutory and regulatory review criteria. **Advent, Novant**, and **UNC** do not conform to several statutory and regulatory review criteria. Please see detailed discussion under each criterion above. Each application contains flaws in its utilization projections and unreasonable assumptions.

Therefore, **Mission** is the most effective alternative with regard to conformity with review criteria, and neither **Advent**, **Novant**, nor **UNC** are approvable.

Scope of Services

Generally, the application proposing to provide the broadest scope of services is the most effective alternative regarding this comparative factor.

Mission is an existing tertiary care provider that offers a broad range of medical and surgical services. **Mission** provides a comprehensive range of inpatient and outpatient services, including cardiology and cardiovascular surgery, general and urologic surgery, pediatrics, orthopedics, oncology, women's services, neurology, and trauma. Among the specialized programs and referral services offered at **Mission** are a state-designated high-risk pregnancy center, interventional cardiology (including cardiac catheterization, electrophysiology, and stents), cardiac surgery (including transcatheter aortic valve replacement, left ventricular assist device placement, structural heart, and bypass surgeries), inpatient dialysis, advanced imaging, and many others.

Advent proposed adding beds to its approved but unimplemented community hospital and pursuing some tertiary-level services in an undefined timeframe. **Novant** and **UNC** each proposed developing a new small community hospital. However, as a smaller community hospital, none will provide a scope of services comparable to **Mission**, a Level II Adult trauma center, and a tertiary care provider. **Advent**, **Novant**, and **UNC** will not offer the range of services offered by **Mission**.

Therefore, **Mission** projects the broadest range of services, including those that drove the SMFP need for acute care beds in the service area, making it the most effective alternative with respect to this comparative factor. **Advent**, **Novant**, and **UNC** are the least effective alternatives.

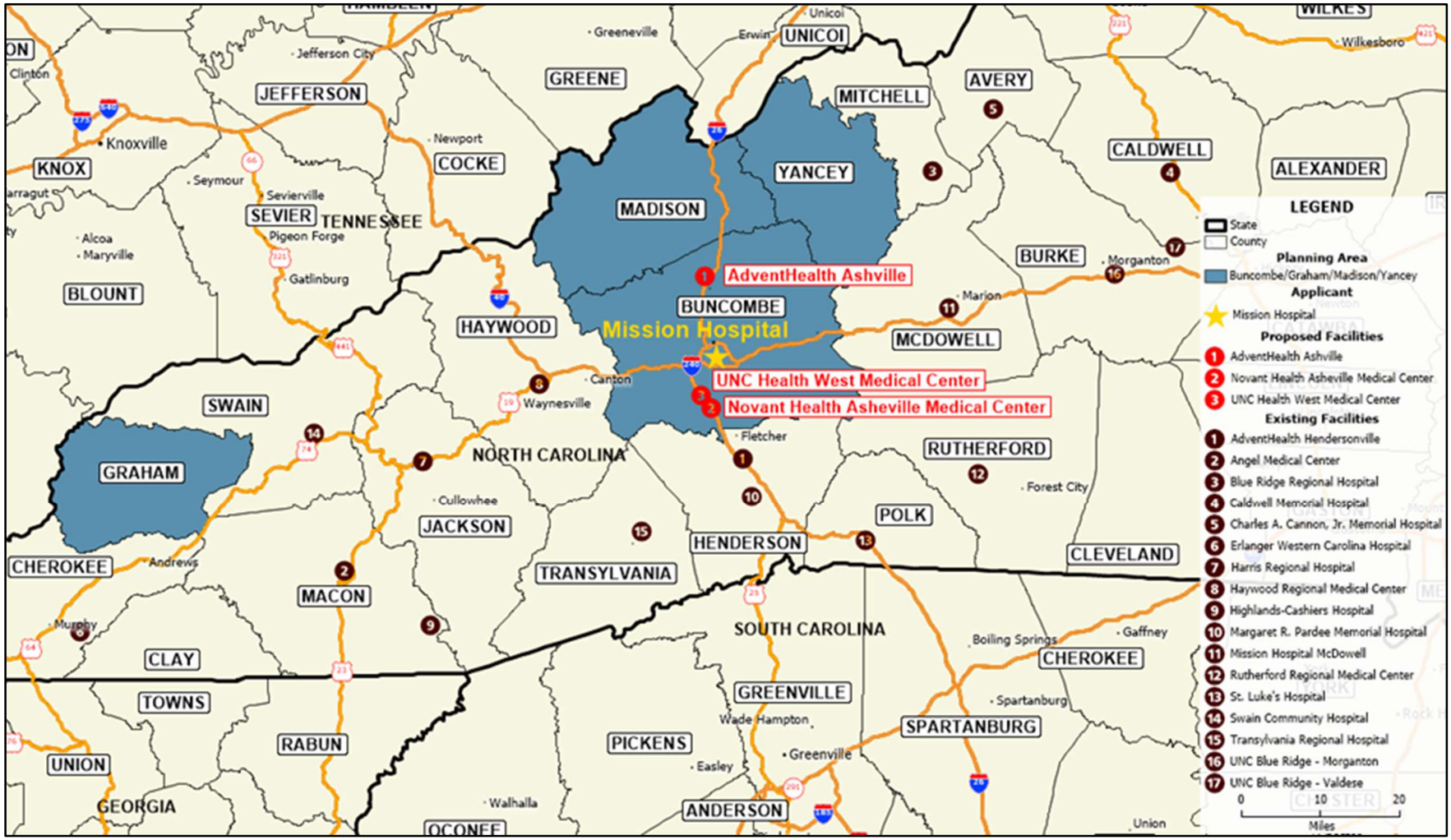
Geographic Access

There are 775 existing and approved acute care beds (excluding NICU) in Buncombe County and none in Graham, Madison, and Yancey Counties, all part of the acute care planning area that generated the need. As shown in the map below, Buncombe County has one existing hospital, Mission Hospital, and one currently approved hospital, AdventHealth Asheville, that is not yet operational. **Mission** proposes adding 129 acute care beds to its existing facility, **Advent** plans to add 129 beds to its approved and undeveloped hospital, **Novant** proposes to develop a 34-bed new community hospital, and **UNC** proposed to develop a

129-bed community hospital. The following maps show the locations of **Mission** and the proposed locations of **Advent**, **Novant**, and **UNC** as well as the other hospitals in the highlighted four-county, SMFP defined planning area and the surrounding areas of the western North Carolina region.

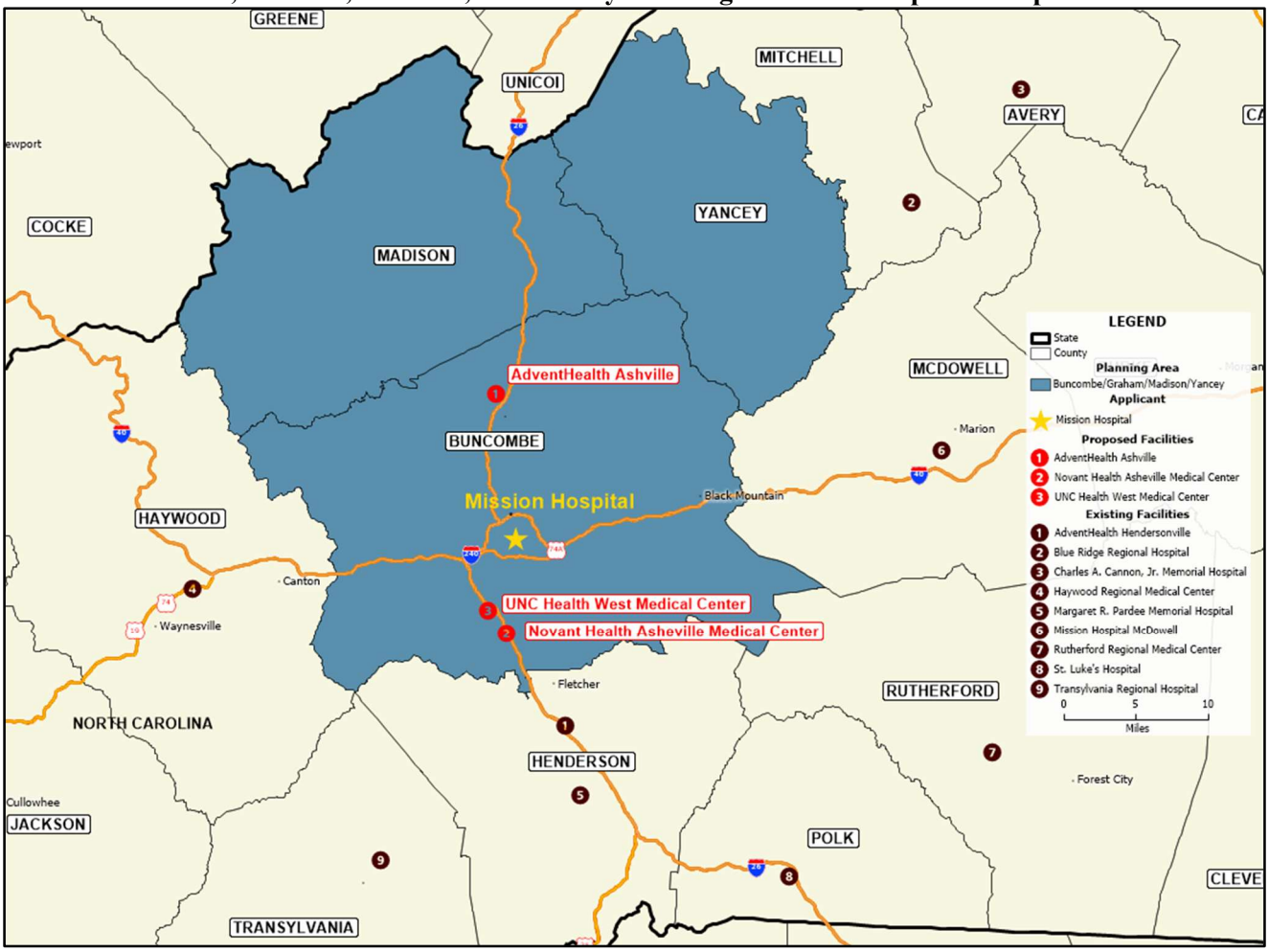
All four applicants propose to develop the acute beds in Buncombe County, within 20 miles of each other. **Novant's** proposed beds will not increase geographic access to community hospital services. It proposes to construct its hospital less than 15 miles from two existing acute care providers in Henderson County and less than ten miles from Mission Hospital. Similarly, **UNC** proposed beds will also not increase geographic access to community hospital service, as it also located less than 15 miles from Advent approved hospital and Mission Hospital. **Advent's** newly proposed location in Weaverville is closer to Madison and Yancey Counties than the other applicants, and from this standpoint, will increase geographic access to acute care beds. However, Advent will also take market share from other small community hospitals that currently serve Madison and Yancey Counties including Blue Ridge Regional Hospital and Duke LifePoint Haywood. Notably, **Advent** will also take market share from its affiliate AdventHealth Hendersonville, although this is not considered in its projections. **Mission** is centrally located for all parts of Buncombe County and is the most accessible for residents of Graham County, who must travel from far western North Carolina and would practically have to pass Mission before traveling north to Advent or south to Novant. **Mission** is the only applicant that will utilize the proposed 129-bed addition for the high acuity acute care services that generated the need for these beds in the SMFP, though Advent attempts to argue otherwise. As a result, only **Mission** increases geographic access to acute care beds for their needed purpose. As a result, **Mission** is the most effective applicant with regard to geographic access. **Advent** is less effective and duplicative to other similar nearby providers, diluting the market, and **Novant** and **UNC** are not effective.

Buncombe, Graham, Madison, and Yancey Planning Area with Existing and Approved Hospitals



Source: Maptitude

Buncombe, Graham, Madison, and Yancey Planning Area with Proposed Hospitals



Source: Maptitude

Historical Utilization

The table below shows acute care bed utilization for existing facilities based on acute care beds and days reported on the 2025 LRAs, excluding NICU days and beds. Generally, the applicant with the higher historical utilization is the more effective alternative with regards to this comparative analysis factor.

Historical Acute Care Bed Utilization Comparison*

Hospital/Applicant in Market	Beds	Patient Days	ADC	% Occupancy
Mission	682	227,011	622	**91.2%**
Advent Hendersonville	61	14,991	41	67.3%
Novant	NA	NA	NA	NA
Margreet R. Pardee Memorial Hospital	201	28,491	78	38.8%

Source: 2025 LRAs

**Acute care beds not including NICU services*

As shown in the table above, **Mission's** historical utilization exceeds that of **Advent's** existing facility, AdventHealth Hendersonville, and **UNC's** existing facility, Margreet R. Pardee Memorial Hospital – both located in Henderson County, bordering Buncombe County. **Novant** does not have an existing facility in or near the Buncombe County service area and thus has no historical utilization.

Projected Utilization and Bed Capacity

The following table shows each facility's projected acute care bed utilization, excluding days and beds for NICU services. Generally, the applicant with the higher projected utilization is the more effective alternative regarding this factor in terms of the effectiveness of use of the proposed beds.

Projected Acute Care Bed Utilization Comparison - 3rd Full Fiscal Year*

Hospital/Applicant in Market	Beds	Admissions /Discharges	Patient Days	ADC	% Occupancy
Mission	811	52,221	265,902	728.50	**89.8%**
Advent**	222	12,212	60,251	165.07	74.4%
Novant	34	1,565	9,192	25.18	74.1%
UNC	129	8,262	32,319	88.55	68.6%

Source: Applications Form C.1b

**Acute care beds not including NICU services*

***Advent's projections are not reasonable as they include surgical inpatients with surgical cases that cannot be appropriately performed without an OR.*

As shown in the table above, **Mission's** projected utilization is higher than **Advent**, **Novant**, and **UNC**. As discussed above, there are also numerous flaws in the utilization assumptions and methodologies within the **Advent**, **Novant**, and **UNC** proposals, which result in inaccurate and overstated projected utilization. Therefore, with regard to projected utilization, **Mission** is the most effective alternative; **Advent**, **Novant**, and **UNC** are the least effective alternatives.

Service to the Planning Area Counties (Access by Service Area Residents)

On page 33, the 2025 SMFP defines the service area for acute care beds as *"... the single or multicounty grouping shown in Figure 5.1."* Figure 5.1, on page 38, shows the multicounty grouping of Buncombe/Graham/Madison/Yancey Counties as the acute bed service area. Thus, the service area for this review is Buncombe/Graham/Madison/Yancey Counties. Facilities may also serve residents of counties not included in the service area. Generally, the application with projections indicating the most accessibility to Buncombe/Graham/Madison/Yancey County residents is the most effective alternative with regards to this comparative factor.

Inpatient Admissions of Patients from the Acute Care Planning Area

	Advent*		Novant		UNC		Mission	
	3rd Full FY		3rd Full FY		3rd Full FY		3rd Full FY	
Buncombe	8,613	78.4%	990	93.0%	5,106	98.0%	26,037	81.0%
Madison	1,072	9.8%	48	4.5%	102	2.0%	2,974	9.3%
Yancey	1,165	10.6%	19	1.8%	NA	NA	2,763	8.6%
Graham	140	1.3%	8	0.8%	NA	NA	360	1.1%
Total Planning Area	**10,990**	**100.0%**	**1,065**	**100.0%**	**5,208**	**100.0%**	**32,134**	**100.0%**

Sources: Applications, Section C, Projected Patient Origin

**Advent's projections are flawed by the inclusion of surgical cases that cannot be performed without and OR.*

The table above shows the patient origin for admissions from the SMFP acute care planning area for each proposed facility. It is important that the Agency look beyond a simple percentage when evaluating this factor and evaluate the specific function these beds will serve and whether the proposed use of the beds meets a need for the SMFP acute care service area. As a regional tertiary provider and trauma center, Mission serves patients from all parts of western North Carolina and beyond. As a result, its percentages are not comparable to a community hospital with a smaller service area. A simplistic analysis ignores this significant role and can in fact penalize the applicant serving a significant percentage of patients from outside the planning area due to its high acuity service offerings.

The table shows that **Mission** projects to serve the most patients in the SMFP planning area counties, including the most patients from Madison, Yancey, and Graham Counties. **Advent**, **Novant**, and **UNC** project to serve a fraction of the total service area patients projected by **Mission,** particularly for Madison, Yancey, and Graham Counties. It should be noted that **Advent's** patient origin is flawed by the unrealistically high (40%) projected market share for Madison and Yancey Counties. While it may project a higher percentage of patients from these counties, the projection is not realistic. A smaller, lower acuity hospital with limited supposedly tertiary services is not going to draw a larger percentage of patients from distant counties than a large tertiary, trauma center.

Therefore, with regard to serving the planning area, **Mission** is the most effective alternative, and **Novant**, **AdventHealth**, and **UNC** are the least effective alternatives.

Access by Underserved Groups

"Underserved groups" is defined in G.S. 131E-183(a)(13) as follows:

> *"Medically underserved groups, such as medically indigent or low income persons, Medicaid and Medicare recipients, racial and ethnic minorities, women, and handicapped persons, which have traditionally experienced difficulties in obtaining equal access to the proposed services, particularly those needs identified in the State Health Plan as deserving of priority."*

For access by underserved groups, the applications in this review are compared with respect to three underserved groups: Charity Care patients (i.e., medically indigent, or low-income persons), Medicare patients, and Medicaid patients. Access by each group is treated as a separate factor.

Projected Charity Care

The following table shows projected charity care during the third full fiscal year following the completion of the project for each applicant. Generally, the application projecting to provide the most charity care is the more effective alternative with regard to this comparative factor.

Projected Inpatient Services Charity Care - 3rd Full Fiscal Year				
Applicant	**Charity Care Revenue**	**Admissions/ Discharges**	**Estimated Charity Admissions**	**% of Total Gross Patient Revenue**
Mission	$272,549,512	52,221	1,587	3.04%
Advent	$18,255,415	12,212	368	3.01%
Novant	$3,139,995	1,565	34	2.18%
UNC*	$45,682,036	8,262	429	5.19%

Source: Application Form F.2b and Form C.1b

**UNC provides a pro forma for total services only.*

Due to the differences in the presentation of pro forma financial statements, the number of patients, and the level of care at each facility, it is impossible to effectively compare the applicants based on this comparative factor. **Mission**, an existing large tertiary care center proposing to add adult inpatient beds, has pro forma financial statements that are structured differently than the other applicants. **Mission** provides a projection for inpatient adult services only, the service affected by their project. **Advent** and **Novant** also provide proformas for inpatient services; however, **UNC** provides a total hospital pro forma. Projected charity care cannot be compared. Further, even if all applicants provided pro forma statements in a comparable format with similar data, differences in patient acuity and levels of care at each facility would render any comparison of little value. Therefore, the result of this analysis is inconclusive.

Projected Medicare

The following table shows projected Medicare during the third full fiscal year after each applicant's project completion Generally, the application with the highest projected provision of services to those with Medicare is the more effective alternative regarding this comparative factor.

Projected Inpatient Services Medicare Revenue - 3rd Full Fiscal Year				
Applicant	**Medicare Revenue**	**Admissions/ Discharges**	**Estimated Medicare Admissions**	**% of Total Gross Patient Revenue**
Mission	$5,185,498,865	52,221	30,194	57.82%
Advent	$408,222,458	12,212	8,220	67.31%
Novant	$85,847,244	1,565	931	59.50%
UNC*	$445,192,601	8,262	4,182	50.62%

Source: Application Form F.2b and Form C.1b

**UNC provides a pro forma for total services only.*

Due to the differences in the presentation of pro forma financial statements, the number of patients, and the level of care at each facility, it is impossible to effectively compare the applicants based on this comparative factor. **Mission**, **Advent**, and **Novant** have pro forma financial statements that are structured differently than **UNC**. **Mission**, **Advent**, and **Novant** provide a projection for inpatient services. **UNC** provides a total hospital pro forma. Projected Medicare cannot be compared.

Further, even if all applicants provided pro forma statements in a comparable format with similar data, differences in patient acuity and levels of care at each facility would render any comparison of little value. Therefore, the result of this analysis is inconclusive.

Projected Medicaid

The following table shows projected Medicaid during the third full fiscal year following the completion of the project for each applicant. Generally, the application with the highest projected provision of services to those with Medicaid is the more effective alternative with regard to this comparative factor.

Projected Inpatient Services Medicaid Revenue - 3rd Full Fiscal Year				
Applicant	**Medicaid Revenue**	**Admissions/ Discharges**	**Estimated Medicaid Admission**	**% of Total Gross Patient Revenue**
Mission	$1,030,541,893	52,221	6,001	11.49%
Advent	$52,000,850	12,212	1,047	8.57%
Novant	$17,025,168	1,565	185	11.80%
UNC*	$107,566,986	8,262	1,010	12.23%

Source: Application Form F.2b and Form C.1b

**UNC provides a pro forma for total services only.*

Due to the differences in the presentation of pro forma financial statements, the number of patients, and the level of care at each facility, it is impossible to effectively compare the applicants based on this comparative factor. **Mission**, **Advent**, and **Novant** have pro forma financial statements that are structured differently than **UNC**. **Mission**, **Advent**, and **Novant** provide a projection for inpatient services. **UNC** provides a total hospital pro forma. Projected Medicaid cannot be compared.

Further, even if the applicants provided pro forma statements in a comparable format with similar data, differences in patient acuity and levels of care at each facility would render any comparison of little value. Therefore, the result of this analysis is inconclusive.

Projected Average Net Revenue per Admission

The following table shows the projected average net revenue per admission in the third full fiscal year following project completion for each applicant. Generally, the application projecting the lowest average net revenue per patient is the more effective alternative regarding this comparative factor. However, differences in the acuity level of patients at each facility, the level of care (community hospital, tertiary care hospital, etc.) at each facility, and the number and types of surgical services proposed by each facility significantly impact the simple averages shown in the table below.

Projected Inpatient Services Average Revenue per Admission - 3rd Full FY

Applicant	Admissions/ Discharges	Gross Revenue	Average Net Rev per Admission
Mission	52,221	$8,968,527,774	$28,094
Advent	12,212	$606,492,204	$14,520
Novant	1,565	$144,281,083	$25,623
UNC	8,262	$879,522,613	$32,563

Note: Includes outpatient revenue as reported in total on Form F.2b

**UNC provides a pro forma for total services only.*

Therefore, given the extreme variation in service offerings and acuity levels between the applicants, this comparative factor is inconclusive.

Projected Average Revenue per Admission

Total Expense

The following table shows the projected average revenue per admission in the third full fiscal year following project completion for each applicant. Generally, the application projecting the lowest average total revenue per admission is the more effective alternative with regard to this comparative factor. However, in this instance the service offerings between a regional tertiary trauma provider and three community hospitals cannot be compared, which renders a comparison inconclusive.

Projected Inpatient Services Average Revenue per Admission - 3rd Full FY

Applicant	Admissions/ Discharges	Net Revenue	Average Net Rev per Admission
Mission	52,221	$1,467,076,661	$28,094
Advent	12,212	$177,316,951	$14,520
Novant	1,565	$40,099,621	$25,623
UNC*	8,262	$269,033,814	$32,563

Note: Includes outpatient revenue as reported in total on Form F.2b

**UNC provides a pro forma for total services only.*

Therefore, given the extreme variation in service offerings and acuity levels between the applicants, this comparative factor is inconclusive

Project Costs

The table below shows the projected cost for each project. Generally, the applicant who projects the lowest project cost should be found to be the most effective alternative regarding this comparative analysis factor based on the directive of the CON Statute to contain costs. The Agency does not always consider project cost in the comparatives analysis, but cost containment is a basic premise of the CON statute. In this instance three proposals seek to add a total of 129 beds and one proposal seeks to add 34 beds to the community – each reflecting significantly different cost projections. Thus, the cost effectiveness of the project should be considered in this comparative analysis.

Applicant	Project Cost	Variance from Low Cost Option	Proposed Beds	Cost per Bed
Mission	$198,522,000		129	$1,538,930
Advent*	$253,741,783	$55,219,783	129	$1,966,991
Novant	$322,212,091	$123,690,091	34	$9,476,826
UNC	$711,117,493	$512,595,493	129	$5,512,539

Source: Form F.1a

**Advent Project cost only reflects the additional cost to add 129 beds to previously approved project.*

As displayed in the table above, **Mission** has the lowest project cost with Advent over $55 million higher, **Novant** almost $125 million higher, and **UNC** over $510 million higher. **Novant** has the highest project cost, having the highest project cost per bed among small hospitals approved since 2019.

Therefore, in regard to cost, **Mission** has the lowest project cost making it the most effective applicant. **Novant**, **Advent**, and **UNC** are the least effective alternatives.

Competition (Patient Access to a New or Alternative Provider)

There are 775 existing and approved acute care beds located in Buncombe County and no acute care hospital beds in Graham, Madison, and Yancey Counties. Graham, Madison, and Yancey Counties are included in the planning area for the calculation of the bed need methodology due to their reliance on Mission as the regional tertiary care and trauma provider. However, planning area residents utilize numerous other community and rural hospitals in the region including Margrett R. Pardee Hospital, AdventHealth Hendersonville, Haywood Regional Medical Center, Blue Ridge Regional Hospital, Swain County Community Hospital, and Duke Life Point Harris Regional Hospital, among others.

Mission is the only regional tertiary hospital and trauma services provider and the only applicant proposing to use the 129 acute care beds for services that are critical to the region. **Advent**, **Novant**, and **UNC** propose to use all or some of the 129 acute care beds in community hospitals with a limited range of services at a time when there are already multiple community hospitals in the area with adequate capacity and offering the same services as those proposed by **Advent**, **Novant**, and **UNC**. **Advent's** project simply adds additional beds to an approved facility that is years from opening and does not enhance competition. **Novant's** project proposes the development of beds for a limited cancer need, which it does not demonstrate exists. In addition, **Novant's** entire service area and utilization is based on the provision of services to the patients of six referring provider groups. It is not seeking to serve the community at large. Further, **Novant's** project does not increase geographic access given that it is less than 15 miles from two community hospitals located in Henderson County. **UNC**'s proposal is duplicative of existing and approved providers and is geographically situated near multiple existing community hospitals.

In the past, the Agency has taken a rather one-dimensional approach to the competition comparative factor, often concluding that any new provider is a more effective alternative. This approach ignores or overlooks that the high and often specialized utilization of existing providers generated the need in the SMFP for a given review and that often the provider generating the need offers more complex and diverse services than those which can be offered by a new provider. These circumstances are applicable to this review.

Moreover, the cost to establish a new provider or facility is generally far higher than adding the needed beds or services to existing facilities that created the SMFP need. In such cases, approving a new provider simply because they represent competition results in a costly duplication of services. Mission encourages the Agency to consider the competition factor in combination with other equally important CON Statutory criteria, such as unnecessary duplication of services, limiting costs, and serving the needs of the service area population based on the scope of services provided. This balancing of criteria is specifically directed by the SHCC on page 3 of the 2025 SMFP.

A key component in evaluating this comparative factor is the consideration of whether the applicants propose to provide and deliver like services to similar populations by the applicants. In this instance, neither **Advent**, **Novant** nor **UNC** propose to offer like services to those already offered by **Mission** including high acuity, tertiary, and specialty care, which **Mission** proposes to expand. Further, there is underutilized capacity in the region for the services proposed by **Advent**, **Novant**, and **UNC.** However, there are aspects of each proposal that can be compared in this comparative factor, including quality, safety, access, cost effectiveness and value.

In this review, **Mission**'s project is the least costly and offers the highest acuity and broadest range of services. For these reasons, the Agency should find that the competition comparative factor is either inconclusive, due to fact that "like services" are not proposed by the applicants or find that **Mission** is the most effective alternative because it offers the highest acuity and broadest range of services.

Conclusion

G.S. 131E-183(a)(1) states that the need determination in the SMFP is the determinative limit on the number of acute care beds that can be approved by the Healthcare Planning and Certificate of Need Section. Approval of all applications submitted during the review would result in acute care beds in excess of the need determination in the Buncombe/Graham/Madison/Yancey Counties service area. Only **Mission's** project can be approved as it is the only applicant that conforms to all project review criteria and applicable performance standards. However, if all applicants were approvable based on these criteria, **Mission's** project is still the most effective alternative to meet the need based on the summary below. As such, **Mission's** project should be approved.

Summary of Comparative Factors

Meaure/Analysis	Mission	Advent	Novant	UNC
Conformity with Review Criteria	**Yes**	No	No	No
Scope of Services	**Most Effective**	Least Effective	Least Effective	Least Effective
Geographic Access	**Most Effective**	Least Effective	Least Effective	Least Effective
Historical Utilization	**Most Effective**	Least Effective	Least Effective	Least Effective
Projected Utilization / Use of Beds	**Most Effective**	Least Effective	Least Effective	Least Effective
Service to the Planning Area Counties (a)	**Most Effective**	Least Effective	Least Effective	Least Effective
Projected Financial Access	Inconclusive	Inconclusive	Inconclusive	Inconclusive
Projected Charity Care	Inconclusive	Inconclusive	Inconclusive	Inconclusive
Projected Medicare	Inconclusive	Inconclusive	Inconclusive	Inconclusive
Projected Medicaid	Inconclusive	Inconclusive	Inconclusive	Inconclusive
Projected Average Net Revenue per Admission	Inconclusive	Inconclusive	Inconclusive	Inconclusive
Projected Average Expense per Admission	Inconclusive	Inconclusive	Inconclusive	Inconclusive
Project Cost	**Most Effective**	Least Effective	Least Effective	Least Effective
Competition/Access to New Provider	**Most Effective**	Least Effective	Least Effective	Least Effective

(a) Given the variation in types of projects (small community hospitals v. regional tertiary medical center), the most reasonable method to compare service to the planning area counties is the number of patients served.