



North Carolina State Health Coordinating Council
Acute Care Services Committee Minutes
Tuesday, September 4, 2007

Medical Facilities Planning

10:00 am - 12:00 Noon
 McKimmon Center

MEMBERS PRESENT: Michael Tarwater; Chair, Bill Bedsole, Dr. Dana Copeland, Dr. Lawrence Cutchin, Dr. Sandra Greene, Laurence Himsdale, Daniel Hoffmann, Jack Nichols, Dr. Dan Myers
MEMBERS ABSENT: Dr. Zane Walsh

Standing Agenda	Discussion	Motion/ Seconded	Recommendations/ Actions
1. Welcome & Introductions	Mr. Tarwater welcomed all members and guests and thanked everyone for attending. He explained that the purpose of today's meeting was to review Petitions and Comments received in response to the Acute Care Chapters of the Proposed 2008 State Medical Facilities Plan, and to review updated Acute Care Bed Need tables (tables were updated to reflect data changes and corrections made since the Proposed Plan was published).		
2. Approval of Minutes	Review of minutes. Minutes approved.	J. Nicholls L. Cutchin	The motion was unanimously approved.
3. Issues related to Acute Care Beds	<p>A. Review of Revised Acute Care Bed Need Projections (Using Corrected Growth Factor Data): Ms. McClanahan explained that the bed need projections were revised after the growth factor was corrected. The growth factor was corrected to remove inpatient rehabilitation days from rehabilitation hospitals that had been inadvertently included in the original growth factor. The revised Acute Care Bed Need Projections are as follows: Mecklenburg County: 27 beds Wake County: 41 beds</p> <p>B. Update on Data Discrepancy Correction Process: Ms. McClanahan updated committee members on the data discrepancy correction process, noting that the process is ongoing and that some hospitals have updated their license renewal data and other hospitals will be resubmitting their Thomson data. Ms. McClanahan asked the committee for direction as to how to indicate in the 2008 Plan, hospitals with Thomson data that is known to be incorrect, which choose not the</p>		

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	<p>correct their data. Ms. McClanahan clarified that the data discrepancies do not affect need determinations. Dr. Copeland noted that a time limited CON would help with this issue. However, it was pointed out that the SHCC does not have the authority to require resubmission of data.</p> <p>Motion to approve the Acute Care Bed tables, with the proviso that an asterisk and a note will identify hospitals which choose not to correct their discrepant data. The note will include a statement that the discrepancies do not affect need determinations.</p> <p>C. Consideration of AC Beds Petition and Agency Report from Cape Fear Valley Health System: Ms. McClanahan reviewed the petition from Cape Fear Valley Health System requesting an adjusted need determination for 20 additional beds for Cumberland County due to the impact that the Base Realignment and Closure Act (BRAC) will have on the county. Ms. McClanahan noted that the Agency agreed with the Petitioner as to the need for 20 additional beds, however, given Cumberland County's projected surplus of 28 beds, the Agency supported the standard methodology and recommended denial of the petition.</p> <p>Discussion: Committee discussed the following: inclusion of families in the petitioner's need projection for Cumberland County; the impact of using a growth factor specific to Cumberland County; the understanding that there are no plans to expand Womack; and the use of a state-wide growth factor in the Acute Care Bed Need Methodology.</p> <p>Motion to deny the petition.</p> <p>D. Other Issues Related to Acute Care Beds: Ms. McClanahan noted that Good Hope Hospital submitted a petition asking that 43 of their beds be recognized in the 2008 Plan, however, the hospital closed on April 11, 2006. Ms. McClanahan noted that determining licensed beds is the purview of the Licensure Section and that DHHS management and the Licensure Section are working on resolving this issue. Bob Fitzgerald clarified that the SHCC is not required to act on any particular petition and that the Plan has always reflected what Licensure has determined is the correct number of beds.</p> <p>E. Recommendation to the SHCC regarding Acute Care Beds: Motion to approve the Acute Care Beds tables as presented today.</p>	<p>L. Cutchin J. Nicholls</p> <p>L. Hinsdale S. Greene</p> <p>L. Hinsdale L. Cutchin</p>	<p>The motion was unanimously approved</p> <p>The motion was unanimously approved</p> <p>The motion was unanimously approved</p>

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<p>4. Issues related to Operating Rooms</p>	<p>A. Consideration of OR Petitions 1-5 and Agency Report: OR Petition 1: Franklin Regional Medical Center (1 OR) OR Petition 2: Park Ridge Hospital (1 OR) OR Petition 3: Pitt County Memorial Hospital (6 Ors) OR Petition 4: Randolph Hospital (1 OR) OR Petition 5: Rex Hospital (4 ORs)</p> <p>Ms. McClanahan reviewed the petitions and the Agency Report, and noted that each petitioner is close to triggering a need determination for an OR and or is operating at a high rate of utilization, and is asking for an adjustment to the standard methodology which would result in a need determination</p> <p>Ms. McClanahan stated that the Agency supports the standard methodology and recommends denial of the petitions.</p> <p>Motion to consider each petition presented today separately.</p> <p>1. Franklin Regional Medical Center (1 OR): Dr. Copeland made a motion to approve the petition based on the petitioner's high utilization and its location in a county with a small inventory of operating rooms. Discussion: Dr. Greene reviewed the OR Work Group's recommendations for improving the OR methodology, including actions related to: not counting ORs in chronically underutilized facilities, using claims based utilization data, and expecting CON holders to comply with their projections noting that the only recommendation put in place for the 2008 Plan is not counting ORs in chronically underutilized facilities. Dr. Greene expressed confidence that we are moving toward an improved OR methodology and concern about approving other methodology changes at this time. Dr. Greene then asked the Committee to recognize the issue of underutilized open heart surgery ORs, raised in the Raleigh Orthopaedic petition. Dr. Copeland reviewed "rounding up" OR need in counties with small OR inventories, as requested in the Franklin Regional petition. Motion to deny the petition.</p>	<p>D. Copeland L. Cutchin</p> <p>D. Copeland</p> <p>S. Greene L. Hinsdale</p>	<p>The motion was unanimously approved.</p> <p>Motion failed for lack of a second</p> <p>Motion carried, with 1 opposed.</p>

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	<p>2. Park Ridge Hospital (1OR): Motion to deny the petition.</p>	S. Greene L. Hinsdale	The motion was unanimously approved
	<p>3. Pitt County Memorial Hospital (6 ORs) Discussion: Question about the number of beds under construction at Pitt County Memorial Sue Collier responded that 100 beds are under construction there. Motion to deny the petition.</p>	S. Greene L. Hinsdale	The motion was unanimously approved
	<p>4. Randolph Hospital (1 OR): Motion to deny the petition. Discussion: Dr. Copeland spoke in favor of the petition, based on the petitioner's location in a county with a small OR inventory, its difficulty recruiting surgeons, and its proximity to demonstrating need for an OR. Committee discussed new CMS rules related to physician-hospital jointly owned Ambulatory Surgery Centers, noting that CMS is proposing changes in the way ambulatory surgery is reimbursed but that currently there is a "safe harbor" for physician hospital joint ventures.</p>	J. Nicholls W. Bedsole	Motion carried, with 1 opposed
	<p>5. Rex Hospital (4 ORs): Motion to approve the petition. Discussion: Dr. Copeland noted that the efforts to eliminate underutilized ORs has not gone far enough and that Wake County ORs are full. He also noted that surgical cases are sometimes moved to procedure rooms due to lack of an OR and this is problematic. Dr. Greene expressed support for 2 ORs. Clarification made that if an adjusted need determination was made for Wake County, the award of the ORs would occur through the CON process, which would likely be a competitive process.</p>	D. Copeland J. Nicholls	Motion carried, with 2 opposed.
	<p>B. Consideration of OR petitions 6. and 7. OR Petition 6: Raleigh Orthopaedic Clinic (6 ORs) OR Petition 7: Mecklenburg Foot and Ankle Associates and Diabetic Foot Clinic, P.C. Ms. McClanahan reviewed the petitions and the Agency Report noting that both petitioners requested a single specialty adjusted need determination and ambulatory surgery operating rooms. Ms. McClanahan reminded the committee members that currently data is collected for and need projected for generic operating rooms. On this basis, Ms. McClanahan reported that the Agency recommended denial of the petitions. However, Ms. McClanahan also related that the Agency agrees with Raleigh Orthopaedic Clinic that open heart surgery operating rooms are underutilized.</p>		

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7.	<p>Raleigh Orthopaedic Clinic (6 ORs) Discussion: Dr. Cutchin spoke in favor of the petition and expressed concern about rigidity in the healthcare system that may need to be changed in order for the state to meet the goals stated in the State Medical Facilities Plan Basic Principles. Motion to approve the petition.</p> <p>Motion to deny the petition. Discussion: Clarification that any applicant (hospital, ambulatory surgery facility) could apply for the 4 operating rooms for Wake County referenced in the Rex Hospital petition. Committee discussed Rule 10 NCAC 14C .2106D (in a competitive CON review, an applicant proposing to perform surgery in 3 or more surgical specialty areas shall be considered more favorably than an applicant proposing to perform surgery in fewer than 3 surgical specialty areas). Ms. Hoffman noted that the Agency anticipated repealing this rule.</p>	<p>L. Cutchin</p> <p>S. Greene L. Himsdale</p>	<p>Motion failed for lack of a second</p> <p>Motion carried, with 1 opposed.</p>
6.	<p>Motion to approve the OR Work Group recommendations, including repealing 10 NCAC 14C .2106D.</p> <p>Mecklenburg Foot and Ankle Associates and Diabetic Foot Clinic, P.C. : motion to deny the petition.</p>	<p>J. Nicholls L. Cutchin</p> <p>L. Cutchin L. Himsdale</p>	<p>The motion was unanimously approved</p> <p>The motion was unanimously approved</p>
C. D.	<p>Review of OR Comments not Related to Petitions: Discussion: Ms. McClanahan summarized the comments as expressing concern about moving to using claims based data when determining operating room utilization.</p> <p>Recommendation to the SHCC regarding operating rooms: motion to approve the operating room tables presented today, as amended by the action taken today on the petitions.</p>	<p>D. Copeland. L. Cutchin.</p>	<p>The motion was unanimously approved</p>

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5. Issues related to Other Acute Care Services	<p>A. No Petitions or Comments were received regarding this Chapter.</p> <p>B. Development of Recommendation to the SHCC regarding Other ACS: Motion to approve the Other Acute Care Services Chapter.</p>	J. Nicholls L. Cutchin	The motion was unanimously approved
6. Issues related to Inpatient Rehabilitation Bed Need Projections	<p>A. No Petitions or Comments were received regarding this Chapter</p> <p>B. Development of Recommendation to the SHCC regarding Inpatient Rehabilitation Beds: Motion to approve the Inpatient Rehabilitation Services Chapter.</p>	L. Cutchin S. Greene	The motion was unanimously approved
7. Adjournment	Meeting was adjourned.		