Acute Care Services Committee

Recommendations to the North Carolina State Health Coordinating Council

May 30, 2012

The Acute Care Services Committee met twice after the March Council meeting, first on April 11th and again on May 8th.

Topics reviewed and discussed at the April 11th meeting included:

- Current Acute Care Services policies and methodologies;
- Data source used for the operating room methodology; and,
- Review of a draft evaluation protocol for the Single Specialty Ambulatory Surgery Facility Demonstration Projects.
- There were no petitions or comments this spring regarding acute care services.

Topics reviewed and discussed at the May 8th meeting included:

- Preliminary drafts of need projections generated by the standard methodologies in the acute care services chapters;
- Recommendations for clarifying language in the acute care bed methodology and the operating room methodology; and,
- Follow-up on topics remaining from the April 11th meeting, including the data source for the operating room methodology and a brief update on the evaluation tool for the demonstration projects.

Following is an overview of the Committee's recommendations for the Acute Care Services Chapters 5 through 8 of the Proposed 2013 State Medical Facilities Plan (SMFP).

Chapter 5: Acute Care Hospital Beds

- The Committee reviewed and discussed policies, methodology and assumptions for acute care beds, including a recommendation regarding Step 8 of the methodology. Additional suggested wording for Step 8 would clarify the need determination threshold as being a projected deficit of 20 or more beds or 10 percent of the total bed inventory for hospitals under common ownership in a service area.

  Committee Recommendation:

  The Committee recommends that the language be included in Chapter Five of the 2013 Proposed Plan, with no other changes to the methodology or policies.

- Committee members reviewed draft Tables 5A, 5B and 5C. Currently, the standard methodology, which uses Thomson Reuters acute care days of care, indicates a need for additional acute care beds in the following service areas: 119 beds in Cumberland-Hoke, 40 beds in Mecklenburg, and 24 new beds in Pitt-Greene-Hyde.

- Dr. Greene noted the chart detailing discrepancies for hospitals exceeding +- 5% between Licensure and Thomson Reuters acute days of care. Staff will work with the Sheps Center and the hospitals during the summer to improve discrepant data, and will notify the Committee if need projections change.

Committee Recommendation for Chapter Five:

The Committee recommends accepting the Acute Care Bed policies, methodology and assumptions, with additional language as noted above. The Committee further recommends accepting the draft tables and need projections, with the understanding that staff will make updates as needed.

Chapter 6: Operating Rooms

In its Spring meetings, the Committee considered two items regarding the operating room methodology, reviewed draft tables and received an update regarding evaluation of the Single Specialty Ambulatory Surgery Facility Demonstration Projects.

- Data Source in the Standard Methodology:

  Committee members discussed the source of surgical case data for determining need for operating rooms, and if Thomson Reuters data should be used instead of data from Hospital License Renewal Applications and Ambulatory Surgery Facility License Renewal Applications ("Licensure" data). Dr. Greene explained that the idea had been considered over the past several years, but the opportunity to fully explore the possibility had not arisen until now.

  Dr. Greene asked hospitals to comment on using Thomson Reuters data instead of Licensure data to determine operating room need, and to review the comparison of the two sources of data for their hospitals. In response, hospital representatives reported difficulties in reconciling differences between the two data sources. They described occurrences where Thomson Reuters procedures classified in Categories 1 and 2 (minor diagnostic or minor therapeutic) were being performed in operating rooms. Likewise, procedures classified as Categories 3 and 4 (major diagnostic or major therapeutic procedures) were performed in procedure rooms in some hospitals.

  Committee members reviewed need projections resulting from using 2010 and 2011 data from Licensure and Thomson Reuters. The 2012 SMFP, using Licensure data and the standard need determination methodology, showed no need for additional operating rooms in the state. The 2010 Thomson Reuters data and the standard methodology resulted in need projections for 25 operating rooms in five service areas. At the May 8th meeting, staff presented draft Tables 6A and 6B, which were prepared using both Licensure and Thomson Reuters 2011 data. The 2011 Thomson Reuters data resulted in need projections for 16 operating rooms across five service areas. Licensure data indicated need for one operating room in the state.

  Discussion focused on the significant variations among hospitals in where Thomson Reuters procedures were performed. Also, members noted the extent to which Thomson procedures categorized as 3 or 4, and thus counted as surgical procedures, were reported on the License Renewal Applications in non-surgical sections. Committee members expressed

concern that the Thomson Reuters data, categorized using the HCUP system, did not adequately reflect utilization of operating rooms in the state; however, the overall proposal of using Thomson data warranted additional study and exploration for the 2014 SMFP.

Committee Recommendation:

The Committee recommends using 2011 Licensure data for the Proposed 2013 SMFP and consideration of forming a workgroup to explore using Thompson Reuters data as the source of surgical data for the 2014 Proposed SMFP.

- Clarifying Language in Step 4m of the Standard Methodology:

  The Committee reviewed and discussed a recommendation regarding Step 4m of the methodology. In the 2012 Plan, Step 4m excluded operating rooms in chronically underutilized facilities in service areas with more than one licensed facility, but did not address the situation in which all facilities in an operating room service area were underutilized. The suggested sentence states that operating rooms in service areas where all facilities are chronically underutilized will be included in the need determination step. The clarifying language is consistent with the instruction to exclude operating rooms in chronically underutilized facilities in service areas with more than one licensed facility.

  Committee Recommendation:

  The Committee recommends that the suggested language be included in Chapter Six of the 2013 Proposed Plan.

- Update Regarding Single Specialty Ambulatory Surgery Facility Demonstration Projects Evaluation

  Two demonstration projects have received Certificates of Need, and one, Piedmont Outpatient Surgery Center, became licensed on February 6, 2012. Committee members reviewed and discussed drafts of the project evaluation questionnaire and protocol. The Certificate of Need Section will lead the evaluation, in collaboration with the Planning Branch. The Committee will receive regular updates about the projects.

- The Committee reviewed draft Table 6D: Endoscopy Room Inventory.

Committee Recommendation for Chapter Six:

The Committee recommends accepting the operating room methodology and assumptions, with no changes other than the additional language noted above, and formation of a workgroup to further explore using Thomson Reuters data. The Committee also recommends accepting the draft tables and need determination, which at the time showed need for one operating room in Forsyth County. Since the May 8th Committee meeting, there has been a change in need determinations due to an update in population estimates. The standard methodology with currently available 2011 Licensure data indicates need for one additional operating room in Dare County, and no need anywhere else in the state. The Committee accepted the draft tables with the understanding that staff will make updates as needed.

Chapter 7: Other Acute Care Services

- As with Chapters Five and Six, no petitions or comments were received related to other acute care services in Chapter Seven. The Committee reviewed policies, methodologies and assumptions for open-heart surgery services, burn intensive care services, and bone marrow and solid organ transplantation services. Staff presented draft Tables 7A, 7B, 7E and 7F, and noted that there were no need determinations for additional services at this time.

Committee Recommendation for Chapter Seven:

The Committee recommends accepting the policies, methodology and assumptions for other acute care services in Chapter Seven. The Committee further recommends accepting the draft tables and need projections, with the understanding that staff will make updates as needed.

Chapter 8: Inpatient Rehabilitation Services

- No petitions or comments were received related to Inpatient Rehabilitation Services. The Committee reviewed the methodology and assumptions for Inpatient Rehabilitation Services, as well as a draft of Table 8A. Application of the standard methodology indicated no need for additional inpatient rehabilitation beds in the state.

Committee Recommendation for Chapter Eight:

The Committee recommends accepting the methodology and assumptions for Inpatient Rehabilitation Services. The Committee further recommends accepting draft Table 8A and need determination, with the understanding that staff will make updates as needed.

Other Action

The Committee authorized staff to update narratives, tables and need determinations for the Proposed 2013 Plan as updates are received.