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Medical Facilities
PLANNING SECTION

To: Medical Facilities Planning Section
NC Division of Health Service Regulation

From: Amy Bragg, Vice President of Strategic Planning & Network
Development, 919-966-1129, aebagg@unch.unc.edu

Re: Proposed 2010 State Medical Facilities Plan

Date: July 28, 2009

Thank you for the opportunity to comment on the proposed 2010 State Medical Facilities Plan. Here are our brief comments:

Mobile MRIs

1. We support the statement that there is no need for additional mobile MRIs anywhere in the state. We believe existing providers can adequately meet the current needs for MRI services.

Bed Need Task Force

2. We are supportive of the bed need methodology task force meeting again to continue refining the current methodology.

Psychiatric Services

3. With the state hospitals operating on delay, as they have for an extended period, our emergency room typically has patients that we are unable to find beds for and we are increasingly concerned about our ability to meet future demand. We look forward to the timely operation of our state hospitals to help alleviate this concern otherwise we may not be able to continue to meet the demand for inpatient psychiatric services.

Single Specialty Ambulatory Surgery Center Demonstration Project

4. With respect to the single specialty ambulatory surgery center demonstration project, we support the North Carolina Hospital Association's position statement regarding this project. In particular, we strongly agree that percent physician ownership should not be

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used as a decision criteria for the demonstration project. We also agree with NCHA that the current requirement that each surgery center have an amount equal to at least 7% of its total revenues provided to indigent or Medicaid patients does not specifically require provision of services to indigent "self pay" patients. As written it would enable an applicant to forego any services to indigent or self pay patients by relying entirely on Medicaid differentials to meet the 7% obligation. We propose that the charity care language be modified to ensure the applicants don't use Medicaid revenue to meet that requirement. The original petition from Affordable Healthcare proposed a 5% charity care patient load requirement and we would support such a requirement.

In an effort to evaluate the efficacy of the demonstration project, we urge the SHCC to require that each site be required to annually report data on the type and volume of procedures performed at the single specialty ambulatory surgery center, as well as the type and volume of procedures performed at hospitals where they have admitting privileges. Facilities should also be required to annually report patient payer mix data.

Finally, it is imperative that success indicators be clearly defined for this demonstration project. Without defining success metrics before engaging in the demonstration project it will be difficult to assess the programs' effectiveness in reducing cost and increasing access to surgical care in North Carolina.

Please feel free to contact me if you have any questions or need additional information. Thank you.