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Petition to the North Carolina State Health Coordinating Council

PETITIONER: W. Stan Taylor
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919-350-8108

Purpose: Request that no adjusted need determination be made for cardiac catheterization equipment in Wake County in the 2015 State Medical facilities Plan

Rationale for the Petition

1) According to the 2015 Proposed SMFP, Wake County currently has a surplus of five cardiac catheterization labs. Only one county in the state (Forsyth) has a larger surplus (6). Wake and Mecklenburg Counties both have a surplus of five, Guilford has a surplus of four, Pitt-Greene has a surplus of three and both Durham and Iredell counties have a surplus of two. No other county has a surplus of more than one.

   Wake County is clearly among the very last places in the state to require an adjusted need determination for this service.

2) The number of cardiac catheterization procedures performed has been declining in recent years. The number of diagnostic cardiac catheterizations peaked statewide in 2005 at 84,662. It has declined every year since and in 2013 only 60,127 were performed. That is a decrease of 29% over the past eight years.

   In Wake County diagnostic cardiac catheterizations also peaked in 2005 at 9,129, but after decreasing for two years they increased slightly and stood at 8,434 in 2010 before dropping to 7,026 in 2013 for a decrease of 16.7% in just the last three years. Percutaneous cardiac intervention (PCI) procedures have shown a similar drop in Wake County from 4,877 in 2010 to 4,138 in 2013, a drop of 15.2% in three years.

   There clearly is no reason to adjust the need determination upward because of a rising volume of procedures.

3) Interventional cardiologists in Wake County often have practice privileges in more than one hospital. The fact that one hospital (Rex) was slightly over 80% of capacity of its cardiac catheterizations labs for one year does not mean that any patient was delayed service. Even if one of the hospitals reached 100% of capacity there would be opportunity to have the service in another hospital, often with the same cardiologist. As an example at least 33 of the 62 cardiologists who performed inpatient cardiac catheterizations at Rex Hospital in 2013 also have privileges at WakeMed Raleigh and some at WakeMed Cary as well. There are more than enough cardiac catheterization facilities in Wake County and distribution is not a problem when so many physicians can see patients in multiple hospitals.

   This is yet another reason why further unnecessary duplication of this equipment is unnecessary.

4) The development of more excess capacity for cardiac catheterization in Wake County would likely lead to financial harm to the County's principal safety net hospital. In 2013 According to NCHA 2013 Community Benefit Reports, WakeMed provided $80.7 million of charity care, Rex Hospital $28.6 million, and Duke Raleigh $12.9 million. An examination of Truven data on the payer mix of cardiac catheterization inpatients at Rex Hospital in 2013 shows that 36% were privately insured, 52% were Medicare, 5% were Medicaid and 6% were charity care. That same source showed that WakeMed Raleigh in 2013 had only 25% privately insured, 54% Medicare, 8% Medicaid, 9% charity care and 3% other. Since all hospitals are dependent on privately insured patients to make up losses in Medicaid and charity care, it is obvious what the effect of more duplication of existing services in Wake County would have if that duplication were in Rex Hospital. Not only could more of the privately insured patients be served at Rex, but some of the fixed costs WakeMed has already made for these services would be wasted.

   This is the very thing that the State Medical Facilities Planning process is designed to prevent.

For all the above reasons WakeMed requests that no adjustment in the need determination for cardiac catheterization equipment in Wake County be made. There is nothing broken at present, and spending money on unneeded medical equipment will not fix anything.