

North Carolina State Health Coordinating Council
c/o Certificate of Need and Health Planning Section
Division of Health Service Regulation

Cape Fear Valley Health System - Proposed 2018 SMFP Public Hearing Comments

Good afternoon, my name is Will Haithcock and I am a Senior Strategic Analyst for Cape Fear Valley Health System. Cape Fear will be submitting a Petition today for an Adjusted Need Determination for one additional operating room in Cumberland County.

Cape Fear began accepting residents in five new residency programs from the Campbell University Jerry M. Wallace School of Osteopathic Medicine Campbell this month. Two of our new residency programs; general surgery and OBGYN; will impact future utilization of the operating rooms at Cape Fear. In addition, CFVMC is working in collaboration with Womack Medical Center in Fayetteville and we also will be training surgical residents in oral maxillofacial surgery and podiatry.

We are already a teaching hospital. Currently we work with the Southern Regional AHEC training approximately 20 Family Medicine residents each year. Our association with Campbell is projected to add 230 resident slots annually by completion of Phase 2. Cape Fear values its relationship with Campbell and we are working to assure that residents have access to all the tools needed for a thorough and rich education.

In addition to our collaborative efforts with Campbell, our Petition also responds to the needs of our communities. Community need assessments were completed by CFVHS in 2016 in each of the counties we serve. Many common findings were identified in the six-county region. For example, the assessments found that we have strong collaborations with community organizations, and our

ongoing community health activities positively affect the region. However, the assessment also found many significant needs which we could address. These include increasing patient motivation and compliance, helping with obesity and mental health problems, and most importantly addressing the need for more physicians in our region was identified.

The new residency programs for the training of physicians in collaboration with Campbell is, in part our response to meeting the needs of our communities. The development of the residency program will affect the CFVHS service area in a variety of ways, both economic and non-economic.

Prior to pursuing this commitment, we quantified the economic impacts the residency program would have. The new residency programs will create additional physicians who otherwise would not have been served in the region. Physicians will begin to accrue in 2022, five years after the residency program is established. By 2027, a total of 1,494 physicians will have been produced as a result of the residency programs at CFV. Many of these physicians will remain in the region upon completing the program; studies have shown that as many as 51% of residents go into practice within 50 miles of their residency location.¹ These physicians will go a long way in addressing the current shortage of physicians and allowing more patients to be served.

Five of the rural counties served by CFVHS in southeastern North Carolina rank in the worst 25 counties in our state for health outcomes. Four other rural counties in this region are in the lower 50% when ranked for health outcomes. These counties suffer from severe primary care and

¹ Source: 2011 Survey of Final Year Medical Residents Merritt Hawkins

specialty care physician shortages. The added capacities created by the residency program will help CFVMC respond to the needs of a growing economy and demand for physicians.

Currently our operating rooms in Cumberland County are well utilized and current capacity is not sufficient to meet the needs of the planned surgical residents. Surgical services at CFVMC and Highsmith Rainey have been operating at or near capacity for several years.

Year to date FFY 2017 surgical volume shows an inpatient growth rate of 2.8% and an outpatient growth rate of 10.6%. Utilizing FFY 2017 data and the new OR need methodology results in a need for 0.74 or one operating room, based upon rounding, in Cumberland County. Adding the general surgery residency program at CFVMC is expected to increase surgical case time for both inpatient and outpatient surgery which will increase the operating room need identified.

As we learned this year as the operating room methodology was being revised, surgical time for both inpatient and outpatient surgical cases are greater in teaching institutions. We reviewed the surgical case times of North Carolina hospitals that have general surgery residents. Using the lowest times identified in this educational cohort, results in a need for 2.45, or 2 operating rooms in Cumberland County based upon rounding.

Therefore, the need for additional operating rooms at CFVHS surgical facilities in Cumberland County is between 1 and 2 operating rooms. While the new operating room need methodology proposes that a need for two operating rooms be identified before showing a need in the plan,

CFVHS is requesting that this requirement be waived due to the special needs reflected in this Petition. CFVHS is requesting the need for one additional operating room in Cumberland County be reflected in the 2018 SMFP.

We will be submitting our Petition today after the Raleigh Public Hearing. Thank you for your time.