SURGICAL SERVICES
STANDARD ADVISORY COMMITTEE (SSSAC) MEETING

Wednesday, October 12, 2005

State Secondary Complex
General Office Building (GOB)
7150 Harris Drive
Conference Room A
Lansing (Dimondale), Michigan

APPROVED MINUTES

I. Call to Order.

Chairperson Miller called the meeting to order at 9:08 a.m.

a. Members Present and Organizations Represented:

Cheryl Miller, Trinity Health (Chairperson)
Evelyn Bochenek, RN, MSN, Sparrow Hospital
Suzette Bouchard-Isackson, The Saint Joseph Mercy Health System (Alternate)
Lowell Bursch, MD, Spectrum Health
Charles Dobis, Michigan Ambulatory Surgery Association (Arrived at 9:29 a.m.)
John Fox, MD, Priority Health (Arrived at 9:43 a.m.)
Toshiki Masaki, Michigan Manufacturers Association
Kim Meeker, RN, BSN, MBA, Foote Health System
Rand O'Leary, Borgess Medical Center
Todd Regis, Michigan State AFL-CIO (Alternate)
Krishna Sawhney, MD, Henry Ford Health System (Arrived at 9:17 a.m.)
Debra Stephenson, BSN-RN, MBA, CNOR, McLaren Health Care (Arrived at 9:15 a.m.)
Robert Wolford, Michigan Medical Group Management Association
George Yoo, MD, Barbara Ann Karmanos Cancer Institute

b. Members Absent and Organizations Represented:

Richard Mata, Michigan State AFL-CIO
Walter M. Whitehouse, Jr., The Saint Joseph Mercy Health System

c. Staff Present:

Tom Freebury
Larry Horvath (Arrived at 9:41 a.m.)
Andrea Moore
Stan Nash
Brenda Rogers
Matt Weaver

d. General Public in Attendance:

There were approximately 25 people in attendance.

II. Review of Agenda and Distributed Materials.

Chairperson Miller reviewed the agenda and distributed materials. Motion by Mr. O'Leary, seconded by Dr. Yoo, to accept the Agenda as presented. Motion Carried.

III. Conflicts of Interests.

No conflicts were noted.

IV. Review of Minutes – August 17, 2005.

Motion by Mr. Wolford, seconded by Ms. Bochenek, to accept the Minutes as presented. Motion Carried.

V. Review of Data.

Mr. Nash gave an overview of the revised 2004 Annual Hospital/Freestanding Statistical Survey Data provided (Attachment A).

VI. Draft Language.

Section 1
Motion by Mr. Masaki, seconded by Dr. Yoo, to accept Section 1 as presented. Motion Carried.

Section 2
Motion by Dr. Bursch, seconded by Ms. Bochenek, to remove the definition and the concept of a Combined CON Approved List from the Standards. Motion Carried.

Motion by Dr. Bursch, seconded by Dr. Sawhney, to add a definition for Dedicated Endoscopy or Cystoscopy Room. Motion Carried.

Motion by Dr. Sawhney, seconded by Mr. Regis, to accept Section 2 as modified. Motion Carried.

Public Participation in Discussion:
Robert Meeker, Spectrum Health
Melissa Cupp, Wiener Associates
Amy Barkholz, Michigan Hospital Association

Section 3
Discussion of changes of Section 3.

Public Participation in Discussion:
Robert Meeker, Spectrum Health

Section 4
Motion by Dr. Fox, seconded by Dr. Yoo, to modify Section 4 (1) by changing 1,128 surgical cases to 1,215 surgical cases. Motion Failed (5 – For and 8 – Against).

Motion by Dr. Fox, seconded by Dr. Sawhney, to accept Section 4 as presented. Motion Carried.

Section 3 - continued
Motion by Dr. Bursch, seconded by Dr. Sawhney, to modify Section 3(1) to add "or more recent data that is verifiable by the Department" at the end of the 1st sentence. Motion Carried.

Motion by Dr. Fox, seconded by Mr. Wolford, to accept Section 3 as modified. Motion Carried.

Public Participation in Discussion:
Melissa Cupp, Wiener Associates

Break from 10:35 a.m. – 10:45 a.m.

Section 5
Motion by Dr. Sawhney, seconded by Dr. Bursch, to accept Section 5(2) as presented.

Motion by Mr. Masaki, seconded by Ms. Meeker, to amend the Motion made by Dr. Sawhney/Dr. Bursch, by adding "and was a county that was designated as rural under the 1990 Federal Decennial Census" after "the more recent Decennial Census." Motion Failed (6 – For and 7 – Against).

Original Motion by Dr. Sawhney/Dr. Bursch Carried.

Public Participation in Discussion:
Barbara Jackson, Economic Alliance of Michigan
Amy Barkholz, Michigan Hospital Association
Robert Meeker, Spectrum Health
Monica Harrison, Oakwood Hospital

Section 2 - continued
Motion by Mr. Wolford, seconded by Dr. Fox, to add in Section 2 a definition "Verifiable Data means the most recent annual survey or more recent data that is verifiable by the Department" and renumber accordingly. Motion Carried.

Section 5 - continued
Motion by Dr. Fox, seconded by Dr. Yoo, in Section 5 replace the term "surgical service" with "licensed hospital." Motion Carried.

Motion by Mr. Masaki, seconded by Ms. Bochenek, in Section 5(2)(a) modify to read "An applicant has two to four ORs." Motion Carried.

Motion by Dr. Sawhney, seconded by Mr. Regis, to strike Sections 5(2)(b)(iii) and (iii)(a) and 5(2)(c)(iii) and (iii)(a). Motion Carried.

Motion by Mr. Wolford, seconded by Ms. Stephenson, to accept Section 5 as modified. Motion Carried.

Public Participation in Discussion:
Barbara Jackson, Economic Alliance of Michigan
Amy Barkholz, Michigan Hospital Association
Robert Meeker, Spectrum Health
Monica Harrison, Oakwood Hospital

Lunch break from 12:35 p.m. to 1:06 p.m.

Section 6
Motion by Dr. Sawhney, seconded by Dr. Yoo, to accept Section 6 as modified to comply with the changes to Section 5, and in Section 6(1)(b) and 6(2)(c) replace the term "proposed" with "replaced." Motion Carried.

Public Participation in Discussion:
Robert Meeker, Spectrum Health

Section 7

Motion by Dr. Sawhney, seconded by Dr. Fox, in Section 7(4) and 7(5)(c) to replace the term "proposed" with "relocated" and accept Section 7 as modified to comply with the changes to Sections 5 and 6. Motion Carried.

Public Participation in Discussion:
Robert Meeker, Spectrum Health
Amy Barkholz, Michigan Hospital Association
Melissa Cupp, Wiener Associates

Section 8

Motion by Dr. Sawhney, seconded by Mr. Regis, in Section 8(6) change Subsection (1) to Subsection (5) and to accept Section 8 as modified. Motion Carried.

Public Participation in Discussion:
Melissa Cupp, Wiener Associates

Section 9

Motion by Dr. Fox, seconded by Mr. Dobis, to modify the first two sentences of Section 9 to read "An applicant shall provide evidence of participation in Medicaid or in Medicaid Managed Care Products or attestation the applicant has been unable to contract at current Medicaid rates at the time the application is submitted to the Department. By providing a signed affidavit, an applicant that is an ASC or FSOF shall demonstrate a willingness to participate when accepted by Medicaid." Motion Carried.

Public Participation in Discussion:
Robert Meeker, Spectrum Health
Melissa Cupp, Wiener Associates
Amy Barkholz, Michigan Hospital Association
James Falahee, Jr., Bronson Health

Section 10

Motion by Dr. Fox, seconded by Mr. Dobis, to modify Section 10(xii) to modify to read "An applicant shall participate in Medicaid or in Medicaid Managed Care Products at least 12 consecutive months within the first two years of operation and continue to participate annually thereafter or attest that the applicant has been unable to contract at current Medicaid rates." Motion Carried.

Public Participation in Discussion:
Robert Meeker, Spectrum Health

Section 11

Motion by Dr. Sawhney, seconded by Mr. Wolford, to strike Section 11(3). Motion Carried.

Motion by Mr. Wolford, seconded by Ms. Bochenek, to modify Section 11(2) to read "will continue to be in compliance" and accept Section 11 as modified. Motion Carried.

Public Participation in Discussion:
Lauren Shellenberger, Dykema Gossett (Attachment B)
Dennis Boe, Marquette General Hospital
Amy Barkholz, Michigan Hospital Association
Robert Meeker, Spectrum Health

Section 12

Motion by Ms. Meeker, seconded by Mr. O'Leary, to accept Section 12 as presented. Motion Carried.

Section 2 - continued

Motion by Mr. Wolford, seconded by Mr. Regis to modify the following Sections:

- Section 2(1)(aa) strike the word “site” and replace with “location currently offering surgical services.”
- Section 2(1)(kk) “Verifiable data means surgical data (cases and/or hours) from the most recent annual survey or most recent data that can be validated by the Department.
- Section 2(1)(j) “Endoscopy means visual inspection of internal portion of the body by means of an endoscope.

Motion Carried.

Public Participation in Discussion:
Melissa Cupp, Wiener Associates

Entire Standards

Motion by Dr. Yoo, seconded by Dr. Fox, to accept the Standards as revised. Motion Carried.

VII. Future Meetings.

Motion by Ms. Meeker, seconded by Ms. Stephenson, to hold the Thursday, October 20, 2005 meeting for a final review of the Standards. Motion Carried.

XI. Public Comment.

None.

XII. Adjournment.

Motion by Dr. Sawhney, seconded by Dr. Fox, to adjourn the meeting at 4:14 p.m. Motion Carried.

Attachment A

Surgical SAC
September 20, 2005

DRAFT/Unedited Data
2004 Annual Hospital/Freestanding Statistical Survey

At the end of this meeting, I handed out a sheet of paper with 2004 OR statistics. Please throw it away. Two replacements are included.

Reading the table: The 1st column is the description of the variable. The 2nd column is the number of **valid** cases. On the 1st page, it shows that there were 140 cases (hospitals in this case) that have valid data. Turn to page 2. Please notice that in the top table it shows the same 140 valid cases and 50 "Missing" cases. Not every hospital that completed the survey (50 to be exact) completed the surgical section. For example, none of the Long Term Acute Care or Psychiatric Hospitals have OR's. When the number of valid cases is different, that indicates that one variable has a lower completion rate. In the hospital table on page 1, it shows that there were only 135 valid cases for the variable "Number of hours of use of OR's on sterile corr. For IP/OP." This means that 5 hospitals (140 – 135) completed the number of "surgical cases" but did not complete the number of "surgical hours." This also means that you can't divide the total number of OR hours by the total number of OR cases as the result will be invalid.

Things get a little more complicated when you see that there were only 115 valid cases for the variable "Number of Ded. Endo/cysto sterile operating room for IP/OP" and yet the number of OR's for this variable is only 80. This is simple to understand when you know that the computer program that produced this printout considers a "0" (zero) as a valid number. In other words, there were 115 hospitals that recorded a "0" or more, giving a total of 80 OR's.

The total number of OR's reported in the 2004 Survey for volume purposes is 1,132 (939 hospital + 193 FSOF). The total number of dedicated Endoscopy/Cystoscopy OR's is 100 (80 hospital + 20 FSOF). The Grand Total number of OR's reported in 2004 was 1,232. These numbers do not include OR's that were approved but not yet operational during 2004. For individual facilities, the number of OR's does not necessarily reflect CON approved OR's. Indeed, through the editing process (which these have not been through), we sometimes find inaccurate reporting of OR's, cases, and hours.

The second page was produced to identify the number of hospitals that have "trauma" and "burn" certification. These two tables show that there are 17 hospitals with a "trauma" certification and only 4 hospitals with a "burn" certification.

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Descriptives 2004 DRAFT

Descriptive Statistics Hospital

	N	Minimum	Maximum	Sum
Number of operating rooms on sterile corr. for IP/OP	140	1	47	939
Number of surgical cases in OR's on sterile corr. for IP/OP	140	98	34450	836356
Number of hours of use of OR's on sterile corr. for IP/OP	135	69.00	70276.20	1302253.1
Number of Ded. endo/cysto sterile operating rooms for IP/OP	115	0	6	80
Surgical cases in Ded. endo/cysto operating room for IP/OP	88	0	7865	76694
Hours of use of ded. endo/cysto operating rooms for IP/OP	84	.00	5065.00	54474.78
Valid N (listwise)	84			

Freestanding

Descriptive Statistics

	N	Minimum	Maximum	Sum
OR on Sterile Corridor	68	0	6	193
Cases in OR	68	0	8265	201023
Hours in OR	64	.0	9074.3	139243.5
Dedicated Endo/Cysto OR	54	0	10	20
Cases in Ded. Endo/Cysto OR	24	0	15454	35652
Hours in Ded. Endo/Cysto OR	24	.0	5400.0	12533.1
Valid N (listwise)	20			

Sept. 21, '05

Frequencies

Statistics

		Trauma level certification	Burn care certification
N	Valid	140	140
	Missing	50	50

Frequency Table

Trauma level certification

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	17	8.9	12.1	12.1
	no	123	64.7	87.9	100.0
	Total	140	73.7	100.0	
Missing	System	50	26.3		
Total		190	100.0		

Burn care certification

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	4	2.1	2.9	2.9
	no	136	71.6	97.1	100.0
	Total	140	73.7	100.0	
Missing	System	50	26.3		
Total		190	100.0		

Good morning. My name is LAUREN SHELLENBERGER and I am presenting comments today on behalf of UP Digestive Care Associates, a one-operating room surgery center in Marquette, Michigan. As the only Board certified gastroenterologists in the Upper Peninsula, UP Digestive provides endoscopic and related gastroenterology services to the entire Upper Peninsula region. Given ongoing CON regulation in Michigan, UP Digestive Care supports efforts to ensure that the CON Standards are clinically appropriate and address CON statutory objectives of cost, quality and access.

With respect to access, in the Upper Peninsula, the geographic radius for commitment of excess surgical cases from an existing operating room should be greater than 20 miles. In the Upper Peninsula, it is not unusual for patients to drive 60, 70 or even more miles to obtain health care services. Thus, the underlying premise of the 20-mile radius is not appropriate for the Upper Peninsula.

We expect these CON Standards to be in place for some time. Thus, now is the time to include a more appropriate geographic radius for transfer of surgical cases within the Upper Peninsula. Although UP Digestive does not have immediate plans to expand its surgical facility or establish any

new facilities, it has experienced unprecedented demand for additional gastroenterology procedures in the past year or so and is concerned about meeting the ongoing demand for these services when its operating room is at capacity. Essentially, the Standards should have sufficient flexibility to meet future unmet need in this part of the State by locating a surgery facility closer to those patients who are currently traveling to Marquette to access this service. However, any such site would invariably be beyond the 20 mile radius but likely within a 75 mile radius.

We note that the population in the Upper Peninsula consists of a large number of retirees and that this sector continues to grow. Additionally, individuals over age 65 are the population most likely to require endoscopy surgical procedures. In fact, the Centers for Medicare & Medicaid Services recommends and has modified Medicare payment policies to try to ensure that everyone over age 65 obtains regular screening endoscopic procedures. Modification of the geographic radius for the commitment of surgical cases in the Upper Peninsula would provide more flexibility for existing surgical services (both hospital and freestanding) to expand in that part of the State if existing operating rooms are over capacity.

We note that there are only two freestanding surgery centers in the Upper Peninsula both of which are limited to specialty care (opthalmalogy or gastroenterology). Each of these surgery centers has only one (1) operating room. Clearly, there is no overabundance of surgical facilities in this area of the State. To the contrary, there are potential access issues which we foresee over the next three 3 to 4 years.

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Section 11. Documentation of Projections

(1) [No changes]

(2) If a projected number of surgical cases . . .

(a) . . .
(b) . . .

(c) The location(s) at which the surgical cases to be transferred were performed, including evidence that the existing location and the proposed location are within 20 miles of each other, unless the proposed and existing locations are in the Upper Peninsula in which case they shall be located within 75 miles of each other.