



MedStar Health

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March 21, 2014

Ms. Ruby Potter  
Health Facilities Coordinator  
Maryland Health Care Commission  
4160 Patterson Avenue  
Baltimore, Maryland 21215

MedStar Southern Maryland Hospital Center  
Certificate of Need Application #13-16-2350

*Ruby*  
Dear Ms. ~~Potter~~:

Enclosed please find the response of MedStar Southern Maryland Hospital Center to Question #4b of the January 29, 2014 request for completeness and additional information in the above referenced certificate of need application.

Sincerely,

Patricia Cameron

cc: Pamela B. Creekmur, Health Officer, Prince George's County  
Thomas Dame, Gallagher Evelius & Jones  
Howard Sollins, Ober, Kaler, Grimes & Shriver

Enclosure:  
Attestations

Knowledge and Compassion  
**Focused on You**

MedStar Southern Maryland Hospital Center - #13-16-2350

Response to Question #4b of  
January 29, 2014 Request for  
Additional Information

March 21, 2014

4. Regarding the *General Surgical Services Standard* and Question #16, please respond to the following:

- a. The table on p. 19 incorrectly assumes that all 10 operating rooms are Dedicated Outpatient Operating Rooms and uses the 1,632 hours threshold for optimal capacity for all then rooms. COMAR 10.24.11.06A(1)(a) states that the optimal capacity threshold for either a Dedicated Inpatient Operating or Mixed-Use Operating Room is 1,900 hours. Therefore, please identify the current and projected number of Dedicated Inpatient Operating, Dedicated Outpatient Operating, and/or Mixed-Use Operating Rooms at MSMHC.

**RESPONSE:** (see February 28<sup>th</sup> submission).

- b. Based on the type of operating rooms in use, please provide another needs assessment assuming utilization at the appropriate optimal capacity identified in (a) above.

**RESPONSE:**

The volume projections and related OR Need Analysis originally submitted on January 14, 2014 had several issues and have been restated below. Issues that are now correct include:

- After further review of the data, it was discovered that the original volume data were based on procedures, not cases and also included some cases performed in procedure rooms outside the existing 10 mixed-use operating rooms. The data below have been confirmed to be based on cases performed in the operating rooms.
- MSMHC verified typical room turnover time and has adjusted the calculations to represent actual turnover time between cases.
- In the January 14<sup>th</sup> analysis, FY 2015-2020 minutes were estimated based on average minutes per case for FY 2009-2014. To more accurately reflect future projected OR minutes, the following table estimates minutes in FY 2015-2020 based on actual FY 2014 minutes per case, by specialty. This captures the projected growth in longer cases including orthopaedics, vascular and colorectal surgery.
- FY 2014 cases have been updated based on eight months of actual data currently available (vs. four months available with the previous analysis).

In order to develop OR volume projections, we used two methodologies. In specialties where we do not have specific growth strategies identified, we applied the proprietary Sg2 Impact of Change<sup>o</sup> methodology which uses impact factors including:

- Population (e.g., population growth/decline and aging)
- Epidemiology (e.g., changes in disease rates and impact of prevention measures)
- Economics (e.g., unemployment rates)
- Payment and policy (e.g., coverage expansion, cost sharing)
- Innovation and Technology (e.g., new technology, shift in care delivery sites)
- Systems of CARE (e.g., coordination and integration across sites of care)
- Potentially Avoidable Admissions (e.g., volumes expected to shift to ambulatory settings)
- Thirty Day Readmissions

In areas where we have identified specific growth strategies, we included growth in cases based on those strategies including:

Service Line	Program Development
Colorectal Surgery	<ul style="list-style-type: none"> <li>Establish the MedStar Cancer Network at MedStar Southern Maryland Hospital Center</li> <li>Expand surgical capabilities for colorectal including the relocation of a full-time colorectal surgeon from MedStar Washington Hospital Center to MedStar Southern Maryland Hospital Center</li> </ul>
General Surgery	<ul style="list-style-type: none"> <li>In process of hiring three additional general surgeons</li> </ul>
Breast Surgery	<ul style="list-style-type: none"> <li>Establish the MedStar Cancer Network at MedStar Southern Maryland Hospital Center</li> <li>Expand surgical capabilities with a newly hired breast surgeon</li> </ul>
Orthopaedic Surgery	<ul style="list-style-type: none"> <li>Enhance relationship between MedStar Georgetown Orthopaedic Institute surgeons and MSMHC surgeons</li> <li>In process of recruiting additional orthopaedic surgeons</li> </ul>
Vascular Surgery	<ul style="list-style-type: none"> <li>Increase the number of MedStar faculty surgeons with offices/session time on the MSMHC campus</li> <li>Relocation of a full-time vascular surgeon from MedStar Washington Hospital Center to MedStar Southern Maryland Hospital Center</li> </ul>

**MSMHC OR Need Analysis – Mixed-Use Operating Rooms**

Fiscal Year	Inpatient Cases	Inpatient Minutes	Outpatient Cases	Outpatient Minutes	Total Cases	Total Minutes	Total Hours	Total Hours per Room	Turnover Minutes per Day	Turnover Hours per Day	Turnover Hours per Year	Turnover Hours per Room	Total Hours per Room	Rooms Needed at State Health Plan Standard (1,900 Hours per Room) Including Turnover
2009	2,245	223,254	4,432	303,152	6,677	526,406	8,773	877	829	14	3,592	359	1,237	6.5
2010	2,347	233,584	4,154	286,532	6,501	520,116	8,669	867	805	13	3,489	349	1,216	6.4
2011	2,133	222,888	3,985	293,248	6,118	516,136	8,602	860	754	13	3,266	327	1,187	6.2
2012	1,940	195,258	4,397	326,850	6,337	522,108	8,702	870	783	13	3,393	339	1,210	6.4
2013	1,828	193,644	4,090	308,842	5,918	502,486	8,375	837	727	12	3,149	315	1,152	6.1
2014**	1,731	184,256	3,978	332,418	5,709	516,674	8,611	861	699	12	3,027	303	1,164	6.1
2015	2,167	222,624	4,087	344,499	6,253	567,123	9,452	945	772	13	3,344	334	1,280	6.7
2016	2,477	228,184	4,209	354,834	6,686	583,018	9,717	972	830	14	3,597	360	1,331	7.0
2017	2,787	291,034	4,327	364,770	7,114	655,803	10,930	1,093	888	15	3,847	385	1,478	7.8
2018	3,145	330,569	4,435	373,889	7,580	704,458	11,741	1,174	950	16	4,118	412	1,586	8.3
2019	3,527	374,200	4,524	381,367	8,050	755,567	12,593	1,259	1,014	17	4,393	439	1,699	8.9
2020	3,815	402,766	4,601	387,850	8,415	790,616	13,177	1,318	1,063	18	4,606	461	1,778	9.4

Notes: \*\*FY 2014 annualized based on eight months of available data.

Minutes for cases in FY 2015-2020 are based on average minutes per case by specialty for 2014.

Source: FY 2009-2014 cases and minutes from MSMHC's OR information system

A revised Table 2 is included with this submission. Total M/S/G/A inpatient admissions volumes have not been restated from the original Table 1 submission because all of the OR cases above do not reflect net new volume. It is anticipated that as surgical volume grows, medical admissions will decline. This is based on continued focus by MedStar - for better population health management and the new Global Budget Rate reimbursement methodology – on potentially avoidable utilization including readmissions and other preventable admissions.

TABLE 2: STATISTICAL PROJECTIONS - SURGERY ONLY

Revised March 21, 2014

CY or FY (Circle)	Projected Years (ending with first full year at full utilization)					
	2015	2016	2017	2018	2019	2020
<b>1. Admissions</b>						
a. M/S/G/A	2,167	2,477	2,787	3,145	3,527	3,815
b. Pediatric						
c. Obstetric						
d. Intensive Care						
e. Psychiatric						
f. Rehabilitation						
g. Sub-Acute						
h. Other (Nursery)						
<b>j. TOTAL (excluding Nursery)</b>	<b>2,167</b>	<b>2,477</b>	<b>2,787</b>	<b>3,145</b>	<b>3,527</b>	<b>3,815</b>
<b>2. Patient Days</b>						
a. M/S/G/A						
b. Pediatric						
c. Obstetric						
d. Intensive Care						
e. Psychiatric						
f. Rehabilitation						
g. Sub-Acute						
h. Other (Nursery)						
<b>j. TOTAL (excluding Nursery)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3. Average Length of Stay</b>						
a. M/S/G/A						
b. Pediatric						
c. Obstetric						
d. Intensive Care						
e. Psychiatric						
f. Rehabilitation						
g. Sub-Acute						
h. Other (Nursery)						
<b>j. TOTAL (excluding Nursery)</b>						
<b>4. Occupancy Percentage*</b>						
a. M/S/G/A						
b. Pediatric						
c. Obstetric						
d. Intensive Care						
e. Psychiatric						
f. Rehabilitation						
g. Sub-Acute						
h. Other (Nursery)						
<b>j. TOTAL (excluding nursery)</b>						
<b>5. Number of Licensed Beds</b>						
a. M/S/G/A						
b. Pediatric						
c. Obstetric						
d. Intensive Care						
e. Psychiatric						
f. Rehabilitation						
g. Sub-Acute						
h. Other (Nursery)						
<b>j. TOTAL (excluding nursery)</b>						
<b>6. Outpatient Visits</b>						
a. Emergency						
b. Outpatient Dept. (Lab, Rad, PT, STH, OTH)						
c. Other (PDC, CL)						
d. Other (SDS)	4,087	4,209	4,327	4,435	4,524	4,601
e. Other (observation)						
<b>f. TOTAL</b>	<b>4,087</b>	<b>4,209</b>	<b>4,327</b>	<b>4,435</b>	<b>4,524</b>	<b>4,601</b>

MEDSTAR SOUTHERN MARYLAND HOSPITAL CENTER  
Mixed Use OR Need Analysis

Fiscal Year	Inpatient Cases	Inpatient Minutes	Outpatient Cases	Outpatient Minutes	Total Cases	Total Minutes	Total Hours	Total Hours per Room	Rooms Needed at State Health Plan Standard (1,900 Hours per Room)	Cases per day	Cases with turnover per Day (exclude first and last case)	Turnover Minutes per Day	Turnover Hours per Day	Turnover Hours per Year	Turnover Hours per Room	Total Hours per Room	Rooms Needed at State Health Plan Standard (1,900 Hours per Room) Including Turnover
2009	2,245	223,254	4,432	303,152	6,677	526,406	8,773	877	4.6	26	24	829	14	3,592	359	1,237	6.5
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2020	3,815	402,766	4,601	387,850	8,415	790,616	13,177	1,318	6.9	32	30	1,063	18	4,606	461	1,778	9.4

Notes:

\*\*FY 14 Annualized based on eight months.

Minutes for cases in FY 2015-2020 are based on average minutes per case by specialty for 2014.

Affirmation Statement

I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its attachments are true and correct to the best of my knowledge, information and belief.

Jennifer Wilkerson  
(signature)

Jennifer W. Wilkerson, MedStar Health  
(print name and affiliation)

3/21/14  
(date)

**Affirmation Statement**

I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its attachments are true and correct to the best of my knowledge, information and belief.

Charles R. Stewart

(signature)

CHARLES R. STEWART MEDSTAR SOUTHERN MARYLAND  
HOSPITAL CENTER, INC.

(print name and affiliation)

3/28/14

(date)