

**Minutes of Meeting
Health Services Council
Project Review Committee-I**

DATE: 9 May 2006

TIME: 3:00 PM

LOCATION: Health Policy Forum

ATTENDANCE:

Committee I: Present: Victoria Almeida, Esq., (Vice Chair), Edward F. Almon, John W. Flynn, Robert S.L. Kinder, MD, Richard Lepine, Robert J. Quigley, DC, (Chair)

Not Present: Joseph V. Centofanti, MD, John Keimig, Robert Ricci, Robert Whiteside, John Young

Excused Absence: Robert L. Bernstein

Other Members: Present: Larry Ross

Staff: Valentina D. Adamova, Michael K. Dexter, Joseph G. Miller, Esq.

Public: (Attached)

1. Call to Order, Approval of Minutes, Conflict of Interest Forms and Time Extension for the Minutes Availability

The meeting was called to order at 3:05 PM. The minutes of the 18 April 2006 Project Review Committee-I meeting were approved as submitted. The Chairman noted that conflict of interest forms are available to any member who may have a conflict. The Chairman requested a motion for the extension of time for the availability of minutes pursuant to the Open Meetings Act. A motion was made, seconded and passed by six in favor and none opposed (6-0) that the availability of the minutes for this meeting be extended beyond the time frame provided for under the Open Meetings Act. Those members voting in favor were: Almeida, Almon, Flynn, Kinder, Lepine, Quigley.

2. General Order of Business

The first item on the agenda was the application of South County Hospital Healthcare System for a Certificate of Need to construct a three-story facility to house 60 replacement beds. Staff noted that South County Hospital ("SCH") requested and was granted the request to file for an expeditious review for renovations to the Border Building to construct a ten-bed Orthopedic unit with an Airborne Infection Isolation unit on the second floor and to relocate the ICU to

the first floor. Staff noted that SCH was awarded a grant by the Department of Health for the ten-bed Airborne Infection Isolation unit.

Staff reviewed a memo on occupancy statistics and projections, including utilization levels of beds over the last two years broken down by bed types with regards to the proposal for the three-story facility. The applicant discussed its long-term plans. It was noted that the proposal is expected to free space for future construction and renovations.

To questions regarding the to be filed certificate of need (“CON”) for the ten-bed Orthopedic/Airborne Infection Isolation unit, the applicant stated that the unit will contain ten negative pressure beds that will be routinely used as an orthopedics unit but can be used as an isolation area if the need arises. The applicant estimated the capital cost of that project to be \$2.7 million.

A Committee member stated concerns over SCH’s occupancy rates. He noted that increasing the number of beds from 58 to 78 would drop occupancy rates into the 60s. The applicant responded that the concern is over bed assignment and that there are 12 med/surg beds on the women’s floor and noted that it is the maternity ward that is underutilized.

Staff asked why the applicant’s occupancy rates have been

decreasing over the years and noted that the med/surg occupancy rate were 87% in 2004, 83% in 2005, and 79% year-to-date. The applicant responded that in 2004 most hospitals had artificially high occupancy rate due to the early flu season. In 2006 admissions are strong but length of stay is much shorter. Staff then pointed out that if these trends continue then the proposed additional 20 beds may be unnecessary. The applicant replied that the population growth of South County's service area indicates that SCH needs additional beds. Discussion ensued about the number and location of beds currently staffed at SCH.

A Committee member noted a concern that there may be a whole floor of the proposed addition that may not be occupied. The applicant responded that the three-story addition will be occupied since SCH's main goal is shifting patients. The applicant stated that a 70% occupancy rate is a reasonable level of operation even though 80% would be ideal.

A Committee member noted, no matter the bed configuration, he is not comfortable with the 62% occupancy rate for the hospital as a whole. The applicant responded that the patient load fluctuates daily and the hospital must be able to accommodate that fluctuation. The applicant noted that SCH on some days be over 100% capacity. With regards to alternatives, the applicant asserted all 60 beds are necessary and that if only 40 beds were approved the applicant would be forced to reuse space that requires structural and ventilation

upgrades.

The applicant noted that the location of the beds is just as important if not more important than the number of beds. The applicant stated that the distance between different areas at SCH is too chaotic. The applicant showed the Committee the location of the current beds and the proposed beds.

Due to confusion over the number and location of beds, the Chairman requested that the applicant and staff meet resolve this issue and report back to the Committee. Another meeting was scheduled for Tuesday, May 16, 2006 at 2 PM.

The meeting was adjourned at 4:25 PM.

Respectfully submitted,

Valentina D. Adamova