

Minutes of Meeting
Health Services Council
Project Review Committee-II

DATE: 3 June 2010

TIME: 2:30 PM

LOCATION: Conference Room 401

ATTENDANCE:

Name	Present	Absent	Excused
Committee-II			
Victoria Almeida, Esq. (Vice Chair)	X		
Raymond C. Coia, Esq.			X
Joseph L. Dowling, MD	X		
Gary J. Gaube	X		
Maria R. Gil	X		
Catherine E. Graziano, RN, PhD	X		
Robert Hamel, RN			X
Daniel Orgel, MPA	X		
Denise Panichas			X
Robert Quigley, DC (Chairman)	X		
Reverend David Shire (Secretary)	X		
Committee-I			
Steve Lonardo	X		

Staff: Valentina Adamova, MBA, Michael K. Dexter, MPA, Joseph G. Miller, Esq., Michael Varadian, JD, MBA

Public: (Attached)

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

The meeting was called to order at 2:30 PM. The Chair noted that conflict of interest forms are available to any member who may have a conflict. A motion was made, seconded and passed by a vote of eight in favor and none opposed (8-0) that the availability of minutes for this meeting be extended beyond the time frame as provided for under the Open Meetings Act. Those members voting in favor were: Almeida, Dowling, Gaube, Gil, Graziano, Orgel, Quigley, Shire.

2. General Order of Business

The first item on the agenda was the application of **Rhode Island Hospital** [Lifespan Corporation] for change in effective control of Wayland Square Surgicare Acquisition, LP d/b/a Wayland Square Surgicare located at 17 Seekonk Street in Providence.

Mr. Lonardo noted his concerns about the impact of the proposal on rates at the facility.

It was noted that the facility is currently operating only 2 days a week and the proposal is less expensive than for RIH to build a new facility.

The applicant stated that it will make Wayland a financially viable facility and that this proposal is less expensive than alternatives. The applicant stated that contracted reimbursement rates to Wayland are anticipated to be 10% to 15% or more as they will be rates negotiated by the hospital. Medicare rates will remain the same. Further, unit cost for outpatient procedures at Wayland is projected to decline by about 20% in the third year of operation based on projected increases in volume. It was noted that Wayland currently operates 2 days per week and has lost volume over the years. Mr. Lonardo noted that reimbursement rates may be even higher than 10% to 15%.

The applicant stated that the waiting time for screening colonoscopies currently range at the hospital from 60 to 90 days. The applicant stated that they are recruiting 2 new faculty and need practice space. The applicant will continue participation in the Screening Colonoscopies for Underserved Population (SCUP) program at Wayland.

The Committee considered the applicant's request to have two conditions of approval previously imposed on Wayland removed. One relates to the 5% charity care requirement and the other to quarterly reporting data to the state agency. The applicant contended that RIH's track record with regards to charity care is within the 75th percentile of all other teaching hospitals and that it will follow hospital's charity care requirements at Wayland. RIH noted that it does not track surgery data separately by site on various locations on its campus and requested that the reporting requirement specific to the Wayland site be removed.

A motion was made, seconded and passed by a vote of six in favor, none opposed and one recusal (6-0-1) to recommend that the application be approved subject to the conditions of approval as amended. Those members voting in favor included: Gaube, Gil, Graziano, Orgel, Quigley, Shire. Dr. Dowling recused.

There being no further business, the meeting was adjourned at 4:00 PM.

Respectfully submitted,

Valentina D. Adamova, MBA
Health Economics Specialist