

1 10A NCAC 14C .2102 is proposed as a temporary rule as follows:

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3 **10A NCAC 14C .2102 INFORMATION REQUIRED OF APPLICANT**

4 (a) An applicant proposing to establish a new ambulatory surgical facility, to establish a new campus of an existing
5 facility, to establish a new hospital, to increase the number of operating rooms, to convert a specialty ambulatory
6 surgical program to a multispecialty ambulatory surgical program or to add a specialty to a specialty ambulatory
7 surgical program shall identify each of the following specialty areas that will be provided in the facility:

- 8 (1) gynecology;
- 9 (2) otolaryngology;
- 10 (3) plastic surgery;
- 11 (4) general surgery;
- 12 (5) ophthalmology;
- 13 (6) orthopedic;
- 14 (7) oral surgery; and
- 15 (8) other specialty area identified by the applicant.

16 (b) An applicant proposing ~~to establish a new ambulatory surgical facility,~~ to increase the number of operating
17 rooms ~~except relocations of existing operating rooms between existing licensed facilities within the same in a~~
18 service area, to convert a specialty ambulatory surgical program to a multispecialty ambulatory surgical program or
19 to add a specialty to a specialty ambulatory surgical program shall provide the following information:

- 20 (1) the number and type of operating rooms in each ~~licensed~~ facility which the applicant or a related
21 entity owns a controlling interest in and is located in the service area, (separately identifying the
22 number of dedicated open heart and dedicated C-Section rooms);
- 23 (2) the number and type of operating rooms to be located in each ~~licensed~~ facility which the applicant
24 or a related entity owns a controlling interest in and is located in the service area after completion
25 of the proposed project and all previously approved projects related to these facilities (separately
26 identifying the number of dedicated open heart and dedicated C-Section rooms);
- 27 (3) the number of inpatient surgical cases, excluding trauma cases reported by Level I, II, or III
28 trauma centers, cases reported by designated burn intensive care units, and cases performed in
29 dedicated open heart and dedicated C-section rooms, and the number of outpatient surgical cases
30 performed in the most recent 12 month period for which data is available, in the operating rooms
31 in each ~~licensed~~ facility listed in response to Subparagraphs (b)(1) and (b)(2) of this Rule;
- 32 (4) the number of inpatient surgical cases, excluding trauma cases reported by level I, II, or III trauma
33 centers, cases reported by designated burn intensive care units and cases performed in dedicated
34 open heart and dedicated C-section rooms, and the number of outpatient surgical cases projected
35 to be performed in each of the first three operating years of the proposed project, in each ~~licensed~~
36 facility listed in response to Subparagraphs (b)(1) and (b)(2) of this Rule;

- 1 (5) a detailed description of and documentation to support the assumptions and methodology used in
2 the development of the projections required by this Rule;
- 3 (6) the hours of operation of the proposed new operating rooms;
- 4 (7) if the applicant is an existing facility, the average reimbursement received per procedure for the
5 20 surgical procedures most commonly performed in the facility during the preceding 12 months
6 and a list of all services and items included in the reimbursement;
- 7 (8) the projected average reimbursement to be received per procedure for the 20 surgical procedures
8 which the applicant projects will be performed most often in the facility and a list of all services
9 and items included in the reimbursement; and
- 10 (9) identification of providers of pre-operative services and procedures which will not be included in
11 the facility's charge.

12 (c) An applicant proposing to relocate existing or approved operating rooms ~~between existing licensed facilities~~
13 within the same service area shall provide the following information:

- 14 (1) the number and type of existing and approved operating rooms in each ~~licensed~~ facility in which
15 the number of operating rooms will increase or decrease (separately identifying the number of
16 dedicated open heart and dedicated C-Section rooms);
- 17 (2) the number and type of operating rooms to be located in each affected ~~licensed~~ facility after
18 completion of the proposed project and all previously approved projects related to these facilities
19 (separately identifying the number of dedicated open heart and dedicated C-Section rooms);
- 20 (3) the number of inpatient surgical cases, excluding trauma cases reported by Level I, II, or III
21 trauma centers, cases reported by designated burn intensive care units, and cases performed in
22 dedicated open heart and dedicated C-section rooms, and the number of outpatient surgical cases
23 performed in the most recent 12 month period for which data is available, in the operating rooms
24 in each ~~licensed~~ facility listed in response to Subparagraphs (c)(1) and (c)(2) of this Rule;
- 25 (4) the number of inpatient surgical cases, excluding trauma cases reported by level I, II, or III trauma
26 centers, cases reported by designated burn intensive care units and cases performed in dedicated
27 open heart and dedicated C-section rooms, and the number of outpatient surgical cases projected
28 to be performed in each of the first three operating years of the proposed project, in each ~~licensed~~
29 facility listed in response to Subparagraphs (c)(1) and (c)(2) of this Rule;
- 30 (5) a detailed description of and documentation to support the assumptions and methodology used in
31 the development of the projections required by this Rule;
- 32 (6) the hours of operation of the facility to be expanded;
- 33 (7) the average reimbursement received per procedure for the 20 surgical procedures most commonly
34 performed in each affected ~~licensed~~ facility during the preceding 12 months and a list of all
35 services and items included in the reimbursement;

- 1 (8) the projected average reimbursement to be received per procedure for the 20 surgical procedures
2 which the applicant projects will be performed most often in the facility to be expanded and a list
3 of all services and items included in the reimbursement; and
4 (9) identification of providers of pre-operative services and procedures which will not be included in
5 the facility's charge.

6 (d) An applicant proposing to establish a new single specialty separately licensed ambulatory surgical facility
7 pursuant to the demonstration project in the 2010 State Medical Facilities Plan shall provide:

- 8 (1) the single surgical specialty area in which procedures will be performed in the proposed
9 ambulatory surgical facility;
10 (2) a description of the ownership interests of physicians in the proposed ambulatory surgical facility;
11 (3) a commitment that the Medicare allowable amount for self pay and Medicaid surgical cases minus
12 all revenue collected from self-pay and Medicaid surgical cases shall be at least seven percent of
13 the total revenue collected for all surgical cases performed in the proposed facility;
14 (4) for each of the first three full fiscal years of operation, the projected number of self-pay surgical
15 cases;
16 (5) for each of the first three full fiscal years of operation, the projected number of Medicaid surgical
17 cases;
18 (6) for each of the first three full fiscal years of operation, the total projected Medicare allowable
19 amount for the self pay surgical cases to be served in the proposed facility, i.e. provide the
20 projected Medicare allowable amount per self-pay surgical case and multiply that amount by the
21 projected number of self pay surgical cases;
22 (7) for each of the first three full fiscal years of operation, the total projected Medicare allowable
23 amount for the Medicaid surgical cases to be served in the facility, i.e. provide the projected
24 Medicare allowable amount per Medicaid surgical case and multiply that amount by the projected
25 number of Medicaid surgical cases;
26 (8) for each of the first three full fiscal years of operation, the projected revenue to be collected from
27 the projected number of self-pay surgical cases;
28 (9) for each of the first three full fiscal years of operation, the projected revenue to be collected from
29 the projected number of Medicaid surgical cases;
30 (10) for each of the first three full fiscal years of operation, the projected total revenue to be collected
31 for all surgical cases performed in the proposed facility;
32 (11) a commitment to report utilization and payment data for services provided in the proposed
33 ambulatory surgical facility to the statewide data processor, as required by G.S. 131E-214.2;
34 (12) a description of the system the proposed ambulatory surgical facility will use to measure and
35 report patient outcomes for the purpose of monitoring the quality of care provided in the facility;
36 (13) descriptions of currently available patient outcome measures for the surgical specialty to be
37 provided in the proposed facility, if any exist;

- 1 (14) if patient outcome measures are not currently available for the surgical specialty area, the
2 applicant shall develop its own patient outcome measures to be used for monitoring and reporting
3 the quality of care provided in the proposed facility, and shall provide in its application a
4 description of the measures it developed;
5 (15) a description of the system the proposed ambulatory surgical facility will use to enhance
6 communication and ease data collection, e.g. electronic medical records;
7 (16) a description of the proposed ambulatory surgical facility's open access policy for physicians, if
8 one is proposed;
9 (17) a commitment to provide to the Agency annual reports at the end of each full fiscal year of
10 operation regarding:
11 (A) patient payment data submitted to the statewide data processor as required by G.S. 131E-
12 214.2;
13 (B) patient outcome results for each of the applicant's patient outcome measures;
14 (C) the extent to which the physicians using the proposed facility maintained their hospital
15 staff privileges and provided Emergency Department coverage, e.g. number of nights
16 each physician is on call at a hospital; and
17 (D) the extent to which the facility is operating in compliance with the representations the
18 applicant made in its application relative to the single specialty ambulatory surgical
19 facility demonstration project in the 2010 State Medical Facilities Plan.

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21 *History Note: Authority G.S. 131E-177; 131E-183(b);*
22 *Eff. November 1, 1990;*
23 *Temporary Amendment Eff. September 1, 1993 for a period of 180 days or until the permanent*
24 *rule becomes effective, whichever is sooner;*
25 *Amended Eff. January 4, 1994;*
26 *Temporary Amendment Eff. July 1, 2001;*
27 *Temporary Amendment Eff. January 1, 2002;*
28 *Amended Eff. August 1, 2002;*
29 *Temporary Amendment effective January 1, 2002 amends and replaces the permanent rule*
30 *effective August 1, 2002;*
31 *Amended Eff. April 1, 2003;*
32 *Temporary Amendment Eff. February 1, 2008;*
33 *Amended Eff. November 1, 2008;*
34 *Temporary Amendment Eff. February 1, 2010.*