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Aug 08 2022
SC Court of Appeals

Article #: 9214896900999790142167247 7
Pazzo

May 31, 2022

Article #: 9214896900999790142167248 4
Thomas

VIA CERTIFIED MAIL
Mike Pazzo, Esquire
General Counsel
Roper St. Francis Healthcare
1525 Doughty Street Suite 720
Charleston, SC 29403

Decision Granting Certificate of Need for:
Roper St. Francis Hospital-Berkeley, Inc. d/b/a Roper St. Francis Berkeley Hospital
Project: Construction for the addition of 124,691 sf and 50 general acute care beds for a total of 100 acute care beds.
Total project cost: $193,441,316
Matter No.: 2924
Berkeley County, South Carolina

Dear Mr. Pazzo:

The South Carolina Department of Health and Environmental Control (Department) has reviewed the application submitted by Roper St. Francis Hospital-Berkeley, Inc. d/b/a Roper St. Francis Berkeley Hospital ("Applicant" or "Roper Berkeley") for a Certificate of Need (CON) for the Construction for the addition of 124,691 sf and 50 general acute care beds for a total of 100 acute care beds at a total project cost of $193,441,316 (Project). After consideration of the entire administrative record in this matter, the Department concludes the Applicant has presented substantial evidence the Project is consistent with the *South Carolina Health Plan* enacted March 13, 2020 for all but Chapter 3, which was enacted June 12, 2020 (*Plan*) and materially complies with the relevant project review criteria set forth in Section 802 of S.C. Code Regs. 61-15. Accordingly, it is the decision of the Department that a Certificate of Need be granted to the Applicant for the Project. The Department's decision is based on the following findings:

Compliance with the South Carolina Health Plan
Chapter 3 of the *Plan* projects a need for 185 acute care hospital beds for Berkeley County. The Applicant also used the individual hospital methodology for calculating bed need. Using either method of calculation, the individual hospital methodology or the statewide utilization

methodology, the Applicant has calculated and demonstrated the need for the proposed project.

The Department finds that the Applicant has sufficiently complied with 3 S.C. Code Reg. 61-15, Section 802.1.

Community Need Documentation

The Applicant clearly identified its target population and, using population statistics consistent with those generated by the Revenue and Fiscal Affairs, made reasonable projections of anticipated population changes, with assumptions and methodologies clearly outlined in the Application. The Applicant has sufficiently demonstrated that the proposed Project will meet an identified need, and that the projected utilization of the Project is sufficient to justify its implementation.

The Department finds that the Applicant has sufficiently complied with 3 S.C. Code Reg. 61-15, Section 802.2

Distribution (Accessibility)

The Department finds that the proposed Project would not result in unnecessary duplication or modernization of services based on Roper Berkeley's documentation regarding both need and accessibility. Roper Berkeley states that patients have access to its services through the emergency department, nursing homes, assisted living facilities, other hospitals, and physicians. In terms of the emergency room, patients are able to self-admit. Roper Berkeley services all patients in need of care regardless of age, sex, race, religion, national origin, or ability to pay. Finally, the Department finds there would be no potential negative impact of the proposed project upon the ability and/or resources of existing providers to serve medically underserved groups.

The Department finds that the Applicant has sufficiently complied with 3 S.C. Code Reg. 61-15, Section 802.3.

Acceptability

The Applicant provided letters of support for the Project from affected persons, including the Hon. Rep. Sylleste H. Davis, (State of South Carolina, District 100), the Hon. Mayor Gregory S. Habib, (Mayor of the City of Goose Creek, SC), local providers, and the target population. During the review period, by letter received by the Department on February 25, 2022, Trident Medical Center, LLC d/b/a Trident Medical Center (TMC) and Trident Medical Center, LLC d/b/a Summerville Medical Center (SMC) provided written notification to the Department that they are affected persons and oppose the Project. The grounds for opposition include claims that the Project does not comply with applicable South Carolina law and the South Carolina Health Plan. After consideration of all information presented to the Department by TMC and SMC, the Department has determined that the opposition does not present sufficient a reason to deny the Application.

The Department finds that the Applicant has sufficiently complied with 3 S.C. Code Reg. 61-15, Section 802.4.

Ability to Complete the Project

The Applicant submitted an acceptable timeline for initiation and completion of the Project. Roper Berkeley's financial schedules and time frames contained in the application are consistent with those usually experienced in the development of similar facilities or services.

The Department finds that the Applicant has sufficiently complied with 3 S.C. Code Reg. 61-15, Section 802.14.

Adverse Effects on Other Facilities

The Department considered the projected impact of the Project on the occupancy rates of existing facilities and weighed this impact against the increased accessibility offered by the proposed Project. Further, the Applicant demonstrated that staffing for the Project will not unnecessarily deplete staff of existing hospitals, and the record does not indicate that an excessive rise in staffing costs would occur as a result of the Project.

The Department finds that the Applicant has sufficiently complied with 3 S.C. Code Reg. 61-15, Section 802.23.

Department Findings under S.C. Code Reg. 61-15 § 501

The Applicant has demonstrated that the capital and operating costs of the Project and their potential impact on patient charges are reasonable; that superior alternatives to such services in terms of cost, efficiency, or appropriateness do not exist and that the development of such alternatives is not practicable; and that patients will experience serious problems in terms of costs, availability, or accessibility in obtaining care of the type proposed in the absence of the Project.

The Department finds the Project complies with the requirements of S.C. Code Reg. 61-15, Section 501.

The issuance of a Certificate of Need does not constitute approval for any proposed construction, licensing, or certification changes. You should contact the following individuals for information concerning these related issues: Bureau of Radiological Health, Ms. Susan Jenkins, (803) 545-0530; Division of Health Facilities Construction, Mr. Graham Cormack, (803) 727-3576; and Bureau of Healthcare Systems and Services, Ms. Charlene Bell, (803) 545-4223.

A copy of the Guide to Board Review is enclosed for your convenience.

Written and reviewed by:

David Fiorini
Senior Consultant
Certificate of Need Program

Enclosure: Guide to Board Review

CC: William R. Thomas, Esquire (Via Certified Mail and email)
Daniel J. Sullivan (Via email)
Ralph W. Barbier, Esquire (Via email)
Kathryn M.T. Platt (Via email)

South Carolina Board of Health and Environmental Control

Guide to Board Review

Pursuant to S.C. Code Ann. § 44-1-60

The decision of the South Carolina Department of Health and Environmental Control (Department) becomes the final agency decision fifteen (15) calendar days after notice of the decision has been mailed to the applicant, permittee, licensee and affected persons who have requested in writing to be notified, unless a written request for final review accompanied by a filing fee in the amount of $100 is filed with Department by the applicant, permittee, licensee or affected person.

Applicants, permittees, licensees, and affected parties are encouraged to engage in mediation or settlement discussions during the final review process.

If the Board declines in writing to schedule a final review conference, the Department's decision becomes the final agency decision and an applicant, permittee, licensee, or affected person may request a contested case hearing before the Administrative Law Court within thirty (30) calendar days after notice is mailed that the Board declined to hold a final review conference. In matters pertaining to decisions under the South Carolina Mining Act, appeals should be made to the South Carolina Mining Council.

I. Filing of Request for Final Review

1. A written Request for Final Review (RFR) and the required filing fee of one hundred dollars ($100) must be received by Clerk of the Board within fifteen (15) calendar days after notice of the staff decision has been mailed to the applicant, permittee, licensee, or affected persons. If the 15th day occurs on a weekend or State holiday, the RFR must be received by the Clerk on the next working day. RFRs will not be accepted after 5:00 p.m.
2. RFRs shall be in writing and should include, at a minimum, the following information:
   - The grounds for amending, modifying, or rescinding the staff decision;
   - a statement of any significant issues or factors the Board should consider in deciding how to handle the matter;
   - the relief requested;
   - a copy of the decision for which review is requested; and
   - mailing address, email address, if applicable, and phone number(s) at which the requestor can be contacted.
3. RFRs should be filed in person or by mail at the following address:
   South Carolina Board of Health and Environmental Control
   Attention: Clerk of the Board
   2600 Bull Street
   Columbia, South Carolina 29201

   Alternatively, RFR's may be filed with the Clerk by facsimile (803-898-3393) or by electronic mail (boardclerk@dhec.sc.gov).
4. The filing fee may be paid by cash, check or credit card and must be received by the 15th day.
5. If there is any perceived discrepancy in compliance with this RFR filing procedure, the Clerk should consult with the Chairman or, if the Chairman is unavailable, the Vice-Chairman. The Chairman or the Vice-Chairman will determine whether the RFR is timely and properly filed and direct the Clerk to (1) process the RFR for consideration by the Board or (2) return the RFR and filing fee to the requestor with a cover letter explaining why the RFR was not timely or properly filed. Processing an RFR for consideration by the Board shall not be interpreted as a waiver of any claim or defense by the agency in subsequent proceedings concerning the RFR.
6. If the RFR will be processed for Board consideration, the Clerk will send an Acknowledgement of RFR to the Requestor and the applicant, permittee, or licensee, if other than the Requestor. All personal and financial identifying information will be redacted from the RFR and accompanying documentation before the RFR is released to the Board, Department staff or the public.
7. If an RFR pertains to an emergency order, the Clerk will, upon receipt, immediately provide a copy of the RFR to all Board members. The Chairman, or in his or her absence, the Vice-Chairman shall based on the circumstances, decide whether to refer the RFR to the RFR Committee for expedited review or to decline in writing to schedule a Final Review Conference. If the Chairman or Vice-Chairman determines review by the RFR Committee is appropriate, the Clerk will forward a copy of the RFR to Department staff and Office of General Counsel. A Department response and RFR Committee review will be provided on an expedited schedule defined by the Chairman or Vice-Chairman.
8. The Clerk will email the RFR to staff and Office of General Counsel and request a Department Response within eight (8) working days. Upon receipt of the Department Response, the Clerk will forward the RFR and Department Response to all Board members for review, and all Board members will confirm receipt of the RFR to the Clerk by email. If a Board member does not confirm receipt of the RFR within a twenty-four (24) hour period, the Clerk will contact the Board member and confirm receipt. If a Board member believes the RFR should be considered by the RFR Committee, he or she will

respond to the Clerk's email within forty-eight (48) hours and will request further review. If no Board member requests further review of the RFR within the forty-eight (48) hour period, the Clerk will send a letter by certified mail to the Requestor, with copy by regular mail to the applicant, permittee, or licensee, if not the Requestor, stating the Board will not hold a Final Review Conference. Contested case guidance will be included within the letter.

NOTE: If the time periods described above end on a weekend or State holiday, the time is automatically extended to 5:00 p.m. on the next business day.

9. If the RFR is to be considered by the RFR Committee, the Clerk will notify the Presiding Member of the RFR Committee and the Chairman that further review is requested by the Board. RFR Committee meetings are open to the public and will be public noticed at least 24 hours in advance.
10. Following RFR Committee or Board consideration of the RFR, if it is determined no Conference will be held, the Clerk will send a letter by certified mail to the Requestor, with copy by regular mail to the applicant, permittee, or licensee, if not the Requestor, stating the Board will not hold a Conference. Contested case guidance will be included within the letter.

II. Final Review Conference Scheduling

1. If a Conference will be held, the Clerk will send a letter by certified mail to the Requestor, with copy by regular mail to the applicant, permittee, or licensee, if not the Requestor, informing the Requestor of the determination.
2. The Clerk will request Department staff provide the Administrative Record.
3. The Clerk will send Notice of Final Review Conference to the parties at least ten (10) days before the Conference. The Conference will be publically noticed and should:
    - include the place, date and time of the Conference;
    - state the presentation times allowed in the Conference;
    - state evidence may be presented at the Conference;
    - if the conference will be held by committee, include a copy of the Chairman's order appointing the committee; and
    - inform the Requestor of his or her right to request a transcript of the proceedings of the Conference prepared at Requestor's expense.
4. If a party requests a transcript of the proceedings of the Conference and agrees to pay all related costs in writing, including costs for the transcript, the Clerk will schedule a court reporter for the Conference.

III. Final Review Conference and Decision

1. The order of presentation in the Conference will, subject to the presiding officer's discretion, be as follows:
    - Department staff will provide an overview of the staff decision and the applicable law to include [10 minutes]:
        - Type of decision (permit, enforcement, etc.) and description of the program.
        - Parties
        - Description of facility/site
        - Applicable statutes and regulations
        - Decision and materials relied upon in the administrative record to support the staff decision.
    - Requestor(s) will state the reasons for protesting the staff decision and may provide evidence to support amending, modifying, or rescinding the staff decision. [15 minutes] *NOTE: The burden of proof is on the Requestor(s)*
    - Rebuttal by Department staff [15 minutes]
    - Rebuttal by Requestor(s) [10 minutes]

    Note: Times noted in brackets are for information only and are superseded by times stated in the Notice of Final Review Conference or by the presiding officer.
2. Parties may present evidence during the conference; however, the rules of evidence do not apply.
3. At any time during the conference, the officers conducting the Conference may request additional information and may question the Requestor, the staff, and anyone else providing information at the Conference.
4. The presiding officer, in his or her sole discretion, may allow additional time for presentations and may impose time limits on the Conference.
5. All Conferences are open to the public.
6. The officers may deliberate in closed session.
7. The officers may announce the decision at the conclusion of the Conference or it may be reserved for consideration.
8. The Clerk will mail the written final agency decision (FAD) to parties within 30 days after the Conference. The written decision must explain the basis for the decision and inform the parties of their right to request a contested case hearing before the Administrative Law Court or in matters pertaining to decisions under the South Carolina Mining Act, to request a hearing before the South Carolina Mining Council.. The FAD will be sent by certified mail, return receipt requested.
9. Communications may also be sent by electronic mail, in addition to the forms stated herein, when electronic mail addresses are provided to the Clerk.

The above information is provided as a courtesy; parties are responsible for complying with all applicable legal requirements.

Article #: 9214896900999790142181152 4
Taylor

June 27, 2022

Article #: 9214896900999790142181160 9
Baldwin

VIA CERTIFIED MAIL
Jeff Taylor, Chief Executive Officer
Summerville Medical Center
295 Midland Parkway
Summerville, SC 29485

Decision Granting Certificate of Need for:
Trident Medical Center, LLC d/b/a Summerville Medical Center
Project: Construction for the addition of 56,943 sf and 50 general acute care beds for a total of 174 acute care beds.
Total project cost: $62,620,250
Matter No.: 2925
Dorchester County, South Carolina

Dear Mr. Taylor:

The South Carolina Department of Health and Environmental Control (Department) has reviewed the application submitted by Trident Medical Center, LLC d/b/a Summerville Medical Center ("SMC" or "Applicant") for a Certificate of Need (CON) for the construction for the addition of 56,943 sf and 50 general acute care beds for a total of 174 acute care beds at a total project cost of $62,620,250 (Project). After consideration of the entire administrative record in this matter, the Department concludes the Applicant has presented substantial evidence the Project is consistent with the *South Carolina Health Plan* enacted March 13, 2020 for all but Chapter 3, which was enacted June 12, 2020 (*Plan*) and materially complies with the relevant project review criteria set forth in Section 802 of S.C. Code Regs. 61-15. Accordingly, it is the decision of the Department that a Certificate of Need be granted to the Applicant for the Project. The Department's decision is based on the following findings:

Compliance with the South Carolina Health Plan:
Chapter 3 of the *Plan* projects a need for 7 acute care hospital beds for Dorchester County. The applicant is requesting an additional 50 acute care beds. Chapter 3 of the *Plan* under Standard 6 states in part, "If the number of beds needed is less than 50, then up to a total of 50 beds could be approved for any entity at any location within the service area. An applicant requesting additional beds beyond those indicated as needed by the methodology stated above must document the need for additional beds based on historical and projected

utilization, projected population growth that has not been considered in this Plan or other factors demonstrating the need for the proposed beds. It is up to the applicant to document the need and the potential negative impact on the existing facilities."

The Department finds that the Applicant has sufficiently complied with 3 S.C. Code Reg. 61-15, Section 802.1.

Community Need Documentation

The Applicant clearly identified its target population and, using population statistics consistent with those generated within the industry, made reasonable projections of anticipated population changes, with assumptions and methodologies clearly outlined in the Application. The Applicant has sufficiently demonstrated that the proposed Project will meet an identified need, and that the projected utilization of the Project is sufficient to justify its implementation.

The Department finds that the Applicant has sufficiently complied with 3 S.C. Code Reg. 61-15, Section 802.2

Distribution (Accessibility)

The Department finds that the proposed Project would not result in unnecessary duplication based on SMC's documentation regarding both need and accessibility. SMC did justify the need for modernization by converting semi-private rooms to private rooms. SMC states that patients have access to its services through written order by a licensed physician. SMC services all patients in need of care regardless of age, sex, race, religion, national origin, or ability to pay. The Project would be located so that it will serve medically underserved areas/underserved population segments. Finally, the Department finds there would be no potential negative impact of the proposed project upon the ability and/or resources of existing providers to serve medically underserved groups.

The Department finds that the Applicant has sufficiently complied with 3 S.C. Code Reg. 61-15, Section 802.3.

Acceptability

The Applicant provided letters of support for the Project from affected persons, including the Hon. Sen. Sean M. Bennett, (State of South Carolina, Senatorial District 38), the Greater Summerville/Dorchester County Chamber of Commerce, the Dorchester County Economic Development, local providers stating they routinely admit and treat patients at the hospital, and the target population indicating they utilize the services provided from the hospital.

During the review period, by letters received by the Department on March 17, 2022, and June 21, 2022, Roper St. Francis Healthcare, Roper Hospital, Inc., Bon Secours-St. Francis Xavier Hospital, Inc., Roper St. Francis Hospital-Berkeley, Inc. ("Roper Berkeley Hospital") and Roper St. Francis Mount Pleasant Hospital (collectively "Roper St. Francis") provided written notification to the Department that they are affected persons and oppose the Project. The

grounds for opposition include claims that the Project does not satisfy the CON Act and its purposes; does not satisfy the South Carolina Health Plan; and does not satisfy the South Carolina CON regulations including, but not limited to, the applicable and relevant project review criteria. Additionally, Roper St. Francis included opposition to the project review criteria of Financial Feasibility. Although the Department did not list Financial Feasibility as project review criteria as relative importance, the Department did review Financial Feasibility and found the Applicant reasonably projected both the immediate and long-term financial feasibility of the Project using projected income statements. SMC provided a letter from Sonia S. Baughman, Chief Financial Officer, Summerville Medical Center, attesting to the reasonableness of the assumptions, calculations, and information contained in the pro forma submitted with the application. After consideration of all information presented to the Department by Roper St. Francis, the Department has determined that the opposition record as a whole, does not support grounds to deny the Application.

The Department finds that the Applicant has sufficiently complied with 3 S.C. Code Reg. 61-15, Section 802.4.

Ability to Complete the Project

The Applicant submitted an acceptable timeline for initiation and completion of the Project. SMC's financial schedules and time frames contained in the application are consistent with those usually experienced in the development of similar facilities or services.

The Department finds that the Applicant has sufficiently complied with 3 S.C. Code Reg. 61-15, Section 802.14.

Adverse Effects on Other Facilities

The Applicant has demonstrated the projected impact the proposed Project would have on existing facilities, and the Department has weighed this impact against the increased accessibility offered by the proposed Project. SMC is currently the sole hospital in Dorchester County service area. The Department finds the Project would not unnecessarily deplete the staffing of existing facilities or cause an excessive rise in staffing costs due to the increased competition.

The Department finds that the Applicant has sufficiently complied with 3 S.C. Code Reg. 61-15, Section 802.23.

Department Findings under S.C. Code Reg. 61-15 § 501

The Department has determined the findings required by 3 S.C. Code Reg. 61-15 § 501 are not applicable to this Project.

A copy of the Guide to Board Review is enclosed for your convenience.

Written and reviewed by:

David Fiorini
Senior Consultant
Certificate of Need Program

Enclosure: Guide to Board Review

CC: Ralph W. Barbier, Esquire (Via Certified Mail and Email)
William R. Thomas, Esquire (Via Email)
Daniel Sullivan (Via Email)

South Carolina Board of Health and Environmental Control

Guide to Board Review

Pursuant to S.C. Code Ann. § 44-1-60

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Applicants, permittees, licensees, and affected parties are encouraged to engage in mediation or settlement discussions during the final review process.

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I. Filing of Request for Final Review

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2. RFRs shall be in writing and should include, at a minimum, the following information:
   - The grounds for amending, modifying, or rescinding the staff decision;
   - a statement of any significant issues or factors the Board should consider in deciding how to handle the matter;
   - the relief requested;
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   Attention: Clerk of the Board
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   Alternatively, RFR's may be filed with the Clerk by facsimile (803-898-3393) or by electronic mail (boardclerk@dhec.sc.gov).
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8. The Clerk will email the RFR to staff and Office of General Counsel and request a Department Response within eight (8) working days. Upon receipt of the Department Response, the Clerk will forward the RFR and Department Response to all Board members for review, and all Board members will confirm receipt of the RFR to the Clerk by email. If a Board member does not confirm receipt of the RFR within a twenty-four (24) hour period, the Clerk will contact the Board member and confirm receipt. If a Board member believes the RFR should be considered by the RFR Committee, he or she will

respond to the Clerk's email within forty-eight (48) hours and will request further review. If no Board member requests further review of the RFR within the forty-eight (48) hour period, the Clerk will send a letter by certified mail to the Requestor, with copy by regular mail to the applicant, permittee, or licensee, if not the Requestor, stating the Board will not hold a Final Review Conference. Contested case guidance will be included within the letter.

NOTE: If the time periods described above end on a weekend or State holiday, the time is automatically extended to 5:00 p.m. on the next business day.

9. If the RFR is to be considered by the RFR Committee, the Clerk will notify the Presiding Member of the RFR Committee and the Chairman that further review is requested by the Board. RFR Committee meetings are open to the public and will be public noticed at least 24 hours in advance.
10. Following RFR Committee or Board consideration of the RFR, if it is determined no Conference will be held, the Clerk will send a letter by certified mail to the Requestor, with copy by regular mail to the applicant, permittee, or licensee, if not the Requestor, stating the Board will not hold a Conference. Contested case guidance will be included within the letter.

II. Final Review Conference Scheduling

1. If a Conference will be held, the Clerk will send a letter by certified mail to the Requestor, with copy by regular mail to the applicant, permittee, or licensee, if not the Requestor, informing the Requestor of the determination.
2. The Clerk will request Department staff provide the Administrative Record.
3. The Clerk will send Notice of Final Review Conference to the parties at least ten (10) days before the Conference. The Conference will be publically noticed and should:
    - include the place, date and time of the Conference;
    - state the presentation times allowed in the Conference;
    - state evidence may be presented at the Conference;
    - if the conference will be held by committee, include a copy of the Chairman's order appointing the committee; and
    - inform the Requestor of his or her right to request a transcript of the proceedings of the Conference prepared at Requestor's expense.
4. If a party requests a transcript of the proceedings of the Conference and agrees to pay all related costs in writing, including costs for the transcript, the Clerk will schedule a court reporter for the Conference.

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1. The order of presentation in the Conference will, subject to the presiding officer's discretion, be as follows:
    - Department staff will provide an overview of the staff decision and the applicable law to include [10 minutes]:
        - Type of decision (permit, enforcement, etc.) and description of the program.
        - Parties
        - Description of facility/site
        - Applicable statutes and regulations
        - Decision and materials relied upon in the administrative record to support the staff decision.
    - Requestor(s) will state the reasons for protesting the staff decision and may provide evidence to support amending, modifying, or rescinding the staff decision. [15 minutes] *NOTE: The burden of proof is on the Requestor(s)*
    - Rebuttal by Department staff [15 minutes]
    - Rebuttal by Requestor(s) [10 minutes]

    Note: Times noted in brackets are for information only and are superseded by times stated in the Notice of Final Review Conference or by the presiding officer.
2. Parties may present evidence during the conference; however, the rules of evidence do not apply.
3. At any time during the conference, the officers conducting the Conference may request additional information and may question the Requestor, the staff, and anyone else providing information at the Conference.
4. The presiding officer, in his or her sole discretion, may allow additional time for presentations and may impose time limits on the Conference.
5. All Conferences are open to the public.
6. The officers may deliberate in closed session.
7. The officers may announce the decision at the conclusion of the Conference or it may be reserved for consideration.
8. The Clerk will mail the written final agency decision (FAD) to parties within 30 days after the Conference. The written decision must explain the basis for the decision and inform the parties of their right to request a contested case hearing before the Administrative Law Court or in matters pertaining to decisions under the South Carolina Mining Act, to request a hearing before the South Carolina Mining Council. The FAD will be sent by certified mail, return receipt requested.
9. Communications may also be sent by electronic mail, in addition to the forms stated herein, when electronic mail addresses are provided to the Clerk.

The above information is provided as a courtesy; parties are responsible for complying with all applicable legal requirements.

SUMMERVILLE MEDICAL CENTER
SUMMERVILLE, SOUTH CAROLINA

CERTIFICATE OF NEED APPLICATION

ADDITION OF 50 ACUTE CARE BEDS
CONSTRUCTION OF 4TH FLOOR
ADDITION OF 5TH FLOOR SHELL

Submitted To:

Bureau of Healthcare Planning and Construction
South Carolina Department of Health and Environmental Control
301 Gervais Street
Columbia, South Carolina 29201

TABLE OF CONTENTS

APPLICATION FOR CERTIFICATE OF NEED

FOR A HEALTH FACILITY OR SERVICES

Proposal Prepared By:

NAME:	Jeff Taylor
TITLE:	Chief Executive Officer
ORGANIZATION:	Summerville Medical Center
ADDRESS:	295 Midland Parkway
CITY:	Summerville
STATE:	South Carolina
ZIP CODE:	29485
TELEPHONE NUMBER:	(843) 832-5102
EMAIL:	Jeff.Taylor@HCAHealthcare.com
FAX NUMBER:	(843) 832-5104

This Applicant hereby certifies that the information contained in this Application, including all assurances and attachments, are correct to the best of Applicant's knowledge and belief.

Applicant's Signature: _____

Date: 11.22.2021

Please copy all correspondence related to this application to:

William R. Thomas, Esquire
Parker Poe Adams & Bernstein LLP
Post Office Box 1509
Columbia, SC 29202
willthomas@parkerpoe.com

Daniel Sullivan
Sullivan Consulting Group
2090 Bethany Way
Alpharetta, GA 30004
dsullivan@sullivanconsultinggroup.com

APPLICATION FOR CERTIFICATION OF NEED
FOR A HEALTH FACILITY OR SERVICE

NOTE: A "complete" application shall include a written narrative report by the applicant (Regulation 61-15, Section 202)

PART A - QUESTIONNAIRE

1. Name of Facility
Summerville Medical Center

2. Address, City, County, State, Zip Code
295 Midland Parkway, Summerville, Dorchester County, South Carolina 29485

3. Type of Facility (Circle)

A. Hospital	B. Nursing Home	C. Psychiatric Facility
D. Rehabilitation Facility	E. Substance Abuse Facility	F. Ambulatory Surgery Facility
G. Other (Specify)		

4. Purpose of Review (Circle)

A. New Facility	**B. Change of Licensure**	**C. Addition to Existing Facility**
D. Renovation to Existing Facility		E. Change of Services
F. Other (Specify): Equipment Purchase		

5. Management

A. Name of Administrator Jeff Taylor, CEO	**B. Address, City, State, Zip Code** 295 Midland Parkway, Summerville, SC 29485	
C. Telephone (843) 832-5102	**D. Fax Number** (843) 832-5104	**E. Email** Jeff.Taylor@HCAHealthcare.com

6. Licensee
A. Name of Licensee: Trident Medical Center, LLC
B. Address, City, State, Zip Code: 9330 Medical Plaza Drive, Charleston, SC 29406

7. Ownership or Control of the Facility (See Section B-8 for full ownership disclosure)			
A. Individual	B. Partnership	**C. Corporation**	D. Proprietary
E. Non-Profit	F. Government (Specify)		
G. Other (Specify):			

8. Proposed Site of the Property	
A. Owned	B. Leased
C. Length of Site Lease	
D. Option	E. Length of Option
F. Name and Address of Owner(s) of Real Property Trident Medical Center, LLC 9330 Medical Plaza Drive Charleston, SC 29406	

9. Total Bed Capacity for Which Application is Made				
		Existing Facility		
Type of Beds	**New Facility Only**	**Existing Beds**	**# Gained or Lost**	**Bed Total**
A. Medical/Surgical		66	+30	96
B. Obstetrics		36	-6	30
C. Pediatrics		6		6
D. Substance Abuse				
E. Psychiatric				
F. Rehabilitation				
G. Nursing Care				
H. RTFs				
I. ICU		8	14	22
J. Other: PCU		8	12	20
K. TOTAL		**124**	**+50**	**174**

10. Construction and Site	
A. Type of Construction	**B. Number of Buildings Pertaining to the Project** One
C. Number of Stories Pertaining to the Project Three plus a penthouse	**D. Size of the Site in Acres** Not applicable.
E. Size of the Project Site in Acres Not applicable	**F. Square Footage of the Project** 20,348 SF Component #1 (3rd floor shell) 23,741 SF Component #2 (New 4th floor) 33,202 SF Component #3 (5th floor shell) **77,381 Total SF**
G. Anticipated Date of Beginning Construction 12 months after CON issuance	**H. Anticipated Date of Licensing or Project Completion** 12 months after CON issuance
I. Anticipated Date for Submission of Final Completion Report Two to three months after project licensing	

11. Zoning of Construction Site	Not applicable

12. Costs (Provide Estimated Cost Statement from Either the Architect or Engineer) See B-3.	
A. Land Cost N/A	**B. Construction Cost** $47,083,000
C. Architect's Fee $3,190,000	**D. Equipment Costs** $10,612,250
E. Financing Cost During Construction: $1,695,000	**F. Other Costs:** $40,000
G. Total Project Cost $62,620,250	
H. Construction and Equipment Cost = $57,695,250 **1) Per Square Foot (77,381): Construction and Equipment – $745.60; Construction Only – $608.46** **2) Per Bed (50 beds): Construction and Equipment – $1,153,905; Construction Only – $941,660**	

PART B - ADDITIONAL INFORMATION

(1) **Document that the applicant has published notification of this project in a local newspaper as required by Section 201 of these Regulations.**

See Affidavit of Publication attached as **Exhibit B-1**.

(2) **Describe the project setting forth the proposed change in services or facilities in as much detail as possible. State whether the project will change the existing licensed or survey bed capacity, will encompass the development of a new service, or will result in the discontinuance of an existing service. If a new facility is proposed, list all services provided.**

Summerville Medical Center ("SMC") is a 124-bed hospital providing a comprehensive range of services and specialties. SMC is part of Trident Health, which also includes SMC's sister hospital, Trident Medical Center ("TMC"). SMC is the only hospital located in Dorchester County and it has been expanding the range of its services since its opening to address the needs of its service area residents. It has become the center of Trident Health's services to women and children. TMC is a tertiary referral center and Level II trauma center, and SMC coordinates care delivery with TMC to ensure clinical excellence and operational efficiency.

The Project

Because of continued growth in utilization, SMC has a need to expand its inpatient bed capacity. Specifically, the proposed project will include the following:

- 30 inpatient medical/surgical beds in SMC's existing 3rd floor shell space constructed under CON SC-14-07.
- Add a 4th floor with 14 ICU beds and 12 PCU beds.
- Add a 5th floor shell.
- 6 licensed beds will be reassigned to the 4th floor.
- The net proposed bed increase will be 50 beds.

The project is necessary to support the growth in the community, generally, and the growth at SMC, specifically. Summerville is experiencing increased volumes in the following surgical specialties: Orthopedics, General Surgery, Colorectal Surgery, GYN, UroGYN, Urology, Breast Surgery, and Spine Surgery. The Summerville area is rapidly growing, and SMC will continue to expand to meet the needs of the community.

The bed expansion is essential to meet the current inpatient capacity needs at SMC, as well as the future growth in inpatient surgeries and admits from SMC's emergency department. The project will provide SMC the following support:

- Attracting physicians to SMC through recruitment, MOB development, and service line growth;
- Retaining SMC's physicians;
- Reducing patient holds in the emergency department;
- Expanding clinical services to serve high growth in the region; and,
- Supporting the newly created clinical services at SMC.

The additional capacity will allow SMC to support its service lines to meet the needs of the community to include:

- Recently opened Interventional Radiology Lab Suite (June 2021).
- Recently launched Spine and Breast Surgery service lines (April 2021).
- Expansion of surgical service lines, including: Orthopedics, General Surgery, Colorectal Surgery, GYN, UroGYN, Urology, and Robotic cases.
- Addition of 3 OR's (OR's 7, 8, 9) – to be completed and functional in 2022. (2 already approved by DHEC and the 3rd in review).
- Development of Robotic Urology Program.

While the 2020 Health Plan shows a need for 7 additional beds in Dorchester County, SMC is requesting to build out 50 beds given the significant population growth in the area, and SMC's expanded services and the growth of its clinical staff. Because SMC is upfitting its existing shelled-in third floor with 30 beds, the cost of the overall project, even when adding a shelled-in 5th floor, will be economical.

This project will not result in the addition or discontinuance of an existing service.

(3) Provide the total cost of the project, indicating design fees, land cost, interest cost, construction cost, equipment cost, and any other cost involved in the project. Provide an estimate of the construction cost from a licensed architect or engineer; in the case of equipment, a valid/current estimate from a vendor is acceptable.

Land Cost		**N/A**
Construction/Renovations Costs		**$47,083,000**
Architect's Fee		**$3,190,000**
Equipment and Furnishing Costs		**$5,610,000**
Information Systems		**$5,002,250**
Financing Cost During Construction		**$1,695,000**
Other Costs:		
Professional & Consulting Fees	$ 25,000	
DHEC Filing Fees	$ 15,000	**$40,000**
Total Project Cost		**$62,620,250**

Documentation supporting the project costs is attached hereto at **Exhibit B-3**. Please note that the per item cost of the equipment has not been listed as HCA has an agreement with a vendor that all such costs remain proprietary and confidential. The per item cost can be made available upon request.

(4) State the specific location of the facility or service and/or equipment, including, where applicable, specific areas of an existing facility to be affected by the project. Provide room numbers of all patient rooms affected. Sufficient detail should be provided to allow the Department to visually inspect the site. The number of private and semi-private patient rooms shall be identified.

Summerville Medical is located at 295 Midland Parkway, Summerville, South Carolina. Please see location map of SMC attached hereto at **Exhibit C-2**.

Project Overview:

Because of continued growth in utilization, SMC has a need to expand its inpatient bed capacity. SMC proposes to add 30 inpatient Adult Medical/Surgical beds in its existing 3rd floor shell space. This project will also include two additional floors to the 3-story tower built in 2019, which includes 14 ICU and 12 PCU beds on the 4th floor and a shelled 5th floor. The number of Obstetrics beds will be reduced from 36 to 30, which reflects SMC's recent decision to convert rooms that were being used for Labor/Delivery/Recovery/Post-Partum to rooms used only for Labor/Delivery/Recovery. The construction program also includes the addition of an emergency generator and infrastructure to support the additional floors.

The proposed project breakdown is as follows:

Component # 1:

- Build-out of the existing third floor shell space constructed under CON SC-14-07 to house a thirty (30) bed Medical/Surgical Unit

Component # 2:

- New 4th floor on existing patient tower to house a 12 bed Medical/Surgical Unit and a 14 bed ICU Unit

Component # 3:

- New 5th floor Shell space for future use as a patient unit

6 licensed beds will be reassigned to the 4th floor. The net proposed bed increase would be 50 beds.

See also response to B(2) above, floor plans are attached hereto at **Exhibit B-4**, and square foot narratives are attached hereto at **Exhibit C-5**.

(5) **Provide details regarding any proposed construction and/or renovation. Discuss alternatives to new construction and why these alternatives were rejected. For a multi-floor project, construction and/or renovation must be described, by floor, to include any additions and/or deletions made to each floor. Provide evidence that the applicant has adequately planned for any temporary move or relocation of any department, facility or services, which may be necessary during the construction period. Document that plans exist to assure adequate protection (from fire, noise, dust, etc.) and continuation of all services during the proposed construction period.**

The project proposes to consists of up-fitting approximately 77,381 SF of space on SMC's 3-story tower built in 2019. Specifically, the project will include:

- ❖ 30 inpatient medical/surgical beds in SMC's existing 3rd floor shell space constructed under CON SC-14-07.
- ❖ Add a 4th floor with 14 ICU beds and 12 PCU beds.
- ❖ Add a 5th floor shell.
- ❖ 6 existing licensed beds will be reassigned to the 4th floor.
- ❖ The net proposed bed increase will be 50 beds.

The proposed project breakdown is as follows:

Component # 1 – 3rd Floor Shell Space:
(Approximately 20,438 BGSF major renovations)

The newly renovated third floor shell spaced will include a 30 Medical/Surgical bed Unit, nurse station, lobby, consult area, AnteRoom, pharmacy, equipment room, and shared central lockers/support.

Component # 2 – New 4th Floor:
(Approximately 23,741 BGSF new construction)

New construction on the fourth floor of the existing patient tower to house a 12 bed Medical/Surgical Unit and a 14 bed ICU Unit. The newly constructed fourth floor will include a nurse station, family waiting area, consult area, pharmacy, physicians lounge, lockers, storage, support space, and AnteRoom. This component will include

Component # 3 – New 5th Floor Shell Space (including Penthouse):
(Approximately 33,202 BGSF new construction)

New construction of a fifth floor shell space for future expansion. This component will contain 380 linear feet of screen walls on the roof to enclose mechanical equipment.

Construction and renovations will be phased to minimize the impact on existing operations. The facility, in coordination with its architects, has made appropriate plans to ensure that all patients and staff are properly protected from fire, noise, dust, and any other environmental dangers that may arise in connection with the proposed construction. As required, SMC will meet with the DHEC Division of Health Facilities Construction for the approval of all construction plans.

This project does not result in the discontinuance of any services. Project alternatives are discussed in B-12 of this CON application.

(6) If a replacement facility or ancillary service is being constructed, describe plans for disposition of the existing facility or ancillary service area upon completion of the project.

Not applicable.

(7) Provide a timetable for development and completion of the project to include, at a minimum, the date of site acquisition, date of architectural contract, architectural design schedule, date of closing for financing, date of valid construction contract, date that all necessary permits (grading, building, sewer, etc.) will be obtained, and date of start of construction. The timetable shall be presented in one month increments commencing with the month following receipt of the Certificate of Need and ending with the execution of a contract or purchase order for equipment only projects.

Activity	Completion Date
Site Acquisition	Not applicable
Architectural Contract	Within 2 months from CON issuance
Architectural Design	Within 4 months from CON issuance
Construction Contract	Within 5 months from CON issuance
Permits Obtained	Within 7 months from CON issuance
Construction Start Date	Within 8 months from CON issuance
Completion of Construction	Within 12 months from CON issuance
Project Licensed	Within 12 months from CON issuance

(8) Provide the following ownership information:

(a) Proposed name of facility.

Summerville Medical Center

(b) Name and address of licensee or prospective licensee. (Note: The licensee is defined as the legal entity who, or whose governing body, has the ultimate responsibility and authority for the conduct of the facility or service; the owner of the business. The licensee must be the entity to whom the Certificate of Need is issued.)

Trident Medical Center, LLC
9330 Medical Plaza Drive
Charleston, SC 29406

(c) Complete title of the licensee's governing body.

Trident Health Board of Trustees

(d) Name, title and mailing address of presiding officer of the governing body.

Robert Pratt
9330 Medical Plaza Drive
Charleston, SC 29406

(e) Name and mailing address of all persons and/or legal entities having any ownership interest or owner's equity of the licensee to include a schedule of percent and type of ownership claim of each.

AC Med, LLC
One Park Plaza
Nashville, TN 37203
Percent of Ownership Interest – 100%

(f) Name and mailing address of all persons and/or legal entities claiming liabilities of the licensee or of the facility or service for which this Certificate of Need is requested to include a schedule of percent and type of claim of each.

See (e) above.

(g) Provide a listing which identifies all officers of the licensee.

OFFICERS AND MANAGERS OF TRIDENT MEDICAL CENTER, LLC

*SAMUEL N. HAZEN	PRESIDENT	ONE PARK PLAZA NASHVILLE, TN 37203
CHARLES J. HALL	SENIOR VICE PRESIDENT	ONE PARK PLAZA NASHVILLE, TN 37203
A. BRUCE MOORE, JR.	SENIOR VICE PRESIDENT	ONE PARK PLAZA NASHVILLE, TN 37203

J. WILLIAM B. MORROW	SENIOR VICE PRESIDENT AND TREASURER	ONE PARK PLAZA NASHVILLE, TN 37203
JOSEPH A. SOWELL, III	SENIOR VICE PRESIDENT	ONE PARK PLAZA NASHVILLE, TN 37203
HUGH C. TAPPAN	SENIOR VICE PRESIDENT	115 CENTRAL ISLAND DRIVE, STE 400 CHARLESTON, SC 29492
ROBERT A. WATERMAN	SENIOR VICE PRESIDENT	ONE PARK PLAZA NASHVILLE, TN 37203
*CHRISTOPHER F. WYATT	SENIOR VICE PRESIDENT	ONE PARK PLAZA NASHVILLE, TN 37203
KEVIN A. BALL	VICE PRESIDENT AND ASSISTANT SECRETARY	ONE PARK PLAZA NASHVILLE, TN 37203
MIKE T. BRAY	VICE PRESIDENT	ONE PARK PLAZA NASHVILLE, TN 37203
MONICA CINTADO	VICE PRESIDENT	ONE PARK PLAZA NASHVILLE, TN 37203
NATALIE H. CLINE	VICE PRESIDENT AND SECRETARY	ONE PARK PLAZA NASHVILLE, TN 37203
JOHN L. CROTHERS	VICE PRESIDENT	ONE PARK PLAZA NASHVILLE, TN 37203
JAIME DERENSIS	VICE PRESIDENT AND ASSISTANT SECRETARY	ONE PARK PLAZA NASHVILLE, TN 37203
*JOHN M. FRANCK II	VICE PRESIDENT AND ASSISTANT SECRETARY	ONE PARK PLAZA NASHVILLE, TN 37203
SHIRLEY FULLER COOPER	VICE PRESIDENT	ONE PARK PLAZA NASHVILLE, TN 37203
RONALD LEE GRUBBS, JR.	VICE PRESIDENT	ONE PARK PLAZA NASHVILLE, TN 37203
JOHN M. HACKETT	VICE PRESIDENT	ONE PARK PLAZA NASHVILLE, TN 37203
SETH A. KILLINGBECK	VICE PRESIDENT AND ASSISTANT SECRETARY	ONE PARK PLAZA NASHVILLE, TN 37203
TODD LACAZE	VICE PRESIDENT	115 CENTRAL ISLAND DRIVE, STE 400 CHARLESTON, SC 29492
L. ERIK LARSEN	VICE PRESIDENT	ONE PARK PLAZA NASHVILLE, TN 37203
T. SCOTT NOONAN	VICE PRESIDENT	ONE PARK PLAZA NASHVILLE, TN 37203
CHRISTINA OH	VICE PRESIDENT	115 CENTRAL ISLAND DRIVE, STE 400 CHARLESTON, SC 29492
NICHOLAS L. PAUL	VICE PRESIDENT	1100 DR. MARTIN L. KING, JR. BLVD SUITE 1500 NASHVILLE, TN 37203
RICARDO PAVON	VICE PRESIDENT	ONE PARK PLAZA NASHVILLE, TN 37203
DOUG L. DOWNEY	ASSISTANT SECRETARY	ONE PARK PLAZA NASHVILLE, TN 37203
DEBORAH H. MULLIN	ASSISTANT SECRETARY	ONE PARK PLAZA NASHVILLE, TN 37203
SHIRLEY SCHARF CHEATHAM	ASSISTANT SECRETARY	ONE PARK PLAZA NASHVILLE, TN 37203
JOHN I. STARLING	ASSISTANT SECRETARY	ONE PARK PLAZA NASHVILLE, TN 37203

***Managers**
Persons employed in the capacity of Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Administrator and Assistant Administrator of facilities owned and/or operated by this Company or by a partnership for which this Company acts as general partner or by a limited liability company for which this Company acts as managing member, are hereby authorized to, subject to the Company's policies and procedures, (a) manage the facilities and all day-to-day operations of, and the employees and agents of the Company at, such facilities, and take such other acts as are necessary or appropriate for the proper functioning of the facilities, and (b) negotiate and enter into contracts and agreements necessary to conduct the day-to-day business of such facilities, including, but not limited to, physician contracts, personal property leases, purchase agreements, cost reports, and similar documents (but specifically excluding any contracts or leases relating to real estate, except for leases to tenants in buildings owned by or leased to the Company entered into pursuant to the Company's policies and procedures) which with the advice of legal counsel shall be deemed appropriate and advisable, and to execute and deliver Certificates of Resolution required in connection with such contracts and agreements.

(h) Is the land and/or building on/in which the proposed facility or service is to be conducted owned by the applicant? _X_ Yes ___ No. If no, provide information on the land and building similar to that required in (b) through (g) above.

(i) Has the licensee engaged an entity other than an employee of the licensee to manage or operate the facility or service? ____Yes _X_ No. If yes, provide information similar to that required in (b) through (g) above.

(j) Is there any agreement, contract, option, understanding, intent or other arrangement that will effect a change in any of the information requested and/or provided in (b) through (g) above. ____Yes _X_ No. If yes, provide information similar to that required in (b) through (g) above.

(k) Provide a complete listing of all existing licensed health care facilities and/or services and Certificates of Need in which the proposed licensee currently has an ownership interest, to include names and addresses of each facility or service. In the cases of Certificates of Need for undeveloped facilities and services, provide the name, address, and telephone number of a contact person representing the authority which issued the Certificate of Need.

The following list represents the inventory of licensed facilities of the applicant:

Trident Medical Center, LLC d/b/a Trident Medical Center (HTL-0777)
9330 Medical Plaza Drive
Charleston, SC 29406

Trident Medical Center, LLC d/b/a Summerville Medical Center (HTL-0780)
295 Midland Parkway
Summerville, SC 29485

Trident Breast Care Center
9313 Medical Plaza Drive, Suite 201
Charleston, SC 29406

Trident Sports Medicine & Rehab/Trident Speech Center
9313 Medical Plaza Drive, Suite 103
Charleston, SC 29406

Trident Medical Arts MRI
9313 Medical Plaza Drive, Suite 100
Charleston, SC 29406

Trident Diagnostic Services
9313 Medical Plaza Drive, Suite 101
Charleston, SC 29406

Trident Wound Care Clinic
9302 Medical Plaza Drive, Suite D
Charleston, SC 29406

Moncks Corner Medical Center
401 N. Live Oak Drive
Moncks Corner, SC 29461

Center Pointe Emergency
5249 Emmett I. Davis Jr. Avenue
North Charleston, SC 29418

Brighton Park Emergency
1626 N. Main Street
Summerville, SC 29483

Summerville Breast Center
77 Springview Lane
Summerville, SC 29485

Summerville Medical Center (SC-18-09)
295 Midland Parkway
Summerville, SC 29485
Certificate of Need for the expansion of its emergency department and ancillary support services.

Trident Medical Center, LLC d/b/a Trident Medical Center (SC-18-37)
9330 Medical Plaza Drive
Charleston, SC 29406
Certificate of Need for the development of a freestanding psychiatric hospital and behavioral health unit with the addition of 43 psychiatric beds and the relocation of 17 psychiatric beds from Trident's main campus for a total of 60 beds.

Trident Medical Center, LLC d/b/a Trident Medical Center (SC-19-116)
9330 Medical Plaza Drive
Charleston, SC 29406
Certificate of Need for the addition of six acute care beds

Trident Medical Center, LLC d/b/a James Island Emergency (SC-21-60)
9330 Medical Plaza Drive
Charleston, SC 29406
Certificate of Need for James Island Emergency freestanding emergency department

Summerville Medical Center
295 Midland Parkway
Summerville, SC 29485
Filed with the South Carolina Department of Health and Environmental Control on June 29, 2020–Certificate of Need application for the establishment of diagnostic cardiac catheterization services. This project was denied by the Department on January 25, 2021, and is currently pending before the Administrative Law Court.

Summerville Medical Center
295 Midland Parkway
Summerville, SC 29485
Filed with the South Carolina Department of Health and Environmental Control on August 6, 2020–Certificate of Need application for the conversion of six Level II intermediate care bassinets to Level III intensive care bassinets. This project was approved by the Department on February 22, 2021, and is currently pending before the Administrative Law Court.

Trident Medical Center, LLC d/b/a Trident Medical Center
9330 Medical Plaza Drive
Charleston, SC 29406
Certificate of Need application for Operating Room Expansion and Perioperative Space filed with the Department August 26, 2021. Deemed complete in the November 26, 2021 State Register.

Trident Medical Center, LLC d/b/a Trident Medical Center
9330 Medical Plaza Drive
Charleston, SC 29406
Certificate of Need application for Third Catheterization Lab filed with the Department August 30, 2021. Deemed complete in the October 22, 2021 State Register.

(l) **Should the licensee be a subsidiary corporation, provide a diagram of the licensee's relationship to the parent corporation and list the name and address of the parent corporation as well as the corporation which has ultimate control. In addition, please provide the name and mailing address of all persons and/or legal entities having ownership interest of 5 percent or more or any person with any agreement, contract, option, arrangement, or intent to acquire ownership interest of 5 percent or more, of all corporations in the corporate organizational structure which have ultimate control of the licensee.**

HCA Healthcare, Inc.
(a Delaware Corporation)
One Park Plaza
Nashville, TN 37203
⬇**100%**

HCA Inc.
(a Delaware Corporation)
One Park Plaza
Nashville, TN 37203
⬇**100%**

Healthtrust, Inc. – The Hospital Company
(a Delaware Corporation)
One Park Plaza
Nashville, TN 37203
⬇**100%**

AC Med, LLC
(a Delaware Corporation)
One Park Plaza
Nashville, TN 37203
⬇**100%**

LICENSEE:
Trident Medical Center, LLC
(a Delaware LLC, qualified in South Carolina)
Principal Office Address: One Park Place
Nashville, TN 37203

(9) Provide documentation that the applicant has sought cooperative agreements such as transfer agreements with other facilities, as applicable.

Summerville Medical has patient transfer agreements with the following facilities:

Carolina Surgery Center
Coliseum Medical Center
Colleton Medical Center
Eastside Medical Center
Elms Endoscopy Center
Fairview Park Hospital
Fetter Health Care Network, Inc.
Johns Island Rehabilitation and Healthcare Center
Lowcountry Outpatient Surgery Center, LLC
Medical University Hospital Authority MUSC
Palmetto Oakbrook Operating, LLC
RAI Care Centers of South Carolina I, LLC
Redmond Park Hospital
Riverside Rehabilitation and Healthcare Center
Summerville Endoscopy Center, LLC
Sweetgrass Plastic Surgery, LLC
The Regional Medical Center of Orangeburg/Calhoun Counties
The Village of Summerville/Presbyterian Community
SC DHEC (Emergency Preparedness-Mutual Aid Agreement-Patient Transfers)

(10) Indicate the means by which a person will have access to the facility's services (i.e. physician referral, self-admission, etc.). Identify the specific facilities or agencies the applicant expects to receive referrals from (i.e. hospitals, home health agencies, etc.). Describe any limitations placed on admission.

Inpatient admissions and services will be provided to patients based on a written order for admission by a licensed physician according to Summerville Medical's current policies

and procedures for inpatient admissions. Summerville Medical serves all patients in need of care, within the hospital's scope of care, regardless of race, creed, color, sex, handicap, or national origin or source of payment. No person requiring emergency treatment will be denied admission, regardless of ability to pay.

See also responses to (1) of Part C Programmatic Documents of this application.

(11) Demonstrate that the proposed project is needed or projected as necessary to meet an identified need of the public. This shall address at a minimum: identification of the target population; the degree of unmet need; projected utilization of the proposed facility or service; utilization of existing facilities and services; past utilization of existing similar services within the facility; and justification that the proposed project will not unnecessarily duplicate existing entities. The applicant must show all assumptions, data sources, and methodologies used. The applicant must use population statistics consistent with those generated by the State Demographer, State Budget and Control Board.

SMC is a 124-bed hospital providing a comprehensive range of services and specialties. SMC is part of Trident Health, which also includes SMC's sister hospital, Trident Medical Center ("TMC"). SMC is the only hospital located in Dorchester County and it has been expanding the range of its services since its opening to address the needs of its service area residents. It has become the center of Trident Health's services to women and children. TMC is a tertiary referral center and Level II trauma center, and SMC coordinates care delivery with TMC to ensure clinical excellence and operational efficiency.

Project Overview

Because of continued growth in utilization, SMC has a need to expand its inpatient bed capacity. SMC proposes to add 30 inpatient Adult Medical/Surgical beds in its existing 3rd floor shell space. This project will also include two additional floors to the 3-story tower built in 2019, which includes 14 ICU and 12 PCU beds on the 4th floor and a shelled 5th floor. The number of Obstetrics beds will be reduced from 36 to 30, which reflects SMC's recent decision to convert rooms that were being used for Labor/Delivery/Recovery/Post-Partum to rooms used only for Labor/Delivery/Recovery. The construction program also includes the addition of an emergency generator and infrastructure to support the additional floors.

The project is necessary to support the growth in the community, generally, and the growth at SMC, specifically. As will be detailed below, SMC is experiencing high rates of occupancy in certain specific patient units that will only be exacerbated by expected future growth.

SMC's capacity challenges are impacting its ability to meet current demand and bring new service lines to its campus. In addition, SMC still has some semi-private rooms,

which limits the use of all beds and is less than ideal for patient care. Based on SMC's year-to-date 2021 occupancy data, **Exhibit 1** presents the level of utilization of its medical/surgical beds assuming use of all semi-private ("SP") beds and if these beds were treated as private rooms. The addition of beds to SMC will allow these semi-private rooms to be utilized primarily as private rooms.[1]

Exhibit 1
Summerville Medical Center
Impact of Utilizing Semi-Private Rooms to Private Rooms

	Rooms	Semi-Pvt Beds	Total Beds	IP ADC	Total Occupancy	Private Occupancy
2nd Floor	19	10	29	23	84%	128%
3rd Floor	25	12	37	29	80%	119%
Total Med Surg	**44**	**22**	**66**	**52**	**82%**	**123%**

The challenges that SMC faces are reflected in SMC's need to hold patients in its Emergency Department while waiting for an inpatient bed to become available. As shown in **Exhibit 2**, average daily ED Holds increased significantly between 2019 and 2021, further underscoring the need for additional bed capacity.

Exhibit 2
Summerville Medical Center
Average Daily ED Hold Census

	2019	2020	2021 YTD
Avg ED Hold Hours	1,274	3,074	5,180
Avg Daily ED Hold Census	1.8	4.2	7.1

Based on these considerations and the analysis presented below, **Exhibit 3** presents the projected changes in beds by category.

[1] SMC will maintain the same number of licensed beds on the 2nd and 3rd floors to be able to accommodate periods of high utilization.

Exhibit 3
Proposed Changed in Bed Capacity

Type of Beds	New Facility Only	Existing Beds	# Gained or Lost	Bed Total
A. Medical/Surgical		66	+30	96
B. Obstetrics		36	-6	30
C. Pediatrics		6		6
D. Substance Abuse				
E. Psychiatric				
F. Rehabilitation				
G. Nursing Care				
H. RTFs				
I. ICU		8	14	22
J. Other: PCU		8	12	20
K. TOTAL		**124**	**+50**	**174**

Service Area

SMC serves a population that primarily resides in Dorchester and Berkeley Counties and adjoining ZIP Codes in northern Charleston County. Patient origin of SMC's inpatient discharges by ZIP Code is presented in **Exhibit 4**.

Exhibit 4
Summerville Medical Center
2020 Inpatient Discharges by ZIP Code

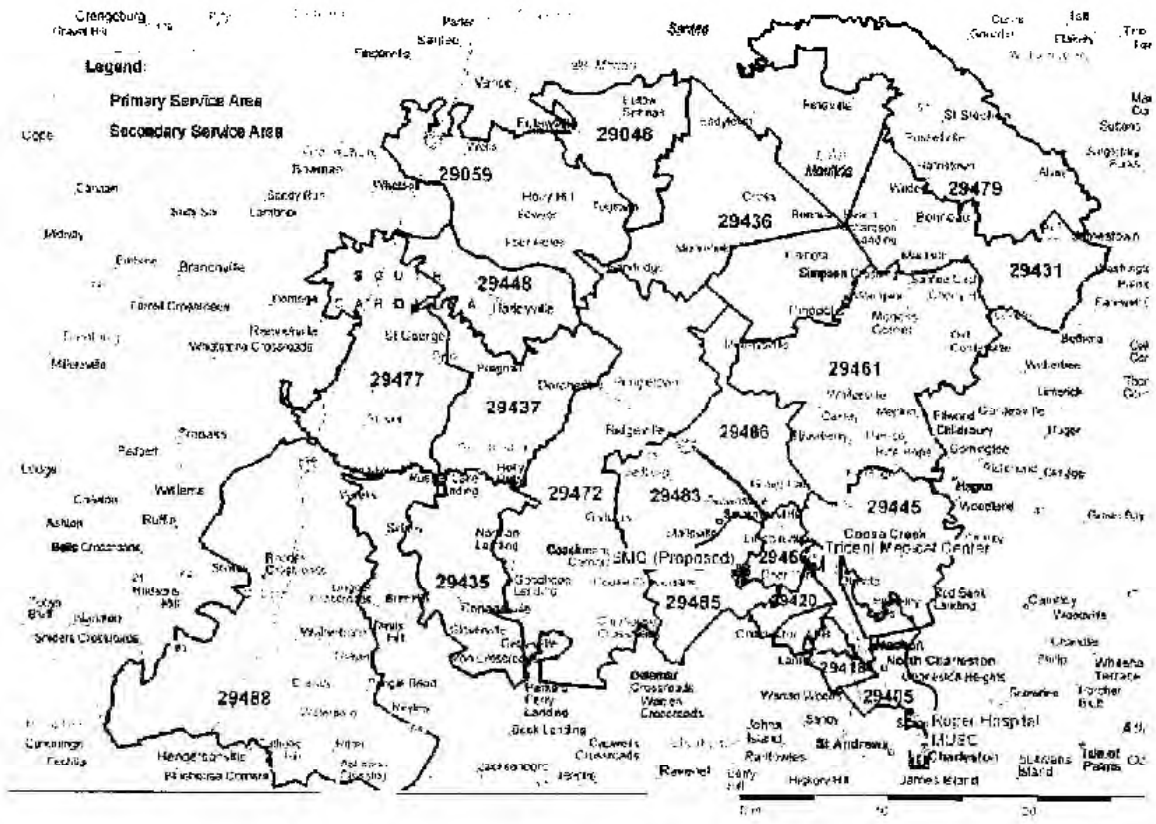
ZIP Code/City	Discharges	% of Total	Cumulative %
29483 - SUMMERVILLE	1,772	21.0%	21.0%
29485 - SUMMERVILLE	1,686	20.0%	40.9%
29456 - LADSON	788	9.3%	50.2%
29445 - GOOSE CREEK	557	6.6%	56.8%

29486 - SUMMERVILLE	373	4.4%	61.2%	
29406 - CHARLESTON	359	4.2%	65.5%	
29420 - NORTH CHARLESTON	335	4.0%	69.5%	
29461 - MONCKS CORNER	301	3.6%	73.0%	
29418 - NORTH CHARLESTON	254	3.0%	76.0%	
29472 - RIDGEVILLE	218	2.6%	78.6%	
29488 - WALTERBORO	148	1.8%	80.4%	
29437 - DORCHESTER	113	1.3%	81.7%	
29477 - SAINT GEORGE	103	1.2%	82.9%	**PSA**
29405 - NORTH CHARLESTON	89	1.1%	84.0%	
29059 - HOLLY HILL	70	0.8%	84.8%	
29479 - SAINT STEPHEN	70	0.8%	85.6%	
29048 - EUTAWVILLE	67	0.8%	86.4%	
29435 - COTTAGEVILLE	66	0.8%	87.2%	
29431 - BONNEAU	53	0.6%	87.8%	
29436 - CROSS	53	0.6%	88.5%	
29437 - DORCHESTER	48	0.6%	89.0%	**SSA**
All Other	928	11.0%	100.0%	
Grand Total	**8,451**	**100.0%**		

Source: SMC internal records

A map of the SMC service is presented in Exhibit 5.

Exhibit 5
Summerville Medical Center Inpatient Service Area



Population projections from the South Carolina Revenue and Fiscal Affairs office are not available by age cohort or ZIP Code. As a result, population data were obtained from Claritas, a national provider of demographic data. The estimated 2019 population and the projected 2024 population for ZIP Codes in the SMC service area are presented in **Exhibit 6.** The total service area population will increase at an annual rate of 1.5 percent between 2019 and 2024, while the population age 65 and older will increase much more rapidly with a projected growth rate of 4.0% annually. The older population has a higher incidence of a variety of different medical conditions, including those that would require inpatient admission.

Exhibit 6
Trident Medical Center Service Area
Estimated and Projected Population

	2021				
ZIP Code	**Under 15**	**15-44**	**45-64**	**65+**	**Total**
29483 (Summerville)	11,507	22,116	14,337	8,640	6,600
29485 (Summerville)	11,472	23,281	15,264	9,014	59,031
29445 (Goose Creek)	13,275	30,147	15,739	8,248	67,409
29488 (Walterboro)	4,177	7,618	5,428	4,404	21,627
29456 (Ladson)	7,923	15,803	8,692	4,275	36,693
29461 (Moncks Corner)	8,014	16,064	10,483	6,967	41,528
29486 (Summerville)	7,622	14,901	9,186	5,545	37,254
29406 (Charleston)	7,781	15,986	6,676	3,802	34,245
29472 (Ridgeville)	1,509	4,400	2,858	1,780	10,547
29418 (North Charleston)	5,682	11,691	6,662	3,744	27,779
29477 (Saint George)	1,174	2,594	1,866	1,684	7,318
29410 (Hanahan)	3,945	8,391	5,129	3,036	20,501
SUBTOTAL PSA	**84,773**	**174,213**	**103,407**	**61,935**	**424,328**
29431 (Bonneau)	1,206	2,654	1,939	1,506	7,305
29479 (Saint Stephen)	1,580	3,124	1,952	1,680	8,336
29435 (Cottageville)	692	1,221	1,087	796	3,796
29436 (Cross)	857	1,748	1,366	1,123	5,094
29405 (North Charleston)	5,358	11,643	6,610	4,442	28,053
29048 (Eutawville)	757	1,340	1,192	1,098	4,387
29059 (Holly Hill)	1,127	1,947	1,417	1,192	5,683
29437 (Dorchester)	434				

		795	672	506	2,407
SUBTOTAL SSA	**8,533**	**17,473**	**11,257**	**8,361**	**45,624**
TOTAL AREA	**93,306**	**191,686**	**114,664**	**70,296**	**469,952**

	2026				
ZIP Code	**Under 15**	**15-44**	**45-64**	**65+**	**Total**
29483 (Summerville)	11,700	23,589	15,095	10,619	61,003
29485 (Summerville)	11,519	24,518	16,080	10,946	63,063
29445 (Goose Creek)	13,745	31,665	17,034	10,556	73,000
29488 (Walterboro)	4,154	7,798	5,088	4,930	21,970
29456 (Ladson)	8,207	16,591	9,718	5,438	39,954
29461 (Moncks Corner)	8,466	17,278	10,800	8,602	45,146
29486 (Summerville)	8,072	15,861	9,686	7,056	40,675
29406 (Charleston)	8,421	16,182	7,353	4,618	36,574
29472 (Ridgeville)	1,527	4,618	2,779	2,160	11,084
29418 (North Charleston)	6,084	12,033	6,952	4,820	29,889
29477 (Saint George)	1,164	2,766	1,742	1,938	7,610
29420 (North Charleston)	5,049	10,541	6,270	3,790	25,650
29410 (Hanahan)	4,083	8,734	5,438	3,709	21,964
SUBTOTAL PSA	**93,399**	**194,442**	**115,671**	**80,702**	**484,214**
29431 (Bonneau)	1,281	2,902	1,870	1,831	7,884
29479 (Saint Stephen)	1,676	3,463	1,869	1,973	8,981
29435 (Cottageville)	695	1,279	978	920	3,872
29436 (Cross)	890	1,924	1,265	1,359	5,438
29405 (North Charleston)	5,605	11,791	6,463	5,227	29,086
29048 (Eutawville)	732				

		1,388	1,038	1,216	4,374
29059 (Holly Hill)	1,080	2,006	1,244	1,323	5,653
29437 (Dorchester)	431	864	619	613	2,527
SUBTOTAL SSA	**8,738**	**17,973**	**10,629**	**9,738**	**47,078**
TOTAL AREA	**105,624**	**219,979**	**131,376**	**96,064**	**553,043**

	CAGR 2021-2026				
ZIP Code	**Under 15**	**15-44**	**45-64**	**65+**	**Total**
29483 (Summerville)	0.3%	1.3%	1.0%	4.2%	1.5%
29485 (Summerville)	0.1%	1.0%	1.0%	4.0%	1.3%
29445 (Goose Creek)	0.7%	1.0%	1.6%	5.1%	1.6%
29488 (Walterboro)	-0.1%	0.5%	-1.3%	2.3%	0.3%
29456 (Ladson)	0.7%	1.0%	2.3%	4.9%	1.7%
29461 (Moncks Corner)	1.1%	1.5%	0.6%	4.3%	1.7%
29486 (Summerville)	1.2%	1.3%	1.1%	4.9%	1.8%
29406 (Charleston)	1.6%	0.2%	2.0%	4.0%	1.3%
29472 (Ridgeville)	0.2%	1.0%	-0.6%	3.9%	1.0%
29418 (North Charleston)	1.4%	0.6%	0.9%	5.2%	1.5%
29477 (Saint George)	-0.2%	1.3%	-1.4%	2.8%	0.8%
29420 (North Charleston)	5.1%	4.7%	4.1%	4.5%	4.6%
29410 (Hanahan)	0.3%	1.3%	1.0%	4.2%	1.5%
SUBTOTAL PSA	0.3%	1.3%	1.0%	4.2%	1.5%
29431 (Bonneau)	1.2%	1.8%	-0.7%	4.0%	1.5%
29479 (Saint Stephen)	1.2%	2.1%	-0.9%	3.3%	1.5%
29435 (Cottageville)	0.1%	0.9%	-2.1%	2.9%	0.4%
29436 (Cross)	0.8%	1.9%	-1.5%	3.9%	1.3%
29405 (North Charleston)	0.9%	0.3%	-0.4%	3.3%	0.7%
29048 (Eutawville)	-0.7%	0.7%	-2.7%	2.1%	-0.1%
29059 (Holly Hill)	-0.8%	0.6%	-2.6%	2.1%	-0.1%
29437 (Dorchester)	-0.1%	1.7%	-1.6%	3.9%	1.0%
SUBTOTAL SSA	**0.5%**	**0.6%**	**-1.1%**	**3.1%**	**0.6%**
TOTAL AREA	**1.2%**	**1.8%**	**-0.7%**	**4.0%**	**1.5%**

Source: Claritas, 2021

Historical Utilization

The Tri-County area hospitals have seen growth in utilization between 2016 and 2020, the most recent five years available from the Joint Annual Reports of

Hospitals ("JARs"). As shown in **Exhibit 7**, acute discharges, which exclude psychiatric, substance abuse, and rehabilitation, declined by 1.4% annually during the period, which is attributable to the impact of the pandemic in 2020. SMC discharges, however, increased by 6.3%.

Exhibit 7
Tri-County Hospital Utilization Trends
Acute Care Discharges

	2016	2017	2018	2019	2020	Annual % Change 2016-2020
Trident	16,310	16,490	17,868	17,398	13,888	-3.9%
Summerville*	6,535	6,742	7,159	7,792	8,352	6.3%
MUSC	30,825	31,739	32,887	31,508	30,904	0.1%
Roper	12,539	12,430	11,147	10,780	10,140	-5.2%
Bon Secours SF	8,946	9,056	8,655	9,038	8,140	-2.3%
Mount Pleasant	1,922	2,313	2,747	2,710	2,384	5.5%
East Cooper	5,315	4,750	4,844	4,913	4,102	-6.3%
RSF Berkeley	-	-	-	610	2,813	-
Total	**82,392**	**83,520**	**85,307**	**84,139**	**77,910**	-1.4%

*Reflects corrected Summerville JAR data for 2019.

Source: Joint Annual Reports of Hospitals

Acute care patient days grew by a small amount between 2016 and 2020, again due to the pandemic. See **Exhibit 8**. Overall, patient days increased by 0.1% annually, with SMC and Mount Pleasant Hospital having the highest growth among established facilities.

Exhibit 8
Tri-County Hospital Utilization Trends
Acute Care Patient Days

	2016	2017	2018	2019	2020	CAGR 2016-2020
Trident	74,255	82,297	84,696	81,668	69,109	-1.8%
Summerville*	23,928	23,937	26,376	27,382	30,530	6.3%

MUSC	187,866	192,513	189,243	212,912	198,455	1.4%
Roper	58,343	55,083	54,376	51,074	51,215	-3.2%
Bon Secours SF	33,253	32,608	31,787	32,288	30,669	-2.0%
Mount Pleasant	5,786	6,967	8,182	8,093	9,087	11.9%
East Cooper	15,328	13,667	14,064	14,056	11,507	-6.9%
RSF Berkeley	-	-	-	1,802	8,560	-
Total	**398,759**	**407,072**	**408,724**	**427,473**	**400,572**	0.1%

*Reflects corrected Summerville JAR data for 2019.

Source: Joint Annual Reports of Hospitals

A more detailed review of SMC's historical utilization of inpatient beds by patient unit demonstrates that utilization varies by type of service. As seen in **Exhibit 9**, SMC has experienced the highest utilization rates in adult medical/surgical beds ("Adult Med/Surg"), which have increased from 75.8% occupancy in 2019 to 91.1% in 2021 (10 months). The Med/Surg ICU also saw a rapid increase in utilization, rising from 66.3% in 2019 to 88.6% in 2021. SMC's Progressive Care Unit ("PCU") experienced a significant increase from 2020 to 2021 with a 68.8% occupancy rate. The number of Obstetrics discharges and patient days had a small increase between 2019 and 2021; however, the utilization of this unit remained below 50%.

Exhibit 9
Summerville Medical Center
Utilization by Patient Unit

	2019				
	Beds	**Discharges**	**Patient Days**	**ADC**	**Occupancy %**
Adult Med/Surg	66	4,642	18,272	50.1	75.8%
Obstetrics	36	2,210	5,305	14.5	40.3%
Pediatric Med/Surg	6	651	1,343	3.7	61.7%
PCU	8	71	544	1.5	18.9%
Med/Surg ICU	8	218	1,918	5.3	66.3%
Total	124	7,792	27,382	75.1	60.1%

	2020				
	Beds	**Discharges**	**Patient Days**	**ADC**	**Occupancy %**
Adult Med/Surg	66	4,028	19,411	53.2	80.6%
Obstetrics	36	2,698	6,149	16.8	46.8%
Pediatric Med/Surg	6	828	1,577	4.3	72.0%
PCU	8	406	1,158	3.2	39.7%

Med/Surg ICU	8	392	2,235	6.1	76.5%
Total	124	8,352	30,530	83.6	67.5%

Source: JARs, as corrected for 2019

	January 1 through October 31, 2021				
	Beds	**Discharges**	**Patient Days**	**ADC**	**Occupancy %**
Adult Med/Surg	66	4,118	18,274	60.1	91.1%
Obstetrics	36	2,141	5,084	16.7	46.5%
Pediatric Med/Surg	6	463	1,021	3.4	56.0%
PCU	8	178	1,674	5.5	68.8%
Med/Surg ICU	8	213	2,155	7.1	88.6%
Total	124	7,113	28,208	92.8	74.8%

Source: SMC Internal Data

SMC is not the same hospital today as it was as recently as 2019. The addition of new specialty services has increased the acuity of care as well as the overall utilization of the facility. SMC determined that additional bed capacity will be needed in Adult Med/Surg, PCU, and Med/Surg ICU to accommodate future increases in utilization. A small reduction in Obstetrics beds is warranted given their lower occupancy while still allowing growth in Obstetrics utilization in future years.

SMC has seen rapid growth in inpatient utilization between 2017 and 2021. As reflected in **Exhibit 10**, despite disruptions caused by the pandemic, inpatient discharges grew by 6.1% annually, while inpatient days increased even more rapidly at 9.1% annually due to increases in SMC's average length of stay as it added more complex offerings in specialties such as Orthopedics, General Surgery, Colorectal Surgery, GYN Oncology, Vascular Surgery, and Robotic Surgery. SMC achieved this growth despite the opening of RSF Berkeley Hospital in 2019.

Exhibit 10
Summerville Medical Center
Historical Utilization of Acute Care Beds

	2017	**2018**	**2019**	**2020**	**Through 10/31/21**	**Annualized 2021**	**Annual % Change 2017-2021**
Discharges	6,742	7,159	8,154	8,354	7,113	8,540	6.1%

Days	23,937	26,376	30,189	30,530	28,208	33,868	9.1%
ALOS	3.57	3.72	3.71	3.61	3.97	3.97	2.7%
ADC	65.58	72.26	82.71	83.42	92.79	92.79	9.1%
Beds	124	124	124	124	124	124	
Occupancy %	**52.9%**	**58.3%**	**66.7%**	**67.3%**	**74.8%**	**74.8%**	

Source: SMC internal records

SMC's growth in the future is not expected to abate. In 2021, SMC added a new orthopedic surgeon, two spine surgeons, two general surgeons, and a vascular surgeon who are expected to admit new inpatients and outpatients to SMC.

Projected Utilization

In order to be conservative in projecting future of utilization of SMC beds, future growth rates were assumed to be below historical rates. The projected utilization for SMC is based on the following assumptions:

- Inpatient discharges are projected to increase at 4.0% annually.
- Average length of stay is projected to increase at 1.0% annually.
- The 50 new beds are assumed to be operational in 2024.

Based on these assumptions, **Exhibit 11** summarizes the projected utilization of SMC through 2026.

Exhibit 11
Summerville Medical Center
Projection Utilization of Acute Care Beds

	Annualized 2021	2022	2023	2024	2025	2026
Discharges	8,540	8,882	9,237	9,607	9,991	10,391
Days	33,868	35,575	37,368	39,251	41,230	43,308

ED Visits	62,599	65,103	67,707	70,415	73,232	76,161
ALOS	3.97	4.01	4.05	4.09	4.13	4.17
ADC	92.79	97.47	102.38	107.54	112.96	118.65
Beds	124	124	124	174	174	174
Occupancy %	**74.8%**	**78.6%**	**82.6%**	**61.8%**	**64.9%**	**68.2%**

By 2026, the 174 acute care beds at SMC are expected to achieve a 68.2% occupancy rate. There is a clear need for the proposed bed addition requested in this application.

South Carolina Health Plan

The 2020 South Carolina Health Plan ("SCHP") provides the following standards for the review of CON applications for addition of general acute care beds.

CERTIFICATE OF NEED PROJECTION AND STANDARDS

1. **Calculations of hospital bed need are made for individual hospitals and totaled by county to determine the overall bed need for that service area, which is the county for CON purposes.**

2. **For individual hospitals, the methodology for calculating bed need is as follows:**

   a. **Determine the current facility use rate by dividing the current utilization by the current population in each of the three age cohorts.**

   b. **Multiply the current facility use rate by age cohort by the projected population for seven years in the future by age cohort (in thousands) and divide by 365 to obtain a projected average daily census by age cohort.**

   c. **Divide the sum of the age cohort projected facility average daily census by the variable occupancy (.65/.70/.75) to determine the number of beds needed to meet the hospital's need.**

   d. **The number of additional beds needed or excess beds for the hospital is obtained by subtracting the number of existing beds from the bed need.**

   e. **The totals for each hospital in a county or service area are summed to determine whether there is an overall projected surplus or need for additional beds.**

3. **The methodology for calculating the statewide utilization bed need for a service area is as follows:**

   a. **Divide the statewide total patient days by 365 to determine the statewide average daily census.**

   b. **Divide the statewide average daily census by the statewide occupancy factor (.75) to determine the total statewide bed need.**

   c. **Divide the statewide bed need by the 2018 statewide population to generate a bed-per-population (BPP) multiplier.**

   d. **For each service area, multiply the projected population by the BPP multiplier to determine the service area bed need, then subtract the 0total number of existing and approved beds to determine the statewide utilization bed need for the service area.**

4. **The bed need for each service area is the combined bed need for all individual hospitals in the service area. The bed need for service areas with no hospital, or for service areas in which no hospital has reported any utilization data on the most recent JAR, is the statewide utilization bed need.**

   Exhibit 12 presents the bed need calculations for SMC, which is also the need for Dorchester County. The above methodology results in a calculated need for 7 additional acute care beds.

Exhibit 12

GENERAL BED NEED
(Chapter 3)

Facility by Region and County	Age Category	2018 Pop	2024 Pop	2018 Pt Days	Proj ADC	Variable Rate Factor	Bed Need	Licensed/ Approved Beds	Staffed/ Approved Beds	Add/ Excess Use	2018 Occ. Rate	Statwide Bed Need	Add/ Excess State	Bed Need
Summerville Medical Center	<18	39,214	40,080	3,025	8									
	18-64	98,799	108,745	14,598	44									
	+65	22,634	30,285	8,753	32									
	TOTAL	160,647	179,110	26,376	85	65%	131	124		7	58.28%	290	166	7

Source: 2020 South Carolina Health Plan

5. **If a service area indicates a surplus of beds, then no additional beds will be approved unless an individual hospital in the service area indicates a need for additional beds. Should an individual hospital indicate a need for additional beds, then a maximum of the actual projected bed need or up to 50 additional beds may be approved for that hospital to allow for the construction of an economical unit at either the existing hospital site or another site, if the existing hospital is relocating or has relocated in whole or in part to that site. The hospital requesting the addition must document the need for additional beds beyond those indicated as needed by the methodology stated above, based on**

historical and projected utilization, as well as projected population growth or other factors demonstrating the need for the proposed beds. Additional beds will only be approved for the specific hospital indicating a need.

Not applicable. There is need for additional beds in Dorchester County.

6. **If there is a need for additional hospital beds in the service area, then any entity may apply to add these beds within the service area, and any entity may be awarded the Certificate of Need for these beds. If the number of beds needed is less than 50, then up to a total of 50 beds could be approved for any entity at any location within the service area. An applicant requesting additional beds beyond those indicated as needed by the methodology stated above must document the need for additional beds based on historical and projected utilization, projected population growth that has not been considered in this Plan or other factors demonstrating the need for the proposed beds. It is up to the applicant to document the need and the potential negative impact on the existing facilities.**

   Because there is a need for 7 beds identified under the Health Plan methodology, SMC is seeking approval of 50 beds under this standard. The need for beds above the identified need is documented by:

   - The historical growth in inpatient utilization at SMC.
   - The significant growth and aging of the population in SMC's service area, which extends beyond Dorchester County.
   - SMC's addition of new services and the recruitment of new physicians to its medical staff.

   See the detailed discussion of Historical Utilization and Projected Utilization above.

7. **A facility may apply to create a new additional hospital at a different site within the same service area through the transfer of existing licensed beds, the projected bed need for the facility, or a combination of both existing beds and projected bed need. The facility is not required to have a projected need for additional beds in order to create a new additional hospital. There is no required minimum number of beds in order to approve the CON application. The applicant must justify, through patient origin and other data, the need for a new hospital at the chosen site and the potential adverse impact a new hospital at the chosen site could have on the existing hospitals in the service area.**

   Not applicable.

8. **No additional hospital will be approved unless it is a general hospital and will provide:**

    a. **A 24-hour emergency services department that meets the requirements to be a Level III emergency service as defined in the Emergency Services section of Regulation 61-16;**

    b. **Inpatient medical services to both surgical and non-surgical patients; and**

    c. **Medical and surgical services on a daily basis within at least six of the major diagnostic categories as recognized by Centers for Medicare and Medicaid Services (CMS). Any applicant for a new hospital must provide a written commitment that the facility will accept Medicare and Medicaid patients and that unreimbursed services for indigent and charity patients are provided at a percentage that meets or exceeds other hospitals in the service area. The CMS Diagnostic Categories Chart is located at the end of this Chapter.**

    Not applicable.

9. **Due to the low utilization and the low capital cost of converting hospital-based nursing home, psychiatric, rehabilitation and/or substance abuse beds to general acute care hospital beds, the following policies may apply:**

    a. **Hospitals that have licensed nursing home beds within the hospital may be allowed to convert nursing home beds to general acute care hospital beds only within the hospital, provided the hospital can document an actual need for additional general acute care beds. Need will be based on actual utilization, using current information. A Certificate of Need is required for this conversion.**

    b. **Existing acute care hospitals that have inpatient psychiatric, rehabilitation, or substance abuse beds may be allowed to convert such beds to acute care hospital beds, regardless of the projected need for general acute care hospital beds. A Certificate of Need is required for this conversion.**

    Not applicable.

10. **In some areas of South Carolina, a considerable influx of tourists is not counted in the permanent population. If an individual hospital in these areas can document and demonstrate the need for additional beds due to non-resident (tourist) population and seasonal utilization fluctuations due to this population, then, based on further analysis, the Department may approve some additional beds at the existing hospital.**

While the Charleston area does experience seasonal influxes of tourists, the need for this project is not predicated on this consideration.

11. **Should the deletion of services at a federal facility result in an immediate impact on the utilization of a hospital, then the Department may approve a request for additional beds at the affected hospital. The affected hospital must document the increase in demand and explain why additional beds are needed to accommodate patients previously served at the federal facility.**

    Not applicable.

12. **Changes in the delivery system due to health care reform have resulted in the consolidation of facilities and the establishment of provider networks. These consolidations and agreements may lead to situations where affiliated hospitals may wish to transfer beds between themselves in order to serve their patients in a more efficient manner. A proposal to transfer or exchange hospital beds requires a Certificate of Need and must comply with the provisions outlined in Chapter 2, Transfer between Affiliated Facilities.**

    Not applicable.

13. **Factors to be considered regarding modernization of facilities include:**

    a. **Functional arrangement of the facility as it relates to efficient handling of patients and related workloads.**

    b. **The ability to update medical technology within the existing plant.**

    c. **Existence of The Joint Commission (TJC) or other accreditation body deficiencies or "grandfathered" licensure deficiencies.**

    d. **Cost efficiency of the existing physical plant versus plant revision, etc.**

    e. **Private rooms are now considered the industry standard.**

    Not applicable. This project proposes an addition to SMC, not modernization of existing space.

14. **Each modernization proposal must be evaluated on the basis of merit, cost efficiency, and impact on healthcare delivery within the service area. The Hospital Bed Need Chart is located at the end of this Chapter.**

    Not applicable.

No Unnecessary Duplication

This project will not result in the unnecessary duplication of health care resources. There is demonstrable need for additional bed capacity at SMC. In addition to the need identified in the Health Plan, SMC has experienced significant growth in its inpatient utilization, which is expected to continue in future years. Absent the approval of this project, patients seeking inpatient care at SMC would face admission delays and longer holding times in SMC's Emergency Department.

Supporting documentation is attached hereto at **Exhibit B-11**.

(12) Discuss alternative facilities and/or services considered including the advantages and disadvantages of each alternative. Include a statement as to why this project alternative was adopted.

SMC considered the following alternatives in connection with the proposed project:

1. Maintain the Status Quo. This alternative is not a viable or reasonable option for SMC because it would not provide SMC with sufficient beds to accommodate the expected growth in Dorchester County. The utilization projections presented in the previous section document the increase in volume that SMC expects, and this proposed project would accommodate that volume. Without the expansion, inpatient occupancy at SMC would be nearly 100%.

2. Add 50 Medical/Surgical beds/Construction of 4th Floor/Addition of 5th Floor Shell: ACCEPT. See the reasons set forth in B(2) and B(11) above.

(13) Discuss any serious problems, such as costs, availability, or accessibility in obtaining care of the type proposed, experienced by patients in the absence of this project.

In the absence of this project, access to inpatient services at SMC will be compromised for the residents of its service area. Without the additional beds, SMC will quickly reach a point where patients will not have access to critical tertiary inpatient services in a timely or efficient manner, resulting in longer waits, ED inefficiencies, and patient and physician frustration. Without this project, SMC's inpatient beds will be, on average, 95% utilized by 2026, which would result in significant wait times and ED boarding.

Without the additional medical/surgical beds, SMC would have insufficient capacity to serve the growth in the community, generally, and the growth at SMC, specifically. As detailed in Section B(11), SMC is experiencing high rates of occupancy in certain specific patient units that will only be exacerbated by expected future growth.

See also B(2), B(11) and B(12) above.

(14) **Where a project affects an increase or decrease in bed capacity, provide annual occupancy rates for the facility based on licensed beds, for the past three years by category (i.e. general acute, psychiatric, obstetric, nursing home, etc.).**

Bed Category	FY 2018		FY 2019		FY 2020	
	# Beds	% Occ.	# Beds	% Occupancy	# Beds	% Occ.
Adult Med/Surg	66	83%	66	75.8%	66	80.6%
Obstetrics	36	18%	36	40.3%	36	46.8%
Pediatric Med/Surg	6	53%	6	61.7%	6	72.0%
ICU	8	77%	8	66.3%	8	76.5%
PCU	8	21%	8	18.9%	8	39.7%

(15) **Identify the method of financing the cost of the project, including the start-up costs. Provide documentation that the applicant can obtain such financing. Alternative sources and/or methods of financing must be identified and the method chosen demonstrated to be the most feasible option.**

SMC will fund the proposed project from current operating capital. Documentation of the availability of funds is attached at **Exhibit B-15**.

(16) **For an addition to an existing facility or service, provide a current annual budget and at least a three fiscal year projected budget for both the overall facility and the proposed project. The projections must be developed by an accountant. For a new facility or service, provide a projected annual budget for not less than three fiscal years following the completion of the proposed project. The projections must be attested to by an accountant. These budgets must at a minimum include how proposed charges, proposed cost of service, utilization, depreciation, reimbursement rates and contractual adjustments were calculated. Any assumptions made in the application must be specifically noted shown.**

See **Exhibit B-16** attached hereto for the pro formas. Verification of the reasonableness of these is included with **Exhibit B-16**.

(17) **Provide a list of proposed charges for the project. The charges provided may be used for comparison with the average charges in the final completion report as required in Section 607.3.b.**

The per day charge for the occupancy of an inpatient acute care bed at SMC is $19,509.00. This charge is exclusive of other services that may be required by the patient related to the patient's specific condition. Moreover, SMC negotiates different charges with different insurance companies.

(18) Document that the proposed project is economically feasible, both immediately and long-term. In the case of existing facilities, what impact will the proposed project have on patient charges and cost per unit of service?

The budgets attached hereto at **Exhibit B-16** demonstrate the economic feasibility of the proposed project, both immediate and long-term. The project will not impact SMC's charges or cost per unit of service.

(19) State how the project will foster cost containment and improve quality of care through the promotion of such services as ambulatory and home health care, preventive health care, promotion of shared services, economies of scale, and design and construction economies.

SMC is a 124-bed hospital providing a comprehensive range of services and specialties. SMC is part of Trident Health, which also includes SMC's sister hospital, Trident Medical Center ("TMC") SMC is the only hospital located in Dorchester County and it has been expanding the range of its services since its opening to address the needs of its service area residents. It has become the center of Trident Health's services to women and children. TMC is a tertiary referral center and Level II trauma center, and SMC coordinates care delivery with TMC to ensure clinical excellence and operational efficiency.

As stated more thoroughly in Section B-11, among the benefits of this project are:

- The historical growth in inpatient utilization at SMC.
- The significant growth and aging of the population in SMC's service area, which extends beyond Dorchester County.
- SMC's addition of new services and the recruitment of new physicians to its medical staff.

As a subsidiary of Hospital Corporation of America, Inc. (HCA), SMC has a broad resource base of administrative, financial, and technical expertise in hospital operations as well as centralized purchasing, distribution, payroll, billing, collections, employee benefits, regulatory compliance, quality resources, and IT support. HCA also has a Design, Construction, and Equipment Planning Department that has significant resources to streamline the architectural planning, construction bidding, and project management processes. These shared services and programs result in real and ongoing economies of operations for all of the hospitals in the system, including SMC. The common bond among hospital personnel from the HCA facilities across the country creates a network of ideas that save costs and improve the quality of care.

(20) In the case of projects involving additional long-term care beds, discuss how the plans of other agencies, organizations, or programs responsible for providing and financing long-term care have been considered.

Not applicable.

(21) Provide a three-year projected manpower budget in full-time equivalents (FTE's) detailing the existing and proposed nursing, other professional, and non-professional personnel required for the staffing of the new project.

The table below represents the manpower budgets for the first three years for the skill mix categories impacted by the proposed project. The FTEs listed are only for each year identified and are not cumulative from year to year.

	FTEs		
Skill Mix	**Year 1**	**Year 2**	**Year 3**
RN	19.24	26.85	33.80
Patient Care Tech	8.88	12.39	15.60
Support	1.48	2.07	2.60
Total	**29.6**	**41.3**	**52.0**

(22) Provide the number of existing and proposed medical staff by specialty, to include physicians and dentists employed by, or with admission privileges to, the facility. Include the name of the Chief of the Medical Staff, if available.

The Chief of the Medical Staff is Matthew Madden, M.D. See **Exhibit B-22** for a list of medical staff by specialty.

(23) Indicate those physicians who have expressed a willingness to utilize the proposed services or to refer patients to the facility for the provision of services.

There is no proposed change in the referral of patients as a result of this project. SMC's medical staff supports the addition of 50 beds. Physician support letters are attached hereto at **Exhibit B-23**. Additional letters of support will be forwarded to the Department as received.

(24) Discuss the availability of health manpower resources for the provision of the proposed services, including the contemplated program and plan for recruiting and training personnel.

SMC does not anticipate any difficulty in recruiting the number of new personnel required to staff the proposed project at SMC. SMC has been very successful in the past in its local recruiting efforts and anticipates continued success in recruiting health professionals to its staff. SMC recognizes the importance of recruiting and training high

quality personnel. Staff recruitment is accomplished through traditional recruitment methods such as newspaper and trade journal advertisement, attendance at local job fairs, through contacts with local colleges, universities, nursing programs, and technical programs.

(25) Describe the previous experience of the applicant in the proposed health care field. If the applicant has no prior experience, specify the anticipated sources of technical assistance, either from specific individuals or organizations.

SMC is part of Trident Health, an HCA hospital system composed of two acute care hospitals, Trident Medical Center and Summerville Medical Center, as well as three freestanding emergency departments – Centre Pointe Emergency, Moncks Corner Medical Center, and Brighton Park Emergency. Trident Health's specialty services include an award-winning Heart Center; the South Carolina Institute for Robotic Surgery; the Trident Breast Care Center; Bariatric Surgery Center of Excellence, high-risk OB services through a growing Maternal-Fetal Medicine program, pediatric program, and the Joseph M. Still Burn Clinic, offering services to patients of all ages.

Trident Health has received the following quality awards:

- Core Measures: Joint Commission Top Performer in Key Quality Measures 2010, 2011, 2012, 2013, 2014, 2015 (discontinued after 2015)
- Disease Specific Certification in Advanced Thrombectomy-Capable Stroke Center, Advanced Primary Stroke, Total Joint (Hip & Knee) *Get With the Guidelines*® Stroke Gold Plus and Stroke Honor Roll Elite and Type 2 Diabetes Honor Roll (Trident Medical and Summerville Medical)
- *Get With the Guidelines*® Silver Plus Heart Failure and Target Heart Failure Honor Roll (Trident Medical and Summerville Medical)
- HealthGrades: Trident Medical Center one of 50 best vascular surgery facilities (3 years running); 5 star rating for carotid procedures, pacemaker procedures, stroke, sepsis, and patient safety
- American College of Surgeons Verified Trauma Center
- EMS Children's Pediatric Readiness DHEC (Summerville Medical Pediatric ED)
- American College of Cardiology Patient Navigator Program FOCUS MI
- Inter-societal Accreditation Commission Echocardiography – Adult TTE and TEE
- American College of Radiology Breast Imaging Center of Excellence
- American College of Radiology Accreditation in all Imaging modalities
- Accreditation by Metabolic & Bariatric Surgery Accreditation & Quality Improvement Program for Bariatric Surgery (Summerville Medical)
- Accreditation by Undersea & Hyperbaric Medical Society/ Hyperbaric treatment (Trident Medical and Summerville Medical)

As a subsidiary of HCA, SMC has a broad resource base of administrative and technical expertise in hospital operations. Hospital development specialists at HCA's corporate office in Nashville, Tennessee assist with complex business decisions, particularly where

new projects are involved. Because of their common bond, hospital personnel from facilities all over the country share useful ideas that save costs and improve the quality of care.

(26) Discuss the impact of the project on the clinical training programs of health professional schools, particularly the extent to which these schools will have access to the services for training.

SMC anticipates providing educational opportunities for individuals enrolled in various training programs at area allied health schools. SMC maintains reciprocal agreements with several local and regional institutions that provide training in the fields of medicine, nursing, and allied health. These affiliations are summarized in the table below.

Educational Affiliations

Contract With	Regarding
American Society of Phlebotomy Technicians, Inc.	Student Rotations-Phlebotomy
Armstrong Atlantic State University	Student Rotations-Medical Laboratory Science
Belmont University	Student Rotations-Pharmacy
Berkeley County School District	Student Rotations-Health Science Education
Campbell University Incorporated	Student Affiliations-Pharmacy
Charleston County School District	Student Rotations-Health Science
Charleston Southern University	Student Rotations-Nursing
Converse College	Student Rotations-Music Therapy
Dorchester County School District Two	Training for Special Needs Students at Summerville Medical
Dorchester District Two	Student Rotations-Health Sciences, Human & Public
Elon University	Student Rotations - Physical Therapy
Florida State University	Student Rotations-Music Therapy
Georgia Southern University	Student Rotations-Ultrasound Techs
Greenville Technical College	Student Rotations
Institute of Allied Medical Professions	Student Rotations-Echo Students
Lake Area Technical Institute	Student Rotations-Physical Therapist Assistant
Lake Erie College of Osteopathic Medicine	Student Rotations-Osteopathic Medicine
Lander University	Student Rotations-Nursing
Lincoln Memorial University	Student Rotations-Osteopathic Medicine
Marywood University	Student Rotations-Physician Assistant
Medical Careers Institute, ECPI School of Health	Student Rotations-Nursing
Medical University Hospital Authority	Program Affiliated Training Site Agreement
Medical University of SC-College of Health Prof	Comprehensive Agreement - All Programs
Medical University of SC-College of Medicine	All programs other than Family Medicine
Miller-Motte Technical College	Student Rotations-Surgical Tech & Allied Health
Orangeburg Calhoun Technical College	Student Rotations-Allied Health Sciences
PATCH Training School	Student Rotations-Phlebotomy
Saint Louis University, Doisy College of Health Sc	Student Rotations-Occupational/Physical Therapy
Sanford-Brown Institute	Student Rotations
South Carolina State University	Student Rotations-Nursing

Contract With	Regarding
South University	Student Rotations
Southwest Missouri Allied Health Education	Student Rotations
Texas Woman's University, School of Occupational	Student Rotations
Trident Technical College	Student Rotations-Nursing and Allied Health
Troy University School of Nursing	Student Rotations
University of Alabama at Birmingham	Student Rotations-Nursing
University of North Texas Health Science Center	Student Rotations-Physical Therapy
University of South Carolina	Student Rotations-Doctor of PT & Communication Sc
University of South Carolina-Aiken	Student Rotation-Nursing
University of South Carolina-College of Nursing	Student Rotations-Nursing
University of Southern California	Student Rotations-Social Work
University of St. Augustine for Health Sciences	Student Rotations-Orthopaedic Physician Assistant
Virginia College-Charleston	Student Rotations-Allied Health
Walden University	Student Rotations-Master of Science in Nursing
Winthrop University	Student Rotations - Human Nutrition

(27) **Provide documentation of policies and procedures to assure the quality of healthcare services by addressing patient safety and quality indicators, as applicable. Documents may include, but are not limited to, measures of patient care, patient safety, healthcare-acquired infections and the following of best practices established by recognized organizations. Applicable quality standards in the South Carolina Health Plan must be addressed.**

SMC has policies and procedures in place that specifically address the above requirements regarding quality of care and patient safety. A summary of these policies and procedures includes:

Patient Safety

SMC provides education to all employees regarding nationally recognized patient goals (created by The Joint Commission), and employees are expected to know the safety goals applicable to the care they provide to patients. For example, surgical personnel are expected to know and implement policies designed to verify that each patient presenting in the operating room is the right patient receiving the right procedure on the right site.

Patient Identification

SMC uses at least two patient identifiers when providing care, treatment, or services. Staff is expected to ask every patient prior to rendering service/treatment to state his or her name and date of birth or other unique identifier to compare to the patient's armband, chart, or physician's order.

Improving Communication
SMC has policies in place to improve the timeliness of report and receipt of critical tests results. The notification process for critical test result should not exceed 60 minutes. SMC, through its affiliation with HCA, is continuously upgrading information systems to enhance the speed and accuracy of communications among caregivers.

Safety of Infusion Pumps and Clinical Alarm Systems
SMC has a system of routine inspection and preventive maintenance on infusion pumps and clinical alarm systems to ensure that they are operating effectively at all times.

Infection Control and Prevention
SMC has an Infection Control Program in place to provide a consistent, coordinated, and continuous approach to reducing the risk of health care associated infections and to comply with the current Centers for Disease Control hand hygiene guidelines.

High Alert Medications
A list of high alert medication has been established for SMC. Sources used to determine high alert medications include, but not limited to, the Institute of Safe Medication Practice, The Joint Commission, and trended internal data. Safety strategies are established for all high alert medications. Safety strategies may include, but not limited to, independent verification, bar-coding, special storage requirements, and electronic warnings. Safety strategies used are based on the drug-specific error potential.

Eliminating Wrong Site, Wrong Patient and Wrong Procedure Surgeries
SMC follows The Joint Commission's Standard: "Universal Protocol™". This involves a Pre-procedure Verification Checklist, Marking of the Surgical Site and a Time-out prior to the procedure. The pre-procedure verification is an ongoing process that involves verification of the correct patient, procedure, surgical site at the time the surgery/procedure is scheduled, at the time of preadmission testing and assessment, at the time of admission or entry into the facility, and before the patient leaves the pre-operative area or enters the procedure/surgical room. Surgical site marking is performed by the LIP performing the procedure with the patient's involvement. The Time-out is included in the Surgical Safety Checklist, originally created by the World Health Organization and adopted by the South Carolina Hospital Association. All of these steps are performed to assist in eliminating wrong site, wrong patient, and wrong procedure.

Quality Initiatives

HCA continually strives to provide excellent quality care in a safe environment. HCA is involved in the following state and national healthcare quality initiatives:

- JCAHO and CMS Healthcare Quality Alliance
- Leapfrog Group and National Quality Forum Safe Practices
- Institute for Healthcare Improvement
- Agency for Healthcare Administration

Core Measures

- Acute Myocardial Infarction
- Congestive Heart Failure
- Pneumonia
- Surgical Infection Prevention/Surgical Care Improvement Project (SCIP)

Within each hospital, HCA utilizes a healthcare team to make improvements in the following areas:

- Patient Safety
- Pain Management
- Patient Flow Efficiency throughout the Hospital System

Multiple areas are monitored to evaluate processes and outcomes. Some examples include:

- Hand washing
- Restraints
- Patient Safety Goals
- Resuscitation Practices and Outcomes
- Perinatal Safety
- Appropriateness of Procedures Performed

Patient Safety

HCA employs many ongoing patient safety and quality strategies as part of a dynamic performance improvement program and its facilities have been recognized by The Joint Commission as a Top Performer in Key Quality Measures. Outcomes include decreased hospital length of stay, decreased patient mortality, and decreased complication rates. Examples of patient safety and quality activities include:

- Participation in a formal Patient Safety Organization (PSO).
- Site specific and enterprise wide evidence based, patient centered, physician led clinical excellence initiatives designed to reduce avoidable clinical variation through transparent review of clinical performance data, analysis and application of best clinical evidence and practices, collaborative dialogue amongst hospital staff, medical staff, and clinical leaders.
    - Including: Acute Myocardial Infarction, Sepsis, Hip & Spine, Stroke, Heart Failure, Pneumonia, Chronic Obstructive Pulmonary Disease (COPD)
- Clinical Safety Improvement Program (CSIP) which implements patient safety initiatives aimed to reduce the number of adverse events reduce patient harm and promote and further develop the patient safety culture.
    - Including: Development and training of High Reliability Organizational expertise, Evidence Based Care management, IV Smart Pump Safety, and Safe Procedural and Surgical Verification.

(28) Provide any additional information that would assist the department in evaluating this project.

SMC's mission is to deliver high quality, cost effective health care to its community through ongoing investments in needed facilities and services. SMC's proposal will provide the flexibility to meet current and future demands for inpatient services and address its long term need for additional medical/surgical bed capacity in a manner that will enhance access to inpatient services for all its service area and residents. This proposal will support SMC's mission by providing service area residents with sufficient capacity and the flexibility to accommodate current demand and future growth in its service area.

PART C - PROGRAMMATIC DOCUMENTS

Provide adequate programmatic documents in support of the various elements of the proposed project. These documents will include as appropriate:

(1) An Indigent Care Plan as required by the Board of Health and Environmental Control. It shall address at a minimum, the following:

(a) The existing and proposed admission and treatment policies of the facility or agency with regard to race, sex, creed, national origin, and ability to pay.

Patients will be admitted to SMC without regard to race, sex, creed, national origin, or ability to pay. A copy of Trident Health's Patient's Bill of Rights and Responsibilities policy is attached hereto at **Exhibit C-1**.

(b) The proposed admission and treatment policies of the facility or agency with respect to admission and care of indigent patients including those patients unable to pay at the time of admission and those whose benefits expire while in the care of the facility or agency.

The Patient's Bill of Rights and Responsibilities policy assures access to services for all patients regardless of ability to pay. In addition to the Patient's Bill of Rights and Responsibilities policy, SMC has in place HCA's Charity Financial Assistance Policy for Uninsured and Underinsured Patients which is also attached hereto at **Exhibit C-1**. These policies provide for discounted or free care for patients who are uninsured or under-insured.

(c) In existing facilities or agencies, provide the amount, in dollars and percent of gross revenues, that the facility or agency provided in indigent care during the past three fiscal years. NOTE: Indigent care does not include bad debt; contractual adjustments; or care which is reimbursed by a governmental program (Medicare, Medicaid, county indigent program), church, or philanthropic organization.

(All $$$ in 1000s)	2018	2019	2020
Charity Care	$152,315	$239,146	$238,584
Charity Care as % of Gross Revenues	3.8%	5.3%	5.3%

(d) Provide the proposed amount of indigent care the facility or agency projects to provide during the existing fiscal year and next fiscal year. This projection should be expressed in both dollars and a percent of gross revenues.

(All $$$ in 1000s)	2021	2022
Charity Care	$284,550	$318,697
Charity Care As % of Gross Revenues	5.6%	5.7%

(e) A discussion of why the above figures are adequate or inadequate for the needs of the community; the need of indigent care within the proposed service area; and any solutions, remedial plans or proposals by the facility or agency to better address the indigent care problem in the service area. Include any initiatives or undertakings the facility or agency has begun to address the indigent care problem in the proposed service area.

Since 1989, SMC has been a major provider of health services to the Dorchester and greater Tri-county area, and it has served patients in need during that period without regard to their ability to pay. Its historical levels of indigent care reflect the needs of the community, and the projected levels of indigent care are based on these historical levels.

(f) Describe any Board or Advisory Board established to implement or control the indigent problem at the facility or agency. Include the Board's functions, responsibilities, and limitations.

This provision is not applicable to this project.

(2) A map of sufficiently large scale to be meaningful, indicating the location of the project site and its geographical area.

See **Exhibit C-2** attached hereto.

(3) A plot plan of the project site showing existing buildings, roads, parking areas, walks, service and entrance courts, existing utilities (electricity, telephone, water, railroads, sewer, gas, etc.) and other natural land features necessary for adequate analysis of site conditions.

Not applicable as this project entails a build out of shelled-in space and an addition of floors to the existing hospital.

(4) A legal description of the project site indicating its physical characteristics and existing easements.

Not applicable as this project entails a build out of shelled-in space and an addition of floors to the existing hospital.

(5) **A square foot program of spaces and/or equipment elements, and scale drawings describing the existing space and proposed alterations and additions.**

See **Exhibit C-5** attached hereto.

(6) **Documentation from the appropriate zoning authorities that the proposed site is or can be zoned for the intended use.**

Not applicable. The proposed project will be within SMC's existing facility.

(7) **Documentation from appropriate sources that utilities supplied to the site is adequate for the project to include electricity, gas, water, and sewerage.**

See **Exhibit C-7** attached hereto.

(8) **Endorsement from the community that the project is desirable. This may include but is not limited to members of the medical community, citizen's groups, governmental elected officials and other health and social service disciplines in the community.**

See letters of support attached hereto at **Exhibit B-23**.

(9) **Documentation that the proposed project has been approved by the health facility's planning committee and governing body.**

See **Exhibit C-9** attached hereto.

(10) **For the facilities or services not licensed by the Department of Health and Environmental Control, provide documentation of coordination and support from the appropriate licensing agency.**

Not applicable.

PART D - ASSURANCES

(1) That the applicant has or will have fee simple title or such other estate or interest in the site including necessary easements and rights-of-way, sufficient to assure use and possession for the purpose of the construction and operation of facility.

(2) That approval by the department of the final drawings and specifications, which will be prepared by an architect and/or engineer legally registered under the laws of the State of South Carolina, will be obtained.

(3) That the applicant will submit to the Department for prior approval, changes that substantially alter the scope of work, function, utilities, major items of equipment, safety or cost of the facility during construction.

(4) That the applicant will cause the project to completed in accordance with the Certificate of Need Application.

(5) That the applicant will cause the project to be completed in accordance with approved plans and specifications by maintaining competent and adequate architectural and engineering services throughout the construction administration phase of the project. That, at the completion of the project, the architect of record shall be required to issue a statement that to the best of his knowledge and belief, based upon available records, supplemental documents and periodic observation of the work, the project was constructed according to those documents approved by the Department.

(6) That the facility will be operated and maintained in accordance with the standards prescribed by law and regulations for the maintenance and operation of such facilities.

(7) That the applicant understands that the Certificate of Need shall become void at the end of the specified time period from the date of issuance unless otherwise extended under Chapter 6 of these regulations.

(8) That the Department or its authorized representatives may at any time during the course of construction and upon the completion of the project make an on-site inspection of the construction and equipment to check for compliance of the construction in accordance with the application for which the Certificate of Need was issued.

(9) That the controlling interest in any health care facility shall not be sold or leased or otherwise disposed of unless the Certificate of Need has been fulfilled.

(10) That the applicant will notify the Department in writing that the contractual agreement has been completed. For a construction project, the letter shall indicate that a construction contract specifying the beginning and completion dates of the project, has been signed by both parties. For services projects, the letter must indicate that equipment purchase orders with estimated delivery dates have been properly negotiated.

(11) That the applicant will notify the Department in writing of the date that a new or expanded service has been implemented, completed or terminated.

(12) That the applicant will provide monthly progress reports and a final completion report which contain the information required by Section 607 of these regulations.

Summerville Medical Center assures the Department that, to the extent applicable, it will act in accordance with the above requirements.

Signature _____

Date 11.22.2021

APPLICATION FOR CERTIFICATION OF NEED
FOR A HEALTH FACILITY OR SERVICE

Proposal Prepared By:

Shannon Cantwell
Regulatory Affairs Specialist
Roper St. Francis Healthcare
125 Doughty Street Suite 720
Charleston, SC 29403
843.789.1754 phone
shannon.cantwell@rsfh.com

The Applicant hereby certifies that the information contained in this Application, including all assurances and attachments, is correct to the best of her knowledge and belief.

Signature: Shannon Cantwell

Date: November 19, 2021

Forward to:
Bureau of Health Facilities and Services Development
S.C. Department of Health and Environmental Control
2600 Bull Street
Columbia, South Carolina 29201

SC DHEC
Received
NOV 19 2021
Front Desk-CON

APPLICATION FOR CERTIFICATION OF NEED
FOR A HEALTH FACILITY OR SERVICE

PART A – QUESTIONNAIRE

1. **Name of Facility**
   Roper St. Francis Berkeley Hospital

2. **Address, City, County, State, Zip Code**
   100 Callen Boulevard, Summerville, SC 29486
   Berkeley County

3. **Type of Facility (Circle)**
   A. (Hospital) B. Nursing Home C. Psychiatric Facility
   D. Rehabilitation Facility E. Substance Abuse Facility
   F. Ambulatory Surgery Center G. Other

4. **Purpose of Review (Circle)**
   A. New Facility B. Change of Licensure
   C. (Addition to Existing Facility) D. (Facility Renovation)
   E. Change of Services F. Other (Specify)

5. **Management**
   A. Name of CEO
   W. Anthony Jackson
   B. Address, City, State, Zip Code
   125 Doughty Street Suite 760
   Charleston, SC 29403
   C. Telephone
   843-724-2021
   D. Fax Number
   N/A
   E. Email
   Anthony.Jackson@rsfh.com

6. **Licensee**
   A. Name of Licensee
   Roper St. Francis Hospital – Berkeley, Inc.
   B. Address, City, State, Zip Code
   Attn: Vice President & General Counsel
   125 Doughty Street Ste. 720
   Charleston, SC 29403

7. **Ownership or Control of the Facility (Circle)**
   A. Individual B. Partnership C. Corporation
   D. Proprietary E. Non-Profit F. Government
   G. Government H. (Other: Non-Profit Corporation)

PART A – QUESTIONNAIRE (Continued)

8. Proposed Site of the Property (Circle)

A. (Owned) B. Leased C. Length of Site Lease:

D. Option E. Length of Option:

F. Name and Address of Owner(s) of Real Property
Roper St. Francis Hospital – Berkeley, Inc.
100 Callen Boulevard
Summerville, SC 29486

9. Total Bed Capacity for Which Application is Made: 100

Existing Facilities				
Type of Beds	New Facility Only	Existing Beds	# Gained or Lost	Bed Total
A. Medical/Surgical		24	44	68
B. Obstetrics		20[1]	0	20
C. Pediatrics				
D. Substance Abuse				
E. Psychiatric				
F. Rehabilitation				
G. Nursing Care				
H. RTC's				
I. ICU/CCU		6	6	12
J. Other				
K. TOTAL		50	50	100

[1] Five of the 20 designated obstetrics beds have been used for medical/surgical patient placements since May of 2021, due to capacity constraints associated with observation patients in licensed (med/surg) beds

PART A – QUESTIONNAIRE (Continued)	
10. Construction and Site	
A. Type of Construction New	B. Number of Buildings Pertaining to Project 1
C. Number of Stories Pertaining to Project A 1-story and a 4-story addition	D. Size of the Site in Acres 13 acres (current designation) 2 acres (additional existing acreage) 15 acres (total)
E. Size of the Project Site in Acres 2 additional acres	F. Square Footage of the Project 124,691 gross square feet - new 34,280 gross square feet - shelled 39,439 gross square feet - renovated 198,410 total gross square feet
G. Anticipated Date of Beginning Construction November 2023	H. Anticipated Date of Licensing or Project Completion December 2025 (new and shelled) November 2026 (renovated)
I. Anticipated Date for Submission of Final Completion Report May 2027	
11. Zoning of Construction Site Planned Development	
12. Costs (Provide Estimated Cost Statement from Either the Architect or Engineer)	
A. Land Cost $3,492,733 consisting of: $3,036,231 sitework $ 456,502 acreage allocation[2]	B. Construction Cost $111,422,318
C. Professional Fees $22,418,694	D. Equipment Costs $29,589,013 consisting of[3]: $26,537,189 medical equipment and IT $ 3,051,824 furnishings
E. Financing Cost During Construction $13,300,000[4]	F. Other Costs (Specify) $13,218,558 contingency dollars
G. Total Project Cost $193,441,316	H. Construction and Equipment Cost 1. Per Square Foot $711 2. Per Bed (50 beds) $2,820,227

[2] Two acres at an allocated $228,251 per acre
[3] Includes sales tax, freight and installation costs
[4] Assumed a 3.5% interest rate applied for 24.5 months

B1. Document that the applicant has published notification of this project in a local newspaper as required by Section 201 of these Regulations.

Refer to Attachment 1 for a copy of the affidavit of publication for the public notice that ran on November 3 - 5, 2021.

B2. Describe the project setting forth the proposed change in services or facilities in as much detail as possible. State whether the project will change the existing licensed or survey bed capacity, will encompass the development of a new service, or result in the discontinuance of an existing service. If a new facility is proposed, list all services to be provided.

Roper St. Francis Healthcare's fourth member hospital, Roper St. Francis Berkeley Hospital ("Roper Berkeley"), opened in October of 2019 as a community hospital with fifty (50) licensed general acute care beds. Located in southern Berkeley County near the communities of Carnes Crossroads and Goose Creek, the hospital represents the first acute care facility to be located in Berkeley County in forty-five (45) years, and is currently the only licensed hospital in the county. In this Application, Roper Berkeley is seeking permission to add fifty (50) general acute care beds for a licensed capacity of one hundred (100) acute care beds, as well as expand and/or add various ancillary services which are highlighted below and further described/illustrated in the architect's letter, narrative, and project schematics in Attachment 4.

Largely as a result of the tremendous growth in Berkeley County and the lengthy delay caused by litigation challenging the initial approval of the Roper Berkeley Hospital, by the time Roper Berkeley opened its doors on October 4, 2019, it was functionally undersized. In 2009, Trident Medical Center, LLC ("Trident") was also approved to establish a fifty (50) bed community hospital in Berkeley County, but as of early 2021, Trident had not pursued construction of the hospital and has recently abandoned the CON. As evidenced by utilization of Roper Berkeley since its opening, further demonstrated in response to Question B-11, the expansion of services and the addition of acute care beds is necessary to meet the increasing needs of Roper Berkeley's patients and the communities it serves.

The proposed project entails construction of two structures on the hospital campus. The first structure is a single-story addition to be located between the hospital and medical office building to house ancillary departments, as well as the lab and pharmacy which will be relocated and enlarged. The spaces currently occupied by the lab and pharmacy will be backfilled with expanded prep/recovery/PACU areas, central supply and receiving areas, and a morgue to replace the body holding room.

The second structure is a 4-story addition that will be constructed on the front and right side of the hospital. The first floor will include expansion and renovation of the imaging department, emergency department (ED), surgical services, sterile processing, and other support services. Expansion of the imaging department will include the addition of a 3.0T MRI scanner and 16-slice CT scanner, which are the only medical equipment with costs

that exceed $600,000. Expansion of the ED will include twenty-one (21) treatment bays and digital radiography. Four operating rooms and additional prep and recovery spaces are planned as part of the expansion of surgical services.

Floors two and three of the 4-story addition will consist of fifty-eight (58) general acute care beds, of which twenty-eight (28) will be located on the second floor and thirty (30) on the third floor, which will also include a 5-station dialysis unit. Eight (8) licensed beds currently used in patient rooms numbered 3501-3506, 3223 and 3224 will be converted into an unlicensed 8-bed observation unit. The result is a net addition of fifty (50) general acute care beds. The remainder of the fourth floor (approximately 32,060 gross square feet) will be shelled for Lowcountry Rehabilitation Hospital, a rehabilitation hospital issued CON #19-82 and amended to relocate within Berkeley Hospital as a "hospital within a hospital"

B3. Provide the total cost of the project, indicating design fees, land cost, interest cost, construction cost, equipment cost, and any other cost involved in the project. Provide an estimate of the construction cost from a licensed architect or engineer; in the case of equipment, valid/current estimate from a vendor is acceptable.

The estimated project cost has been line-itemed in the Questionnaire A-12 response above and supporting cost documentation included in Attachment 2.

B4. State the specific location of the facility or service and/or equipment, including, where applicable, specific areas of an existing facility to be affected by the project. Provide room numbers of all patient rooms affected. Sufficient detail should be provided to allow the Department to visually inspect the site. The number of private and semi-private patient rooms shall be identified.

A single-story expansion located between the hospital and medical office building will be constructed to house ancillary departments, as well as the lab and pharmacy which will be relocated and enlarged. A 4-story addition will be constructed on the hospital's front and right side. The first floor will include expansion and renovation of the imaging department, emergency department (ED), surgical services, sterile processing, and other support services, with the second and third floors designated primarily for private patient rooms and the fourth floor shelled for Lowcountry Rehabilitation Hospital, an inpatient rehabilitation hospital to up-fit.

The numbering convention for the fifty-eight (58) newly constructed private rooms on the second and third floors will be: 2001 – 2012; 2101 – 2116; and 3101 – 3130. Because fifty-eight (58) new general acute care beds are to be licensed, eight (8) licensed beds in patient rooms numbered 3501-3506, 3223 and 3224 will simultaneously be converted into an unlicensed 8-bed observation unit. This will result in a net addition of fifty (50) licensed general acute care beds.

B5. Provide details regarding any proposed construction and/or renovations. Discuss alternatives to new construction and why these alternatives were rejected. For a multi-floor project, construction and/or renovation must be described, by floor, to include any additions and/or deletions made to each floor. Provide evidence that the applicant has adequately planned for any temporary move or relocation of any department, facility, or services, which may be necessary during the construction period. Document that plans exist to assure adequate protection (from fire, noise, dust, etc.) and continuation of all services during the proposed construction period.

In order to add 50 licensed beds and related, right-sized ancillary spaces (as described in B-2 and B-4 above), the majority of this project entails 158,971 square feet of new construction. Additional hospital surface parking has been included in the site work cost. A new medical office building and parking garage will be constructed separately,[5] and the garage will serve as parking for both the medical office building and hospital.

Once the two additions are constructed with areas and beds licensed and operational, a phased renovation will begin. The spaces formerly occupied by the lab and pharmacy will be backfilled with expanded prep/recovery/PACU areas, central supply and receiving areas, and a morgue. Additional renovation work inside of the ED, imaging, sterile processing, and surgical services will provide clear workflows between the existing and new spaces. The site plan, schematics, and space program provided by the architect (refer to Attachment 4) demonstrate the identification and location of all affected areas.

B6. If a replacement facility or ancillary service is being constructed, describe plans for disposition of the existing facility or ancillary service area upon completion of the project.

As stated above, the lab and pharmacy will relocate to the 1-story addition and both areas enlarged. Their former spaces will subsequently be backfilled with expanded prep/recovery/PACU areas, central supply and receiving areas, and a morgue.

B7. Provide a timetable for development and completion of the project to include, at a minimum, the date of site acquisition, date of architectural contract, architectural design schedule, date of closing for financing, date of valid construction contract, date that all necessary permits will be obtained, and date of start of construction. The timetable shall be presented in one-month increments commencing with the month following receipt of the Certificate of Need and ending with the execution of a contract or purchase order for equipment only projects.

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[5] Considered a separate, non-medical project in accordance with *Regulation 61-15*.

Timetable for Development

Task	Est. Duration	Est. Date
Receipt of a Certificate of Need	9 months	July 2022
Complete Construction Drawings	12 months	July 2023
Bidding Process	2 months	September 2023
Execute Construction Contract	2 months	November 2023
Obtain Building Permit	concurrent	November 2023
Construction Duration (expansion)	21 months	August 2025
FFE Installation	3 months	November 2025
Licensure Approval and Initial Use	1 month	December 2025
Construction (phased renovations)	9 months	September 2026
FFE Installation	1 month	October 2026
Licensure Approval and Initial Use	1 month	November 2026

*staff training concurrent with project build

B8. Provide the following ownership information:

a. Proposed name of the facility.

Roper St. Francis Berkeley Hospital

b. Name and mailing address of Licensee/prospective Licensee. (Note: The licensee is defined as the legal entity who has ultimate responsibility and authority for the conduct of the facility or service and must be the entity to whom the CON will be issued.)

Roper St. Francis Hospital - Berkeley, Inc.
Attn: Vice President & General Counsel
125 Doughty Street Suite 720
Charleston, SC 29403

c. Complete title of the licensee's governing body.

Board of Directors

d. Name, title and mailing address of presiding officer of governing body.

Henry C. West, M.D., Chairperson, Board of Directors
Roper St. Francis Berkeley Hospital c/o Administration Office
300 Callen Boulevard Ste. 300
Summerville, SC 29486

e. Name and mailing address of all persons and/or legal entities having any ownership interest or owners' equity of the license to include a schedule of percent and type ownership claim of each.

Roper St. Francis Hospital – Berkeley, Inc.'s sole member is Roper St. Francis Healthcare. The two members of Roper St. Francis Healthcare include:

Roper St. Francis Healthcare Members

Membership Interest	Member Name	Member Address
51%	HealthSpan Partners	1701 Mercy Health Place Cincinnati, OH 45237
49%	Medical Society of South Carolina	69 Barre Street Suite B Charleston, SC 29401

f. Name and mailing address of all persons and/or legal entities claiming liabilities of the licensee or of the facility or service for which this Certificate of Need is requested to include a schedule of percent and type of claim of each.

Not Applicable

g. Provide a listing which identifies all officers of the licensee.

Roper St. Francis Hospital - Berkeley, Inc.
Corporate Officers

Title	Individual
Chairperson	Henry C. West, M.D.
Vice Chairperson	G. Frederick Worsham, M.D.
President & CEO	Matthew Desmond
Secretary	Matthew Desmond
Treasurer	Adriana Day

h. Is the land and/or building on/in which the proposed facility or service is to be conducted owned by the licensee? X Yes; __ No. If no, provide information on the land and building similar to that required in (b) through (g) above.

i. Has the licensee engaged an entity other than an employee of the licensee to manage or operate the facility or service? __ Yes; X No. If yes, provide information similar to that required in (b) through (g) above.

j. Is there any agreement, contract, option, understanding, intent, or other arrangement that will effect a change in any of the information requested and/or provided in (b) through (g) above? __Yes; X No. If yes, provide a description to include information required in (b) through (g) above.

k. Provide a complete listing of all existing licensed health care facilities and/or services and Certificates of Need in which the proposed licensee currently has an ownership interest, to include names and addresses of each facility or service. In the cases of Certificates of Need for undeveloped facilities and services, provide

the name, address, and telephone number of a contact person representing the authority which issued the Certificate of Need.

Licensed Facilities Roper St. Francis Hospital – Berkeley, Inc. Has Interest:

Licensed Facility	Address	City/Zip
Roper St. Francis Berkeley Hospital	100 Callen Boulevard	Summerville 29486

Certificates of Need:

CON #	Project	Status
SC-16-01	Construction of a 50-bed hospital	Outstanding completion report

i. Should the licensee be a subsidiary corporation, provide a diagram of the licensee's relationship to the parent corporation and list the name and address of the parent corporation as well as the corporation which has ultimate control. In addition, please provide the name and mailing address of all persons and/or legal entities having ownership interest of 5 percent or more, or any person with any agreement, contract, option, arrangement, or intent to acquire ownership interest of 5 percent or more, of all corporations in the corporate organizational structure which have ultimate control of the licensee.

A Roper St. Francis Healthcare organizational chart is located in Attachment 5. The names/mailing addresses of the members and respective interest were provided in the "e" response above.

B9. Provide documentation that the applicant has sought cooperative agreements such as transfer agreements with other facilities, as applicable.

Roper St. Francis Berkeley Hospital participates in the Statewide Mutual Aid Agreement through the South Carolina Hospital Association, in the event a disaster should occur and patient transfers to other hospitals are needed. Roper St. Francis Hospital - Berkeley, Inc. has transfer agreements with various other healthcare facility operators including (but not limited to): Roper Hospital, Inc., Medical University Hospital Authority, St. George Health Care, LLC, Oakbrook Health Care, LLC, Heartland-Charleston of Hanahan, SC LLC, and Lowcountry Endoscopy Center, LLC.

B10. Indicate the means by which a person will have access to the facility's services (i.e. physician referral, self admission, etc.). Identify the specific facilities or agencies the applicant expects to receive referrals from (i.e. hospitals, home health agencies, etc.). Describe any limitations placed on admissions.

Referrals for hospital admission originate from the emergency department, nursing homes, assisted living facilities, other hospitals, and physicians. A hospital admission must be age eighteen or older. Referrals for imaging services originate from various physician specialties including internists, family practitioners, orthopedic and general surgeons, oncologists, and emergency medicine physicians. Patients will need a physician's order in order to schedule an imaging scan. In terms of the emergency room, patients are able to self-admit.

B11. Demonstrate that the proposed project is needed or projected as necessary to meet an identified need of the public. This shall address at a minimum: identification of the target population; the degree of unmet need; projected utilization of the proposed facility / service; utilization of existing facilities and services; past utilization of existing facilities and services; and justification that the proposed project will not unnecessarily duplicate existing entities. The applicant must show all assumptions, data sources, and methodologies used. The applicant must use population statistics consistent with those generated by the State Demographer, State Budget and Control Board.

Overview

Largely as a result of the tremendous growth in Berkeley County and the lengthy delay caused by litigation challenging the initial approval of the Roper Berkeley Hospital in 2009, by the time Roper Berkeley opened its doors on October 4, 2019, it was functionally undersized. In 2009, Trident Medical Center, LLC ("Trident"), was also approved to establish a fifty (50) bed community hospital in Berkeley County, but as of early 2021, Trident had not pursued construction of the hospital and has abandoned the CON. As evidenced by utilization of Roper Berkeley since its opening further demonstrated below, the expansion of services and the addition of acute care beds is necessary to meet the increasing needs of Roper Berkeley's patients and the communities it serves.

The demand for hospital services in Berkeley County and the service area population has far surpassed the planning horizon used in the original CON Application, which anticipated Year 3 to be CY 2028. In the intervening years[5] from approval of the CON Application to its ultimate completion, the Berkeley County economic development horizon, population, and community grew at unprecedented rates. Since becoming operational, Roper Berkeley has seen steady growth in bed utilization and was experiencing capacity constraints by its second year. To address the current restraints and to plan for the needs of the growing population, Roper Berkeley proposes to construct two additions on the hospital campus and reconfigure existing spaces in order to add fifty (50) general acute care beds, twenty-one (21) additional ED treatment bays, four additional operating rooms, and expansion of imaging services with an additional MRI unit and an additional CT unit. A health planning need analysis and projections of utilization is set forth below for the additional acute care beds, ED spaces, surgical suites, and MRI and CT equipment.

[5] By way of background, DHEC approved Roper Berkeley's CON Application to construct the fifty (50) bed community hospital on June 26, 2009. Trident appealed the approval to the Administrative Law Court, the South Carolina Court of Appeals, and the South Carolina Supreme Court. DHEC's approval was affirmed at all levels of review and the litigation was concluded with the Supreme Court's refusal of Trident's request for certiorari following the Court of Appeals ruling in favor of DHEC and Roper Berkeley in 2015. DHEC thereafter issued CON SC-16-01 on January 1, 2016, for construction of the hospital.

Identification of the Target Population

At the time of the submission of this Application, Roper Berkeley has been operational for more than two years. The time period of October 2019 through September 2021 provides 24 calendar months of data spanning three calendar years, which data was analyzed to determine utilization patterns and projections of growth for the proposed project. The analysis was both at a county-level and a ZIP code level to most precisely determine historical patient origination patterns. **Exhibit 1** below identifies the top 12 ZIP codes from which patients served by Roper Berkeley originate. These 12 ZIP codes make up approximately 85% of Roper Berkeley's total inpatient discharges. It is clear from this data that there has been little variation among patient origin locales since the hospital opened in 2019. For the past three years, Berkeley County residents have composed approximately 65% of the top 12 ZIP codes served by Roper Berkeley. This percentage is in line with the overall Berkeley County percentage of total inpatients from all ZIP codes. (See **Exhibit 2**). As a percentage of the total, Berkeley County inpatients make up approximately 68% of the total inpatients at Roper Berkeley each year. Consequently, and in accordance with the service area used for general bed need in the *2020 South Carolina Health Plan*, Roper Berkeley's primary service area is defined as the ZIP codes that comprise Berkeley County.

Exhibit 1
Roper Berkeley Inpatient Patient Origin
Top 12 ZIP Codes

County	Zip Code	City	2019 % of Total	2020 % of Total	2021 % of Total
BERKELEY	29461	MONCKS CORNER	20.5%	21.0%	19.8%
BERKELEY	29486	SUMMERVILLE	15.6%	17.8%	16.9%
BERKELEY	29445	GOOSE CREEK	14.9%	14.3%	15.2%
DORCHESTER	29483	SUMMERVILLE	8.2%	8.4%	9.4%
BERKELEY	29456	LADSON	5.6%	5.1%	5.5%
DORCHESTER	29485	SUMMERVILLE	5.6%	3.9%	3.5%
BERKELEY	29431	BONNEAU	1.8%	3.1%	2.6%
BERKELEY	29436	CROSS	3.9%	2.8%	2.4%
BERKELEY	29479	SAINT STEPHEN	2.8%	2.4%	2.5%
DORCHESTER	29472	RIDGEVILLE	2.3%	2.4%	2.4%
ORANGEBURG	29059	HOLLY HILL	2.1%	2.4%	2.5%
ORANGEBURG	29048	EUTAWVILLE	2.0%	2.0%	1.5%
TOTAL			**85.2%**	**85.6%**	**84.4%**

Source: Internal Data
Note: To the extent that a ZIP code crosses county lines it is listed with the county that includes most of the land area.

Exhibit 2
Roper Berkeley Inpatient Patient Origin
Top 3 Counties

County	2019 % of Total	2020 % of Total	2021 % of Total
BERKELEY	68.7%	69.3%	67.8%
DORCHESTER	17.9%	17.4%	18.3%
ORANGEBURG	5.2%	5.7%	5.5%
TOTAL	**91.8%**	**92.3%**	**91.6%**

Source: Internal Data

Three of the top 12 ZIP codes identified in Exhibit 1 are Dorchester County ZIP codes, representing 15.3% of total inpatients. Overall, Dorchester County patients make up approximately 18% of total inpatients. In addition, Orangeburg County patients consistently comprise more than 5% of Roper Berkeley's inpatients, much of which originates from two ZIP codes: 29059 and 29048. Consequently, Roper Berkeley's secondary service area is defined as the ZIP codes that comprise Dorchester County as well as the Orangeburg County ZIP codes 29059 and 29048.

To verify the reasonableness of this service area definition, the above analysis of patient origin for inpatient discharges was compared with patient origin data for Roper Berkeley's ED visits. The ED utilization data shown below in **Exhibits 3** and **4** is consistent with the inpatient patient origin data. Accordingly, the primary and secondary service area definitions identified above apply to the need analysis for both inpatient and outpatient services for purposes of this Application.

Exhibit 3
Roper Berkeley ED Visit Patient Origin
Top 12 ZIP Codes

County	Zip	City	2019 % of Total	2020 % of Total	2021 % of Total
Berkeley	29486	Summerville	29.4%	25.9%	23.8%
Berkeley	29461	Moncks Corner	18.7%	17.4%	17.6%
Berkeley	29445	Goose Creek	13.0%	14.4%	15.7%
Dorchester	29483	Summerville	7.2%	8.4%	8.1%
Dorchester	29456	Ladson	5.2%	5.5%	5.4%
Dorchester	29485	Summerville	3.5%	3.5%	3.6%
Orangeburg	29059	Holly Hill	2.6%	3.5%	3.8%
Dorchester	29472	Ridgeville	2.9%	2.6%	2.5%
Berkeley	29436	Cross	2.6%	2.2%	2.5%
Orangeburg	29048	Eutawville	2.0%	2.1%	2.3%
Berkeley	29431	Bonneau	1.0%	1.1%	1.1%
Berkeley	29479	Saint Stephen	1.3%	1.0%	1.2%
Total			**89.2%**	**87.7%**	**87.4%**

Source: Internal Data

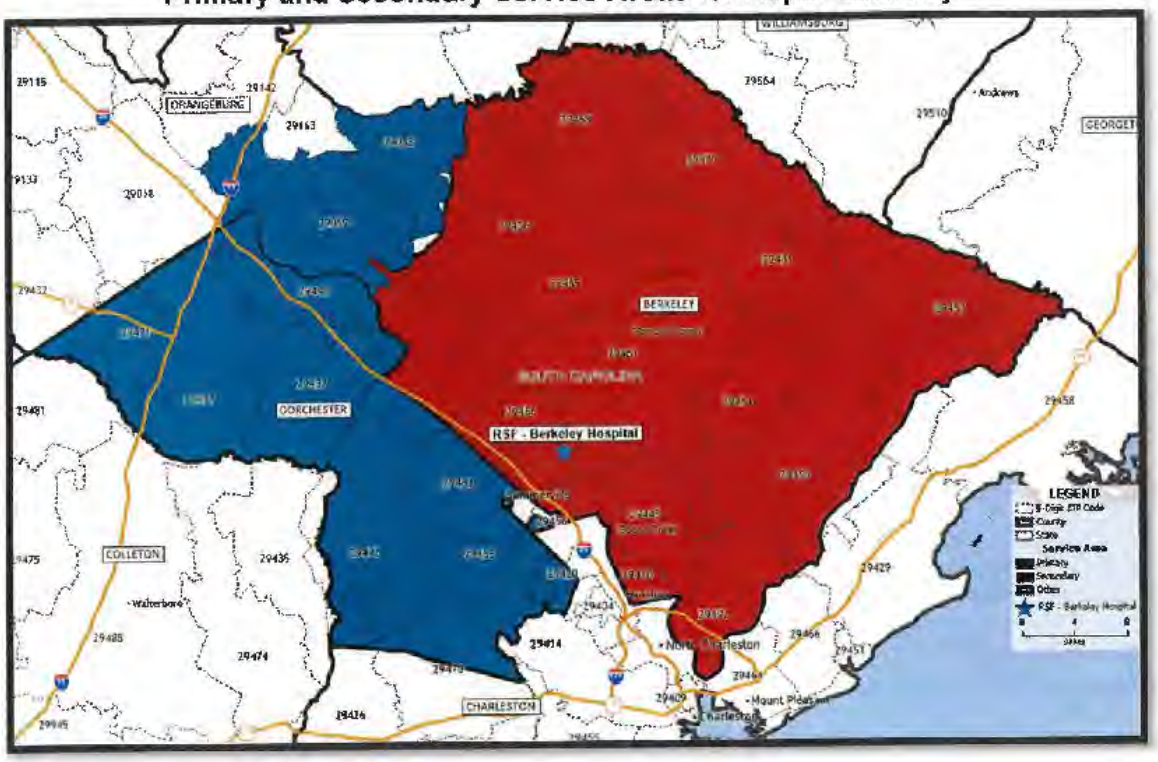
Exhibit 4
Roper Berkeley ED Visit Patient Origin
Top 3 Counties

County	2019 % of Total	2020 % of Total	2021 % of Total
Berkeley County	67.2%	63.7%	63.3%
Dorchester County	20.7%	22.3%	22.0%
Orangeburg County	5.8%	7.3%	8.1%
Total	**93.7%**	**93.3%**	**93.4%**

Source: Internal Data

A map of the primary and secondary service areas for Roper Berkeley is shown in **Exhibit 5** below. As noted earlier, Roper Berkeley has projected utilization and demonstrated need for the proposed project on a detailed ZIP code level.

Exhibit 5
Primary and Secondary Service Areas for Roper Berkeley



Service Area and Projected Population Growth

Exhibit 6 below shows the estimated and projected populations for Berkeley County by ZIP code[7] in 2021 and 2026. **Exhibit 7** shows the percentage growth by age group and overall, for this same time frame. Over the next five years, the primary service area is expected to grow 8.46%, and notably, the 65 and over age cohort is expected to grow 24.79%, which is extraordinary. Because this age group includes the most frequent users of acute care services, there is a pressing need to ensure sufficient beds and acute care services are available to meet the increasing demand that will naturally come with this population growth in Berkeley County.

[7] Claritas Spotlight ("Spotlight") was used to obtain estimated and projected population by ZIP code instead of data available through the Office of Revenue and Fiscal Affairs ("RFA") because RFA population data is only presented at a County level. Spotlight is routinely used in CON applications and has been traditionally accepted by the Department to show more detailed projections and estimates. Spotlight is generally consistent with the US Census data available from RFA.

Exhibit 6
Estimated and Projected Primary Service Area Population by Age Cohort

Berkeley County 2021 Population by Age					
ZIP Code	**0-17**	**18-44**	**45-64**	**65 and Up**	**Total**
29410 (Hanahan, SC)	4,725	7,611	5,129	3,036	20,501
29431 (Bonneau, SC)	1,490	2,370	1,939	1,506	7,305
29434 (Cordesville, SC)	179	298	236	168	881
29436 (Cross, SC)	1,029	1,576	1,366	1,123	5,094
29445 (Goose Creek, SC)	15,977	27,445	15,739	8,248	67,409
29450 (Huger, SC)	760	1,198	906	644	3,508
29453 (Jamestown, SC)	340	436	347	288	1,411
29456 (Ladson, SC)	9,525	14,201	8,692	4,275	36,693
29461 (Moncks Corner, SC)	9,631	14,447	10,483	6,967	41,528
29468 (Pineville, SC)	446	718	530	547	2,241
29469 (Pinopolis, SC)	161	289	271	221	942
29479 (Saint Stephen, SC)	1,916	2,788	1,952	1,680	8,336
29486 (Summerville, SC)	9,179	13,344	9,186	5,545	37,254
29492 (Charleston, SC)	4,997	6,054	4,947	2,518	18,516
Total Service Area	**60,355**	**92,775**	**61,723**	**36,766**	**251,619**

Berkeley County 2026 Population by Age					
ZIP Code	**0-17**	**18-44**	**45-64**	**65 and Up**	**Total**
29410 (Hanahan, SC)	4,971	7,846	5,438	3,709	21,964
29431 (Bonneau, SC)	1,558	2,625	1,870	1,831	7,884
29434 (Cordesville, SC)	190	321	232	206	949
29436 (Cross, SC)	1,090	1,724	1,265	1,359	5,438
29445 (Goose Creek, SC)	16,794	28,616	17,034	10,556	73,000
29450 (Huger, SC)	820	1,288	883	803	3,794
29453 (Jamestown, SC)	366	464	328	354	1,512
29456 (Ladson, SC)	9,985	14,813	9,718	5,438	39,954
29461 (Moncks Corner, SC)	10,257	15,487	10,800	8,602	45,146
29468 (Pineville, SC)	473	772	501	638	2,384
29469 (Pinopolis, SC)	165	313	260	274	1,012
29479 (Saint Stephen, SC)	2,029	3,110	1,869	1,973	8,981
29486 (Summerville, SC)	9,770	14,163	9,686	7,056	40,675
29492 (Charleston, SC)	5,183	6,425	5,512	3,081	20,201
Total Service Area	**63,651**	**97,967**	**65,396**	**45,880**	**272,894**

Source: Spotlight

Exhibit 7
Projected Primary Service Area Percentage Population Growth by Age Cohort

Berkeley County 2021 - 2026 Population Percent Change						
ZIP Code	**0-17**	**18-44**	**45-64**	**65 and Up**	**Total**	**CAGR**
29410 (Hanahan, SC)	5.21%	3.09%	6.02%	22.17%	7.14%	1.39%
29431 (Bonneau, SC)	4.56%	10.76%	-3.56%	21.58%	7.93%	1.54%
29434 (Cordesville, SC)	6.15%	7.72%	-1.69%	22.62%	7.72%	1.50%
29436 (Cross, SC)	5.93%	9.39%	-7.39%	21.02%	6.75%	1.32%
29445 (Goose Creek, SC)	5.11%	4.27%	8.23%	27.98%	8.29%	1.61%
29450 (Huger, SC)	7.89%	7.51%	-2.54%	24.69%	8.15%	1.58%
29453 (Jamestown, SC)	7.65%	6.42%	-5.48%	22.92%	7.16%	1.39%
29456 (Ladson, SC)	4.83%	4.31%	11.80%	27.20%	8.89%	1.72%
29461 (Moncks Corner, SC)	6.50%	7.20%	3.02%	23.47%	8.71%	1.68%
29468 (Pineville, SC)	6.05%	7.52%	-5.47%	16.64%	6.38%	1.24%
29469 (Pinopolis, SC)	2.48%	8.30%	-4.06%	23.98%	7.43%	1.44%
29479 (Saint Stephen, SC)	5.90%	11.55%	-4.25%	17.44%	7.74%	1.50%
29486 (Summerville, SC)	6.44%	6.14%	5.44%	27.25%	9.18%	1.77%
29492 (Charleston, SC)	3.72%	6.13%	11.42%	22.36%	9.10%	1.76%
Total Service Area	**5.46%**	**5.60%**	**5.95%**	**24.79%**	**8.46%**	**1.64%**

Source: Spotlight

Like the primary service area, the secondary service area for the proposed project is projected to experience notable population growth in the next five years—from 173,862 to 185,243, or 6.55% during this time. (See **Exhibits 8** and **9**). Of all age groups, the 65 and over age cohort is expected to have the highest level of growth—21.95% during this time. While the Orangeburg County ZIP codes are expected to decrease overall, the 65 and over population is expected to increase more than ten percent in the next five years. Thus, the growth trends for the secondary service area are similar to that of the primary service area and further solidify the overall population growth patterns for the primary users of Roper Berkeley's services.

Exhibit 8
Estimated and Projected Secondary Service Area Population by Age Cohort

Secondary Service Area 2021 Population by Age					
Zip Code	**0-17**	**18-44**	**45-64**	**65 and Up**	**Total**
Dorchester County					
29420 (North Charleston, SC)	5,955	9,013	5,987	2,778	23,733
29437 (Dorchester, SC)	516	713	572	506	2,407
29448 (Harleyville, SC)	577	838	665	528	2,608
29471 (Reevesville, SC)	264	492	418	374	1,548
29472 (Ridgeville, SC)	1,862	4,047	2,858	1,780	10,547
29477 (Saint George, SC)	1,455	2,313	1,856	1,684	7,318
29483 (Summerville, SC)	13,951	19,672	14,337	8,640	56,600
29485 (Summerville, SC)	14,041	20,712	15,264	9,014	59,031
Orangeburg County					
29048 (Eutawville, SC)	897	1,200	1,192	1,098	4,387
29059 (Holly Hill, SC)	1,351	1,723	1,417	1,192	5,683
Total SSA	**40,869**	**60,723**	**44,676**	**27,594**	**173,862**

Secondary Service Area 2026 Population by Age					
Zip Code	**0-17**	**18-44**	**45-64**	**65 and Up**	**Total**
Dorchester County					
29420 (North Charleston, SC)	6,158	9,432	6,270	3,790	25,650
29437 (Dorchester, SC)	535	760	619	613	2,527
29448 (Harleyville, SC)	583	868	614	630	2,695
29471 (Reevesville, SC)	246	522	401	415	1,584
29472 (Ridgeville, SC)	1,897	4,248	2,779	2,160	11,084
29477 (Saint George, SC)	1,450	2,480	1,742	1,938	7,610
29483 (Summerville, SC)	14,388	20,901	15,095	10,619	61,003
29485 (Summerville, SC)	14,205	21,882	16,080	10,946	63,063
Orangeburg County					
29048 (Eutawville, SC)	894	1,226	1,038	1,216	4,374
29059 (Holly Hill, SC)	1,320	1,766	1,244	1,323	5,653
Total SSA	**41,676**	**64,035**	**45,882**	**33,650**	**185,243**

Source: Spotlight

Exhibit 9

Secondary Service Area 2021-2026 Population Percent Change						
Zip Code	0-17	18-44	45-64	65 and Up	Total	CAGR Total
Dorchester County						
29420 (North Charleston, SC)	3.41%	4.65%	4.73%	36.43%	8.08%	1.57%
29437 (Dorchester, SC)	3.68%	6.59%	-7.69%	21.15%	4.99%	0.98%
29448 (Harleyville, SC)	1.04%	3.58%	-7.67%	19.32%	3.34%	0.66%
29471 (Reevesville, SC)	-6.82%	6.10%	-4.07%	10.96%	2.33%	0.46%
29472 (Ridgeville, SC)	1.88%	4.97%	-2.76%	21.35%	5.09%	1.00%
29477 (Saint George, SC)	-0.34%	7.22%	-6.65%	15.08%	3.99%	0.79%
29483 (Summerville, SC)	3.13%	6.25%	5.29%	22.91%	7.78%	1.51%
29485 (Summerville, SC)	1.17%	5.41%	5.35%	21.43%	6.83%	1.33%
Orangeburg County						
29048 (Eutawville, SC)	-0.33%	2.17%	-12.92%	10.75%	-0.30%	-0.06%
29059 (Holly Hill, SC)	-2.29%	2.50%	-12.21%	10.99%	-0.53%	-0.11%
Total SSA	**1.97%**	**5.45%**	**2.70%**	**21.95%**	**6.55%**	**1.28%**

Source: Spotlight

The Degree of Unmet Need

As discussed in detail below, population growth is the predominant driver of the need for the proposed project. It is evident that Roper Berkeley does not have sufficient bed capacity to serve the patients currently seeking care at the Berkeley County hospital. The projected growth of the population in the areas served by Roper Berkeley as demonstrated above will only compound the problem in the future.

Impact of Observation Beds on Current Inpatient Bed Utilization

The current complement of licensed beds at Roper Berkeley is greatly influencing the need for additional general acute care beds. The existing 50 licensed beds are composed of 24 medical/surgical ("med/surg") beds, 20 obstetric ("OB") beds, and six intensive care ("ICU") beds. As utilization of the hospital ramped up over the first 24 months, it quickly became apparent that 24 med/surg beds are not enough to meet the needs of the growing community served by Roper Berkeley.

Another important factor impacting bed availability at Roper Berkeley is the absence of a dedicated observation unit. Currently, patients in the hospital needing observation must be placed in med/surg beds, which reduces Roper Berkeley's capacity to treat patients needing inpatient care and limits the ability to schedule elective inpatient surgeries. The ED must routinely transfer eight to ten patients per day to nearby hospitals for care that Roper Berkeley is otherwise capable of providing but for the lack of bed capacity.

As part of this project, Roper Berkeley will establish a dedicated observation unit with eight unlicensed observation beds. In addition to this observation unit, Roper Berkeley will increase its general med/surg beds from 24 to 68, and its ICU beds from 6 to 12 (for

a total of 50 additional acute care beds) to assure the availability of inpatient bed capacity for patients seeking acute care services in Berkeley County.

Surgical Services Considerations

The limited number of acute care beds has also impacted the utilization of Roper Berkeley's inpatient surgical services, as many routine elective surgical procedures require overnight stays. Currently, Roper Berkeley cannot accommodate many of the elective inpatient or same day admit surgeries being requested because there is no guarantee that an inpatient bed will be available for post-procedure recovery. The proposed increase in bed capacity and additional operating rooms sought by this project will assure there is capacity for surgical procedures in Berkeley County for patients seeking such care at Roper Berkeley.

Growth in Berkeley County

As the Department is aware, the initial CON Application for the development and construction of Roper Berkeley was submitted to the Department on December 9, 2008. After an extensive review by the Department followed by protracted litigation by Trident, the CON was finally issued on January 6, 2016, and construction began on the hospital. The space planning and design for Roper Berkeley that took place in 2008 could not have anticipated the staggering growth that would be experienced in Berkeley County more than a decade in the future. It also was not assumed that Trident would abandon its proposed Berkeley County hospital and refuse to establish the 50 beds in Moncks Corner. As a result of these previously unknown factors, Roper Berkeley opened its doors with a bed capacity that was arguably insufficient to serve the surrounding population.

The extent of the population growth in Berkeley County is worth further mention. Between the time of the initial CON Application submission in December 2008 to the time that construction began in January 2016, SC RFA estimates the overall Berkeley County population grew from 175,092 to 203,035, or 15.96%. From 2016 until this year (2021), the population is estimated to have grown another 35,020 residents, or 17.25%. This high rate of growth is estimated to continue into the future, with Berkeley County estimated to reach almost 300,000 in population in 2031, just ten years from now. (See **Exhibit 10**).

As noted earlier, the age group experiencing the most growth in Berkeley County is composed of residents age 65 and older. From 2009 to 2015, this age group is estimated to have grown 48.7%. (See **Exhibit 10**). From 2015 to 2021, it is projected to have grown another 40.97%. According to RFA data, the population of those age 65 and older in Berkeley County is projected to grow an additional 28% in the next five years. By 2035, this age cohort will represent almost 20% of the entire Berkeley County population. As the 65 and older age cohort represent the most frequent users of acute care and related hospital services, it is imperative that Berkeley County have sufficient capacity to serve this growing community.

Exhibit 10

County	Age group	2009 Estimates Total	2015 Estimates Total	2021 Projections Total	2026 Projections Total	2031 Projections Total	2035 Projections Total
Berkeley	0-4 YRS	12,924	13,463	14,530	15,620	17,290	18,730
Berkeley	5-17 YRS	31,275	35,891	40,780	43,885	46,790	49,630
Berkeley	18-64 YRS	113,681	128,086	146,665	162,060	179,145	193,985
Berkeley	65 YRS and older	17,212	25,595	36,080	46,190	56,450	64,270
Berkeley	**County Total**	**175,092**	**203,035**	**238,055**	**267,755**	**299,675**	**326,615**

Source: RFA

Age group	Estimated % Growth 2009 - 2015	Projected % Growth 2015-2021	Projected % Growth 2021-2026	Projected % Growth 2026 - 2031
0-4 YRS	4.17%	7.93%	7.50%	10.69%
5-17 YRS	14.76%	13.62%	7.61%	6.62%
18-64 YRS	12.67%	14.51%	10.50%	10.54%
65 YRS and older	48.70%	40.97%	28.02%	22.21%
County Total	**15.96%**	**17.25%**	**12.48%**	**11.92%**

Source: RFA

However, Berkeley County is not just experiencing population growth; it is also experiencing an infusion of economic investment and business development, resulting in employment opportunity that is further driving growth and residential development in the area. Since January 1, 2015, more than $3.8 billion has been invested in the economic development of Berkeley County, resulting in the creation of 10,334 new jobs[8].

According to the Post and Courier (see **Attachment 6**), from 2017 to 2019, Berkeley County achieved a position in the Emsi rankings of counties for Talent Attraction. Emsi is an economic analysis firm which produces an annual Talent Attraction Scorecard. In 2019, Berkeley County was ranked eighth in the nation among similarly sized counties for workforce Talent Attraction. This is not surprising following the phenomenal economic growth and business development in Berkeley County in 2018, which included the announcement of three important business expansions and initiatives in the area:

- A $600 million expansion of Google, Inc.'s Monk's Corner data center, the largest economic development announcement in the state for 2018.
- A $255 million expansion of J.W. Aluminum's Goose Creek campus; the fourth largest announcement in the state for 2018.
- W International's (a welding and fabrication firm) plans to hire 600 additional employees.

The economic development and achievements listed above are just a few of the notable growth factors for Berkeley County. Additional articles and information highlighting the rapid growth in economic development in Berkeley County are included in **Attachment 6**.

[8] Available at Berkeleymeansbusiness.com.

With increasing population and increasing commerce, there has also been an explosion in community services, recreational offerings, planned living communities, and new home developments in Berkeley County. In 2021 alone, Beazer Homes has made two significant Berkeley County land purchases for new home communities, the most recent being a 75-acre wooded site on US Highway 52 near Cypress Gardens Road. The new residential development will be adjacent to a planned 48,000 square foot Publix supermarket and 27,000 square feet of additional retail space. The community will include 105 single family homes. Land development is planned for this January, with home construction beginning in late 2022.

These are not the only developments on the horizon in Berkeley County. An article published in the Post and Courier on August 14, 2021, "Beazer Purchases More Berkeley Land" (**Attachment 6**), lists six additional developments recently underway or in the planning process. This demonstrates that the commercial and residential boom in Berkeley County development over the last decade is not coming to an end in the near future. Through this project, Roper Berkeley will be better equipped to serve this growing community.

Impact of COVID-19

While the onset of the COVID-19 pandemic is not a significant factor driving the need for the proposed project, there are long-term considerations attendant to the pandemic that should be considered when contemplating unmet need. The historical utilization presented in **Exhibits 16** and **17** do not necessarily reflect the impact of COVID-19 on Roper Berkeley's bed utilization because the Roper St. Francis system recognized early in the pandemic that Roper Berkeley did not have the bed capacity to support COVID-19 patients requiring inpatient care while simultaneously caring for the community's non-COVID needs. Moreover, the physical layout of the small community hospital did not allow for the desired separation of patient populations. Consequently, COVID-related cases requiring inpatient care were transferred to another hospital in the system better equipped with necessary accommodations.

Because Roper Berkeley was not used for inpatient treatment of COVID-19 patients during the height of the pandemic, the historical bed utilization presented below reflects a relatively low level of COVID-19 inpatients. At its maximum census, Roper Berkeley had 11 COVID-19 inpatients. At the end of September 2021, a peak time of the Delta variant of the virus, Roper Berkeley had an average census of 6 COVID-19 inpatients. As a result, Roper Berkeley believes the bed utilization presented in the analysis below is reflective of routine, pre-pandemic patient care at the community hospital. That said, Roper St. Francis and Roper Berkeley must face that in this new pandemic world, the necessity to care for patients with highly infectious diseases is not likely to go away in the immediate or near future, and the current bed configuration does not allow for the necessary sequestration among inpatients.

Current literature (see **Attachment 6**) supports the need for additional bed capacity at Roper Berkeley into the future. An article recently published in *Forbes*, "Overwhelmed

U.S. Hospital Systems: A Look into the Future," addresses future bed and service capacity constraints. Among its observations,

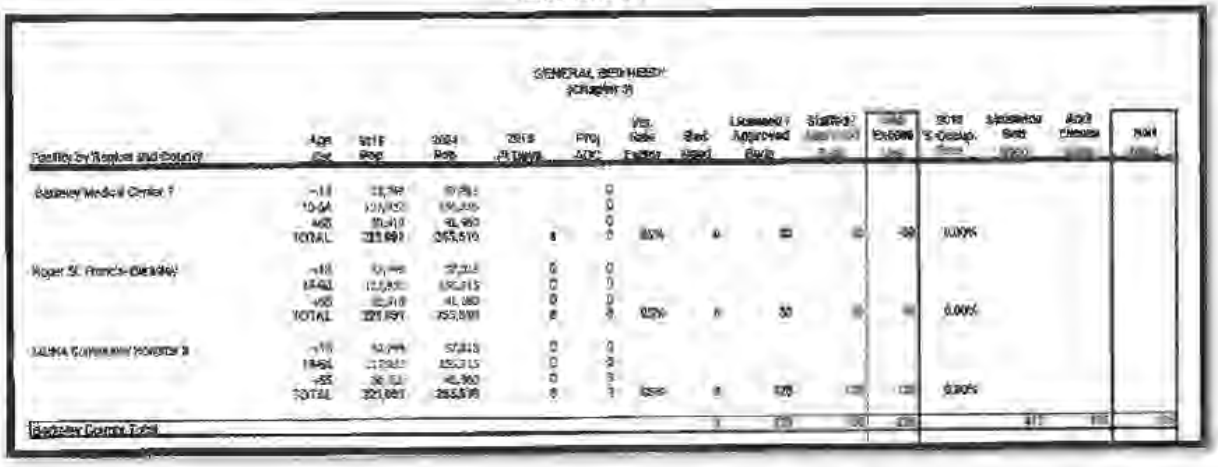
> "The challenge moving forward is to make sure these hospitals are not only properly equipped and staffed in normal times, but also that they have the ability to manage a surge in cases by providing the necessary staff, personal protective equipment, and beds to deliver quality care in the midst of a national health crisis."
>
> "A coordinated effort must be implemented across all states to ensure that hospitals have the capacity to deliver high quality care even in the midst of a crisis. Such a systematic rethink also requires long-term planning as Covid-19 will not be the last pandemic this generation of Americans will experience."

The principles and goals outlined in the *Forbes* article further support the need for additional beds at Roper Berkeley so that it may be prepared to provide for growing service area patient needs as well as pandemic-related patient care into the future. Roper Berkeley has experienced this firsthand and recognizes that the proposed project aligns with these needs as well as the traditional patient care factors driving the need for additional beds and hospital-based services.

2020 South Carolina Health Plan and Berkeley County Bed Need

Roper Berkeley is the only facility with general hospital beds in Berkeley County. Discussed in detail below, Roper Berkeley projects facility-specific bed need using the formula set forth in the *South Carolina Health Plan*. The 2020 South Carolina Health Plan ("2020 SHP") was enacted March 13, 2020, for all but Chapter 3, which was enacted June 12, 2020. **Exhibit 11** shows the hospital inventory and bed need calculations for Berkeley County from page 27 of the 2020 SHP. Since the publication of the 2020 SHP, Roper Berkeley has submitted Joint Annual Reports (JARs) for 2019 and 2020.

Exhibit 11



Chapter 3, General Hospitals, sets forth the CON Projections and Standards for general acute care hospital beds. Standard 4 states:

> *"The bed need for each service area is the combined bed need for all individual hospitals in the service area. The bed need for service areas with no hospital, or for service areas in which no hospital has reported any utilization data on the most recent JAR, is the statewide utilization bed need."*

The statewide utilization methodology was used for Berkeley County because the 2020 SHP was enacted before Roper Berkeley's utilization was reported on its 2019 or 2020 JARs. The result was a need for 185 beds in Berkeley County after accounting for the Department's approval of 228 beds in Berkeley County at three hospitals: Roper Berkeley (50 beds), Berkeley Medical Center (50 beds), and MUHA Community Hospital (128 beds).

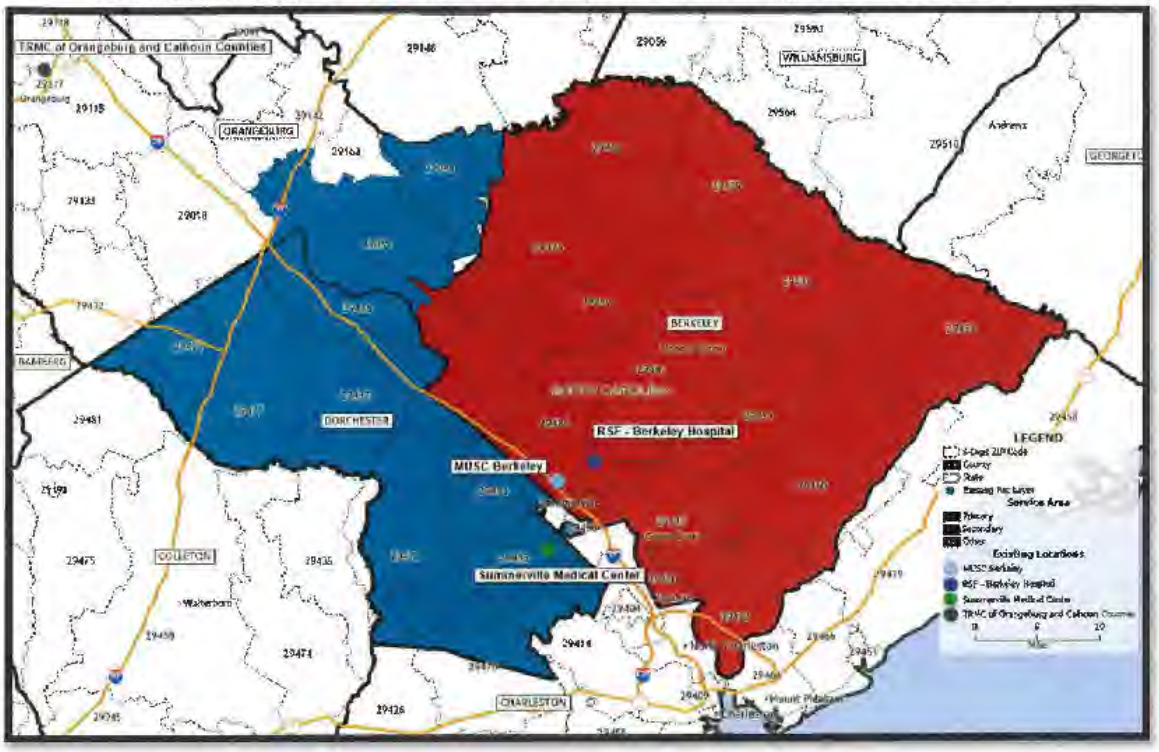
Since the enactment of the 2020 SHP, not only has Roper Berkeley reported utilization data on two JARs, but the number of approved beds in Berkeley County has decreased by 50 with Trident's abandonment of Berkeley Medical Center. As a result, this proposed project will result in a net zero impact to the bed need published in the latest Health Plan. With this in mind, there should be no debate that the 50 additional beds proposed by this project are needed in Berkeley County.

Utilization of Existing Facilities and Services

The South Carolina Health Plan formula calculates bed need by individual hospital and totaled by county for overall bed need, which is the service area for general beds. Roper Berkeley's primary service area of Berkeley County aligns with the SHP. Roper Berkeley is the only existing provider of acute care services in Berkeley County. The Department previously approved Medical University Hospital Authority (MUHA) to build a 128-bed acute care facility in Berkeley County, which is currently being appealed by Trident Medical Center, Summerville Medical Center and Colleton Medical Center. The location of MUHA's proposed community hospital is included on **Exhibit 12**, which identifies acute care hospitals in the service area, although MUHA had not yet begun construction as of the submission of this Application.

Exhibit 12 also shows Roper Berkeley's secondary service area consisting of Dorchester County and two ZIP codes from Orangeburg County, which has one existing provider of acute care services, Summerville Medical Center (SMC) in Dorchester County.

Exhibit 12
Existing and Approved Acute Care Hospitals in the Proposed Service Area

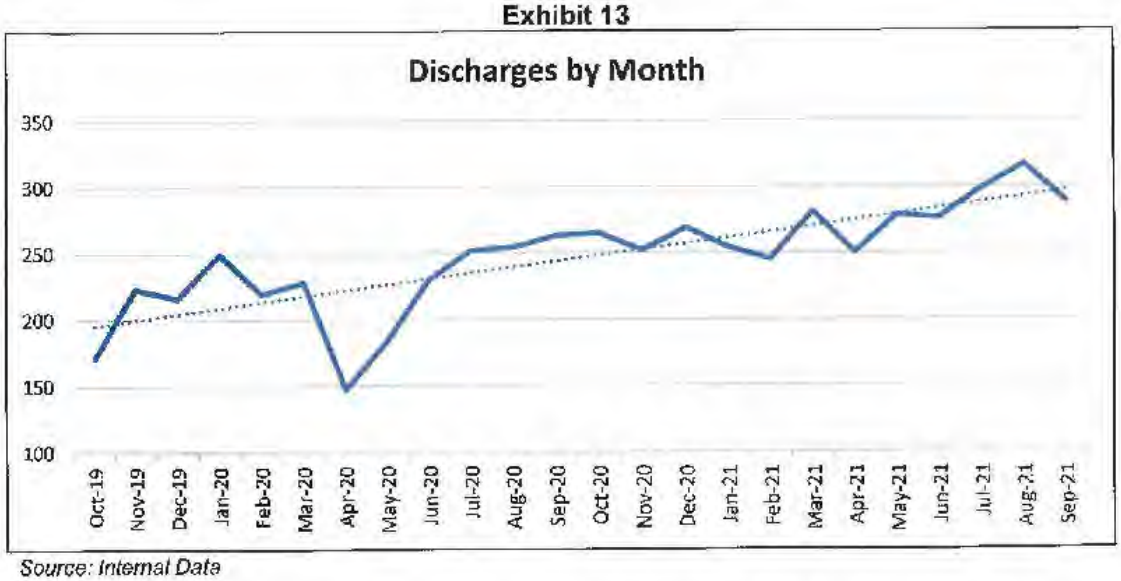


Inpatient Bed Utilization

Roper Berkeley has more than 24 months of utilization data that is spread over three calendar years. The overall picture of growth for the facility is best viewed on a month-by-month basis beginning with the facility's opening in late 2019. **Exhibits 13, 14** and **15** below show the inpatient discharges, total inpatient days by month, and average daily census (ADC) statistics by month. Each of these key metrics demonstrate consistent growth in inpatient services at Roper Berkeley.

Roper Berkeley discharged 171 inpatients in October 2019. (See **Exhibit 13**). The volume of discharges grew consistently until April 2020, when the impact of the pandemic was experienced. As explained previously, Roper Berkeley transferred most COVID-19 patients needing inpatient care to other hospitals within the Roper St. Francis system intentionally equipped with dedicated COVID units. Consistent with healthcare trends across the country, during the spring of 2020, providers and patients alike scaled back on elective medical care, which led to abnormally low volumes. By mid-year of 2020, utilization began to return to normal levels and has continued to increase since that time.

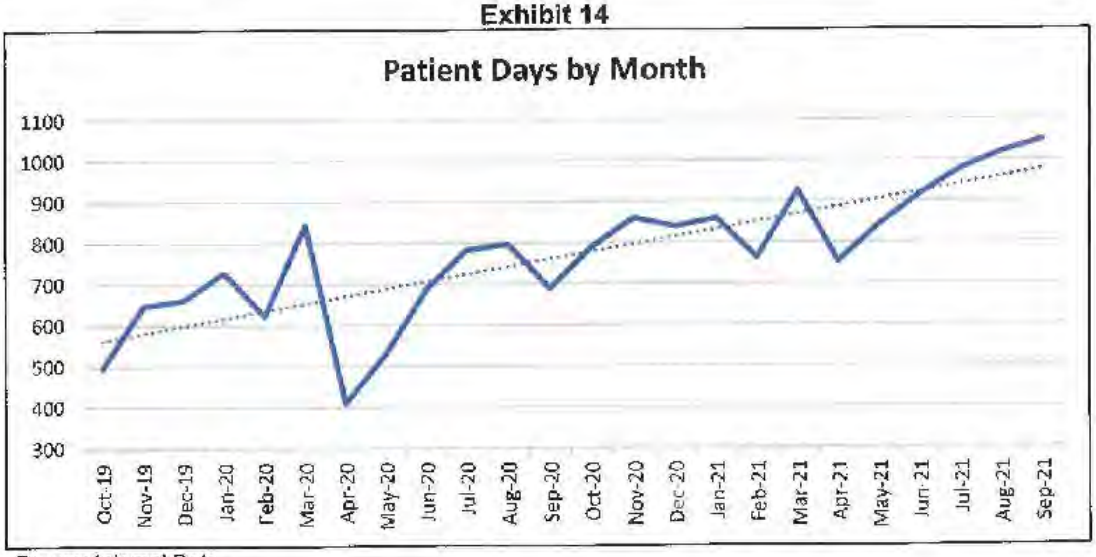
Exhibit 13



Source: Internal Data

As ED visits and surgical volumes ramped up during the first year of operation, patient days logically followed that trend, increasing notably since May 2021. (See **Exhibit 14**). Patient days have exceeded 900 per month since May 2021, peaking in September 2021 with 1,047 patient days.

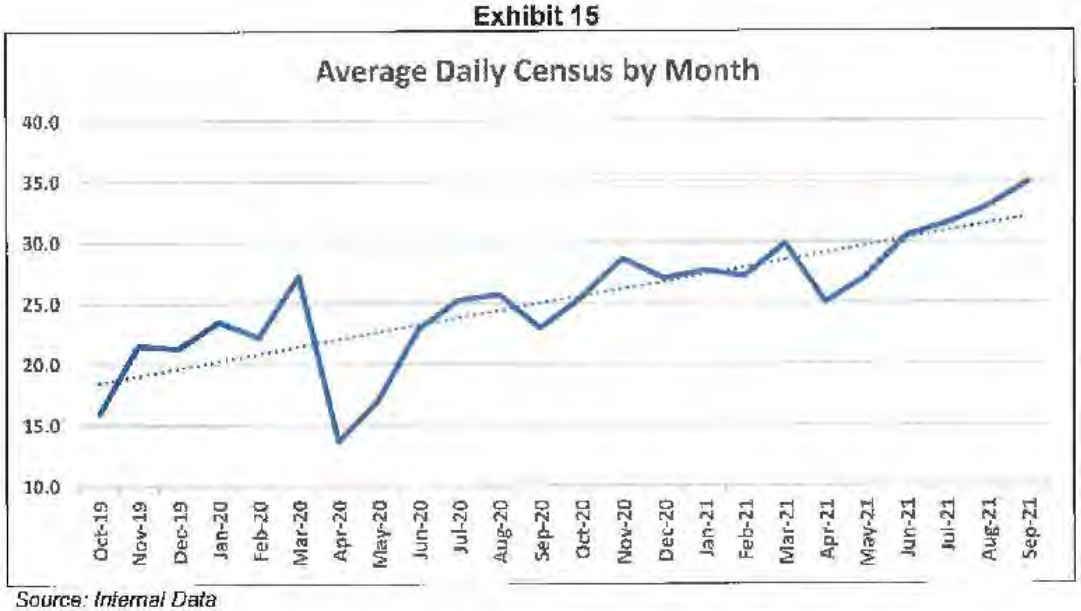
Exhibit 14



Source: Internal Data

The average daily census (ADC) has similarly climbed in correlation with the metrics above. (See **Exhibit 15**). In the first six months of operation, Roper Berkeley had an ADC between 16 and 26 inpatients. The ADC for September 2021 was 34.9 inpatients, which is indicative of the strong inpatient utilization Roper Berkeley is currently experiencing.

Exhibit 15



Source: Internal Data

What is not shown by this big picture here, however, is the significant capacity constraints on Roper Berkeley's non-OB bed capacity. Of the 50 licensed acute care beds at Roper Berkeley, only 24 are general med/surg beds. The remaining 26 beds are a combination of 20 OB beds and six ICU beds. Over the course of 2021, the 24 med/surg beds have remained highly utilized and reached over 94% of capacity in September 2021. (See **Exhibits 16** and **17**). Note that these figures do not account for observation use. Utilization as high as these levels is not ideal for an acute care facility of smaller size. Roper Berkeley has been forced to limit inpatient surgical procedures and transfer ED patients to other facilities due to lack of inpatient bed capacity. Roper Berkeley must add acute care beds in order to meet the current and projected needs of the community.

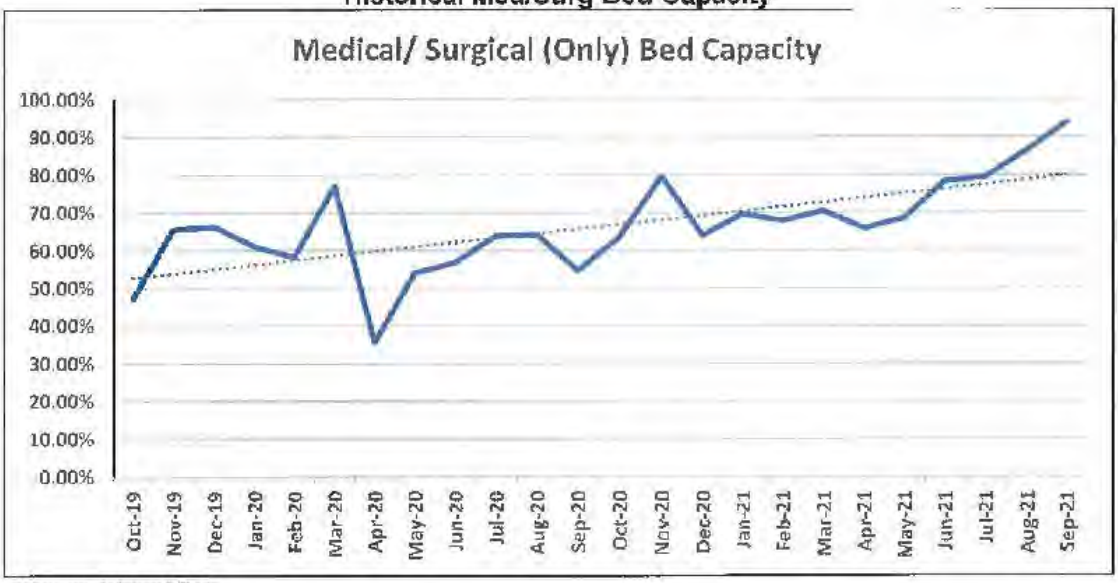
Exhibit 16
2021 Med/Surg (Only) Bed Capacity by Month

Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21
69.62%	67.86%	70.43%	65.83%	68.55%	78.33%	79.44%	86.42%	94.03%

Source: Internal Data

This trend is graphically presented below.

Exhibit 17
Historical Med/Surg Bed Capacity

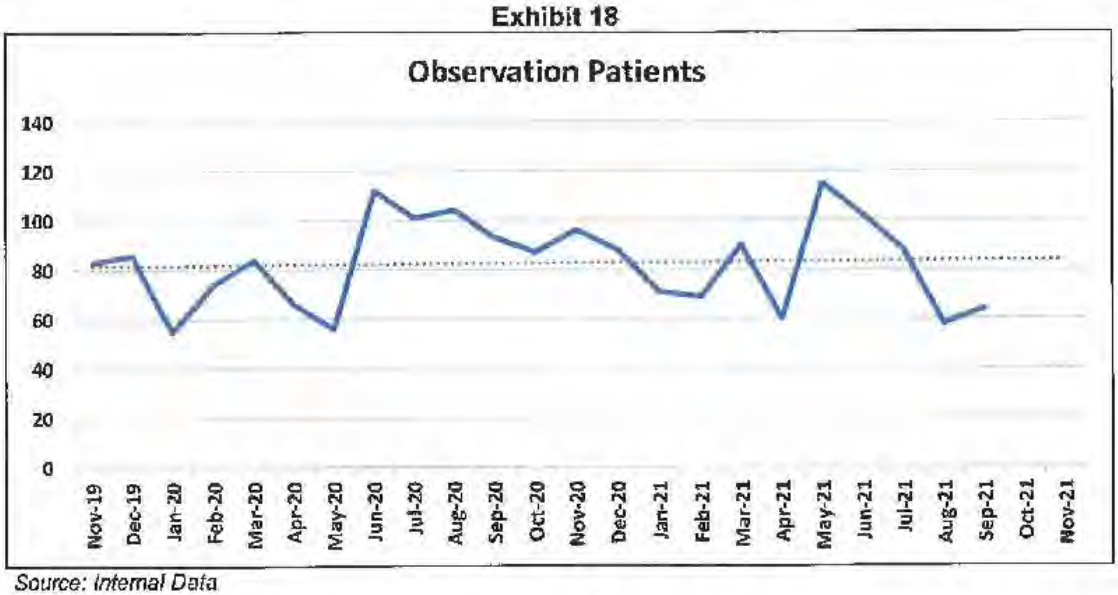


Source: Internal Data

Observation Beds

As explained previously, Roper Berkeley does not have a dedicated observation unit with designated non-licensed beds to care for patients needing observation for less than a 24-hour period following emergency or surgical care. Currently these patients must utilize one of the 24 med/surg beds at Roper Berkeley, which constrains the ability to provide inpatient care to patients. Shown in **Exhibit 18** below, the use of observation beds has varied during the most recent 24 months of operation at Roper Berkeley. In general, there are between 50 and 120 observation patients per month. In the first 24 months of operation (October 2019 through September 2021), the total number of observation patients remained very consistent; however, the average number of hours each observation patient spent in a bed increased approximately 24% from Year 1 to Year 2. In Year 2, Roper Berkeley's beds were utilized for observation status for approximately 18 hours per patient. (See **Exhibit 19**). At peak times of use, as many as 8 of the 24-bed med/surg unit are occupied by observation patients and unavailable for inpatient care.

Exhibit 18



Source: Internal Data

Exhibit 19
Historical Use of Beds for Observation Patients

	10/19-09/20	10/20-09/21	% Increase
Patients	969	988	1.96%
Days	610	756	23.87%
Hours	14,641	18,136	23.87%
Hours per Patient	15.11	18.36	21.49%

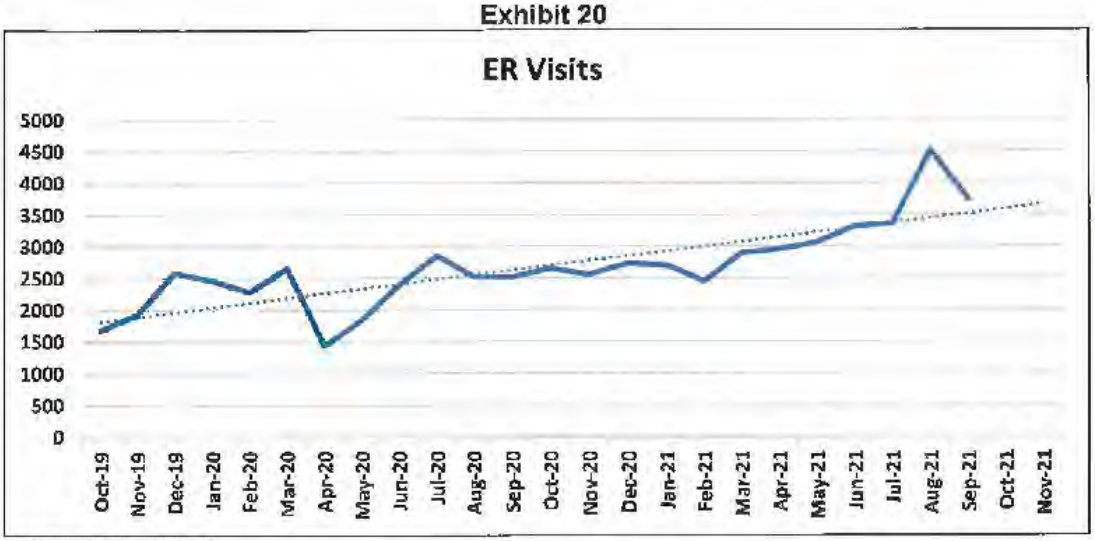
Source: Internal Data

Emergency Department Services

Roper Berkeley's ED has been highly utilized since opening and has experienced continued growth in patient visits since. (See **Exhibits 20** and **21**). During the first 24 months of operation, ED visits grew 36% to almost 37,000 visits in September 2021. Over the past 12 months, seven patients per day, on average, are treated in each of the existing 14 treatment bays. To sustain the expected level of growth of ED volume, additional treatment bays will be necessary.

Currently, during peak census times, Roper Berkeley's clinicians are forced to rely on hallway space and overflow areas outside of the ED to provide emergency services to its patients. Roper Berkeley in fact has the second busiest ED by volume and is the busiest ED by patients per space within the Roper St. Francis system. EMS providers routinely face prolonged handoff times awaiting space to offload patients from ambulance stretchers and are more likely to divert to another Roper St. Francis ED than with any other facility in the system.

Exhibit 20



Source: Internal Data

Exhibit 21
Historical ED Utilization

	10/19-09/20	10/20-09/21	% Increase
Total Visits	27,146	36,925	36.0%
Average Visits per Day	74	101	35.7%
Avg. Visits per Bay per Day	5.31	7.21	35.7%

Source: Internal Data

Utilization of Imaging Services

The existing Computed Tomography (CT) scanner and Magnetic Resonance Imaging (MRI) unit at Roper Berkeley are highly utilized and have experienced continued volume growth since October 2019. (See **Exhibits 22** and **23**).

In the first year of operation, Roper Berkeley's CT scanner provided 10,754 scans. This number increased 51% over the second year to 16,295 scans (an average of 44.6 scans per day). In order to accommodate this level of utilization, imaging staff must operate the CT scanner for outpatient as well as inpatient use into the evenings and throughout the weekends.

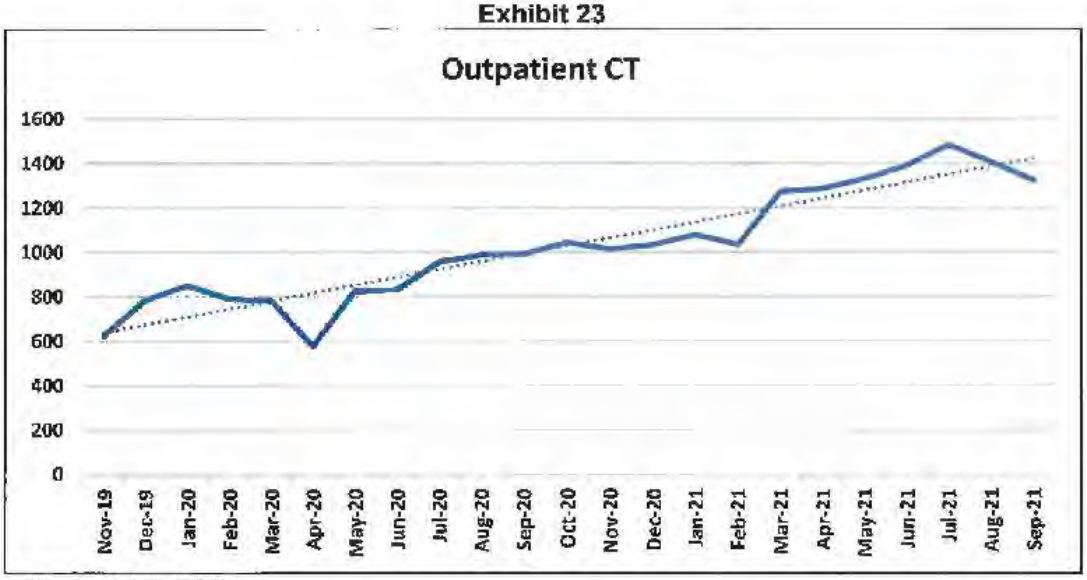
Exhibit 22
Historical CT Utilization

	10/19-09/20	10/20-09/21	% Increase
Inpatient	1,250	1,604	28.32%
Outpatient	9,504	14,691	54.58%
Total	10,754	16,295	51.53%
Avg. per Day	29.5	44.6	51.53%

Source: Internal Data

The current volumes in and of themselves warrant a second CT scanner at Roper Berkeley. Nonetheless, further assessment of the historical utilization trends make clear that the growth is not tapering, particularly for outpatient patient scans. In August 2021, Roper Berkeley performed more than 1,400 outpatient CT scans in that single month.

Exhibit 23



Source: Internal Data

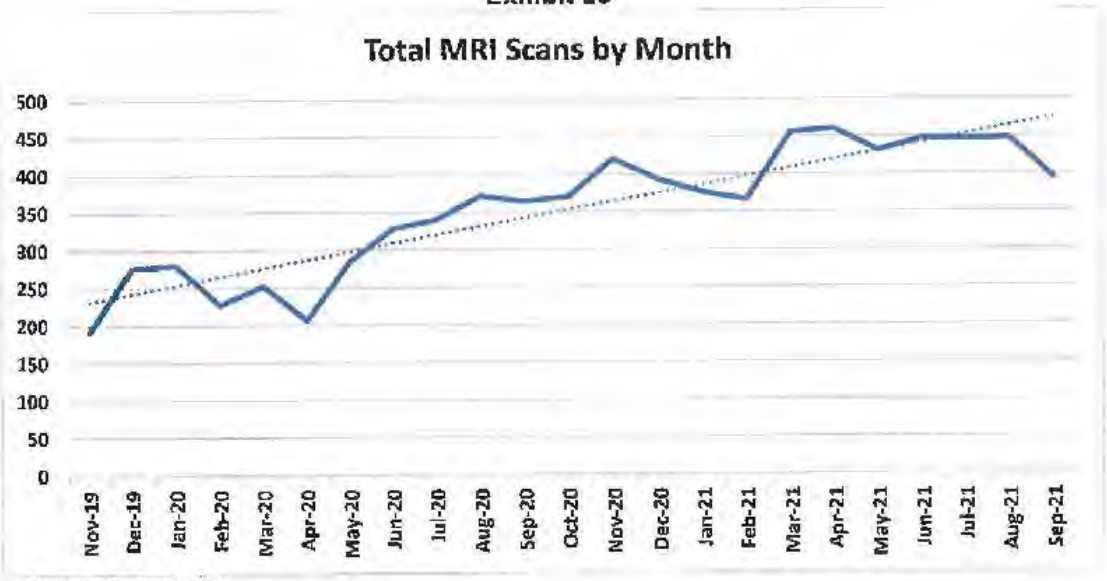
Demonstrated in **Exhibit 24** below, MRI utilization has also experienced growth and a demand similar to that of Roper Berkeley's CT services. Inpatient scans increased 32.8% from the first to second year of operation, while outpatient scans increased 55.2% during that time. Over the last 12 months, Roper Berkeley performed more than 5,000 total MRI scans, averaging 13.7 scans per day. Again, while this level of utilization alone justifies the addition of a second scanner, it is clear from the historical trend that utilization will likely continue to increase with population growth. (See **Exhibit 25**).

Exhibit 24
Historical MRI Utilization

	10/19-09/20	10/20-09/21	% Increase
Inpatient	247	328	32.8%
Outpatient	3,016	4,680	55.2%
Total	3,263	5,006	53.4%
Avg. per Day	8.9	13.7	53.4%

Source: Internal Data

Exhibit 25



Source: Internal Data

The dramatic increases in volume demonstrated by the above data have resulted in notable wait times particularly for outpatient scans. There is currently an 11-day wait for an outpatient CT scan and a 15-day wait for an outpatient MRI scan at Roper Berkeley. An additional MRI and CT unit is clearly justified and needed at Roper Berkeley.

Utilization of Surgical Services

As described previously, inpatient surgeries are currently limited by the lack of inpatient bed capacity at Roper Berkeley. In addition, Roper Berkeley has been limited in its outpatient surgical offerings and constrained in expanding surgical relationships that would increase the availability of inpatient surgical services in the community. Even with these limitations, surgical utilization and particularly outpatient surgical utilization has grown rapidly since Roper Berkeley opened. As shown on **Exhibit 26**, Roper Berkeley saw a 94.7% percent increase in outpatient surgeries in its second twelve months of operation.

Exhibit 26
Historical Surgical Department Utilization

	10/19-09/20	10/20-09/21	% Increase
Inpatient Surgeries	332	488	47.0%
Outpatient Surgeries	1,141	2,221	94.7%
Total Surgeries	1,473	2,709	83.9%

Source: Internal Data

The current surgical limitations are best depicted by **Exhibits 27** and **28**. While inpatient surgical volume have grown somewhat over time, it is evident from **Exhibit 27** that volumes have been constricted. This is so because as inpatient census has increased, inpatient surgical volume has been flat to declining due to lack of bed availability. Inpatient surgeries by month are variable and are limited to just over 50 per month at their highest level. Conversely, without the limitation presented by bed capacity, outpatient surgical volumes have grown rapidly and are continuing to grow.

Exhibit 27

Source: Internal Data

Exhibit 28

Source: Internal Data

The proposed addition of acute care beds, establishment of a dedicated observation unit, and the addition of surgical suites will eliminate these capacity challenges and match the surgical department's capacity to the current and future needs of inpatients and outpatients alike. The enhanced capacity and availability of services is also expected to improve the potential for expanded surgical offerings available to patients seeking care at Roper Berkeley.

Projected Utilization

Projected Inpatient Bed Utilization

Roper Berkeley used a very conservative market driven approach to project utilization of the proposed 50 additional beds. The analysis was done for total discharges and separately for medical/surgical and ICU without OB discharges, as the proposed beds are intended for inpatients needing non-OB services. The following sources of data were used in development of these projections:

- Internal utilization by bed type (OB, med/surg, ICU) from October 2019 to September 2021.
- SC RFA data for FFY 2018 through 2020 by ZIP code and AHRQ Diagnosis Category for Roper Hospital, St. Francis Hospital, and Mount Pleasant Hospital, as well as the market.[9]
- Population data by age group and ZIP code from Claritas, Inc.

Step 1 – Calculated Estimated Market Share in Primary and Secondary Service Areas

Roper Berkeley started by annualizing CY 2021 data through year end on a straight-line basis. Then using the RFA data for total market discharges and OB discharges, separately, Roper Berkeley's market share was estimated for Q3 2019, CY 2020, and CY 2021 by ZIP code. Roper Berkeley's estimated market share is shown below:

Exhibit 29

	Roper St. Francis Berkeley Hospital			
	2018	2019	2020	2021
PSA	0.00%	2.08%	9.71%	10.78%
SSA	0.00%	0.80%	3.74%	4.46%
Total	0.00%	1.50%	7.04%	7.98%

Source: Internal Data

Step 2 – Project Total Discharges in Primary and Secondary Service Areas

Roper Berkeley projected the total PSA and SSA market discharges by ZIP code starting with CY 2020 RFA data and growing discharges by ZIP code at the rate of population growth as follows:

[9] RFA data does not include normal newborns.

- OB discharges were increased based on the female 15-44 population.
- Total and non-OB discharges were increased by the average of the total population growth and the 65+ population growth. This is based on the fact that approximately 47% of Roper Berkeley's discharge are age 65 and older but this age cohort comprises just 14.6% of the population in the primary service area.

Total market discharges were projected as follows:[10]

Exhibit 30

	Med/Surg & ICU Discharges						
	2018	2019	2020	2021	2026	2027	2028
PSA	16,701	16,994	17,690	18,183	20,825	21,391	21,969
SSA	15,216	14,659	14,728	14,983	16,318	16,597	16,881
Total	31,917	31,653	32,419	33,166	37,143	37,988	38,850

	OB Discharges						
	2018	2019	2020	2021	2026	2027	2028
PSA	2,784	3,137	2,400	2,530	3,302	3,485	3,679
SSA	1,888	1,985	1,480	1,549	1,944	2,034	2,130
Total	4,672	5,122	3,880	4,078	5,246	5,520	5,809

	Total Market Discharges						
	2018	2019	2020	2021	2026	2027	2028
PSA	19,484	20,131	20,090	20,713	24,128	24,876	25,648
SSA	17,105	16,643	16,208	16,531	18,261	18,632	19,011
Total	36,589	36,775	36,299	37,244	42,389	43,508	44,659

Source: Internal Data

Step 3 – Project Roper Berkeley Market Share in Primary and Secondary Service Areas

Roper Berkeley's market share was projected at the individual ZIP code level for the interim period (2022 – 2025) assuming minimal increases due to bed capacity constraints, particularly for non-OB patients. The projected market share increase for the first three years after the additional beds are operational is also conservative with no more than 3.5% for the service area total discharges. Average incremental market shares are presented as follows:

[10] Note interim years (2022 through 2025) were projected based on the same methodology but are not shown here for ease of review.

Exhibit 31

Incremental Market Share - M/S & ICU			
Interim Years	2026	2027	2028
0.1%	3.5%	2.5%	0.9%
0.1%	2.5%	1.5%	1.0%
0.1%	3.1%	2.1%	1.0%

Incremental Market Share - OB			
Interim Years	2026	2027	2028
1.2%	3.2%	2.2%	1.2%
0.5%	2.0%	1.0%	0.5%
0.9%	2.8%	1.8%	1.0%

Incremental Market Share - Total			
Interim Years	2026	2027	2028
0.3%	3.5%	2.5%	1.0%
0.2%	2.5%	1.5%	1.0%
0.2%	3.1%	2.1%	1.0%

Source: Internal Data

Step 4 –Project Utilization of Additional Licensed Beds at Roper Berkeley

After applying the projected market share to the total service area discharges, utilization by bed category was projected as follows:

- For non-OB beds, in-migration is projected to be approximately 9% of total discharges based on historical experience. Average length of stay (ALOS) was increased from 3.8 days in 2021 to 4.0 days to reflect the expected increase in patient acuity resulting from the existence of bed availability and surgical utilization. Roper Berkeley is projected to experience 74% occupancy of 80 non-OB beds by Year 3 (CY 2028).

Exhibit 32

Projected Utilization of Roper St. Francis Berkeley Hospital - M/S and ICU Only

				Year 1	Year 2	Year 3
	CY 2019 1/4	CY 2020	CY 2021 Annualized	*CY 2026*	*CY 2027*	*CY 2028*
PSA	361	1,453	1,520	2,503	3,099	3,377
SSA	115	462	533	1,071	1,341	1,536
Total	476	1,915	2,053	3,574	4,440	4,912
In-migration	50	171	196	359	450	499
In-migration %	9.5%	8.2%	8.7%	9.1%	9.2%	9.2%
Total	526	2,086	2,249	3,933	4,890	5,411
ALOS	3.1	3.4	3.8	3.9	4.0	4.0
Patient Days	1,630	6,989	8,519	15,502	19,688	21,732
ADC	17.7	19.1	23.3	42.5	53.9	59.5
Beds	30	30	35	80	80	80
Occupancy	59%	64%	67%	53%	67%	74%

Source: Internal Data

- For OB beds, in-migration is projected to be approximately 12% of total discharges based historical experience. ALOS was projected to remain constant at 2.17 days based on 2021 utilization. Roper Berkeley is projected to experience 62% occupancy of 20 OB beds by CY 2028.

Exhibit 33

Projected Utilization of Roper St. Francis Berkeley Hospital - OB Only

				Year 1	Year 2	Year 3
	CY 2019 1/4	CY 2020	CY 2021 Annualized	*CY 2026*	*CY 2027*	*CY 2028*
PSA	58	497	713	1,188	1,329	1,446
SSA	18	145	205	338	374	403
Total	76	642	919	1,526	1,704	1,849
In-migration	8	86	129	208	232	252
In-migration %	9.5%	11.8%	12.3%	12.0%	12.0%	12.0%
Total	84	728	1,048	1,734	1,936	2,101
ALOS	2.05	2.17	2.17	2.17	2.17	2.17
Patient Days	172	1,580	2,275	3,764	4,203	4,562
ADC	1.9	4.3	6.2	10.3	11.5	12.5
Beds	20	20	15	20	20	20
Occupancy	9%	22%	42%	52%	58%	62%

Source: Internal Data

- The combined utilization for all bed types at Roper Berkeley is projected to be 72% occupancy of 100 licensed acute care beds by CY 2028, the third year of operation as shown below:

Exhibit 34

Projected Utilization of Roper St. Francis Berkeley Hospital

				Year 1	Year 2	Year 3
	CY 2019 1/4	CY 2020	CY 2021 Annualized	*CY 2026*	*CY 2027*	*CY 2028*
PSA	419	1,950	2,234	3,691	4,428	4,823
SSA	133	607	738	1,409	1,715	1,939
Total	552	2,557	2,972	5,100	6,143	6,761
In-migration	58	257	326	567	683	751
In-migration %	9.5%	9.1%	9.9%	10.0%	10.0%	10.0%
Total	610	2,814	3,297	5,667	6,826	7,512
ALOS	2.95	3.05	3.27	3.40	3.50	3.50
Patient Days	1,802	8,569	10,795	19,267	23,891	26,294
ADC	20	23	30	53	65	72
Beds	50	50	50	100	100	100
Occupancy	39%	47%	59%	53%	65%	72%

Source: Internal Data

Projected ED Utilization

The ED at Roper Berkeley has been strongly utilized since opening in October 2019, and volumes have experienced continuous growth since that time. As a result, Roper Berkeley projects the future utilization of the additional treatment bays using a population-driven approach. Despite a robust 36% increase in visits between its first and second 12 months of operation (see **Exhibit 35**), Roper Berkeley uses a conservative growth estimate to project future years and clearly demonstrates justification for the proposed project:

Exhibit 35
ED Historical Utilization

	10/19-09/20	10/20-09/21	% Increase
Total Visits	27,146	36,925	36.0%
Average Visits per Day	74.37	100.89	35.7%
Avg Daily Visits per Bay	5.31	7.21	35.7%

Source: Internal Data

The methodology for calculating the growth rate used to project future ED visits is shown in **Exhibit 36**. Referenced in **Exhibit 9** above, the projected CAGR for the primary service area is 1.64% for years 2021-2026. The CAGR for this time period for the 65-plus age cohort of Berkeley County alone is 4.53%. Since this age cohort represents more than 40% of Roper Berkeley's inpatient discharges but only 14% of the population, an average of these two rates is used to project growth (3.08%).

Exhibit 36

2021-2026 Projected CAGR		
Total Berkeley	65-Plus	Average
1.64%	**4.53%**	**3.08%**

Source: Spotlight

The volume for Q4 2021 was estimated based on the most recent quarter of utilization data available (June – August 2021). Interim CY 2021 was calculated by annualizing Q4 2021 and applying the 3.08% growth rate. All future years are grown annually by 3.08%. This results in 55,305 ED visits in Year 3 (2028).[11]

[11] Interim CY 2022 – 2025 are projected on the same basis by population growth but not shown here for simplicity of presentation.

Exhibit 37
Historical and Projected ED Visits Volume

	10/19-09/20	10/20-09/21	Quarter 4 2021	Project Year 1 CY 2026	Project Year 2 CY 2027	Project Year 3 CY 2028
Total Projected Visits	27,146	36,925	11,179	52,046	53,651	55,305
Average Visits per Day	74.37	101.16	122.85	142.59	146.99	151.52
Treatment Bays	14	14	14	35	35	35
Total Visits per Bay	1,939	2,638	3,194	1,487	1,533	1,580

Source: Internal Data

Projected Utilization of Surgical Services

Roper Berkeley proposes to add four additional operating rooms (ORs) for a total of eight. As previously detailed, lack of inpatient bed capacity is constraining the utilization of surgical services at Roper Berkeley. With the proposed bed addition and a dedicated observation unit, surgical volumes are expected to increase in the existing ORs as well as the proposed new ORs. These factors drive the methodology for calculating projected utilization across all ORs.

Roper Berkeley's surgical department experienced considerable growth in its first two years of operation, with outpatient procedure volumes increasing almost 95% between the first and second 12 months of operation. (See **Exhibit 38**). Nevertheless, capacity continues to be limited as a result of an inadequate number of inpatient and observation beds needed to care for post-surgical patients. Roper Berkeley must at times divert surgical cases to other facilities within the system that have greater bed availability and is unable to accommodate scheduling for surgeons who have both inpatient and outpatient cases to perform.

Exhibit 38
Surgery Department Historical Utilization

	10/19-09/20	10/20-09/21	% Increase
Inpatient	332	488	47.0%
Outpatient	1,141	2,221	94.7%
Total	1,473	2,709	83.9%

Source: Internal Data

For year-to-date through the month of September 2021, the ratio of IP surgeries to total discharges is 16.2%. (See **Exhibit 39**). This is considerably lower than that of St. Francis Hospital with 26.0% for the same period and is reflective of the bed capacity limitations that impact scheduling of surgery case at Roper Berkeley.

Exhibit 39
Ratio of IP Surgeries to Discharges 2021

	IP Surgeries	Discharges	Ratio
YTD 2021	356	2,198	16.2%

Source: Internal Data

Inpatient, outpatient and total surgical utilization is projected in **Exhibit 40** below using the following methodology:

- Q4 2021 inpatient and outpatient surgeries are calculated by multiplying the 2021 YTD monthly average by 3 (three months) for each.
- CY 2022 inpatient and outpatient surgeries are calculated by annualizing the Q4 2021 surgeries and increasing them by the 3.08% average CAGR referenced in **Exhibit 36** above.
- CY 2023-2025 for both inpatient and outpatient surgeries result from the annual growth of Interim Year 1 by the 3.08% CAGR.[12]
- Inpatient surgeries for project years 1-3 are calculated by multiplying the projected inpatient discharges for respective years 1-3 (5,667, 6826, and 7,512) by the 26.0% surgeries to inpatient discharges ratio referenced above.
- Outpatient surgeries for CY 2026 – CY 2028 are calculated with annual increases of 20%, 15%, and 10% of outpatient surgical volume respectively for project years 1-3 over prior year volume, which is reflective of pent-up demand resulting from capacity constraints.

Exhibit 40
Projected Utilization of Surgical Services

	10/19-09/20	10/20-09/21	Quarter 4 2021	Project Year 1 CY 2026	Project Year 2 CY 2027	Project Year 3 CY 2028
Inpatient	332	488	134	1,473	1,775	1,953
Outpatient	1,141	2,221	644	3,492	4,015	4,417
Total	1,473	2,709	778	4,965	5,790	6,370
ORS	4	4	4	8	8	8
Cases per OR	368	677	778	621	724	796

Source: Internal Data

The methodology set forth above results in 6,370 total surgeries in Year 3 of operation for the proposed project.

Exhibit 41 shows a capacity analysis based on projected volumes for Years 1 – 3 of the proposed project. Using a 90-minute per case average based on current Roper Berkeley utilization data, case capacity by OR per year is 1,344 cases. With eight operating rooms, total OR capacity is 10,752 cases per year. Using these figures, Roper Berkeley projects utilization at nearly 60% of capacity in Year 3 of operation for the proposed project.

[12] Interim CY 2022 – 2025 are projected on the same basis by population growth but not shown here for simplicity of presentation.

Exhibit 41
OR Capacity Analysis

	Project Year 1 CY 2026	Project Year 2 CY 2027	Project Year 3 CY 2028
Inpatient	1,473	1,775	1,953
Outpatient	3,492	4,015	4,417
Total Cases	4,965	5,790	6,370
Average Minutes per Case	90	90	90
Minutes per OR per day	480	480	480
Case Capacity by OR per Day	5.33	5.33	5.33
Case Capacity per OR per Year	1,344	1,344	1,344
Total ORs	8	8	8
Total OR Capacity per Year	10,752	10,752	10,752
Projected Capacity	46%	54%	59%

Note: Capacity per day based on 8 hours per day (480 minutes) ÷ 90 minutes per case. Capacity per year is based on 252 days per year.

The projected volume results in eight well-utilized surgical suites with capacity to grow in future years as demand for services increases.

Projected MRI Utilization

The MRI unit at Roper Berkeley is currently operating at or above capacity and utilization is projected to continue growing into the future given the continued population growth in Berkeley County. With the increased volume expected with the proposed 50 bed addition, Roper Berkeley reasonably anticipates that inpatient MRI utilization will increase accordingly. Historical utilization and growth for MRI services at Roper Berkeley are shown below in **Exhibit 42**. For its second 12 months of operation, Roper Berkeley performed a robust 5,006 MRI scans.

Exhibit 42
MRI Historical Utilization

	10/19-09/20	10/20-09/21	Year 1 Growth
Inpatient	247	328	32.8%
Outpatient	3,016	4,680	55.2%
Total	3,263	5,006	53.4%
Avg per Day	8.94	13.72	53.4%

Source: Internal Data

For YTD 2021, the ratio of inpatient MRI scans to total inpatient discharges is 12.8%. (See **Exhibit 43**). Roper Berkeley reasonably anticipates that this ratio will continue once the additional 50 beds are operational. Projected inpatient MRI scans set forth below reflect this expectation:

Exhibit 43
Ratio of IP MRI to Discharges

	MRI	Discharges	Ratio
YTD 2021	282.4	2198.0	12.8%

Source: Internal Data

Inpatient, outpatient and total MRI utilization is projected in **Exhibit 44** below using the following methodology:

- Q4 2021 inpatient and outpatient MRI scans are calculated by multiplying the actual August 2021 utilization by 3.
- CY 2022 inpatient and outpatient MRI scans are calculated by annualizing the Q4 2021 scans and increasing them by the 3.08% average CAGR referenced in **Exhibit 36** above.[13]
- CY CY2023-2025 for both inpatient and outpatient MRI result from the cumulative annual growth of Interim Year 1 by 3.08%.
- Inpatient MRI scans for project years 1-3 are calculated by multiplying the projected inpatient discharges for respective years 1-3 (5,667, 6826, and 7,512) by the 12.8% inpatient MRI to inpatient discharges ratio referenced above.
- Outpatient scans for CY 2026 – CY 2028 are based on continued growth at the 3.08% average CAGR (overall and 65+) for Berkeley County referenced above.

Exhibit 44
Projected MRI Utilization

	10/19-09/20	10/20-09/21	Quarter 4 2021	Project Year 1 CY 2026	Project Year 2 CY 2027	Project Year 3 CY 2028
Inpatient	247	328	120	728	877	965
Outpatient	3,016	4,680	1,221	5,447	5,615	5,788
Total	3,263	5,006	1,341	6,175	6,492	6,753
MRI Units	1	1	1	2	2	2
Scans per Unit	3,263	5,006	5,364	3,088	3,246	3,377

Source: Internal Data

The methodology used above results in 6,753 scans in Year 3 of operation and between 3,100 and 3,400 scans per unit in the first three years of operation. This will allow for more scheduling flexibility, decreased wait times for outpatient scans, and less strain on personnel by return to typical operating hours for outpatient imaging.

[13] Interim CY 2022 – 2025 are projected on the same basis by population growth out not shown here for simplicity of presentation

Projected CT Utilization

Like MRI, the single CT scanner at Roper Berkeley is currently operating at or above capacity. Imaging staff at Roper Berkeley is scheduling outpatient scans in the evening and into the weekend to meet the current demand for CT scans. It is unlikely that the existing single unit alone will be capable of meeting the needs of Roper Berkeley's patients into the future. Roper Berkeley will be applying (by separate application) to bring a mobile CT unit to meet this need until a second fixed unit is approved and operational as part of this project. The utilization data demonstrates that CT scan volumes increased by over 50 percent between the first and second 12-months of operation. Inpatient scans did not increase as rapidly as outpatient scans due to inpatient bed limitations on overall admissions.

Exhibit 45
CT Historical Utilization

	10/19-09/20	10/20-09/21	% Increase
Inpatient	1,250	1,604	28.32%
Outpatient	9,504	14,691	54.58%
Total	10,754	16,295	51.53%

Source: Internal Data

For YTD 2021, the ratio of inpatient CT scans to total inpatient discharges is 48.3%. (See **Exhibit 46**). Roper Berkeley anticipates that this ratio will maintain at current levels when the 50-bed addition comes online. Projected inpatient CT totals below reflect this assumption:

Exhibit 46
Ratio of IP CT Scans to IP Discharges

	CT	Discharges	Ratio
YTD 2021	1061.0	2198.0	48.3%

Inpatient, outpatient and total CT utilization is projected in **Exhibit 47** below using the following methodology:

- Q4 2021 inpatient and outpatient CT scans are calculated by multiplying the actual August 2021 utilization by 3.
- Interim CY 2022 inpatient and outpatient CT scans are calculated by annualizing the Q4 2021 scans and increasing the total by the 3.08% average CAGR referenced in **Exhibit 36** above.
- Interim CY 2023-2025 for both inpatient and outpatient CT result from the cumulative annual growth of Interim Year 1 by 3.08%.[14]

[14] Interim CY 2022 – 2025 are projected on the same basis by population growth but not shown here for simplicity of presentation.

- Inpatient CT scans for project years 1-3 are calculated by multiplying the projected inpatient discharges for years 1-3 (5,667, 6826, and 7,512, respectively) by the 48.3% inpatient CT to inpatient discharges ratio referenced above.
- Outpatient scans for CY 2026 – CY 2028 are based on continued growth at the 3.08% average CAGR (overall and 65+ cohort) for the PSA referenced above.

Exhibit 47
Projected Utilization of CT Scanners

	10/19-09/20	10/20-09/21	Quarter 4 2021	Project Year 1 CY 2026	Project Year 2 CY 2027	Project Year 3 CY 2028
Inpatient	1,250	1,604	462	2,735	3,295	3,626
Outpatient	9,504	14,691	4,215	19,624	20,229	20,852
Total	10,754	16,295	4,677	22,359	23,524	24,479
CT Scanners	1	1	1	2	2	2
Scans per Unit	10,754	16,295	18,708	11,180	11,762	12,239

Source: Internal Data

At 12,239 CT scans per unit in Project Year 3, volumes and capacity for CT services will remain high after the second scanner is added in 2026 but will simultaneously allow for greater accessibility and lower wait times.

Observation Bed Utilization

The addition of observation beds does not have standards under the South Carolina Health Plan, nor does it meet a cost threshold that would require CON review. However, in the spirit of presenting a complete picture of use and utilization of the proposed project, Roper Berkeley projects utilization for the observation beds.

Exhibit 48 shows observation use over the first two 12-month periods of operation for Roper Berkeley. Patient volume remained relatively stable from year one to year two with only a 1.96% increase. However, hours per patient in observation grew from 15.11 to 18.36, where it appears to have reached its "norm" by the second year.

Exhibit 48
Historical Utilization of Observation Beds

	10/19-09/20	10/20-09/21	% Increase
Patients	969.00	988.00	1.96%
Days	610.05	755.66	23.87%
Hours	14,641.20	18,135.84	23.87%
Hours per Patient	15.11	18.36	21.49%

Source: Internal Data

Roper Berkeley utilized this information to project need for the proposed eight-bed dedicated observation unit. The following assumptions and methodology were used in the projections presented in **Exhibit 49**.

- Q4 2021 patients were calculated to be 25% of year 2 volume(10/20 – 09/21) patients plus growth of 1.96% to correspond with the year 1 increase in patients. Observation hours per patient were held at 18.36.
- Interim years 1-5 are increased at a cumulative rate of 1.96%.
- Hours per patient are held at 18.36 across the entire planning horizon.
- Project Year 1 observation patients increase 25% with expansion of the ED, surgical department, and additional bed capacity.
- Project Years 2 and 3 increase 1.96% annually.

Exhibit 49
Projected Utilization of Observation Beds

	10/19-09/20	10/20-09/21	Quarter 4 2021	Project Year 1 CY 2026	Project Year 2 CY 2027	Project Year 3 CY 2028
Patients	969.00	988.00	251.84	1,360.92	1,387.61	1,414.81
Days	610.05	755.66	192.62	1,040.88	1,061.29	1,082.10
Hours	14,641.20	18,135.84	4,622.86	24,981.21	25,471.04	25,970.47
Hours per Patient	15.11	18.36	18.36	18.36	18.36	18.36
ADC	2.65	2.71	2.74	3.73	3.80	3.88

By Project Year 3, the planned eight observation beds will average just under 50% of capacity, but during peak usage of observation beds, the planned eight-bed unit is appropriate for this projected volume of patients.

No Unnecessary Duplication

The proposed project does not represent unnecessary duplication of services. As noted above, the proposed addition of 50 beds is net neutral to that previously approved for Berkeley County with the abandonment of the Berkeley Medical Center CON. The statewide bed need methodology shows there is significant additional bed need for Berkeley County. Consequently, the proposed beds are greatly needed and will not represent a duplication of services in Berkeley County. Moreover, the only other provider of acute care services in the service area, located in the secondary service area of Dorchester County, shows an institutional need for additional beds in the 2020 SHP.

Roper Berkeley is the only existing provider of acute care services in Berkeley County. The historical utilization of its existing services affected and enhanced by the proposed project are discussed in detail above. Summerville Medical Center (SMC) has been in operation since 1993 and is a stable, highly-utilized acute care provider in Dorchester County. The relevant historical volumes for SMC are included in **Exhibits 50** and **51** below.

Exhibit 50 shows admissions and occupancy of adult non-OB inpatient beds over the last three years for which JARs have been submitted. SMC's adult non-OB beds are highly utilized, and the South Carolina Health Plan recognizes an institutional need for beds at SMC:

Exhibit 50
Historical Utilization of Adult Non-OB Beds at SMC

	Beds Set Up and Staffed				Admissions (Excluding Births)				Percent Occupancy			
	2017	2018	2019	2020	2017	2018	2019	2020	2017	2018	2019	2020
Adult Med/Surg	68	66	66	62	4,652	4,798	4,304	4,080	74.88%	82.78%	81.76%	80.78%
PCU	-	8	8	8	-	113	355	411	0.00%	21.30%	71.03%	89.68%
ICU	8	8	8	8	610	499	464	397	77.95%	77.58%	62.81%	76.54%
Grand Total	76	82	82	78	5,262	5,415	5,123	4,888	76.20%	76.25%	78.86%	80.10%

Source: JARs 2017-2020

Other services at SMC are also strong and consistent with regard to utilization. (See **Exhibit 51**). Utilization of MRI services overall has remained stable despite the coronavirus pandemic, and ED visits have grown 5.23% between 2017-2019, which precipitated SMC's application for a freestanding ED in Berkeley County just 3.8 miles from Roper Berkeley. Total surgeries have also increased more than nine percent even with COVID-19. For almost 30 years SMC has been a successful provider of hospital services in Dorchester County.

Exhibit 51
Historical Utilization of MRI, ED and Surgical Services at SMC

	2017	2018	2019	% Growth 2017-2019
Total MRI Scans	3,069	3,048	3,061	-0.26%
ED Visits	70,080	71,694	73,743	5.23%
Total Surgeries	4,288	4,857	4,693	9.44%

Source: JARs 2017-2019 (ED services in 2020 were significantly impacted by COVID)

In addition, the proposed ED and ancillary services for Roper Berkeley are indisputably evidenced as needed in that most of these services have reached or exceeded capacity during the first two years of operation. As such, the proposed project does not represent an unnecessary duplication of services.

2020 South Carolina Health Plan Standards

General hospital beds are the only component of the proposed project with Standards identified in the 2020 South Carolina Health Plan. These Standards are addressed below:

CERTIFICATE OF NEED PROJECTION AND STANDARDS

1. Calculations of hospital bed need are made for individual hospitals and for service areas.

These calculations have been considered and are discussed in the narrative above and in calculations below.

2. For individual hospitals, the methodology for calculating bed need is as follows:

a. Determine the current facility use rate by dividing the 2018 patient days by the 2018 population in each of the three age cohorts.

b. Multiply the current facility use rate for each age cohort by the projected population by age cohort and divide by 365 to obtain a projected average daily census (ADC) by age cohort.

c. Divide the sum of the age cohort projected ADC by the variable occupancy factor (.65/.70/.75) to determine the hospital's bed need.

d. The number of additional beds needed or excess beds for the hospital is obtained by subtracting the number of existing and approved beds from the hospital's bed need.

Roper Berkeley uses this methodology to calculate and justify need. See Standard 5 below.

3. The methodology for calculating the statewide utilization bed need for a service area is as follows:

a. Divide the statewide total patient days by 365 to determine the statewide average daily census.

b. Divide the statewide average daily census by the statewide occupancy factor (.75) to determine the total statewide bed need.

c. Divide the statewide bed need by the 2018 statewide population to generate a bed-per-population (BPP) multiplier.

d. For each service area, multiply the projected population by the BPP multiplier to determine the service area bed need, then subtract the total number of existing and approved beds to determine the statewide utilization bed need for the service area.

Because at the time of enactment of the 2020 SHP, Roper Berkeley had not yet submitted utilization data by way of JAR, the Health Plan uses the state-wide need methodology to calculate beds for Berkeley County. Even factoring in all approved beds (228), Berkeley County demonstrated a need for 185 additional beds. (See response to Standard 6)

4. The bed need for each service area is the combined bed need for all individual hospitals in the service area. The bed need for service areas with no hospital, or for service areas in which no hospital has reported any utilization data on the most recent JAR, is the statewide utilization bed need.

Because at the time of enactment of the 2020 SHP, Roper Berkeley had not yet submitted utilization data by way of JAR, the 2020 SHP uses the statewide bed need methodology to calculate bed need for Berkeley County. Even factoring in all approved beds (228) at the time of the enactment, Berkeley County has a need for 185 additional beds. Since enactment of the 2020 SHP, Roper Berkeley has submitted 2019 and 2020 JARs and its internal utilization justifies the need for this project in compliance with the bed need formula and Standards for general acute care hospital beds.

5. If a service area indicates a surplus of beds, then no additional beds will be approved unless an individual hospital in the service area indicates a need for additional beds. Should an individual hospital indicate a need for additional beds, then a maximum of the actual projected bed need or up to 50 additional beds may be approved for that hospital to allow for the construction of an economical unit at either the existing hospital site or another site, if the existing hospital is relocating or has relocated in whole or in part to that site. The hospital requesting the addition must document the need for additional beds beyond those indicated as needed by the methodology stated above, based on historical and projected utilization, as well as projected population growth or other factors demonstrating the need for the proposed beds. Additional beds will only be approved for the specific hospital indicating a need.

Roper Berkeley has been operational since October 2019. The first 12-month period of operation is represented by October 2019-September 2020, and its 2019 JAR was submitted after the 2020 SHP was adopted. Because Roper Berkeley has now been operational for more than two years, the formula applicable to individual hospital bed need outlined in Standard 2 is used to calculate need for the proposed project. **Exhibit 52** shows the bed need calculation using the three most recent 12-month time periods.

Exhibit 52

August 2020 - July 2021									
Age Cat	2020 Pop	2026 Pop	8/20-7/21 PT Days	Proj ADC	Var Rate Factor	Bed Need	Licensed/ Approved Beds	Staffed/ Approved Beds	Add/Excess Use
<18	54,490	59,505	20	0					
18-64	143,720	162,060	5,835	18					
65+	34,190	46,190	4,145	15					
Total	232,400	267,755	10,000	33	1	51	50	50	1

September 2020 - August 2021									
Age Cat	2020 Pop	2026 Pop	9/20-8/21 PT Days	Proj ADC	Var Rate Factor	Bed Need	Licensed/ Approved Beds	Staffed/ Approved Beds	Add/Excess Use
<18	54,490	59,505	20	0					
18-64	143,720	162,060	6,107	18					
65+	34,190	46,190	4,095	15					
Total	232,400	267,755	10,222	34	1	52	50	50	2

October 2020 - September 2021									
Age Cat	2020 Pop	2026 Pop	10/20-9/21 PT Days	Proj ADC	Var Rate Factor	Bed Need	Licensed/ Approved Beds	Staffed/ Approved Beds	Add/Excess Use
<18	54,490	59,505	22	0					
18-64	143,720	162,060	6,378	20					
65+	34,190	46,190	4,181	16					
Total	232,400	267,755	10,581	35	1	54	50	50	4

Source: Office of Revenue and Fiscal Affairs, Internal Data

The need for additional beds at Roper Berkeley is increasing steadily, growing rapidly from one to four just since July 2021 to September 2021. This need is significant given the hospital's young age and length of operation. The length of time in which this project will take to be fully develop must also be considered, as it will take approximately five years to reach fruition. By that time, the need in Berkeley County will be much greater considering the projected population growth previously outlined.

Based on these calculations and the need for the expansion as fully demonstrated herein, Roper Berkeley decided to apply for 50 beds to address future need and benefit from economies of scale related to the project. By the time the project is developed, it will be greatly needed, and the beds will fill quickly.

6. If there is a need for additional hospital beds in the service area, then any entity may apply to add these beds within the service area, and any entity may be awarded the Certificate of Need for these beds. If the number of beds needed is less than 50, then up to a total of 50 beds could be approved for any entity at any location within the service area. An applicant requesting additional beds beyond those indicated as needed by the methodology stated above must document the need for additional beds based on historical and projected utilization, projected population growth that has not been considered in this Plan or other factors demonstrating the need for the proposed beds. It is up to the applicant to document the need and the potential negative impact on the existing facilities.

As demonstrated in detail above, Roper Berkeley utilizes its internal historical utilization to calculate and demonstrate need for the proposed project. It is clear based on rapid population growth and development in Berkeley County along with the growth in demand for services at Roper Berkeley since opening that the 50 beds are needed and will be well utilized. There is no way to implement a smaller number of beds, along with the needed ancillary services, without a major construction project. It would be short-sighted to implement any less than 50 beds given the trends presented in this Application.

Moreover, in the 2020 SHP, Berkeley County found itself in the unusual position of having a newly operational hospital at the time of SHP adoption, which required the Department to calculate a bed need for the county using the statewide methodology. This methodology indicates that with the assumption of a total bed count of 228 operational beds, Berkeley County still needs an additional 185 acute care beds to meet the needs of its projected population. Should this Application be approved, Berkeley County will be in a net-neutral bed count with regard to the 2020 SHP since Trident abandoned its CON for Berkeley Medical earlier this year. Berkeley County would still have a total of 228 operational or approved beds and theoretically would still have a remaining need of 185 acute care beds based on the statewide methodology.

7. A facility may apply to create a new additional hospital at a different site within the same service area through the transfer of existing licensed beds, the projected bed need for the facility, or a combination of both existing beds and projected bed need. The facility is not required to have a projected need for additional beds in order to create a new additional hospital. There is no required minimum number of beds in order to approve the CON application. The applicant must justify, through patient origin and other data, the need for a new hospital at the chosen site and the potential adverse impact a new hospital at the chosen site could have on the existing hospitals in the service area.

Not applicable.

8. No additional hospital will be approved unless it is a general hospital and will provide:

a. A 24-hour emergency services department that meets the requirements to be a Level III emergency service as defined in the Emergency Services section of Regulation 61-16;

b. Inpatient medical services to both surgical and non-surgical patients; and

c. Medical and surgical services on a daily basis within at least six of the major diagnostic categories as recognized by Centers for Medicare and Medicaid Services (CMS). Any applicant for a new hospital must provide a written commitment that the facility will accept Medicare and Medicaid patients and that unreimbursed services for indigent and charity patients are provided at a percentage that meets

or exceeds other hospitals in the service area. The CMS Diagnostic Categories Chart is located at the end of this Chapter.

Roper Berkeley is an existing hospital already provides the above requirements.

9. Due to the low utilization and the low capital cost of converting hospital-based nursing home, psychiatric, rehabilitation and/or substance abuse beds to general acute care hospital beds, the following policies may apply:

a. **Hospitals that have licensed nursing home beds within the hospital may be allowed to convert nursing home beds to general acute care hospital beds only within the hospital, provided the hospital can document an actual need for additional general acute care beds. Need will be based on actual utilization, using current information. A Certificate of Need is required for this conversion.**

   Not applicable.

b. **Existing acute care hospitals that have inpatient psychiatric, rehabilitation, or substance abuse beds may be allowed to convert such beds to acute care hospital beds, regardless of the projected need for general acute care hospital beds. A Certificate of Need is required for this conversion.**

   Not applicable.

10. In some areas of South Carolina, a considerable influx of tourists is not counted in the permanent population. If an individual hospital in these areas can document and demonstrate the need for additional beds due to non-resident (tourist) population and seasonal utilization fluctuations due to this population, then, based on further analysis, the Department may approve some additional beds at the existing hospital.

As demonstrated previously in the response to B-11, historical and projected in-migration is considered in the calculations of projected utilization for this project. This in-migration includes non-resident population and seasonal utilization fluctuations.

11. Should the deletion of services at a federal facility result in an immediate impact on the utilization of a hospital, then the Department may approve a request for additional beds at the affected hospital. The affected hospital must document the increase in demand and explain why additional beds are needed to accommodate patients previously served at the federal facility.

Not applicable.

12. Changes in the delivery system due to health care reform have resulted in the consolidation of facilities and the establishment of provider networks. These consolidations and agreements may lead to situations where affiliated hospitals may wish to transfer beds between themselves in order to serve their patients in a more efficient manner. A proposal to transfer or exchange hospital beds requires a Certificate of Need and must comply with the provisions outlined in Chapter 2, Transfer between Affiliated Facilities.

Not applicable.

13. Factors to be considered regarding modernization of facilities include:

a. Functional arrangement of the facility as it relates to efficient handling of patients and related workloads.

b. The ability to update medical technology within the existing plant.

c. Existence of The Joint Commission (TJC) or other accreditation body deficiencies or "grandfathered" licensure deficiencies.

d. Cost efficiency of the existing physical plant versus plant revision, etc.

e. Private rooms are now considered the industry standard.

Roper Berkeley is a newly constructed, modernized facility. The proposed addition considers and meets all sub-standards listed above to the extent that they are applicable.

14. Each modernization proposal must be evaluated on the basis of merit, cost efficiency, and impact on healthcare delivery within the service area.

Not applicable. The purpose of the proposed project is not modernization. However, the project will represent cost efficiency and a positive impact on healthcare delivery system in Berkeley County and the surrounding counties of Dorchester and Orangeburg.

B12. Discuss alternative facilities and/or services considered including the advantages and disadvantages of each alternative. Include a statement as to why this project alternative was adopted.

One alternative considered was to do nothing at this time; however, this would result in a continuation of the problems associated with insufficient capacity at Roper Berkeley, including extended delay in treatment time and other problems as described in the physician letters of support. This alternative also does not assist with the negative impact that the abandonment of the community hospital to be located in Moncks Corner with fifty (50) general acute care beds has had on the longstanding plan for one hundred (100) general acute care beds in Berkeley County.

Another alternative considered was the creation of an observation unit as an interim stand-alone project; however, this would require the relocation of imaging equipment for which there is no available built or shelled space within the hospital. Moreover, this alternative would not address the existing need to expand imaging and emergency services based on current utilization.

Considering the forecasted growth in both the service area population and hospital volumes, coupled with Roper Berkeley's current constraints from a bed capacity perspective, the proposed project to add fifty (50) general acute care beds and add and/or expand the various hospital areas/functions described was determined to be the best alternative that best satisfied the needs of Roper Berkeley's community and staff.

B13. Discuss any serious problems, such as costs, availability, or accessibility in obtaining care of the type proposed, experienced by patients in the absence of this project.

During times of high census, the lack of bed availability causes throughput issues from the ED to outpatient services, including increased wait times and cancellation of elective surgeries. As the only licensed hospital in Berkeley County, without the expansion and bed addition requested in the proposed project, Berkeley County residents will continue to experience accessibility issues with emergency, inpatient and surgical care at Roper Berkeley.

Roper Berkeley's ED is currently the busiest of Roper St. Francis' six emergency departments on a patient per bay ratio, and its high volumes are expected to continue post the most recent COVID surge. The ED is treating an average of more than 100 patients per day, which increased to over 150 patients per day during times of pandemic peak. It is routine to transfer 8-10 patients a day to other facilities for admission or specialty care that Roper Berkeley is capable of providing but for the lack of inpatient bed availability. Moreover, clinicians are forced to provide care to patients in the hallways due to treatment space limitations, as well as utilize overflow rooms in the adjacent inpatient holding space for ED services. Emergency Medical Services (EMS) providers often face

prolonged handoff times awaiting space to offload patients from ambulance stretchers. Absent this project, these issues will not only continue but worsen.

In terms of the imaging services, current issues with access have resulted in patient backlogs. The current backlog to get an outpatient CT scan is eleven (11) days and fifteen (15) days for an MRI scan. Extended hours have been implemented to help address these backlogs; however, the CT scanner is expected to reach capacity by the end of 2021. Without the proposed additions of both imaging equipment and personnel, Roper Berkeley will be unable to provide timely emergency and inpatient care.

B14. Where a project effects an increase or decrease in bed capacity, provide annual occupancy rates for the facility based on licensed beds, for the past three years by category (i.e. general acute, psychiatric, obstetric, nursing home, etc.).

The following chart reflects occupancy rates by bed type since opening:

Berkeley Hospital Occupancy Rates by Bed Type *

Bed Type / #	2019 (89 days)	2020 (365 days)	YTD 09/21 (273 days)
obstetrics / 20	10%	22%	31%
med/surg / 24	62%	61%	76%
intensive care / 6	58%	74%	90%
licensed / 50	40%	47%	59%

*percentages exclude observation patients

B15. Identify the method of financing the cost of the project, including the start-up costs. Provide documentation that the applicant can obtain such financing. Alternative sources and/or methods of financing must be identified and the method chosen demonstrated to be the most feasible option.

The plan for funding the project is tax-exempt debt. Refer to Attachment 7 for the required funding (and pro-forma) attestation provided by Mr. Christopher Glenn, Roper St. Francis Healthcare Director of Finance. Also included is a letter from Bon Secours Mercy Health, one of the nation's 20 largest health care systems, documenting its willingness to provided financing as needed to fund the project.

B16. For an addition to an existing facility or service, provide a current annual budget and at least a three fiscal year projected budget for both the overall facility and the proposed project. The projections must be developed by an accountant. For a new facility or service, provide a projected annual budget for not less than three fiscal years following the completion of the proposed project. The projections must be attested to by an accountant. These budgets must at a minimum include how proposed charges, proposed cost of service, utilization, depreciation, reimbursement rates and contractual adjustments were calculated. Any assumptions made in the application must be specifically noted shown.

Attachment 7 includes the two required pro-formas. Mr. Christopher Glenn, Roper St. Francis Healthcare Director of Finance, also provided the required pro-forma (and funding) attestation.

B17. Provide a list of proposed charges for the project. The charges provided may be used for comparison with the average charges in the final completion report as required in Section 607.3.b.

The four member hospitals of Roper St. Francis Healthcare utilize a single chargemaster. A list of charges associated with the proposed project is set forth below (not all-inclusive):

Roper St. Francis Healthcare Hospital Charges

Code	Description	2021 Charge
16200	Med/Surg Private	$2,107
16000	Intensive Care	$4,177
12076/12077	ED Category 4 Visit	$1,899
35374	CT Abdomen/Pelvis w Contrast	$3,344
36250	MRI Abdomen w/wo Contrast	$4,223

These charges will be adjusted for annual inflation based on the construction schedule (refer to B-8), and a comparison of the charges above to those that will be submitted in the final completion report will both reflect and notate any such increases.

B18. Document that the proposed project is economically feasible, both immediately and long-term. In the case of existing facilities, what impact will the proposed project have on patient charges and cost per unit of service?

The pro-formas (Attachment 7) serve to document the economic feasibility of the proposed project. The project will have no impact on patient charges or cost per unit of service.

B19. State how the project will foster cost containment and improve quality of care through the promotion of such services as ambulatory and home health care, preventive health care, promotion of shared services, economies of scale, and design and construction economies.

Foster Cost Containment

Roper Berkeley does and will continue to benefit from being a member of the Roper St. Francis Healthcare system, which provides an extensive corporate infrastructure for support functions such as human resources, finance, information technology, planning, and compliance. These functions are centralized at the corporate level and can therefore operate more efficiently than duplicating these functions at each hospital venue thereby creating economies of scale.

In addition, Roper St. Francis Healthcare department managers have demonstrated the ability over time to cost effectively manage the delivery of high quality healthcare, and are held accountable for significant departmental variances from budgeted expense targets, which results in prompt reaction to adverse trends and the cost effective provision of services.

Improve Quality of Care

According to the Agency for Healthcare Research and Quality (AHRQ) a handful of analytic frameworks for quality assessment have guided measure development initiatives, and one of the most influential is the framework put forth by the Institute of Medicine, which includes the following six aims for the health care system:

- safe
- effective
- patient-centered
- timely
- efficient
- equitable

These six aims apply to the proposed project as well, and the correlations / documentation are addressed throughout the application.

Design and Construction Economies

The hospital additions will be constructed to tie into the existing building, whereby no services will be temporarily discontinued as a result of the proposed project evidencing a design economy.

B20. In the case of projects involving additional long-term care beds, discuss how the plans of other agencies, organizations, or programs responsible for providing and financing long-term care have been considered.

The project does not involve long-term care beds.

B21. Provide a three-year projected manpower budget in full-time equivalents (FTE's) detailing the existing and proposed nursing, other professional, and non-professional personnel required for the staffing of the new project.

Title	Current	Year 1 Incremental	Year 2 Incremental	Year 3 Incremental
Anesthesia Tech	2.0	2.0	0.6	0.4
Clinical Mgr	4.0	5.0	0	0
CT Tech	6.5	1.8	1.2	1.9
ED Tech	12.1	2.4	1.2	1.7
EVS Tech	15.8	18.0	2.5	3.7
Financial Svc Rep	1.0	1.0	0.5	0
Multi-Skill Tech	4.0	3.0	0	1.0
LPN Scrub	1.0	1.0	0.3	.2
Materials Tech	6.0	7.0	1.0	1.2
MRI Tech	3.7	1.4	0.8	1.2
Case Mgr	3.4	3.4	1.0	0.8
Occ Therapist	1.9	1.9	0.6	0.4
Pt. Care Coord	2.0	2.0	0.6	0.5
Pt. Care Tech	18.3	21.9	4.8	4.7
Physical Therapist	4.2	4.2	1.3	1.0
Pre Services Rep	1.0	1.0	0.3	0.2
Resp Therapist	4.3	4.3	1.3	1.0
RN	96.0	82.1	19.0	18.9
RN Admin Supv	4.2	2.8	0	0
RN Clinical Spec	1.0	3.0	0	0
Youth Apprentice	0.2	0.3	0.1	0.1
Secretary	1.9	3.4	0.5	0.5
Speech Language Pathologist	0.5	0.5	0.2	0.1
Sterile Process Tech	3.0	3.0	0.9	0.7
Surgical Tech	7.8	7.8	2.3	1.8
Transporter	2.4	2.4	0.7	0.6
Pharmacist	3.8	4.3	1.3	1.0
Pharm Tech	3.8	4.3	1.3	1.0
Histo Tech	0.5	0.5	0.2	0.1
Lab Asst	2.5	2.5	0.8	0.5
Med Tech	7.1	4.6	1.4	1.1
Phlebotomist	2.1	1.4	0.4	0.3
Lab Supv	1.0	1.0	0	0
Rad Tech	3.6	3.6	1.1	0.8
Rad Specials Tech	0.9	0.9	0.3	0.2
Ultrasound Tech	4.2	4.2	1.3	1.0
Total	**237.7**	**213.9**	**49.5**	**48.5**

B22. Provide the number of existing and proposed medical staff by specialty, to include physicians employed by, or with admission privileges to, the facility. Include the name of the Chief of the Medical Staff, if available.

Active and Community Active Medical Staff

Specialty	Physicians
Allergy-Immunology	6
Anesthesiology	16
Cardiovascular Disease	14
Colorectal Surgery	3
Dermatology	9
Emergency Medicine	56
Endocrinology	1
Family Medicine	34
Gastroenterology	11
General Surgery	13
Gynecology	3
Hand Surgery	3
Hematology/Oncology	11
Hospitalist	98
Hyperbaric Medicine	3
Infectious Disease	4
Internal Medicine	21
Laborist	15
Maternal Fetal Medicine	2
Neonatology	7
Nephrology	5
Neurohospitalist	3
Neurology	2
Neurosurgery	5
Obstetrics/Gynecology	29
Ophthalmology	15
Oral & Maxillofacial Surgery	9
Orthopaedic Surgery	16
Other	2
Otolaryngology	5
Pain Management	1
Palliative Care	5
Pathology	9
Pediatrics	33
Physical Medicine & Rehabilitation	2
Plastic Surgery	9
Podiatry	7
Psychiatry	4
Pulmonary Disease	9

Radiology	28
Rheumatology	10
Thoracic Surgery	2
Urology	8
Vascular Surgery	3
Total	**551**

Roper Berkeley's Chief Medical Officer is Mitchell Siegan, M.D.

B23. Indicate those physicians who have expressed a willingness to utilize the proposed services or to refer patients to the facility for the provision of services.

Physicians from the following practices have provided letters of support included in Attachment 8: Roper Emergency Physicians, P.C., Roper Radiologists, P.A., Roper St. Francis Physician Partners – Primary Care, Lowcountry Lung and Critical Care, Roper St. Francis Physician Partners – Orthopaedics, Roper St. Francis Physician Partners – General Surgery, Roper St. Francis Physician Partners – OB/GYN, Roper St. Francis Physician Partners – Thoracic Surgery, Roper St. Francis Physician Partners – Surgical Oncology, Roper St. Francis Physician Partners – Colorectal Surgery, Roper St. Francis Physician Partners – Urology, Roper St. Francis Physician Partners – Breast Surgery, and Lowcountry Women's Specialists, as have the hospitalists.

B24. Discuss the availability of health manpower resources for the provision of the proposed services, including the contemplated program and plan for recruiting and training personnel.

Recruitment

Roper St. Francis Healthcare promotes its staffing models, compensation rates, continuing education benefits and facilities' locations to attract quality personnel for specialized occupations. System-wide staffing strategies for recruitment focus on local newspaper advertising, career fairs, direct mailing and targeted university program recruitment. When necessary, a targeted recruitment effort for hard to fill positions will begin well in advance of service initiation.

Area colleges, including but not limited to the College of Charleston, Medical University of South Carolina, Charleston Southern University, and Trident Technical College provide a multitude of well-trained professionals and technicians annually. To further support staffing needs, Roper St. Francis Healthcare has partnered with an international talent firm. Qualified and experienced registered nurses and medical laboratory techs have been identified in several foreign countries and they are currently working through the immigration process. Once in the U.S., this talent is contracted for three years and nearly ninety percent (90%) of these contracted employees are anticipated to convert to regular, full-time roles.

Orientation

Roper St. Francis Healthcare has a structured one-day organizational orientation which is required for all new hires. In addition, a three-day nursing orientation is required for nurses and patient care technicians which includes patient safety, quality measures, clinical skills and computer documentation. Once the new employee transitions to their home unit, unit-based orientation follows. This orientation period can last anywhere from two to twelve weeks based on the job and skill level. All new managers are required to attend Roper St. Francis Healthcare Leadership Academy, an orientation provided by Human Resources.

In terms of ongoing training and development, employees must participate in annual mandatory education programs which are tracked on-line for each employee and require a passing grade. In addition, departments conduct competency training each year for clinical positions and Professional Development provides ongoing training programs to ensure staff has the requisite knowledge and skills to effectively perform his/her duties. Finally, managers attend a Roper St. Francis Healthcare "Leadership Development Institute" on a quarterly basis.

B25. Describe the previous experience of the applicant in the proposed health care field. If the applicant has no prior experience, specify the anticipated sources of technical assistance, either from specific individuals or organizations.

Roper St. Francis Berkeley Hospital

Roper St. Francis Berkeley Hospital, Berkeley County's first new hospital in forty-five years, opened in 2019 and received Joint Commission Accreditation that same year. Roper Berkeley subsequently received Joint Commission Stroke Ready Certification in 2020. Its fifty (50) beds are dedicated to providing medical/surgical, obstetrics and intensive care. In addition, Roper Berkeley offers the following services: emergency care, neonatal care, imaging, lab testing, cardiology/ambulatory diagnostics, perioperative services, outpatient rehabilitation, and radiation oncology.

Roper St. Francis Healthcare

Roper St. Francis Healthcare is a 657-bed system that includes four licensed hospitals. Roper Hospital was founded in 1857 by the Medical Society of South Carolina as the first community hospital in the Carolinas. Bon Secours St. Francis Xavier Hospital traces its mission back to 1882 when five Sisters of Charity of Our Lady of Mercy opened St. Francis Infirmary, the first Catholic hospital in South Carolina. Bon Secours St. Francis Xavier Hospital was one of only six Magnet Hospitals (the ultimate credential for high quality nursing) in South Carolina in 2021. Mount Pleasant Hospital became the system's third hospital when it opened in 2010, and Berkeley County's first new hospital in forty-five years, Roper St. Francis Berkeley Hospital, opened in 2019.

Roper St. Francis Healthcare is the area's only private, not-for-profit health care system. In addition to its hospitals the system has facilities / locations throughout the Tri-County area, including three surgery centers, two freestanding emergency departments, a home

health agency, an inpatient hospice facility, an outpatient hospice program, and imaging centers. The system has a medical staff consisting of more than 800 physicians representing nearly every medical specialty. In addition, Roper St. Francis Physician Partners consists of more than 250 providers with practice locations spanning five counties, and five Express Care locations with extended hours and days.

B26. Discuss the impact of the project on the clinical training programs of health professional schools particularly the extent to which these schools will have access to the services for training.

Roper Berkeley has affiliation agreements with a number of in-state and out-of-state colleges and universities. Local schools currently participating include Trident Technical College, Medical University of South Carolina, Charleston Southern University and the Citadel. Clinical training opportunities at Roper Berkeley are available to various types of nursing students, and the fifty-bed addition will allow for the on-site accommodation of a greater number of students.

B27. Provide documentation of policies and procedures to assure the quality of healthcare services by addressing patient safety and quality indicators, as applicable. Documents may include, but are not limited to, measures of patient care, patient safety, healthcare-acquired infections and the following of best practices established by recognized organizations. Applicable quality standards in the South Carolina Health Plan must be addressed.

Patient Safety Indicators
The Joint Commission provides standards to assist in patient care and safety processes. In 2002 it established the National Patient Safety Goals Program, with goals focusing on problems in healthcare and how to solve them. Please refer to the Roper St. Francis Healthcare Tracer and Education Tool (Attachment 9) which addresses each of the 2021 National Patient Safety Goals.

Quality Indicators
Roper St. Francis Healthcare has a Center for Patient Safety with professional staff dedicated to serving the organization's quality and patient safety needs. It produces a variety of supplemental reports, including HCAHPS Reports (facilities and units), Hospital Acquired Infection Report Card, Patient Falls and a Quality Scorecard. The Quality Informatics Department provides data analysis and reporting for information needed to make clinical and operational decisions, establishes internal/external comparative benchmarks, and interprets/analyzes information for project evaluation aimed to improve quality and cost-effective care within Roper St. Francis Healthcare.

A quality tool provided by Medicare for the general public is Hospital Compare. It includes information on how well hospitals care for patients with certain medical conditions or surgical procedures and is designed to help the public compare the quality of care hospitals provide. The overall hospital rating on Hospital Compare summarizes a variety

of measures reflecting common conditions that hospitals treat, and shows how well each hospital performed, on average, compared to other hospitals in the U.S. The overall hospital rating ranges from 1 to 5 stars. As of April 2021, both Roper Hospital and Mount Pleasant Hospital had an overall rating of 5 stars each. Bon Secours St. Francis Xavier Hospital had an overall rating of 4 stars, and no available rating for Roper St. Francis Berkeley Hospital.[15] Refer to Attachment 10 for the supporting documentation.

B28. Provide any additional information that would assist the department in evaluating this project.

All relevant project information has been addressed throughout the application.

C1. An Indigent Care Plan as required by the Board of Health and Environmental Control. It shall address at minimum, the following:

a. The existing and proposed admission and treatment policies of the facility or agency with regard to race, sex, creed, national origin, and ability to pay.

The Roper St. Francis Healthcare Nondiscrimination Policy which applies to Roper Hospital, St. Francis Hospital, Mount Pleasant Hospital, and Roper St. Francis Berkeley Hospital, any departments owned or operated by these Hospitals, as well as Roper St. Francis Physician Partners, Roper St. Francis Worksite Partners, and Roper St. Francis Medshare does not exclude, deny benefits to, or otherwise discriminate against any person on the ground of race, color, or national origin, or on the basis of disability or age in admission to, participation in, or receipt of the services and benefits under any of its programs and activities, whether carried out by the facilities named above directly or through a contractor or any other entity with which the facilities' names above arranges to carry out its programs and activities.

With regards to ability to pay, it is the policy of Roper St. Francis Healthcare to provide patient care in accordance with the Emergency Medical Treatment and Active Labor Act (EMTALA), Consolidated Omnibus Budget Reconciliation Act (COBRA), Centers for Medicare & Medicaid Services (CMS), The Joint Commission (TJC), and other federal, state, and local regulations regarding the treatment and transfer of patients experiencing a medical emergency. The Roper St. Francis Healthcare Financial Assistance Program offers financial assistance and medical indigency adjustments to patients who meet the established guidelines.

[15] Due to the COVID pandemic, CMS decided not to report "optional" Q1 or Q2 2020 data and was planning to update reporting in October of 2021 with Q3 2020 data.

b. The proposed admission and treatment policies of the facility or agency with respect to admission and care of indigent patients including those patients unable to pay at the time of admission and those whose benefits expire while in the care of the facility or agency.

Refer to the response provided in "a" above

c. In existing facilities or agencies, provide the amount, in dollars and percent of gross revenues, that the facility or agency provided in indigent care during the past three fiscal years. NOTE: Indigent care does not include bad debt; contractual adjustments; or care which is reimbursed by a governmental program (Medicare, Medicaid, county indigent program), church, or philanthropic organization.

Roper St. Francis Berkeley Hospital	2020
Total Patient Revenue	$263,046,115
Charity Care Expense	$10,173,895
Percentage (rounded)	4%

d. Provide the proposed amount of indigent care the facility or agency projects to provide during the existing fiscal year and next fiscal year. This projection should be expressed in dollars and a percent of gross revenues.

Roper St. Francis Berkeley Hospital	2021	2022
Total Patient Revenue	$368,424,000	$438,821,424
Charity Care Expense	$ 17,323,369	$ 20,226,727
Percentage (rounded)	5%	5%

e. A discussion of why the above figures are adequate or inadequate for the needs of the community; the need of indigent care within the proposed service area; and any solutions, remedial plans or proposals by the facility or agency to better address the indigent care problem in the service area. Include any initiatives or undertakings the facility or agency has begun to address the indigent care problem in the proposed service area.

Roper St. Francis Healthcare Community Benefit
Charity care in conjunction with Roper St Francis Healthcare community outreach initiatives help to address many of the community's needs. Roper St. Francis Healthcare provided $55,483,372 in community benefit in 2020 that included:

- Charity care at cost totaled $29,400,073
- Unreimbursed Medicaid cost $24,408,214
- Community Outreach $1,402,080
- Community Sponsorships $273,005

Roper St. Francis Healthcare will continue to work with local and state leaders in efforts to better address indigent care issues in conjunction with health care reform.

Initiatives to Improve Community Health
The 2019 Community Health Needs Assessment Report covering Berkeley, Charleston, and Dorchester counties was a collaborative effort of MUSC Health, Roper St. Francis Healthcare, and Trident United Way. A complete copy of the report is available at: www.rsfh.com/mission-department/. Survey respondents were asked to rank the top 10 health topic areas from *Healthy People 2020* that impact the communities where they live and/or work. The top five health topic areas prioritized by the community were to be the focus of health improvement efforts going forward. The top five health topic areas included:

1. Access to Care
2. Obesity, Nutrition & Physical Activity
3. Maternal, Infant & Child Health
4. Mental & Behavioral Health
5. Clinical Preventive Services

Roper St. Francis Healthcare implemented or expanded services, both internally and within the community, to impact the top five health topic areas as further elaborated in the "2020 Implementation Plans of the 2019 Community Health Needs Assessment" included in Attachment 11.

In addition, Healthy Tri-County (HTC) is a multi-sector regional initiative to improve health outcomes in Berkeley, Charleston and Dorchester counties powered by Trident United Way in partnership with core partners MUSC Health and Roper St. Francis Healthcare. It published *Our Health, Our Future: Tri-County Health Improvement Plan* which provides recommendations and action steps to address the five prioritized health topics above. To achieve this, it is necessary for a wide range of community groups and organizations, health care partners and local government agencies to invest resources, talent, and time to help build a healthier Tri-County. No single organization, no matter how well-resourced or powerful, can tackle these issues alone. To read more about this initiative, refer to "Our Health, Our Future: Tri-County Health Improvement Plan 2018-2023" in Attachment 12.

f. Describe any Board or Advisory Board established to implement or control the indigent problem at the facility or agency. Include the Board's functions, responsibilities, and limitations.

The Roper St. Francis Healthcare Board of Directors is responsible for the charity care programs at member hospitals and allocates funding for uncompensated care on an annual basis.

C2. A map of sufficiently large scale to be meaningful, indicating the location of the project site and its geographical area.

A Google map denoting the hospital's location has been included in Attachment 3. The architect's existing and proposed site plans (Attachment 4) delineate the two hospital additions.

C3. A plot plan of the project site showing existing buildings, roads, parking areas, walks, service and entrance courts, existing utilities, and other natural land features necessary for adequate analysis of site conditions.

Refer to the architect's site plans located in Attachment 4.

C4. A legal description of the project site indicating its physical characteristics and existing easements.

The TMS Property Card has been included in Attachment 13.

C5. A square foot program of space and/or equipment elements, and scale drawings describing the existing space and proposed alterations and additions.

Both schematics and a space program have been included in Attachment 4.

C6. Documentation from the appropriate zoning authorities that the proposed site is or can be zoned for the intended use.

The site is zoned "Planned Development", with the current uses - a hospital and medical office building approved. A height variance will be required in order to construct the fourth floor of the proposed 4-story hospital addition. Said request will be submitted in the first quarter of 2022, with the expectation the variance will be decided approximately four months later and then furnished.

C7. Documentation from appropriate sources that utilities supplied to the site are adequate for the project to include electricity, gas, water, and sewerage.

Documentation of the current service providers' ability to expand electric, water and sanitation services has been included in Attachment 14.

C8. Endorsement from the community that the project is desirable. This may include but is not limited to members of the medical community, citizen's groups, and other health and social service disciplines in the community.

Community support letters have been included in Attachment 8.

C9. Documentation that the proposed project has been approved by the health facility's planning committee and governing body.

The Roper St. Francis Healthcare Board resolution passed on October 1, 2021, has been included in Attachment 15.

C10. For the facilities or services not licensed by the Department of Health and Environmental Control, provided documentation of coordination and support from the appropriate licensing agency.

The hospital is licensed by the Department of Health and Environmental Control.

Part D. Assurances

Roper St. Francis Berkeley Hospital assures each of the following where applicable:

1. That the applicant has or will have a fee simple title or such other estate or interest in the site including necessary easements and rights-of-way, sufficient to assure use and possession for the purpose of the construction and operation of the facility.

2. That approval by the department of the final drawings and specifications, which will be prepared by an architectural and/or engineer legally registered under the laws of the State of South Carolina, will be obtained.

3. That the applicant will submit to the Department for prior approval changes that substantially alter the scope of work, function, utilities, major items of equipment, safety or cost of the facility during construction.

4. That the applicant will cause the project to be completed in accordance with the Certificate of Need application.

5. That the applicant will cause the project to be completed in accordance with approved plans and specifications by maintaining competent and adequate architectural and engineering services throughout the construction administration phase of the project. That, at the completion of the project, the architect of record shall be required to issue a statement that to the best of his knowledge and belief, based upon available records, supplemental documents, and periodic observation of the work, the project was constructed according to those documents approved by the Department.

6. That the facility will be operated and maintained in accordance with the standards prescribed by law and regulations for the maintenance and operation of such facilities.

7. That the applicant understands that the Certificate of Need shall become void at the end of the specified time period from the date of issuance unless otherwise extended under Chapter 6 of these regulations.

8. That the Department or its authorized representatives may at any time during the course of construction and upon the completion of the project make an on-site inspection of the construction and equipment to check for compliance of the construction in accordance with the application for which the Certificate of Need was issued.

9. That the controlling interest in any health care facility shall not be sold or leased or otherwise disposed of unless the Certificate of Need has been fulfilled.

10. That the applicant will notify the Department in writing that the contractual agreement has been completed. For a construction project, the letter shall indicate that a construction contract specifying the beginning and completion dates of the project, has been signed by both parties. For service projects, the letter must indicate that equipment purchase orders with estimated delivery dates have been properly negotiated.

11. That the applicant will notify the Department in writing of the date that a new or expanded service has been implemented, completed or terminated.

12. That the applicant will provide monthly progress reports and a final completion report which contains the information required by Section 607 of these regulations.