THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM THE ADMINISTRATIVE LAW COURT
John D. McLeod, Administrative Law Judge

Case No. 09-ALJ-07-0332-CC

Trident Medical Center, LLC, d/b/a
Berkeley Medical Center, ...Appellant/Respondent,

v.

South Carolina Department of Health and
Environmental Control and Roper St. Francis
Hospital-Berkeley d/b/a Roper St. Francis Hospital,

Of Whom South Carolina Department of Health and
Environmental Control is the .....Respondent, and

Roper St. Francis is the .....Respondent/Appellant.

Case No. 09-ALJ-07-0333-CC

Trident Medical Center, LLC, d/b/a
Berkeley Regional Medical Center, ...Appellant/Respondent,

v.

South Carolina Department of Health and
Environmental Control, and Roper St. Francis
Hospital-Berkeley, Inc. d/b/a Roper St. Francis
Hospital-Berkeley,

Of Whom South Carolina Department of Health and
Environmental Control is the .....Respondent, and

Roper St. Francis is the .....Respondent/Appellant.

RECORD ON APPEAL - VOLUME XIV OF XVI

(caption continued from cover page):

Case No. 09-ALJ-07-0336-CC

CareAlliance Health Services and Roper St. Francis Hospital-Berkeley, ...Respondents/Appellants,

v.

South Carolina Department of Health and Environmental Control and Trident Medical Center, LLC .....Respondents,

Of whom Trident Medical Center, LLC is the.....Appellant.

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William R. Thomas, SC Bar #16348
Faye A. Flowers, SC Bar #2043
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Roper St. Francis Hospital-Berkeley

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Attorneys for Respondent
South Carolina Department of Health
and Environmental Control

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Zoning Documentation

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MICHAEL J. HEITZLER
Mayor
JOSEPH S. DANING
Mayor Pro-Tem
DENNIS C. HARMON
City Administrator
JEFF MOLINARI
Assistant City Administrator

MARGUERITE H. BROWN
MARK A. PHILLIPS
KIMO ESAREY
SAL GANDOLFO
JOHN B. McCANTS
City Council

March 31, 2008

Shannon Cantwell
Roper St. Francis Healthcare
84 Halsey Boulevard
Charleston, SC 29401

Re: Zoning Verification for Carnes Crossroads

Dear Ms. Cantwell:

The parcel with TMS: 209-00-01-080, as part of the Carnes Crossroads development in the City of Goose Creek, South Carolina has the following zoning classification:

TMS No. 209-00-01-080 is zoned Carnes Crossroads Town Center (CC-TC)

According to the *Carnes Crossroad Development Agreement*, Appendix 1, Section 6, Sub-section 6.6 (a), the following uses are permitted in zone CC-TC:

"All uses permitted in Carnes Crossroads Residential Zone; except, no neighborhood of single family detached houses shall have less than 12 dwelling unit lots.

The following uses are also allowed in Carnes Crossroads Town Center Zone:

- Convenience Retail or Service Establishments
  - Antique stores
  - Appliance Stores
  - Art galleries, commercial
  - Artists' supply stores
  - Automobile driving schools
  - Automobile supply stores with no installation or
  - repair services
  - Bakeries
  - Banks
  - Barber shops
  - Beauty parlors
  - Bicycle sales, rental and repair
  - Book stores
  - Building maintenance service contractors
  - Carpet, rug, linoleum, or other floor-covering stores
  - Candy or ice cream stores
  - Cigar or tobacco stores
  - Clothing or clothing accessory stores
  - Clothing rental establishments
  - Computer sales and service
  - Drug stores
  - Dry-cleaning establishments dealing directly with ultimate consumers 000966
  - Dry goods or fabric stores

- Eating or drinking establishments
- Electrolysis studios
- Exterminators
- Fishing tackle or equipment, rental or sales
- Florist shops
- Food stores
- Furniture stores
- Furrier shops, custom
- Frozen food lockers
- Gift shops
- Gun sales and repair
- Hardware stores
- Interior decorating establishments
- Jewelry or cut metal craft shops
- Laundry establishments, self-service
- Leather goods or luggage stores
- Loan offices
- Locksmith shops
- Marine supplies or equipment
- Medical or orthopedic appliance stores
- Meeting halls
- Millinery shops
- Monument sales, not production
- Moving or storage office
- Music or record stores
- Nail salons
- Newsstands
- Optician or optometrist establishments
- Package liquor stores
- Paint and wallpaper stores
- Pet shops
- Photographic studios
- Photographic equipment stores
- Plumbing, heating or ventilating equipment sales
- Picture framing shops
- Post offices
- Restaurant
- Seed or garden supply stores
- Sewing machine stores, household
- Shoe stores
- Shooting clubs, indoors
- Sporting or athletic stores
- Stationery stores
- Studios; art, music, dance
- Tailor or dressmaking shops,
- Taxidermist shops
- Theaters
- Toy stores
- Travel bureaus
- Variety stores
- Venetian blind, shade, or awning shops
- Watch or clock sales and repair

000967

- Other similar sales and service establishment uses of a non-nuisance nature as determined by the Zoning Administration

- Preschool, elementary, junior high, high school and college level school uses.
- Auto-dependent uses including service stations, auto repair and installation, building materials and storage yards, fast food stores with drive-in or drive-through facilities, moving and storage offices with on-site storage, auto sales and marine storage and repairs.
- Movie theaters, and music and dance halls
- Wholesale trade establishments
- Production facilities for artisans and craftsmen.
- An individual owner of property, who is also the resident of the property involved, may rent guest rooms by the night where the Zoning Administrator, after a review of an application, finds that the proposed use meets the definition of a Bed and Breakfast.
- Clubs, Lodges, Civic or Fraternal Organizations
- Hospitals and medical and dental clinics and offices, and testing and research facilities and laboratories.
- Sewage pumping and water pumping facilities.
- Hotels and Inns
- Parking
- Any use permitted in the Town Center may be located anywhere within the Town Center."

The above referenced zoning designations are defined by the *Carnes Crossroads Development Agreement*. For more information on zoning designations in the City of Goose Creek, please visit the website: www.cityofgoosecreek.com. Please do not hesitate to contact me for further information at (843) 797-6220 ext.121 or lfarrell@cityofgoosecreek.com.

Sincerely,

L. Farrell

Leah Farrell,
Assistant Planner

CC: Planning and Zoning Director
File

000968

Attachment 15

Utilities Documentation

000969

SCE&G
A SCANA COMPANY

February 27, 2008

Joshua A. Teague, Esq.
Cogdell Spencer Advisors
4401 Barclay Downs Drive, Suite 300
Charlotte, NC 28209

Dear Mr. Teague:

South Carolina Electric & Gas Company appreciates your interest in obtaining natural gas service to the site located at the Carnes Crossroad North Tract fronting along US Hwy 17-A in Berkeley County. We have a proposed 8" plastic medium pressure natural gas distribution line planned for construction this year. Once we receive all permitting approvals and complete construction of this proposed line we would be willing to extend service to this site listed below. In addition, the natural gas loads and economics would need to be acceptable.

RE: TMS # 209-00-01-080

Should you have any additional questions concerning this or any other natural gas issues, please do not hesitate to call me at 843-576-8945 or e-mail at rbenton@scana.com

Sincerely,

Randall K. Benton
Account Manager

000970

BCWS

BERKELEY COUNTY WATER & SANITATION

September 16, 2008

Ms. Shannon Cantwell
Roper St. Francis Healthcare
125 Doughty Street Ste. 760
Charleston, SC 29403

Re: TMS# 209-00-01-080

Dear Ms. Cantwell:

Sewer service provided by Berkeley County Water & Sanitation will be available to the above referenced property via the sewer mains that are being proposed in a project named "Carnes North Tract Sewer Phase 1," designed by Thomas and Hutton Engineering. However, it should be noted that BCWS should not be held responsible and does not guarantee that the project will be completed, nor that it will be completed in a timely manner to correspond with Roper St. Francis Healthcare's development plans due to the fact that this is a private development project funded solely by a developer. Also, since the sewer construction project for the above referenced property has not been designed to the point that its sewer flow requirements can be quantified, it should be understood that if a sewer system extension/upgrade is needed to serve the referenced property, the owner shall be responsible for the expense of the necessary upgrades in their entirety.

Should you have any questions or comments, do not hesitate to call this office at (843) 572-4400.

Sincerely,

Ashley Yeh, EIT

000971

212 Oakley Plantation Drive • PO Box 1529 • Moncks Corner, SC 29461 • Telephone (843) 572-4400 • 761-8817 • 567-2061 • Fax (843) 569-5309

BERKELEY
ELECTRIC COOPERATIVE, INC.

Your Touchstone Energy Partner

September 17, 2008

Roper St. Francis Healthcare
C/o: Shannon Cantwell
125 Doughty Street
Suite 760
Charleston, SC 29403

RE: Power Availability – Roper St. Francis Hospital - Berkeley
City of Goose Creek, SC - TMS # 209-00-01-080

Dear Shannon:

Berkeley Electric Cooperative, Inc. is willing and able to supply the electrical energy requirements to the above referenced hospital, which will be close to a new substation that we are working on with the Daniel Island Company.

Berkeley Electric Cooperative will require that a utility agreement be entered into by Roper St. Francis Hospital. Berkeley Electric will extend its services as required by our Service Rules and Regulations, which are in affect at the time of service rendered. Depending on your plans, once they are available, we will be able to give you our electrical distribution service plan.

If you should have any questions, please don't hesitate to give me a call.

Sincerely,

Richard L. Walker/lc

Richard L. Walker
Superintendent of Field Engineering

RLW/lc

c: Tim Mobley

000972

Post Office Box 1234
Moncks Corner, SC 29461
(843) 761-8200
(843) 825-3383
Fax (843) 572-1280

Post Office Box 128
Johns Island, SC 29457
(843) 559-2458
Fax (843) 559-3876

Post Office Box 1549
Goose Creek, SC 29445
(843) 553-5020
Fax (843) 553-6761

3745 N. Highway 17
Awendaw, SC 29429
(843) 884-7525
Fax (843) 884-3044

CITY OF GOOSE CREEK

Steven R. Price
Director

Public Works Department

October 3, 2008

Shannon Cantwell
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 2940

Re: Roper St. Francis Hospital - Berkeley

Dear Ms. Cantwell:

The City of Goose Creek has the water system capacity and the ability to serve Roper St. Francis Hospital - Berkeley. Roper St. Francis Healthcare will be responsible for all engineering design, utility construction and regulatory permitting associated with extending the water distribution system infrastructure to this project. The City of Goose Creek will assume the operation and maintenance of any distribution system extension required for this project once construction is complete and SCDHEC approval is obtained.

Please contact me at 824-2200 ext. 262 should you have questions or require additional information.

Sincerely,

Steven R. Price
Director of Public Works

cc: City Administrator
Assist. Director of Public Works
Water Division Supervisor
Project File

000973

200 Brandywine Blvd. - P.O. Drawer 1768, Goose Creek, South Carolina 29445-1768 - (843) 824-2200 - FAX (843) 863-5218

Attachment 16:

CEO Letter re: Permanent Bed Transfer Board Approval

ROPER HOSPITAL

316 Calhoun Street
Charleston, SC 29401
(843) 724-2000

September 9, 2009

Via Certified – Return Receipt Requested

Ms. Beverly Patterson, Director
Bureau of Health Facilities and Services Development
S.C. Department of Health and Environmental Control
2600 Bull Street
Columbia, South Carolina 29201

Dear Ms. Patterson:

Roper St. Francis Hospital - Berkeley will soon submit a Certificate of Need application to construct a 50-bed hospital in Goose Creek, South Carolina via a bed transfer from Roper Hospital. As required by the State Health Plan, this letter acknowledges in writing that this exchange is permanent, and confirms that Roper Hospital will not use the loss of these beds as justification for a subsequent request for the approval of additional beds.

Should you have any questions or concerns, please feel free to contact me at (843) 724-2901.

Sincerely,

Matthew J. Severance, FACHE
Chief Executive Officer

MJS/dhm

cc: Douglas Bowling, Vice President / Chief Strategy Officer
Ms. Shannon Cantwell

000975

CareAlliance Health Services

BOARD OF DIRECTORS

RESOLUTION WITH RESPECT TO PROCEEDING WITH
THE DEVELOPMENT OF THE CARNES CROSSROADS PROPERTY

TAKEN FROM THE MINUTES OF THE AUGUST 28, 2008 MEETING

WHEREAS, the Board of Directors (the "Board") of CareAlliance Health Services, doing business as Roper St. Francis Healthcare ("Roper St. Francis") has been advised that to continue the development of Roper St. Francis, it is critical to expand its facilities to better serve the community with quality patient health services, including the development of a hospital facility in Berkeley County, South Carolina located at the Carnes Crossroads property previously purchased by Roper St. Francis and that said hospital facility will be known as "Roper St. Francis Healthcare-Berekely Hospital, Inc.;

WHEREAS, the Board has determined that it is in the community's and Roper St. Francis' best interest to approve that Management move forward with necessary regulatory and business actions, including but not limited to the development and submission of a Certificate of Need ("CON") application for the Roper St. Francis Healthcare-Berkeley Hospital, Inc. facility and project related expenditures.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Roper St. Francis Healthcare, that the Board hereby authorizes Management move forward with necessary regulatory and business actions, including but not limited to the development and submission of a Certificate of Need ("CON") application for the Roper St. Francis Healthcare-Berkeley Hospital, Inc. facility and project related expenditures. Further, the Board has requested that Management establish a budget for the project for review, consideration and approval by the Board at its October 2008 Meeting.

The above is a true copy of the Roper St. Francis Board resolution passed on August 28, 2008.

Gregory T. Edwards
Assistant Secretary

000976

0812114

PARKER POE
PARKER POE ADAMS & BERNSTEIN LLP
Attorneys and Counselors at Law

Colleen C. Quillen
Paralegal
Telephone 803.253.8921
Direct Fax 803.255.8017
colleenquillen@parkerpoe.com

1201 Main Street
Suite 1450
P.O. Box 1509
Columbia, SC 29202-1509
Telephone 803.255.8000
Fax 803.255.8017
www.parkerpoe.com

Copied 12/23/08 JAMES

December 11, 2008

Via Facsimile 898.3816
Mr. Jody M. Hamm, Director
Freedom of Information Office
SC DHEC
2600 Bull Street
Columbia, SC 29201

Re: ***Roper St. Francis Hospital-Berkeley, Inc.***
Certificate of Need Application filed with the Department on December 10, 2008 for the construction of new 50 bed hospital to be located in Goose Creek, SC
$112,978,119
Reviewer: Lisa Sanders

Dear Mr. Hamm:

Please consider this letter our request pursuant to the Freedom of Information Act for a copy of the Department's entire file in the above matter to include the application and all submissions attached thereto, requests for additional information and all responses thereto, all notes, memoranda, correspondence and other documents related thereto.

I would appreciate you notifying me at 253.8921 when the material is ready so that I may arrange for our courier to pick up the same. Of course, we agree to pay the Department's usual and customary fees for providing this information. Thank you for your assistance, and please do not hesitate to call me if you have any questions.

Sincerely,

Colleen C. Quillen

RECEIVED
DEC 11 2008
Freedom of Information Office

cc: Ms. Kelly L. Barrett

RECEIVED
DEC 15 2008
BUREAU OF CERTIFICATION
SC DHEC/HEALTH REGULATION

000977

CHARLESTON, SC
CHARLOTTE, NC
MYRTLE BEACH, SC
RALEIGH, NC
SPARTANBURG, SC

PPAB 1166056v2

PARKER POE
PARKER POE ADAMS & BERNSTEIN L.L.P.
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1201 Main Street, Suite 1450
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Telephone: 803.255.8000
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www.parkerpoe.com

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TO:	COMPANY:	FAX NO.	RECIPIENT'S PHONE NO
Jody M. Hamm	**Freedom of Information Office**	**898-3816**	
Kelly Barrett	**DHEC**	**545-4579**	

FROM: **Colleen C. Quillen** DATE: **December 11, 2008**

CLIENT-MATTER:

RE:

COMMENTS:

Total number of pages including cover: 2.

Transmitted by: _____
Time: _____

****NOTICE****

THE INFORMATION CONTAINED IN THIS FACSIMILE IS PRIVILEGED AND/OR CONFIDENTIAL AND IS INTENDED ONLY FOR THE USE OF THE PERSON TO WHOM IT IS ADDRESSED. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT (OR SUCH RECIPIENT'S EMPLOYEE OR AGENT), YOU ARE HEREBY NOTIFIED NOT TO READ, DISTRIBUTE OR COPY THE MATERIALS ATTACHED HERETO WITHOUT THE PRIOR WRITTEN CONSENT OF THE SENDER. IF YOU HAVE RECEIVED THIS FACSIMILE IN ERROR, PLEASE NOTIFY THE SENDER BY COLLECT TELEPHONE CALL AND RETURN THE ORIGINAL FACSIMILE TO US AT THE ABOVE ADDRESS BY U.S. POSTAL SERVICE AND WE WILL REIMBURSE YOU FOR THE REQUIRED POSTAGE. THANK YOU.

September 24, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Certified Oncology nurse who works at Roper Berkeley and someone who routinely cares for patients from Berkeley County, I am writing today to offer my strong support for a Roper St. Francis hospital in Goose Creek.

More than 25,800 Berkeley County residents came to a Roper St. Francis facility in 2007 for outpatient surgery, emergency care or inpatient hospitalization. By locating a new, not-for-profit hospital at Carnes Crossroads, these residents will have state-of-the-art care much closer to home.

Sincerely,

Kristy Hill RN, OCN

Kristy Hill RN, OCN
619 Resinwood Road
Moncks Corner, SC 29461

September 28 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Roper St. Francis Healthcare employee who lives in Dorchester County, I am writing today to offer my wholehearted support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek.

I am a resident of Summerville , and would prefer to travel to a Roper Saint Francis Healthcare facility in Berkeley County than to have to travel downtown or Saint Francis across the Ashley. In fact it would probably be closer to my home than Roper or Saint Francis and having been a Roper Saint Francis Healthcare employee of 23 years, naturally I feel a not- for- profit hospital in this area would offer the BEST state-of –the-art care for me and my family.

A Roper St. Francis facility would give me along with my family, friends and neighbors as well as my patients a convenient choice for receiving quality healthcare closer to home.

Sincerely,

Marlee Jamison

Marlee Hardy Jamison , RT®(CT)
307 Stratford Dr.
Summerville, S.C. 29485.

000980

D H E C

FROMOTE PROTECT PROSPER

C. Earl Hunter, Commissioner

Promoting and protecting the health of the public and the environment

January 9, 2009

Re: Construction of a new hospital by transferring fifty (50) acute care beds from Roper Hospital to include a multi-slice Computed Tomography (CT) scanner and a 1.5T Magnetic Resonance Imaging (MRI) unit for a total license bed capacity of fifty (50) acute care beds at Roper St. Francis Berkeley and three hundred eighteen (318) total licensed beds at Roper Hospital; the facility will be located on Highway 17A in Goose Creek, South Carolina

Roper St. Francis Hospital-Berkeley
Goose Creek, South Carolina

Ms. Shannon Cantwell
Regulatory Affairs Specialist
Roper St. Francis Healthcare
125 Doughty Street Suite 760
Charleston, SC 29403

Dear Ms. Cantwell:

This is to acknowledge acceptance of your application for the above referenced project on December 10, 2008. As a result of this Department's review of the application, we find the following additional information is needed prior to the application being considered complete as required in Section 302 of Regulation No. 61-15.

1. Confirm whether transfer agreements with Trident Medical Center will still be applicable for the Berkeley facility. (B-9)

2. In reference to B-11 Need Analysis, please explain/clarify the following:

   a. Much of the data provided in this section was in narrative form. Please convert projected volumes (the first three years of operation), discharge data, surgical volumes (separating inpatient and outpatient) and market share analysis to a table format as this would greatly assist in the analysis. Please provide this information for all St. Francis Roper inpatient and outpatient facilities.

   b. Identify the two healthcare systems offering ambulatory health services in Goose Creek and discuss any adverse impact to these facilities. Are you primarily referring to Roper St. Francis affiliates?

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c. For the Roper St. Francis downtown, provide historical average daily census data, existing daily census data, and projected census data upon the opening of the Mt. Pleasant hospital.

d. For the Roper St. Francis Berkeley hospital, provide surgical volumes for the first three years of operation. Also, according to your space program, there will be an endoscopy procedure room. Please provide the projected number of endoscopy procedures?

3. What percent of segmentation is attributed to treating non-inpatient volumes in non licensed beds? What do you mean by non licensed beds? (B-14)

4. You state that Roper Hospital will have a 76% occupancy rate following the development of the two proposed satellite hospitals. During what timeframe do you expect the occupancy rate to stabilize? (B-14)

Please provide all the requested information to this Office within thirty (30) days of the date of this letter. Pursuant to Section 302.2 of Regulation No. 61-15, Certification of Need for Health Facilities and Services, this application will be considered withdrawn if additional information has not been received by February 8, 2009.

Should you require further information, please contact me at (803) 545-4200.

Sincerely,

Lisa D. Sanders, Health Planning Analyst
Bureau of Health Facilities and Services Development

cc: Andrea Brisbin

000982

0901245

PARKER POE

PARKER POE ADAMS & BERNSTEIN LLP

Attorneys and Counselors at Law

Colleen C. Quillen
Paralegal
Telephone: 803.253.8921
Direct Fax: 803.255.8017
colleenquillen@parkerpoe.com

1201 Main Street
Suite 1450
P.O. Box 1509
Columbia, SC 29202-1509
Telephone 803.255.8000
Fax 803.255.8017
www.parkerpoe.com

Copied Pages 981-960

January 28, 2009

RECEIVED
JAN 2 9 2009
BUREAU OF CERTIFICATION
SC DHEC/HEALTH REGULATION

Via Facsimile 898.3816
Mr. Jody M. Hamm, Director
Freedom of Information Office
SC DHEC
2600 Bull Street
Columbia, SC 29201

Re: Roper St. Francis Hospital-Berkeley, Inc.
Certificate of Need Application filed with the Department on December 10, 2008 for the construction of new 50 bed hospital to be located in Goose Creek, SC
$112,978,119
Reviewer: Lisa Sanders

Dear Mr. Hamm:

Please consider this letter our request pursuant to the Freedom of Information Act for copies of all documents received by the Department in connection with the above-referenced Certificate of Need application **following the initial filing of the Certificate of Need application (everything after Attachment 16).**

Please give me a call when the material is ready so that I may arrange for our courier to pick up the same. Of course, we agree to pay the Department's usual and customary fees for providing this information. Please call me if you have any questions.

Sincerely,

Colleen C. Quillen

cc: Ms. Kelly L. Barrett

RECEIVED
JAN 2 9 2009
Freedom of Information Office

000983

Kelly 1/29/09 CC

Roper St Francis Berkeley - filing

DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

In accordance with Section 44-7-200(C), Code of Laws of South Carolina, the public is hereby notified that a Certificate of Need application has been accepted for filing and publication December 26, 2008, for the following project(s). After the application is deemed complete, affected persons will be notified that the review cycle has begun. For further information, please contact Mrs. Sarah "Sallie" C. Harrell, Division of Planning and Certification of Need, 2600 Bull St., Columbia, SC 29201 at (803) 545-4200.

Affecting Aiken County

Establishment of a home health agency restricted to serve Aiken County
Intrepid USA Healthcare Services
Aiken, South Carolina
Project Cost: $90,234

Construction of a freestanding imaging center wholly owned by Aiken Regional Medical Centers providing Computed Tomography (CT) and Magnetic Resonance Imaging (MRI) services to be located at 430 Society Hill Drive, Aiken, South Carolina
Southside Imaging Center, LLC
Aiken, South Carolina
Project Cost: $7,397,412

Affecting Anderson County

Upfit of shelled space for the addition of a fourth cardiac catheterization laboratory
AnMed Health Medical Center
Anderson, South Carolina
Project Cost: $1,697,785

Change of licensure of three (3) previously approved skilled nursing beds to rehabilitation beds for a total bed capacity of forty (40) rehabilitation beds
AnMed Rehabilitation Hospital
Anderson, South Carolina
Project Cost: $500

Affecting Beaufort County

Addition of one (1) operating room (OR) for a total of three (3) ORs and two (2) endoscopy rooms restricted to gastroenterology procedures only
Outpatient Surgery Center of Hilton Head
Hilton Head, South Carolina
$400,000

Affecting Berkeley County

Construction of a new hospital by transferring fifty (50) acute care beds from Roper Hospital to include a multi-slice Computed Tomography (CT) scanner and a 1.5T Magnetic Resonance Imaging (MRI) unit for a total license bed capacity of fifty (50) acute care beds at Roper St. Francis Berkeley and 318 total licensed beds at Roper Hospital; the facility will be located on Highway 17A in Goose Creek, South Carolina
Roper St. Francis Hospital – Berkeley
Goose Creek, South Carolina
Project Cost: $112,978,119

Affecting Chesterfield County

Addition of three (3) nursing home beds that will not participate in the Medicaid (Title XIX) Program for a total of one hundred twenty (120) nursing home beds
Cheraw Healthcare, Inc.
Cheraw, South Carolina
Project Cost: $6,750
Affecting Lexington County

Renovation for the relocation and addition of one (1) diagnostic cardiac catheterization laboratory for a total of two (2) diagnostic cardiac catheterization laboratories and the provision of emergency (primary) percutaneous coronary intervention (PCI) services
Lexington Medical Center
West Columbia, South Carolina
Project Cost: $4,060,282

In accordance with S.C. DHEC Regulation 61-15, the public and affected persons are hereby notified that the review cycle has begun for the following project(s) and a proposed decision will be made within 60 days beginning December 26, 2008. "Affected persons" have 30 days from the above date to submit comments or requests for a public hearing to Mr. Les W. Shelton, Division of Planning and Certification of Need, 2600 Bull Street, Columbia, S.C. 29201. For further information call (803) 545-4200.

Affecting Anderson County

Renovation for the replacement of an existing 0.35T Magnetic Resonance Imaging (MRI) unit with a closed 1.5T MRI unit
AnMed Health Women's and Children's Hospital
Anderson, South Carolina
Project Cost: $2,394,195

Affecting Georgetown County

Construction for the replacement of the existing Georgetown Memorial Hospital which will not include the addition of any new clinical health services and the subsequent reduction in licensed bed capacity from one hundred-thirty-one (131) beds to one hundred-twenty-four (124) total licensed beds to be located at the Intersection of Hwy 701 & Wedgefield Road, Georgetown, South Carolina
Georgetown Memorial Hospital
Georgetown, South Carolina
$154,647,000

Affecting Greenville County

Addition of eighteen (18) residential treatment beds resulting in a total bed capacity of sixty (60) residential treatment beds
Excalibur Youth Services, LLC
Simpsonville, South Carolina
Project Cost: $91,379

Conversion of twenty-two (22) of the forty-four (44) institutional nursing home beds to non-institutional nursing home beds previously approved in SC-07-41 located on the campus of The Cascades Verdae, a continuing care retirement community; the twenty-two (22) non-institutional beds will not participate in the Medicaid (Title XIX) Program
Skilled Nursing Center at Cascades Verdae
Greenville, South Carolina

Affecting Greenwood County

Construction and renovation for the expansion of the cancer center that involves the consolidation of the Chemotherapy, Outpatient Infusion, Radiation Therapy and Medical Oncology departments; modernization to the main wing of the 1st floor to include development support services space; and the replacement of an existing linear accelerator for a continued total of two (2) linear accelerators
Self Regional Healthcare
Greenwood, South Carolina
Project Cost: $26,508,521

ROPER ST FRANCIS HEALTHCARE

125 Doughty Street Ste. 760
Charleston, SC 29403

FEB 18 2009
Rcvd 2/6/09 ccr

February 5, 2009

Re: CON application to construct a 50-bed hospital in Goose Creek via a permanent bed transfer from Roper Hospital

Ms. Lisa Sanders
S.C. DHEC, Bureau of Health Facilities
1777 St. Julian Place Suite 201
Columbia, South Carolina 29204

Dear Ms. Sanders:

The following information is provided in response to your January 9, 2009 letter seeking additional information regarding the application referenced above.

1. Confirm whether transfer agreements with Trident Medical Center will still be applicable for the Berkeley facility (B-9).

   At the appropriate time we will either seek to have the existing patient transfer agreement amended to include the new hospital or submit a new patient transfer agreement request to Trident Medical Center, LLC. Trident Medical Center, LLC may or may not be willing to execute an agreement with Roper St. Francis Hospital- Berkeley.

2. In reference to the B-11 Need Analysis, please explain/clarify the following:

   a. Convert projected volumes, discharge data, surgical volumes (separating inpatient and outpatient) and the market share analysis to a table format. Provide similar information for all Roper St. Francis inpatient and outpatient facilities.

Berkeley County Discharges

	2006 Baseline	2006-2015 Pop. Growth Rate	2015 Forecast
Total Non-Tertiary, Non-Specialty DRGs only	13,732	12.4%	15,435
Sum of RSFH (23%)	3,152		3,550
Sum of Other Providers	10,580		11,885

000987

Roper St. Francis Hospital-Berkeley Volume Projections

	Year 1 2013	Year 2 2014	Year 3 2015
Berkeley County Discharges (90% of total)	1,353	2,318	2,963
In-Migration Discharges (10% of total)	150	258	329
Total Discharges	1503	2,576	3,292
Average Length of Stay	4.25	4.25	4.25
Total Patient Days	6,388	10,950	13,991[1]
50-Bed Capacity	18,250	18,250	18,250
Average Daily Census	17.5	30.0	38.3
Occupancy	35%	60%	76%

Market Share

	2015
RSF Hospital-Berkeley Market Capture	1,188
Non-Aligned Patient Base	11,885
Market Share	10%

No Negative Impact on Other Providers

	2015
Market Capture	1,188
Forecasted Patient Volume Growth	1,969

[1] A more conservative 70% occupancy (12,775 patient days) was used in the financial forecasts

Berkeley County Surgical Volume

Berkeley Co. Residents	2006 Baseline	2006-2015 Pop. Growth Rate	2015 Forecast
Total Inpatient Surgeries	7,183		
Tertiary/ Specialty Cases (Assumed 14%)	1,006		
Applicable to RSFH-Berkeley	6,177		
Total Outpatient Surgeries	23,986		
Endoscopy Cases Excluded	6,095		
Applicable to RSFH-Berkeley	17,891		
Sum of Inpatient and Outpatient	24,068	12.4%	27,052

Roper St. Francis Hospital-Berkeley Surgical Volume Projection

	Year 3 2015
Berkeley Co. Total Surgeries	27,052
Projected Market Share	19%
Surgeries on Berkeley Co. Residents	5,140
In-Migration Surgeries (10% of total)	571
Total Surgeries	5711

Roper St. Francis Hospital-Berkeley Inpatient/Outpatient Surgery Volume by Year

	Year 1 2013	Year 2 2014	Year 3 2015
Inpatient Surgeries	734	1,145	1,468
Outpatient Surgeries	2,121	3,310	4,243
Total Surgeries	2,855	4,455	5,711

Per our conversation on January 15, 2009, the data you requested for *all* Roper St. Francis facilities was meant for Roper Hospital and Roper Berkeley Ambulatory Surgery Center. Projections for these two facilities follow.

Roper Hospital Financial Assumptions[2]

Year	Acute Discharges	Patient Days	ADC	Surgeries-IP	Surgeries-OP
2008	15,136	85,782	235	5,008	7,662
2009	15,137	86,730	238	5,008	8,371
2010	15,288	87,596	240	5,058	8,480
2011	15,200	87,091	239	5,028	8,590
2012	15,175	86,948	238	5,020	8,702
2013	15,327	87,819	241	5,070	8,815
2014	15,480	88,696	243	5,121	8,929
2015	15,635	89,583	245	5,172	9,046

The preliminary analysis above was prepared to forecast financials and held length of stay constant. Length of stay is expected to decrease over this time period due to a number of initiatives currently in place and advances in technology. Management is targeting a length of stay reduction of .10 days per year during this time period. An updated, more accurate projection for Roper Hospital follows. Not included in the updated volume projections is the impact of Roper Hospital's potential future relationship with a LTAC Hospital. In 2007, Roper Hospital discharged 471 patients (15,507 patient days) that would have qualified for admission into an LTAC Hospital.

[2] Assumptions used in the Combined Statement of Operations projected through 2017 (Attachment 10)

Roper Hospital Volume Projections

Year	Acute Discharges	Patient Days	ADC	Surgeries-IP	Surgeries-OP
2009	15,137	86,730	238	5,008	8,371
2010	15,288	86,066	236	5,058	8,480
2011	15,200	84,051	230	5,028	8,590
2012	15,175	82,395	226	5,020	8,702
2013	15,327	81,688	224	5,070	8,815
2014	15,480	80,955	222	5,121	8,929
2015	15,635	80,202	220	5,172	9,046

Patient Volume Shift from Roper to RSF Mount Pleasant Hospital

Year	Acute Discharges	Patient Days	ADC	Surgeries-IP
2011	241	1,333	4	80
2012	177	961	3	59

* reflected in Roper Hospital Volume Projections above

Patient Volume Shift from Roper to RSFH-Berkeley

Year	Acute Discharges	Patient Days	ADC	Surgeries-IP	Surgeries-OP
2013	526	2,236	6	260	742
2014	902	3,834	11	401	1,158
2015	1,154	4,905	13	514	1,485

* not reflected in Roper Hospital Volume Projections above

Volume Projections for
Roper Berkeley Ambulatory Surgery Center

Year	OR Cases	% Growth
2008 Actual	775	36%
2009[3]	807	4%
2010	815	1%
2011	831	2%
2012	848	2%
2013	865	2%
2014	882	2%
2015	900	2%

[3] Assumes recruitment of a general surgeon, an ENT, and an orthopedic surgeon- each doing 4 cases per month at the center

b. Identify the two healthcare systems offering ambulatory services in Goose Creek and discuss any adverse impact to these facilities.

There is one facility in Goose Creek, the Roper St. Francis Medical Center and two facilities in Moncks Corner, Roper St. Francis Medical Center Berkeley and Moncks Corner Medical Center, a facility of Trident. As previously stated, Roper's facility in Goose Creek provides lab and diagnostic services (X-ray, mammography, EKG). Given the array of services this facility provides combined with population base (current and projected) in Goose Creek, the proposed hospital should not result in an adverse impact on Roper's facility in Goose Creek.

Specific to the two existing ambulatory care facilities located in Moncks Corner, the Roper St. Francis Medical Center Berkeley currently provides freestanding ED services, ambulatory surgery services and supporting outpatient diagnostic services while the Moncks Corner Medical Center (Trident operation) provides a similar array of ambulatory services except that it does not offer ambulatory surgery services. Regarding potential adverse impact to the existing Moncks Corner emergency department services, the proposed new hospital anticipates providing a new emergency care access point in the Goose Creek area which will provide timely enhanced local access to emergency services for those patients residing in the Goose Creek / western Berkeley County area. With patients attempting to access emergency care typically traveling to the closest appropriate emergency service, there is minimal anticipated emergency patient re-direction from the Moncks Corner / eastern Berkeley County to the proposed new Goose Creek service. Rather, the patients expected to be served at the new emergency service include those patients living within the local area who must today travel out of the local area to access emergency care – primarily to the emergency services offered by various Charleston County hospitals -- and the anticipated strong growth in emergency service volume that is expected as a result of forecast strong population growth within the Goose Creek / western Berkeley County areas. As a result, minimal adverse impact to either of the Moncks Corner emergency services is anticipated as a result of this proposed new project.

Regarding potential adverse impact to the ambulatory surgery services currently offered at Roper Berkeley Ambulatory Surgery Center in Moncks Corner, the proposed new hospital is expected to offer a local alternative to those patients currently leaving the local area to obtain outpatient surgery services rather than treating patients re-directed from the Moncks Corner service. The Goose Creek treated patients are expected to include patients who require same day surgery care in a hospital setting versus a freestanding setting due to potential medical

complications and those patients that currently are traveling out of the local area due to lack of local access or due to preference for Roper St. Francis aligned services. Combining this expected treatment focus on surgical patients currently not obtaining care within Berkeley County with Berkeley County resident-based surgical volumes anticipated to grow by 12% over the planning horizon results in the conclusion there will be no material impact on the existing ambulatory surgery service.

c. For Roper Hospital, provide historical average daily census data, existing daily census data and projected census data upon the opening of the Mount Pleasant Hospital.

Roper Hospital	Average Daily Census Excluding Rehab and Nursery
2005	247
2006	240
2007	237
2008 Actual / "Existing" [4]	228
2009 *	238
2010	236
2011 Year 1 post 85-bed transfer	230
2012 Year 2 post 85-bed transfer	226
2013 Year 3 post 85-bed transfer	224

* 2009 projected volumes were based on 2008 projected volumes. Given the variance between projections and actual volumes in 2008, the projected 2009-15 ADC may be overstated.

d. Provide surgical volumes for the first three years of operation. Also, according to your space program there will be an endoscopy procedure room. Provide the projected number of endoscopy procedures.

Surgical volumes were requested and provided in "a" above. Neither the schematic, nor the space program (labeled on page 24, but "0" square feet) includes an endoscopy room, only a workroom for cleaning and storage space. Endoscopies were excluded from the market analysis and projections; however, endoscopies when performed will be accommodated in the general operating rooms.

[4]

Year	Acute Discharges	Patient Days	ADC	Surgeries-IP	Surgeries-OP
2008 Actual	15,190	83,195	228	5,026	7,672

3. What percent of segmentation is attributed to treating non-inpatient volumes in non-licensed beds? What is meant by non-licensed beds? (B-14)

   The referenced "non-licensed beds" are synonymous with observation beds. In 2008 Roper treated 5,336 observation patients, of which 3,072 were outpatients in a bed (8 ADC). When the 3,072 observation patients are combined with the 15,190 inpatient discharges, observation patients account for 17% of the total patients served and 3% of the total ADC.

4. You state that Roper Hospital will have a 76% occupancy rate following the development of the two proposed satellite hospitals. During what timeframe do you expect the occupancy rate to stabilize? (B-14)

   As discussed in the response to B-14, the initiative to reduce length of stay has been successful. Our focus is on Medicare length of stay where Roper currently has a .5-day variance to the Medicare National Average. There is no set goal for what year we expect to achieve the national average, but based on the reduction we have achieved over the last couple of years, a 5-year goal would be reasonable.

I have also enclosed 80 additional letters of support, making the current count:

Type	Number
Letters from Physicians	101
Other Healthcare Providers	19
Elected Officials	11
Community	440
Total	**571**

Should you have any questions, please contact me at (843) 789-1754.

Sincerely,

Shannon Cantwell

Shannon Cantwell
Regulatory Affairs Specialist

Enclosures

CHIP CAMPSEN
Senator
State of South Carolina

COMMITTEES:
Agriculture and Natural Resources
Fish, Game and Forestry
Judiciary
Labor, Commerce & Industry
Transportation
Invitations

SENATE OFFICE:
Post Office Box 142
Gressette Building
Columbia, South Carolina 29202
Phone: (803) 212-6016
Fax: (803) 212-6299
E-mail: campsen@scsenate.org

DISTRICT OFFICE:
360 Concord Street, Suite 201
Charleston, South Carolina 29401
Phone: (843) 722-0123
Fax: (843) 881-2960

January 7, 2009

Mr. Douglas Bowling
Vice President of System Development
Roper St. Francis Healthcare
125 Doughty Street Suite 760
Charleston, SC 29403

Dear Mr. Bowling:

Thank you for the information provided regarding Roper St. Francis Healthcare's plan to construct a 50-bed hospital in Goose Creek. As you are aware, Berkeley County has a population of nearly 160,000 and the projected growth will result in a population in excess of 170,000 by 2015. The majority of growth is occurring within and around the Goose Creek area, and your location in Carnes Crossroads appears a wise choice. I appreciate that this project will ensure access to a community-based, not-for-profit healthcare provider.

The Roper St. Francis Healthcare system has a long-standing reputation of serving the healthcare needs of Tri-County area residents by providing high quality care. Please accept this letter as my approval and support of your Department of Health and Environmental Control application for the required Certificate of Need approval.

Sincerely,

Chip

George "Chip" Campsen III
State Senator, District 43

SENATOR PAUL G. CAMPBELL, JR.
SENATORIAL DISTRICT 44
BERKELEY COUNTY

COMMITTEES:
AGRICULTURE & NATURAL RESOURCES
FISH, GAME & FORESTRY
JUDICIARY
GENERAL
CORRECTION & PENOLOGY

COLUMBIA OFFICE:
POST OFFICE BOX 142
COLUMBIA, SOUTH CAROLINA 29202
PHONE: (803) 212-6016
FAX: (803) 212-6299
EMAIL: PAULCAMPBELL@SCSENATE.ORG

DISTRICT OFFICE:
150 LOGANBERRY CIRCLE
GOOSE CREEK, SOUTH CAROLINA 29445
PHONE: (843) 569-0089 (HOME)

February 2, 2009

Mr. Douglas Bowling
Vice President of System Development
Roper St. Francis Healthcare
125 Doughty Street Suite 760
Charleston, SC 29403

Dear Mr. Bowling:

Thank you for informing me of the proposed project whereby Roper St. Francis Healthcare plans to relocate beds from Roper downtown in order to construct a new 50-bed hospital in Goose Creek to better serve its patients and other Berkeley County residents. I understand you have submitted an application for Certificate of Need approval to the S.C. Department of Health and Environmental Control.

My constituents have long voiced their desire for a hospital in Berkeley County. Your organization's role of providing a variety of outpatient medical services within Berkeley County has been vitally important, and inpatient care appears a natural continuum.

Please accept this letter as my support for the project, as it will benefit physicians, patients, and the community at large.

Sincerely,

Paul

Paul G. Campbell, Jr.
State Senator, District 44

PGC/crd

Orthopaedic Specialists of Charleston
ROPER ST. FRANCIS PHYSICIANS

West Ashley Office:
2093 Henry Tecklenburg Drive
Ste 200 East
Charleston, SC 29414

Mount Pleasant Office:
594 Lone Tree Drive
Mt Pleasant, SC 29464

North Charleston Office:
2891-A Tricom Street
North Charleston, SC 29418

Appointments:
843-958-2500

Medical Records:
843-958-2520

Physician Billing & Collections:
843-789-1620

Workers Compensation:
843-958-2510

James Aymond, MD
Kenneth Caldwell, MD
John Ernst, MD
John Graham, MD
Blake Ohlson, MD
James Price, Jr, MD
Kelly Bailey Kruse, PA
Erin Watrobski, PA

September 9, 2008

Mr. David L. Dunlap
President & CEO
Roper St. Francis Healthcare
125 Doughty Street Ste. 760
Charleston, SC 29403

Mr. Dunlap,

I am a foot and ankle surgeon and I am writing in support of a new Roper St. Francis Hospital in Berkeley County. Amazingly, Berkeley is ranked as one of the top 10 counties in the state for population and yet it still does not have a hospital.

I believe Roper St. Francis would be a good fit for that community. Thank you for your consideration.

Sincerely,

Blake L. Ohlson, M.D.
Orthopaedic Specialists of Charleston

ORTHOPAEDIC SURGERY

TELEPHONE 723-9456
FAX 577-4506

ORTHOPAEDIC ASSOCIATES OF CHARLESTON, PA
DOWSE D. RUSTIN, M.D.
55 BEE STREET
CHARLESTON, SOUTH CAROLINA
29403-5721

September 16, 2008

Mr. David L. Dunlap
President & CEO
Roper St. Francis Healthcare
125 Doughty Street Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap,

I have been in practice as an orthopedic surgeon for many years in Charleston and I am in full support of an additional healthcare facility. Berkeley County is one of only five counties in South Carolina without a hospital, despite its population size in excess of 155,00 residents and rank as the ninth largest county in the state. A Roper St. Francis facility gives patients an additional choice for receiving quality healthcare closer to home.

Thank you for your kind consideration.

Sincerely,

Dowse Rustin, MD
Orthopedic Associates of Charleston, PA

Jack W. Simmons, Jr., M.D., PH.D.
J. Wyman Frampton, Jr., M.D.
Elsa C. Caire, M.D.
Lorianne T. Ezman. M.D.

September 16, 2008

David Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street #760
Charleston, SC 29403

Dear Mr. Dunlap:

I fully support the construction of a new Roper St. Francis hospital to be built in Berkeley County. They have an aging and growing population and no hospital close to home. It would be an enormous benefit to have a quality, not for profit community hospital built in Berkeley County.

Thank you for your consideration of this project.

Sincerely,

Jack W. Simmons, Jr., MD, PH.D
Creekside Womens Care

2097 Henry Tecklenburg Drive • Suite 312 West • Charleston, South Carolina 29414
149 St. James Avenue • Goose Creek, South Carolina 29445
843.769.5620 • Fax 843.769.5625

www.creeksidewc.com

Jack W. Simmons, Jr., M.D., PH.D.
J. Wyman Frampton, Jr., M.D.
Elsa C. Caire, M.D.
Lorianne T. Ezman, M.D.

September 17, 2008

David Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street #760
Charleston, SC 29403

Dear Mr. Dunlap:

I am writing to show support for the construction of a new hospital to be built in Berkeley County. Roper St. Francis has such a great reputation in the area for providing state-of-the-art equipment and quality care for their patients and this is much needed in the Berkeley County that is underserved by healthcare.

Thank you for considering this important project.

Sincerely,

Elsa C. Caire, MD
Creekside Womens Care

2097 Henry Tecklenburg Drive • Suite 312 West • Charleston, South Carolina 29414
149 St. James Avenue • Goose Creek, South Carolina 29445
843.769.5620 • Fax 843.769.5625

www.creeksidewc.com

WALTER BONNER, M.D., LLC
Arthritis, Rheumatism & Connective Tissue Disease
890 Johnnie Dodds Blvd
Bldg 2, Suite A
Mt. Pleasant, SC 29464
(843) 881-9971
Fax: (843) 881-9973

October 6, 2008

David Dunlap, President & CEO
Roper St. Francis Healthcare
125 Doughty St
Charleston, SC 29403

Dear Mr. Dunlap:

As a longtime supporter of Roper St. Francis I will be pleased to write a letter of support for RSF to establish a hospital here in Berkeley County. However, I must say I would be more pleased to support a hospital nearer to Moncks Corner. My belief is that the county would benefit more from a hospital located centrally. A new hospital at the Carnes Crossroad area is very close to the main Trident Hospital and its Summerville branch.

Many years ago, when I was on the Roper board and Roper was looking into establishing an outpatient facility in Berkeley, I argued for its location in Moncks Corner. That was done, and I think it has been quite successful.

I grew up in Moncks Corner at a time when one school bus brought all the students from the Goose Creek/Carnes area to school in Moncks Corner. Similarly, one school bus ran from Carnes Crossroad to Moncks Corner. Now those areas have three large high schools. I fully understand that this is the greatest area of population density. Still, I think a hospital located on Highway 52 near Oakley would be ideally situated to serve the county.

What do the Berkeley County people think?

At any rate, I will support Berkeley wherever it wants to go. Let me know if there is any possibility to change its location.

Yours very truly,

Walter Bonner, MD

WB/cmh

Peninsula ENT & Plastic Surgery, LLC
Raymond S. Kaplan, M.D., F.A.C.S.
EAR • NOSE • THROAT • HEAD AND NECK SURGERY
PLASTIC AND RECONSTRUCTIVE SURGERY

125 DOUGHTY STREET, SUITE 440
CHARLESTON, SC 29403

TEL (843) 958-8877
FAX (843) 958-8878

October 6, 2008

Mr. David L. Dunlap
President & CEO
Roper St. Francis Healthcare
125 Doughty Street, Suite 760
Charleston, SC 29403

Dear Mr. Dunlap,

I am delighted to hear that Roper St. Francis Healthcare is proposing a new hospital for Berkeley County. I am an audiologist in private practice, and am well aware of the unmet healthcare needs in the growing Goose Creek area. Please accept this as my expression of support and endorsement of Roper St. Francis's plans.

Thank you,

Joseph E Gillespie M. Aud

Joe Gillespie, M.Aud.
Peninsula ENT and Plastic Surgery, LLC

Peninsula ENT & Plastic Surgery, LLC
Raymond S. Kaplan, M.D., F.A.C.S.
EAR • NOSE • THROAT • HEAD AND NECK SURGERY
PLASTIC AND RECONSTRUCTIVE SURGERY

125 DOUGHTY STREET, SUITE 440
CHARLESTON, SC 29403

TEL (843) 958-8877
FAX (843) 958-8878

October 6, 2008

Mr. David L. Dunlap
President & CEO
Roper St. Francis Healthcare
125 Doughty Street, Suite 760
Charleston, SC 29403

Dear Mr. Dunlap,

I am an otolaryngologist and plastic surgeon in the Charleston medical community and I am writing to express my support of the proposed Roper St. Francis Hospital – Berkeley. As a growing and already bustling area, Goose Creek in Berkeley County needs a full-service hospital to better serve the community's healthcare needs. Roper St. Francis Healthcare has a longstanding tradition of excellence in the Lowcountry, and I believe the residents in Berkeley County should benefit from this level of quality care.

Thank you for considering this letter.

Raymond Kaplan, MD
Peninsula ENT and Plastic Surgery, LLC

MEMBER
AMERICAN SOCIETY OF PLASTIC AND RECONSTRUCTIVE SURGEONS, INC.

001003

ROPER ST FRANCIS HEALTHCARE

Cardiothoracic Surgery of Charleston

John A. Spratt, M.D., F.A.C.S.
David S. Peterseim, M.D., F.A.C.S.
Elizabeth M. Kline, M.D., F.A.C.S
Scott D. Ross, M.D.

October 7, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

I am writing to support a Roper St. Francis hospital in Goose Creek. A new hospital would provide the quality healthcare Berkeley County needs without forcing patients to drive long distances.

Thank you for taking this letter of support under consideration,

Scott Ross, MD
Cardiothoracic Surgery of Charleston

American Board of Surgery
American Board of Thoracic Surgery

125 Doughty Street, Suite 690 • Charleston, SC 29403 • (843) 720-8490 • Fax: (843) 727-3602
2093 Henry Tecklenburg Drive, Suite 202 East • Charleston, SC 29414
1300 Hospital Drive, Suite 360 • Mt. Pleasant, SC 29464

ROPER ST FRANCIS HEALTHCARE

Cardiothoracic Surgery of Charleston

John A. Spratt, M.D., F.A.C.S.
David S. Peterseim, M.D., F.A.C.S.
Elizabeth M. Kline, M.D., F.A.C.S
Scott D. Ross, M.D.

October 7, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

I support the construction of the new Roper St. Francis hospital in Berkeley County. I have seen tremendous growth in this area and hospital is needed to keep up with this growth. It will definitely assist in servicing the healthcare needs in this community and surrounding areas.

Thank you for your consideration,

John A. Spratt, MD
Cardiothoracic Surgery of Charleston

American Board of Surgery
American Board of Thoracic Surgery

125 Doughty Street, Suite 690 • Charleston, SC 29403 • (843) 720-8490 • Fax: (843) 727-3602
2093 Henry Tecklenburg Drive, Suite 202 East • Charleston, SC 29414
1300 Hospital Drive, Suite 360 • Mt. Pleasant, SC 29464

ROPER ST FRANCIS HEALTHCARE

Cardiothoracic Surgery of Charleston

John A. Spratt, M.D., F.A.C.S.
David S. Peterseim, M.D., F.A.C.S.
Elizabeth M. Kline, M.D., F.A.C.S
Scott D. Ross, M.D.

October 7, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a not for profit health system, Roper St. Francis has a reputation for providing quality healthcare in the Tri-County. Building a hospital for Berkeley County will benefit the residents of this county with such services closer to their homes and where they work. It is important to have a choice in healthcare services.

Sincerely,

David S. Peterseim, MD
Cardiothoracic Surgery of Charleston

American Board of Surgery
American Board of Thoracic Surgery

125 Doughty Street, Suite 690 • Charleston, SC 29403 • (843) 720-8490 • Fax: (843) 727-3602
2093 Henry Tecklenburg Drive, Suite 202 East • Charleston, SC 29414
1300 Hospital Drive, Suite 360 • Mt. Pleasant, SC 29464

ROPER ST FRANCIS HEALTHCARE

Cardiothoracic Surgery of Charleston

John A. Spratt, M.D., F.A.C.S.
David S. Peterseim, M.D., F.A.C.S.
Elizabeth M. Kline, M.D., F.A.C.S
Scott D. Ross, M.D.

October 7, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

I am writing to support the building of a Roper St. Francis hospital in Goose Creek to service Berkeley County residents. Roper St. Francis has a long history of providing high quality and professional healthcare. This new facility will further enhance the commitment you have to the community.

Thank you for taking this letter of support under consideration,

Elizabeth A. Kline, MD
Cardiothoracic Surgery of Charleston

American Board of Surgery
American Board of Thoracic Surgery

125 Doughty Street, Suite 690 • Charleston, SC 29403 • (843) 720-8490 • Fax: (843) 727-3602
2093 Henry Tecklenburg Drive, Suite 202 East • Charleston, SC 29414
1300 Hospital Drive, Suite 360 • Mt. Pleasant, SC 29464

CHARLESTON PATHOLOGY, P.A.

Anatomic and Clinical Pathology

ROPER HOSPITAL • 316 CALHOUN STREET
CHARLESTON, SOUTH CAROLINA 29401
TELEPHONE: (843) 724-2260
FAX: (843) 724-1969

JOSEPH M. HARMON, M.D.
G. FREDERICK WORSHAM, M.D.
WARREN G. TUCKER, M.D.

BRADFORD S. COLLINS, M.D.
J. WADE STRONG, M.D.

October 8, 2008

Mr. David Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street
Charleston, South Carolina 29403

Dear Mr. Dunlap:

This letter is in support of the Certificate of Need Application for the proposed Roper St. Francis Hospital-Berkeley located at Carnes Crossroads in Goose Creek. The Roper St. Francis Healthcare System has supported the citizens of Berkeley County for many years, beginning with the emergency room in Monck's Corner in March, 1992, and currently the Roper St. Francis Medical Center-Berkeley. The Healthcare System has also had a diagnostic center in downtown Goose Creek since December, 1995.

Berkeley County is the 9th largest county in South Carolina and the county population is projected to grow by 7.8% in the next 5 years. It is one of only 5 counties in South Carolina without a hospital. More than 25,000 Berkeley county residents came to a Roper St. Francis facility last year for out patient surgery, emergency care, or inpatient hospitalization. The location of a not for profit hospital in Berkeley county will provide an enormous value to its citizens, both in state of the art care and a not for profit setting much closer for home. The location at Carnes Crossroads is an emerging population center in Berkeley County with more than 100,000 residents within a 7 mile radius of the proposed hospital site. The redistribution of fifty existing beds from Roper's downtown facility will help redistribute hospital beds so that the healthcare system better serves the shifting population centers within the greater Charleston area. If I can be of any further help, please let me know.

Sincerely,

G.F. Worsham, M.D.

Allergy & Asthma Consultants, LLP
Adults & Children

BRUCE D. BALL, M.D. ANDREW E. DAVIDSON, M.D. THOMAS B. HARPER, III, M.D. MICHAEL W. REDER, M.D.

October 8, 2008

Mr. David L. Dunlap
President & CEO
Roper St. Francis Healthcare
125 Doughty Street
Suite 760
Charleston, SC 29403

Dear Mr. Dunlap,

I have been an asthma and allergy physician in Charleston for many years and I am writing in support of a new Roper St. Francis Hospital in Goose Creek. Berkeley County is ranked as having one of the fastest growing populations in the state and yet still does not have a hospital. A Roper St. Francis Hospital would give patients and residents an additional choice for receiving affordable healthcare in their community.

I believe the Roper St. Francis family would be a good fit for Berkeley County. Thank you for your consideration.

Sincerely,

Thomas B. Harper, MD
Allergy and Asthma Consultants, LLP

001009

NORTHWOODS INTERNAL MEDICINE, INC.
LLOYD E. HEPBURN., M.D.

2179 ASHLEY PHOSPHATE RD., SUITE B
NORTH CHARLESTON, SC 29406

Telephone: (843) 572-1946
Fax: (843) 572-0855

October 8, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

I am an Internal Medicine doctor who practices in the Lowcountry. It is important to me that my patients in Berkeley County have a choice of a not-for-profit healthcare facility to receive care close to their homes.

Goose Creek is the most populated area in Berkeley County and Berkeley is the ninth largest county in the state of South Carolina. The people in Berkeley County deserve their own hospital. I look forward to being able to send my patients to a Roper St. Francis Hospital in Berkeley County.

Thank you for your consideration of this project.

Sincerely,

Lloyd Hepburn, MD
Northwoods Internal Medicine

Allergy & Asthma Consultants, LLP

Adults & Children

BRUCE D. BALL, M.D. ANDREW E. DAVIDSON, M.D. THOMAS B. HARPER, III, M.D. MICHAEL W. REDER, M.D.

October 8, 2008

Mr. David L. Dunlap
President & CEO
Roper St. Francis Healthcare
125 Doughty Street Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap,

I have been in practice as an allergy and asthma physician for several years in Charleston and I am in full support of an additional healthcare facility. Berkeley County is one of only five counties in South Carolina without a hospital, despite its population size in excess of 155,00 residents and rank as the ninth largest county in the state. A Roper St. Francis facility gives patients an additional choice for receiving quality healthcare closer to home.

Thank you for your kind consideration.

Sincerely,

Andrew E. Davidson, MD
Allergy & Asthma Consultants, LLP

001011

CERTIFIED BY AMERICAN BOARD OF ALLERGY AND IMMUNOLOGY

180 Wingo Way, Suite 102
Mount Pleasant, SC 29464
843-881-2030
FAX 843-881-6249

102 Morgan Place
Summerville, SC 29485
843-832-9588
FAX 843-486-5500

2270 Ashley Crossing Ln., Suite 150
Charleston, SC 29414
843-556-9588
FAX 843-556-6855

Allergy & Asthma Consultants, LLP

Adults & Children

BRUCE D. BALL, M.D. ANDREW E. DAVIDSON, M.D. THOMAS B. HARPER, III, M.D. MICHAEL W. REDER, M.D.

October 8, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

Roper St. Francis Healthcare is committed to providing quality, state-of-the-art care and brings with it an excellent reputation. I am an allergy and asthma physician and its important to me that my patients in Berkeley County have a choice of a not for profit healthcare facility to receive care close to their homes. The people in Berkeley County deserve their own hospital.

Thank you for your consideration of this project.

Sincerely,

BDBall MD

Bruce D. Ball, MD
Allergy & Asthma Consultants, LLP

001012

THADDEUS J. BELL, M.D.
Fellow of the American Academy of Family Medicine
• 3951 West Montague Avenue
• North Charleston, South Carolina 29418

October 8, 2008

Mr. David L. Dunlap
President & CEO
Roper St. Francis Healthcare
125 Doughty Street
Suite 760
Charleston, SC 29403

Dear Mr. Dunlap,

I am a family medicine physician in North Charleston and am writing to you in full support of the proposed Roper St. Francis Hospital – Berkeley.

Berkeley County is the fastest growing county in South Carolina and desperately needs a full-service hospital that can serve the healthcare needs of its growing population. It is time for the residents of Goose Creek and the surrounding area to have a choice for high quality healthcare in their community.

Sincerely,

Thaddeus J. Bell, MD

• Telephone: (843) 552-1574 • Fax: (843) 552-1575

COASTAL SURGICAL
VASCULAR & VEIN SPECIALISTS

Edward C. Morrison, M.D.
General & Vascular Surgery
Board Certified

Thomas C. Appleby, M.D.
General & Vascular Surgery
Board Certified

P. Kevin Beach, M.D.
General & Vascular Surgery
Board Certified

October 14, 2008

Mr. David Dunlap, FACHE
President and CEO
Roper/St Francis Healthcare
125 Doughty Street
Charleston SC 29403

Dear DHEC and Mr. Dunlap:

I am writing this letter to express my enthusiastic support of Roper/St Francis placing a hospital in Berkeley County. Berkeley County does not have a current inpatient facility and the area is growing exponentially. It is of historical interest that there used to be an old Moncks Corner Hospital, but it has since folded. Now, with the ever increasing growth, there is ever increasing demand. I can state without a doubt that the patients that I see in our satellite office in Berkeley County crave a healthcare facility there. They continually feel underserved and inconvenienced in traveling great distances for specialized testing. I believe that a healthcare facility is not only needed in Berkeley County, it is critical to the economic growth and development in this county.

Most sincerely,

Thomas C. Appleby, M.D.

TCA/hma

Moncks Corner
2061 Highway 52

Mt. Pleasant
570 Longpoint Rd., Suite 130

1327 Ashley River Rd., Bldg. B
Charleston, SC 29407
Telephone (843) 577-4551
Fax (843) 577-8868

Walterboro
416 B Robertson Blvd.

CHARLESTON PULMONARY ASSOCIATES, P.A.
CAROLINA SLEEP SPECIALISTS, P.A.

125 Doughty Street Suite 200 ✣ Charleston, SC 29403 ✣ Phone 843.577.6791 ✣ Fax 843.577.0553
1300 Hospital Drive, Suite 130 ✣ Mt. Pleasant, SC 29464

William T. Dawson, Jr., M.D., DABSM, FACP, FCCP
Graham C. Scott, M.D., DABSM, FACP, FCCP
John A. Mitchell, M.D., DABSM, FCCP
James J. Carswell IV, M.D., DABSM, FCCP

October 15, 2008

David Dunlap, CEO, Roper St. Francis Healthcare System
316 Calhoun Street
Charleston, SC 29401

Dear Mr. Dunlap:

I am writing this letter in support of your application for a Certificate of Need – hospital – in Berkeley County. I have been in the practice of pulmonary medicine in the Charleston area for approximately 14 years and see patients regularly from the Tricounty areas. A number of our patients do come from the Berkely-Goose Creek area for their medical care. I do support your application to build a hospital in this area which can provide service for these individuals.

Sincerely yours,

John A. Mitchell, M.D.

JAM/nca

SURGICAL ASSOCIATES OF CHARLESTON, P.A.

510 ALBEMARLE ROAD
CHARLESTON, SC 29407
(843) 723-6426
FAX (843) 722-2193

180 WINGO WAY
SUITE 308
MT. PLEASANT, SC 29464
(843) 881-2423

ROPER BERKELEY CENTER
730 STONEY LANDING ROAD
MONCKS CORNER, SC 29461
(843) 723-6426

2270 ASHLEY CROSSING DRIVE
CHARLESTON, SC 29414
(843) 266-5500
FAX (843) 266-5505

TELFAIR H. PARKER, M.D.
HENRY C. WEST, M.D.
DAVID R. W. BAIRD, M.D.
GEORGE D. GRICE, III, M.D.
WALTER D. "BO" BLESSING, JR., M.D.
ROBERT W. "CASEY" FITTS, M.D.
DAVID G. LUCAS, JR., M.D.

October 17, 2008

Mr. David L. Dunlap
President & CEO
Roper St. Francis Healthcare
125 Doughty Street, Suite 760
Charleston, S. C. 29403

Dear Mr. Dunlap:

I am writing to give my support for the opening of a Roper facility in Goose Creek. Roper St. Francis has supported Berkeley County for many years with its existing facility in Moncks Corner and Goose Creek and by building this hospital in Berkeley County you will be able to serve both sides of this growing community. A Roper St. Francis facility will give patients and residents an additional choice for receiving healthcare closer to home.

Thanks for your consideration and best regards.

David G. Lucas, Jr., MD
Surgical Associates of Charleston, PA

DGL/dws

October 10, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Roper St. Francis Healthcare employee who lives in Berkley, I am writing today to offer my wholehearted support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek.

Our county is the ninth largest in the state and the population is expected to grow 7.8 percent in the next five years. Plus, we are one of only five counties in the state currently without a hospital.

A Roper St. Francis facility would give me along with my family, friends and neighbors as well as my patients a convenient choice for receiving quality healthcare closer to home.

Sincerely,

Jennifer Quinn, RN

Jennifer Quinn
106 Barley Street
Goose Creek, SC 29445

October 13, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As an Emergency Manager who works at Roper St Francis Healthcare and someone who routinely plans for disasters where large numbers of victims from Berkeley County may need medical care, I am writing today to offer my strong support for a Roper St. Francis hospital in Goose Creek.

More than 25,800 Berkeley County residents came to a Roper St. Francis facility in 2007 for outpatient surgery, emergency care or inpatient hospitalization. By locating a new, not-for-profit hospital at Carnes Crossroads, these residents will have state-of-the-art care much closer to home. In addition, a much more prepared community in relation to its potential medical hazards.

Sincerely,

Jerry W Flury RN BSN MBA
7862 Sabalridge Dr
North Charleston SC 29418

Roper St. Francis Hospital-Berkeley
Goose Creek, South Carolina

Construction of a new hospital by transferring fifty (50) acute care beds from Roper Hospital to include a multi-slice Computed Tomography (CT) scanner and a 1.5T Magnetic Resonance Imaging (MRI) unit for a total license bed capacity of fifty (50) acute care beds at Roper St. Francis Berkeley and 318 total licensed beds at Roper Hospital; the facility will be located on Highway 17A in Goose Creek, South Carolina

Volume III of 4

October 16, 2008

Mr. David L. Dunlap
President and CEO
Roper Saint Francis Healthcare
125 Doughty Street
Charleston, SC 29403

Dear Mr. Dunlap:

I am writing this letter to indicate my support the construction of a Roper Saint Francis Hospital in Goose Creek. I have personally been involved in providing healthcare services to patients from Berkeley County for over 20 years at Roper West Ashley Surgery Center. The excellent reputation of Roper Saint Francis Healthcare and the quality of the physicians choosing to practice within that system motivates patient to leave their community in order to obtain their healthcare services.

As a nurse, wife, and mother, I am very much aware of the additional burden travelling can add to a family dealing with illness. Yet, more than 25,000 Berkeley County residents came to a Roper Saint Francis facility in 2007 for outpatient surgery, emergency care or inpatient hospitalization. Why, because families will go where they are assured of getting the best possible treatment and care for their loved ones. The addition of a new, not-for-profit hospital at Carnes Crossroads will allow residents in Berkeley County to stay within their own communities and receive healthcare in a facility associated with a system known for quality.

Roper Saint Francis has a tried and true track record. It has demonstrated it's ability to combine state of the art technology and caring professional staff to produce excellent patient care. Roper Saint Francis lives it's mission statement by truly "*healing all people with compassion, faith, and excellence*".

Sincerely,

Maria Sample

Maria I. Sample RN MSN
1845 Capri Drive
Charleston, SC 29407

001019

October 24, 2008

Mr. David L. Dunlap
President and CEO
Roper Saint Francis Healthcare
125 Doughty Street
Charleston, SC 29403

Dear Mr. Dunlap:

As a Roper Saint Francis Healthcare employee who lives in Berkeley County, I am writing to offer my support for the new Roper Saint Francis hospital planned for Carnes Crossroads in Goose Creek.

Our county is the ninth largest in the state and the population is expected to grow 7.8 percent in the next five years.
We are one of only five counties in the state currently without a hospital.

A Roper Saint Francis facility would give me along with my family, friends and neighbors as well as my patients a convenient choice for receiving quality healthcare closer to my home in Beresford Creek Landing.

Sincerely,

Beth M. Lee

Beth M. Lee RN
1013 Rivershore Road
Wando, SC 29492

November 11, 2008

Dear Mr. Dunlap,

I am writing this letter because I have heard that Roper-Saint Francis Hospital is considering opening a full service hospital in Berkeley County. I am very much in favor of this facility. It would be such a relief to have a full service hospital nearer to my home! The Roper-Saint Francis system is such a good health care system & the only facility in the Charleston area that my family & I use. I live in Berkeley County & have had several occasions to use the Roper Berkley Emergency Room & although our care there has been wonderful, it was quite scary when there was a head injury involved wondering to what level they could care for us there. During our lengthy stay in the ER I remember seeing ambulances come twice to transport patients on to the hospital and thought too bad that they couldn't be taken care of in our own hospital.

Another plus for me would be the potential for the opportunity to work closer to home. I currently drive an hour to get to work. I could be more available to work additional hours or be called in if my work were closer to home.

Many people I know are very emphatic that they use Roper-Saint Francis for their healthcare needs due to the quality of care they receive & are very supportive of a full service Roper-Saint Francis hospital in Berkeley County.

Thank you I advance for your consideration,

Kathleen Ham, RN
Bonneau, SC

November 15, 2008

To Whom it May Concern:

I am writing this letter in support for a new Roper St. Francis Hospital in Berkeley County. I am a resident of Berkeley County and I reside in Goose Creek, SC. Roper St. Francis Hospital would benefit this area greatly by providing jobs for the residents and having a state of the art care facility to provide excellent care for those in need. Carnes Crossroads is an area that has more than 104,370 residents in a 7-mile radius. A not-for-profit hospital in this area would provide the residents with a hospital closer to their home for convenience and for emergency situations. The Goose Creek area deserves a hospital that is faith-based and will serve the community with excellent and compassionate care.

Sincerely,

Judy Ann Cox, LMSW
Case Manager/ 7-West
Roper St. Francis Hospital

November 13, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a homeowner in Berkeley County, I am writing today to offer my support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek. Our county is the ninth largest in the state and the population is expected to grow 7.8 percent in the next five years. Plus, we are one of only five counties in the state currently without a hospital.

By locating a new, not-for-profit hospital in Berkeley County, my family, friends, and neighbors will have state-of-the-art care much closer to home as well as a convenient choice. I hope DHEC will thoroughly consider and ultimately approve Roper St. Francis Healthcare's request to construct this new hospital at Carnes Crossroads to better serve the residents within the tri-county area.

Sincerely,

Matthew J. Severance
124 Fairbanks Oaks Allee
Unit 2-B
Daniel Island, SC 29492

/mjs

November 13, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a tri-county resident who lives west of the Ashley, I am writing today to offer my wholehearted support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek. On several occasions when emergency care was required, we determined it was faster for us to travel to Berkeley County to obtain care due to the traffic congestion on Highway 61 and the Glenn McConnell Parkway.

By locating a new, not-for-profit hospital in Berkeley County, my family, friends, and neighbors will have a state-of-the-art facility as well as a convenient choice for receiving quality healthcare closer to home. I sincerely hope State officials will approve Roper St. Francis Healthcare's request to construct this new hospital at Carnes Crossroads.

Sincerely,

Helen H. Mullison

Helen H. Mullison
2342 Brevard Road
Charleston, SC 29414

/dhm

182 Mary Ellen Drive
Charleston, South Carolina 29403

October 13, 2008

Mr. David L. Dunlap, President and CEO
Roper St. Francis Healthcare
125 Doughty Street
Charleston, SC 29403

Dear Mr. Dunlap,

I am writing this letter of support for the new hospital in Berkeley County recently proposed by Roper Saint Francis Healthcare. The health care demands will continue to intensify given the current and future population growth projected for that county. The residents of Berkeley County have benefited from the outpatient services provided in the community by RSFH for many years at the Moncks Corner site, and I have personal friends and colleagues residing in Berkeley County who have expressed a long-standing desire to have a full-service hospital more accessible to them.

RSFH is a well-respected, proven leader in healthcare in the tri-county region and has consistently honored its mission in the community. I believe RSFH has the opportunity to serve more residents of Berkeley County as a not-for-profit hospital and community partner. Please accept this letter of endorsement to move forward with plans for a RSFH hospital in Berkeley County.

Sincerely,

Lisa Irvin

October 13, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As member of the patient access team I am aware of the numerous patients from Berkeley County that seek services at Roper Saint Francis Healthcare. I am writing today to offer my strong support for a Roper St. Francis hospital in Goose Creek.

Based on population, Berkeley County is the largest County in the state without a hospital. Combine that with the fact that Roper Saint Francis Healthcare is not adding beds to the community (but rather strategically re locating beds to bring services closer to the population we serve), it is in the best interests of the people of Berkeley and the surrounding areas to create an option for residents that by market share they already prefer and to bring these preferred services closer to home.

Sincerely,

Douglas Lind
7950 Crossroads Dr Apt 810
North Charleston, SC 29406

October 13, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a clinical manager who works at Roper Hospital and someone routinely cares for patients from Berkeley County, I am writing today to offer my strong support for a Roper St. Francis hospital in Goose Creek.

More than 25,800 Berkeley County residents came to a Roper St. Francis facility in 2007 for outpatient surgery, emergency care or inpatient hospitalization. By locating a new, not-for-profit hospital at Carnes Crossroads, these residents will have state-of-the-art care much closer to home.

Sincerely,

Catherine Meza

Catherine Meza
316 Calhoun Street
Charleston, SC 29401

Sandra Simons
1916 Sam Rittenberg Blvd.
Apt # 805
Charleston, SC 29407

October 10, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Suite 760
Charleston, SC 29403

Dear Mr. Dunlap:

I am writing this letter in support of the Roper Saint Francis Hospital in Berkeley County. As a new resident of South Carolina and the Charleston area one of my main criteria in deciding where to live was having a hospital close to home. In my research I was surprised to find that Berkeley County was one of only five counties in the state that does not have its own hospital. There is a huge need for a hospital in this area and specifically in Carnes Crossroads and therefore, I fully support Roper Saint Francis Healthcare in building a hospital in Berkeley County.

Berkeley County is an affordable and attractive place to live in the Charleston area, but it is missing this one key element. This county is the ninth largest in the state and the population is projected to grow 7.8 percent in the next five years. Additionally, Carnes Crossroads is an emerging population center in Berkeley County with more than 104,370 residents within a 7-mile radius of Roper Saint Francis Healthcare's proposed hospital site. This area is a great place to live and has attracted many young families who value having a trusted healthcare facility close to their home.

Roper Saint Francis Healthcare's facilities are my first choice when receiving medical attention and many Berkeley County residents agree. In 2007, more than 25,800 Berkeley County residents came to a Roper Saint Francis facility for outpatient surgery, emergency care, or inpatient hospitalization. By locating a new, not-for-profit hospital in Berkeley County, residents will have state-of-the-art care much closer to home as well as a convenient choice.

Roper St. Francis has a proud and long-standing tradition of providing for the healthcare needs of Berkeley County and I fully support Roper Saint Francis Healthcare building a hospital at Carnes Crossroads.

Sincerely,

Sandra Simons

Sandra Simons

001028

James Baxter
116 Slow Mill Drive
Goose Creek, SC 29445

October 6, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Suite 760
Charleston, SC 29403

Mr. David Dunlap:

I am writing this letter in support of the Roper Saint Francis Hospital in Berkeley County. Currently, Berkeley County is one of only five counties in South Carolina without a hospital. As a resident of Goose Creek and Berkeley County I strongly support Roper Saint Francis Healthcare building a not-for-profit hospital close to my home.

Berkeley County is the ninth largest county in the state and the population is projected to grow 7.8 percent in the next five years. Carnes Crossroads is an emerging population center in Berkeley County with more than 104,370 residents within a 7-mile radius of Roper Saint Francis Healthcare's proposed hospital site. The population and growth reaffirms the need for a facility in Goose Creek. This hospital is crucial in ensuring the health and safety of myself and all of my neighbors.

Roper Saint Francis Healthcare's facilities are my first choice when receiving medical attention and many Berkeley County residents agree. In 2007, more than 25,800 Berkeley County residents came to a Roper Saint Francis facility for outpatient surgery, emergency care, or inpatient hospitalization. By locating a new, not-for-profit hospital in Berkeley County, residents will have state-of-the-art care much closer to home as well as a convenient choice.

Roper St. Francis has a proud and long-standing tradition of providing for the healthcare needs of Berkeley County and I hope that Roper Saint Francis Healthcare is granted permission to build a facility in Goose Creek.

Sincerely,

James Baxter

001029

October 10,2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Roper St. Francis Healthcare employee who lives in Berkeley County, I am writing today to offer my wholehearted support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek.

Our county is the ninth largest in the state and the population is expected to grow 7.8 percent in the next five years. Plus, we are one of only five counties in the state currently without a hospital.

A Roper St. Francis facility would give me along with my family, friends and neighbors as well as my patients a convenient choice for receiving quality healthcare closer to home.

I have been employed by Roper Main for 29 ½ years and I look forward to transferring to a new Roper facility that is closer to my home.

Sincerely,

Deloris Orange

Deloris Orange
505 Berkeley Drive
Moncks Corner, SC 29461

001030

201 Chucker Drive
Summerville, SC 29485
October 12, 2008

David Dunlap
President and CEO
RoperSaintFrancis Healthcare
125 Doughty Street # 760
Charleston, SC 29403

Dear Mr Dunlap,

Today's issue of the Post & Courier features a front-page article about growth in the Lowcountry. Berkeley County is the largest geographic county in the Lowcountry, yet there is not a full-service hospital to serve the rapidly growing area.

My husband and I prefer a not-for-profit hospital for our health needs, but we are not close to a RSFH facility. The proposed RSFH-Berkeley would be closest for our care. We would use the facility for inpatient care, emergency care and other diagnostic tests and procedures.

I urge you to move ahead with the planned facility at Carnes Crossroads.

Sincerely,

Katherine Smith

Katherine Smith

October 13, 2008

Mr. David L. Dunlap
President and CEO
Roper Saint Francis Healthcare
125 Doughty Street, Suite 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Roper Saint Francis Healthcare employee who lives in Berkeley County, I am writing today to offer my full support for the new Roper Saint Francis Hospital planned for Carnes Crossroads in Goose Creek.

Our county is one of the largest in the state and the population is continuing to grow at an incredible speed, expecting almost 8 percent growth in the next five years. We are one of five counties in the state currently without a hospital.

A Roper Saint Francis facility would give me along with my family, friends and neighbors as well as my patients a convenient choice for receiving quality healthcare closer to home.

Sincerely,

Cathy Jenkins
115 Nathan Road
Summerville, SC 29483

October 6, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As life-long Tri-County area residents with several family members residing in Berkeley County, we are in support of a new Roper St. Francis hospital in Goose Creek. It will give us great comfort to know that our family members, as well as every other resident of Berkeley County, will have state-of-the-art care much closer to their homes with the placement of a new, not-for-profit hospital in Goose Creek. Thank you for your consideration of this project.

Sincerely,

Chris and Lindsay Glenn
3045 Hatchers Run Dr.
Charleston, SC 29414

October 14, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Roper St. Francis Healthcare employee who lives in Berkeley County, I am writing today to offer my wholehearted support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek.

Our county is the ninth largest in the state and the population is expected to grow 7.8 percent in the next five years. Plus, we are one of only five counties in the state currently without a hospital.

A Roper St. Francis facility would give me along with my family, friends and neighbors as well as my patients a convenient choice for receiving quality healthcare closer to home.

Sincerely,

Tony Alexander
319 Disabled Lane
Moncks Corner, SC
29461

October 14, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Roper St. Francis Healthcare employee who lives in Berkeley County, I am writing today to offer my wholehearted support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek.

Our county is the ninth largest in the state and the population is expected to grow 7.8 percent in the next five years. Plus, we are one of only five counties in the state currently without a hospital.

A Roper St. Francis facility would give me along with my family, friends and neighbors as well as my patients a convenient choice for receiving quality healthcare closer to home.

Sincerely,

Deborah Mims
210 Archibald Drive
Goose Creek, SC
29445

001035

October 14, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Roper St. Francis Healthcare employee who lives in Berkeley County, I am writing today to offer my wholehearted support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek.

Our county is the ninth largest in the state and the population is expected to grow 7.8 percent in the next five years. Plus, we are one of only five counties in the state currently without a hospital.

A Roper St. Francis facility would give me along with my family, friends and neighbors as well as my patients a convenient choice for receiving quality healthcare closer to home.

Sincerely,

Marianne Konkle

Marianne Konkle
319 Disabled Lane
Moncks Corner, SC
29461

October 14, 2008

Mr. David Dunlap, President and CEO
Roper Saint Francis Healthcare
125 Doughty Street; Suite 760
Charleston, S.C. 29401

Dear Mr. Dunlap,

I would like to offer this letter of support for Roper Saint Francis Healthcare's intent to build and acute care facility in Berkeley County. I know that Roper Saint Francis Healthcare has been significantly involved in providing health services in Berkeley County for more than a decade. In fact, Roper Saint Francis Healthcare was the pioneer in providing services to this under served area, first with a free – standing out patient facility, physician services and then an Emergency Room and eventually operating rooms.

I know Roper Saint Francis Healthcare is the only not – for profit healthcare provider in the tri – county area and has diligently served the population of this area for more than one hundred and fifty years. I can recall a time Roper Saint Francis Healthcare provided professional nurse services in schools in the Berkeley area. What I am trying to say, is whenever and wherever there has been a healthcare need in this area, Roper Saint Francis Healthcare has met or exceeded that need willingly, professionally and responsibly. I can think of no other organization that would better serve the needs of Berkeley County.

Respectfully,

Ronald R. Roy

Santee Cooper

Wm. Glen Brown, Jr.
Vice President
Human Resource Management

One Riverwood Drive
Moncks Corner, SC 29461-2901
(843) 761-7022
Fax: (843) 761-7037
P.O. Box 2946101
Moncks Corner, SC 29461-6101

October 10, 2008

Mr. David L. Dunlap
President & CEO
Roper St. Francis Healthcare
125 Doughty Street
Charleston, SC 29403

Dear Mr. Dunlap:

I am writing you to express my support of your organization to build a new, full-service hospital to serve the healthcare needs of Berkeley County. It is my understanding, the location you have selected at Carnes Crossroads will be easily accessible to all County residents. Berkeley County is one of the fastest growing counties in the state and this facility would be an invaluable addition. Accessible, affordable healthcare is critical to any area's continued growth and development and I personally appreciate your vision to meet this need.

Please do not hesitate to contact me if you need further assistance in this endeavor.

Sincerely,

Wm. Glen Brown, Jr.

001038

October 20, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

I am writing to you today in support of the new Roper Saint. Francis Hospital planned at Carnes Crossroads in Goose Creek. Berkeley County is the ninth largest in the state and the population is expected to grow 7.8 percent in the next five years. A Roper Saint Francis facility would give patients and residents an additional; much needed choice for receiving healthcare closer to their home. Working at Roper Saint Francis Healthcare awards me the personal knowledge that our mission, "Healing All People With Compassion, Faith and Excellence", is carried out each day with dedication and a strong commitment to healthcare.

Sincerely,

Lynne

Lynne Collier
Volunteer Coordinator
Roper Hospital

001039

DIXON HUGHES PLLC
Certified Public Accountants and Advisors

October 15, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street
Charleston, SC 29403

Re: Roper St. Francis Hospital - Berkeley

Dear Mr. Dunlap:

I am writing to voice my support for the construction of a full-service hospital to serve the healthcare needs of Berkeley County, South Carolina.

Berkeley County is the ninth largest county in the state and one of only five counties without a hospital. Berkeley County has been the beneficiary of a substantial amount of business growth over the last several years and is expected to have a population growth of almost 8% over the next five years. Carnes Crossroads is an emerging population center with more than 100,000 residents within seven miles of the proposed site.

During calendar year 2007, over 25,000 residents of Berkeley County traveled to Roper St. Francis facilities in Charleston County to receive outpatient surgery, emergency care, or inpatient hospitalization. By locating a new, not-for-profit hospital in Berkeley County, residents will have state-of-the-art care much closer to home, as well as have a convenient choice.

The new hospital calls for a transfer of 50 existing beds and will help redistribute hospital beds to better serve the population centers of the Charleston region.

Roper St. Francis has an outstanding and long history of providing for the healthcare needs of Berkeley County and I am very much in support of this endeavor.

Sincerely,

William A. Moody, Jr

William A. Moody, Jr., CPA

001040

525 East Bay Street, Suite 100 (29403)
PO Box 973
Charleston, SC 29402
Ph. 843.722.6443 Fx. 843.723.2647
www.dixon-hughes.com

Praxity MEMBER GLOBAL ALLIANCE OF INDEPENDENT FIRMS

October 17, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Berkeley County resident, I am writing today to offer my wholehearted support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek.

A Roper St. Francis facility would give me, along with my family, friends and neighbors, a convenient choice for receiving quality healthcare closer to home.

Sincerely,

Olive M Miller

Olive M. Miller
1211 Old Fort Road
Moncks Corner, SC 29461

October 17, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Berkeley County resident, I am writing today to offer my wholehearted support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek.

A Roper St. Francis facility would give me, along with my family, friends and neighbors, a convenient choice for receiving quality healthcare closer to home.

Sincerely,

Mae M. Chandler

Mae M. Chandler
1211 Old Fort Road
Moncks Corner, SC 29461

October 17, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Berkeley County resident, I am writing today to offer my wholehearted support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek.

A Roper St. Francis facility would give me, along with my family, friends and neighbors, a convenient choice for receiving quality healthcare closer to home.

Sincerely,

Elva M. Day

Elva M. Day
1211 Old Fort Road
Moncks Corner, SC 29461

Carol Holt
50 Lord Calvert Dr.
Charleston, SC 29407

October 17, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty St.
Charleston, SC 29403

Dear Mr. Dunlap:

I was extremely pleased to hear the announcement that Roper St. Francis Healthcare plans to seek approval to build a new hospital in Berkeley County. Please accept this letter as my support for the development of the Roper St. Francis Hospital – Berkeley facility.

Although I'm a resident of Charleston County, I have friends living in Berkeley County who need a hospital in their community. Berkeley County is the 9th largest county in the state and is currently one of only five counties in South Carolina without a hospital. By locating a new, not-for-profit hospital in Berkeley County, residents will have state-of-the-art care much closer to their home as well as a convenient choice.

I enthusiastically support the Roper St. Francis Healthcare System in their efforts to build a new hospital in Berkeley County.

Sincerely,

Carol Holt

Carol Holt

October 21, 2008

Mr. David Dunlap, President & CEO
Roper St. Francis Healthcare
125 Doughty Street
Charleston, SC 29403

Dear Mr. Dunlap,

I am writing in support of the Roper Saint Francis (RSFH) Certificate of Need Application for the planned 50 (fifty)-bed hospital at Carnes Crossing, Monck's Corner, South Carolina.

Being affiliated with RSFH for these past 9 years, I am very cognizant of this organization's commitment to the delivery of compassionate and excellent care to all patients regardless of their socioeconomic status. This commitment is demonstrated on a daily basis to the many thousands of patients who enter one of the RSFH facilities and is in contradistinction of nearby "for profit" facilities that often have to make medical delivery decisions based on the financial performance expectations of their stockholders.

While the RSFH facilities at the Roper St. Francis Hospital-Berkeley and Goose Creek Diagnostic centers offer some level of medical services to the citizens of Berkeley County, the proposed RSFH hospital will offer a broad range of medical services including surgical suites, an ICU and full imaging and laboratory services. These comprehensive hospital based services are currently unavailable in Berkeley County and it is my contention that RSFH would deliver these at both a higher quality and better value basis than the competing application submitted by a "for profit" national chain Medical system.

As a long term resident of the beautiful South Carolina Lowcountry, and even before employment at RSFH, I was well aware of the sterling reputation for service delivery that both Roper and St. Francis Hospitals had within the local medical community. As part of the RSFH team, I can honestly attest to the excellence of all its' employees and highest standards of delivered medical care to all patients. I know this same level of service will be the norm within the new RSFH Moncks Corner Hospital.

It is for these reasons I unhesitatingly and wholeheartedly supports the RSFH Certificate of Need Moncks Corner new hospital application and respectfully requests the South Carolina Department of Health and Environmental Control to approve this application.

I am available for further commentary should you wish and thank you for the opportunity to express my support.

Sincerely,

Michael Ricciardone, MS CNMT
Director of Imaging, Roper Saint Francis Healthcare

001045

October 22, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Roper St. Francis Healthcare employee (October 20, 2003-2008), I am writing today to offer my wholehearted support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek.

- Born/lived in Berkeley County (1950)
- Attend church/often spend weekend in Cross, SC (Berkeley County)
- Majority of my family live in the Cross, Eutawville, Pineville, St. Stephen, Russellville, Bonneau, Moncks Corner, Goose Creek
- Considered/considering—living in Cross

A Roper St. Francis facility would give me along with my family and members of the church a convenient choice for receiving quality healthcare closer to home. The drive from Cross to Roper St. Francis is an all day trip especially for seniors who visit the sick—family members—friends, etc.

Berkeley County is the ninth largest in the state and the population is expected to grow 7.8 percent in the next five years. Plus, we are one of only five counties in the state currently without a hospital—**heartbreaking.**

Sincerely,

Shirley Rodgers

Shirley Rodgers
115B Roberta Drive
Summerville, SC 29485

001046

October 28, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty, Suite 760
Charleston, S.C. 29403

Dear Mr. Dunlap,

I have been employed at St. Francis Hospital now for 26 years. Roper took care of me and my son that was born eight weeks early and St. Francis took care of my mother as she neared her last days. Both hospitals hold a special place in my heart.

With our Tri-County community growing so rapidly, I want to personally express my feelings on the great need to have the Roper St. Francis Berkeley Hospital in Berkeley County. Just recently my niece and her family moved into their new home in Cane Bay located near Carnes Crossroad in Berkeley County. While in the mist of moving, my niece's husband went to throw a broken mirror out to the trash. As he lifted it up, it fell apart and a large piece broke off piercing three inches into his arm cutting a main nerve. Given the time factor of waiting for an ambulance to arrive or the possibility of not finding them, my niece drove him to the nearest hospital, Trident. Driving as fast as she could without getting into an accident, it still took them 20 minutes. Her husband was loosing so much blood that he kept passing out along the way. Luckily, after arriving, his arm was taken care of and he is now home recuperating.

The "What if's" just flow through my mind. What if he had bled to death? What if they had gotten into an accident along the way? What if we had the Roper St. Francis Berkeley Hospital down from their home? Yes, they truly had a guardian angel looking over them that day. I shutter to think that without a hospital closer to this community, the next time might cost a life.

Sincerely,

Gloria Carson

Gloria Carson
8633 Hickory Creek Lane
North Charleston, SC 29420

Jeanette Bourne
136 Summer Lane
Moncks Corner SC 29461

October 29, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street Suite 760
Charleston SC 29403

Dear Sir,

I would like to see a hospital and emergency room at Carnes Cross Roads.

I live only 3 miles from Carnes Cross Roads. I live about 6 or 7 miles from Moncks Corner about the same from the Summerville area and about 5 miles to the middle area of Goose Creek. If there had been a hospital at Carnes Cross Roads in the past when my husband had a heart attack, his out come may have been different. He had to be taken to Trident. If there had been a hospital closer he may not have suffered as much damage to his heart. He is unable to hold a job but is not considered disabled and does not qualify for disability. His outcome may have been different if there had been a facility closer in **Berkeley County**.

I have 2 children and one grandchild that were born in Charleston County and 2 grandchildren that were born in Dorchester County because Berkeley County did not have a hospital. The hospital at Moncks Corner had to be closed when Trident was opened.

I have been using the St. Francis facility in Goose Creek for test and have found them to be very friendly and very courteous and kind. I have my mammograms done at that facility because they do a better job and with much less pain. The nurse is the best technician I have ever had since starting to do mammograms.

My husband had outpatient surgery at St. Francis Hospital in downtown Charleston around 1967 or 1968. He had never been in a hospital before and had the best care. I've always remembered the kindness and reassurance we felt at St. Francis.

It would truly be a blessing and comfort to have a medical facility at Carnes Cross Roads in Berkeley County.

Sincerely,

Jeanette Bourne

Jeanette Bourne

October 29, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

This letter is in support of Roper Saint Francis Healthcare building a new hospital near Carnes Crossroads in Berkeley County, South Carolina.

I heartily endorse this project for the following reasons:

1. My former employer, MeadWestvaco employs many individuals who live in Berkeley County, which is one of only a few counties in the state without a full service hospital. This new hospital will provide much needed and easily accessible quality inpatient healthcare to these employees and to a good portion of the other 155,000 citizens of Berkeley County.

2. The location of the hospital will be in the center of the greatest projected growth in census expected for this region.

3. Its location is also very near the growing city of Goose Creek which is now the most populated area in Berkeley County.

4. Most importantly, Roper Saint Francis Healthcare is a leader in quality care and winner of many prestigious awards for care. It is appropriate that this area of the lowcountry will then be able to easily access that level of care.

Being a resident of Berkeley County, I do support your application for a Certificate of Need and encourage the Department of Health and Environmental Control to respond positively to the request.

Brantley D. Thomas, Jr.
414 Brown Pelican Drive
Wando, S. C. 29492

September 26, 2008

Mr David L Dunlap
President and CEO
Roper St Francis Healthcare

Dear Sir

I read with interest in the newspaper about the new hospital being planned at 176 and 17A. I want you to understand the need for such a hospital is great. We live in the area. The closest hospital is Trident. After being admitted To Trident not too long ago with a life threatening condition and my husband's recent stay at your hospital in the joint Unit. Comparing the two is like comparing 80° and sunshine to 0° and a raging blizzard. I rarely saw a nurse, even when my monitor leads fell off, for a whole shift and one-half. the nurses who cared for my husband were well informed, caring and you could find them when needed. There were a few problems at your hospital I feel should be addressed, but the quality of care is excellent and on the whole the experience was very positive. I have told everyone, including people out of state about the care and quality of your staff and hospital, when they've called to talk with him.

Sincerely
Christine Rustin

Christine Rustin
549 McCrystal Circle
Monck's Corner, SC. 29461
(843) 278-0066

001050

September 23, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Roper St. Francis Healthcare patient who lives in Berkeley County, I am writing today to offer my wholehearted support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek.

Our county is the ninth largest in the state and the population is expected to grow 7.8 percent in the next five years. Plus, we are one of only five counties in the state currently without a hospital.

A Roper St. Francis facility would give me along with my family, friends and neighbors as well as my patients a convenient choice for receiving quality healthcare closer to home.

Sincerely,

Deanna F. Gearhart
313 Virginia St.
Goose Creek, SC 29445

September 23, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Roper St. Francis Healthcare employee who lives in Berkeley County, I am writing today to offer my wholehearted support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek.

Our county is the ninth largest in the state and the population is expected to grow 7.8 percent in the next five years. Plus, we are one of only five counties in the state currently without a hospital.

A Roper St. Francis facility would give me along with my family, friends and neighbors as well as my patients a convenient choice for receiving quality healthcare closer to home.

Sincerely,

Steven P. Gearhart
313 Virginia St.
Goose Creek, SC 29445

September 23, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Roper St. Francis Healthcare employee who lives in Berkeley County, I am writing today to offer my wholehearted support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek.

Our county is the ninth largest in the state and the population is expected to grow 7.8 percent in the next five years. Plus, we are one of only five counties in the state currently without a hospital.

A Roper St. Francis facility would give me along with my family, friends and neighbors as well as my patients a convenient choice for receiving quality healthcare closer to home.

Sincerely,

Luz Gadsden
3055 Maple Leaf Dr
Moncks Corner, SC 29461

September 23, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Roper St. Francis Healthcare employee who lives in Berkeley County, I am writing today to offer my wholehearted support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek.

Our county is the ninth largest in the state and the population is expected to grow 7.8 percent in the next five years. Plus, we are one of only five counties in the state currently without a hospital.

A Roper St. Francis facility would give me along with my family, friends and neighbors as well as my patients a convenient choice for receiving quality healthcare closer to home.

Sincerely,

Beth Parker

Beth Parker
110 Whitesville Rd.
Moncks Corner, SC 29461

November 8, 2008

South Carolina Department of Health and Environmental Control

To whom it may concern:

We would like to express our support for approval of a new Roper St. Francis Hospital in Berkeley County. We are residents of Goose Creek in Berkeley County. This area is growing very fast, and ready access to high quality full service health care near our homes is important to us.

Roper St. Francis Hospital is a faith based, non-profit hospital. I believe this is the kind of business we need in our area, and that they can provide top quality health care at lower costs than other hospitals.

Sincerely,

Andrew T. Bickford, Barbara Bickford

Andrew and Barbara Bickford
106 Six Point Ct.
Goose Creek, SC 29445
843-569-2321

117 Resinwood Rd
Moncks Corner, SC 29461

November 7, 2008

South Carolina Department of Health and Environmental Control
4050 Bridge View Dr.
Suite 600
North Charleston, SC 29405

To whom it may concern:

I am writing in support of the proposed new hospital in Berkeley county. Berkeley county is one of only five counties in SC without a hospital. With a population of 155,000 people and the projected growth expected to grow 7.8% in the next 5 years it is imperative to build a hospital in this county. Roper Saint Francis is the only non profit community based health system in the low-country and the only hospital I trust in regards to caring for me and my family. I am looking forward to having a quality hospital close to home.

Tina C. Higgins

117 Resinwood Rd
Moncks Corner, SC 29461

November 7, 2008

South Carolina Department of Health and Environmental Control
4050 Bridge View Dr.
Suite 600
North Charleston, SC 29405

To whom it may concern:

I am writing in full support of the new Roper hospital proposal in Berkeley county. Roper Saint Francis is the only non profit community based health system in the low-country and the only hospital I trust to care for me and my family. Berkeley county is one of only five counties in SC without a hospital. With a population of 155,000 people and the projected growth expected to grow 7.8% in the next 5 years it is imperative to build a hospital in this county. This is a welcomed addition to the community that will offer state of the art care much closer to home as well as a convenient choice.

Thomas S. Higgins

236 Azalea Ct.
Moncks Corner, SC 29461

November 6, 2008

South Carolina Department of Health and Environmental Control
4050 Bridge View Dr.
Suite 600
North Charleston, SC 29405

To whom it may concern:

I am writing in full support of the new Roper hospital proposal in Berkeley county. Roper Saint Francis has a long tradition of serving Berkeley county residents with existing outpatient facilities in Moncks Corner and Goose Creek. Berkeley county is one of only five counties in SC without a hospital. With a population of 155,000 people and the projected growth expected to grow 7.8% in the next 5 years it is imperative to build a hospital in this county. This is a welcomed addition to the community that will offer state of the art care much closer to home as well as a convenient choice.

Thomas J. Higgins

104 Merrimack Dr
Moncks Corner, SC 29461

November 8, 2008

South Carolina Department of Health and Environmental Control
4050 Bridge View Dr.
Suite 600
North Charleston, SC 29405

To whom it may concern:

I am writing in support of the new hospital proposal in Berkeley county. Roper Saint Francis has a long tradition of serving Berkeley county residents with existing outpatient facilities in Moncks Corner and Goose Creek. Berkeley county is one of only five counties in SC without a hospital. With a population of 155,000 people and the projected growth expected to grow 7.8% in the next 5 years it is imperative to build a hospital in this county. This is a welcomed addition to the community that will offer state of the art care much closer to home as well as a convenient choice.

Cory Denny

236 Azalea Ct.
Moncks Corner, SC 29461

November 6, 2008

South Carolina Department of Health and Environmental Control
4050 Bridge View Dr.
Suite 600
North Charleston, SC 29405

To whom it may concern:

I am writing in full support of the new Roper hospital proposal in Berkeley county. Roper Saint Francis has a long tradition of serving Berkeley county residents with existing outpatient facilities in Moncks Corner and Goose Creek. Berkeley county is one of only five counties in SC without a hospital. With a population of 155,000 people and the projected growth expected to grow 7.8% in the next 5 years it is imperative to build a hospital in this county. This is a welcomed addition to the community that will offer state of the art care much closer to home as well as a convenient choice.

Patricia Higgins

Patricia Higgins

104 Merrimack Dr
Moncks Corner, SC 29461

November 8, 2008

South Carolina Department of Health and Environmental Control
4050 Bridge View Dr.
Suite 600
North Charleston, SC 29405

To whom it may concern:

I am writing in support of the new hospital proposal in Berkeley county. Roper St. Francis is the only faith-based organization in the low country, which is important to me. This organization also has a long tradition of serving Berkeley county residents with existing outpatient facilities in Moncks Corner and Goose Creek. Berkeley county is one of only five counties in SC without a hospital. With a population of 155,000 people and the projected growth expected to grow 7.8% in the next 5 years it is imperative to build a hospital in this county. This is a welcomed addition to the community that will offer quality care much closer to home as well as a convenient choice.

Andrena Fosnight

109 Merrimack Dr
Moncks Corner, SC 29461

November 8, 2008

South Carolina Department of Health and Environmental Control
4050 Bridge View Dr.
Suite 600
North Charleston, SC 29405

To whom it may concern:

I am writing in support of the new hospital proposal in Berkeley county. Roper St. Francis is the only faith-based organization in the low country, which is important to me. This organization also has a long tradition of serving Berkeley county residents with existing outpatient facilities in Moncks Corner and Goose Creek. Berkeley county is one of only five counties in SC without a hospital. With a population of 155,000 people and the projected growth expected to grow 7.8% in the next 5 years it is imperative to build a hospital in this county. This is a welcomed addition to the community that will offer quality care much closer to home as well as a convenient choice.

Caoihme Higgins

Caoihme Higgins

102 Lee St
Moncks Corner, SC 29461

November 7, 2008

South Carolina Department of Health and Environmental Control
4050 Bridge View Dr.
Suite 600
North Charleston, SC 29405

To whom it may concern:

I am writing in full support of the new Roper hospital proposal in Berkeley county. Roper Saint Francis is the only non profit community based health system in the low-country and the only hospital I trust to care for me and my family. Berkeley county is one of only five counties in SC without a hospital. With a population of 155,000 people and the projected growth expected to grow 7.8% in the next 5 years it is imperative to build a hospital in this county.

Joan Colyar

Joan Colyar

102 Waterfront Dr
Moncks Corner, SC 29461

November 6, 2008

South Carolina Department of Health and Environmental Control
4050 Bridge View Dr.
Suite 600
North Charleston, SC 29405

To whom it may concern:

I am writing in full support of the new Roper hospital proposal in Berkeley county. Roper Saint Francis has a long tradition of serving Berkeley county residents with existing outpatient facilities in Moncks Corner and Goose Creek. Berkeley county is one of only five counties in SC without a hospital. With a population of 155,000 people and the projected growth expected to grow 7.8% in the next 5 years it is imperative to build a hospital in this county. This is a welcomed addition to the community that will offer state of the art care much closer to home as well as a convenient choice.

H. Clifton Northum

109 Merrimack Rd
Moncks Corner, SC 29461

November 6, 2008

South Carolina Department of Health and Environmental Control
4050 Bridge View Dr.
Suite 600
North Charleston, SC 29405

To whom it may concern:

I am writing in full support of the new Roper hospital proposal in Berkeley county. Roper Saint Francis has a long tradition of serving Berkeley county residents with existing outpatient facilities in Moncks Corner and Goose Creek. Berkeley county is one of only five counties in SC without a hospital. With a population of 155,000 people and the projected growth expected to grow 7.8% in the next 5 years it is imperative to build a hospital in this county. This is a welcomed addition to the community that will offer state of the art care much closer to home as well as a convenient choice.

Kevin Higgins

109 Merrimack Rd
Moncks Corner, SC 29461

November 6, 2008

South Carolina Department of Health and Environmental Control
4050 Bridge View Dr.
Suite 600
North Charleston, SC 29405

To whom it may concern:

I am writing in full support of the new Roper hospital proposal in Berkeley county. Roper Saint Francis has a long tradition of serving Berkeley county residents with existing outpatient facilities in Moncks Corner and Goose Creek. Berkeley county is one of only five counties in SC without a hospital. With a population of 155,000 people and the projected growth expected to grow 7.8% in the next 5 years it is imperative to build a hospital in this county. This is a welcomed addition to the community that will offer state of the art care much closer to home as well as a convenient choice.

Anne Higgins

Anne Higgins

November 11, 2008 155

Mr. Dunlap,

It is my pleasure to write a letter of support for the new proposed hospital in Berkely County.

As a resident of Goose Creek for 7 years, I have seen a great deal of growth. And with the declining popularity of Trident Hospital, I believe that the services offered by RSFH would be a great benefit to my community.

I agree with and support all of the points presented in your letter asking for my support of a RSFH at Cross Roads in Goose Creek.

I am quite certain that many of my family members and friends here in Goose Creek and Moncks Corner would appreciate having a hospital nearby.

I can't say enough good things about RSFH, not just as an employee, but as a patient as well.

Thank you for inviting my input and good luck in your endeavor.

Mary Ann Nunez

001067

MEPKIN
ABBEY

October 12, 2008

Mr. David Dunlap
President and CEO
Roper St. Francis Health System
123 Doughty Street, Suite 760
Charleston, South Carolina 29403

Dear Mr. Dunlap,

I am writing in support of the new health facility Roper St. Francis Health System is planning for Goose Creek. Without question the proximity of such a resource for the monks of our monastery would be of benefit. It goes without saying that with the development in Goose Creek and the immediately surrounding areas there is a more pressing need for a full range of medical services such as you propose to provide. Goose Creek is home to a large number of retired military personnel and their families, but there are also a significant number of young families.

The monks will be praying that you are successful in this endeavor as well as in all your wide variety of activities. Roper St Francis has been such a blessing for this community.

With prayerful regards,

Rt. Rev. Stanislaus Gumula, O.C.S.O.
Abbot of Mepkin

1098 Mepkin Abbey Road, Moncks Corner, SC 29461
(843) 761-8509 e-mail brstan@mepkinabbey.org

001068

Nov. 12, 2008

To Whom It May Concern:

As a resident of a growing population in Berkeley County, It is vital to the community to have a hospital in close proximity. A hospital like Roper St. Francis would serve a great opportunity to more than 28,800 Berkeley County resident an in addition, the Counties are to grow to 7.8% in 5years, therefore, having new Roper St. Frances facility is
Good for the long-term outlook for Berkeley County. This new facility would not only provide high quality healthcare for outpatient surgery, emergency care or inpatient hospitalization in Berkeley County area, but also help the economy bring in new job opportunities.

Thank You

Cayetana L. Millare

November 18, 2008

To Whom It May Concern:

My name is Kelly Parks. I am a proud resident of Goose Creek. I am also an employee of Roper Saint Francis Healthcare. I am writing to show my support for the new Roper Saint Francis hospital to be built at Carnes Cross roads. I feel that Roper Saint Francis Healthcare is a very community oriented and faith based organization. I am proud to work for them and I happily choose them for my own medical care. Goose Creek, Moncks Corner and the Carnes Cross Roads are growing at a rapid pace and would definitely benefit from a full service hospital. I believe that Roper Saint Francis Healthcare would be an excellent partner to Berkeley County and the surrounding areas! Please feel free to contact me with any questions at 843-607-1446. Thank you for your time.

Sincerely,

Kelly Parks

Kelly Parks

126 Carol Drive

Goose Creek, SC 29445

November 18, 2008

Dear Mr. David Dunlap:

As a resident of Berkeley County, I am in support of a Roper facility being built in Moncks Corner. Our Roper Berkeley facility in Moncks Corner has a long history of providing the health care needs of the residents of Berkeley County.

As one of the largest counties in the state, Berkeley County does not have a hospital. More than 25,800 Berkeley County residents used Roper Berkeley in 2007 for outpatient surgery, emergency care and outpatient lab work or x-ray procedures. The residents of Berkeley County have shown trust in Roper Saint Francis Healthcare and trust our excellent care.

In closing, I know that Roper Saint Francis Healthcare is the best for my family and the residents of Berkeley County.

Sincerely,

Donna M. Joyner

Donna M. Joyner

001071

November 17, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a Roper St. Francis Healthcare employee who lives in Berkeley County, I am writing today to offer my support for the new Roper St. Francis hospital planned for Carnes Crossroads in Goose Creek. I have been hoping and praying for this for years.

A Roper St. Francis facility would give me along with my family, friends, and neighbors as well as my patients a convenient choice for receiving quality healthcare closer to home.

Sincerely,

Jodi Osgood RNC

Jodi Osgood
110 Boyd Street
Moncks Corner, SC 29461

December 3, 2008

To Whom It May Concern:

I am writing this letter to **support** the need of a very important project – Roper St. Francis Hospital – Berkeley, a non-profit hospital at Carnes Crossroads and the intersection of Highway 17A and 176.

There are important points to take consider:

- Berkeley County is one of a few counties in South Carolina without a hospital despite its population explosion.
- Goose Creek is the most populated area in Berkeley County.
- By locating a not-for-profit hospital in Berkeley County, residents will have a choice of health care closer to home as well as a convenient choice.
- Roper St. Francis has a reputation of providing excellent health care!
- Roper St. Francis is the only community-based, not-for-profit health system in the Lowcountry.
- A hospital in Goose Creek/Berkeley County is good for our neighborhood as well as my family.
- Roper St. Francis is the only faith-based organization in the Lowcountry, which is important to me and my family.

Please take these important points into consideration when looking at this great opportunity for all in this area. This project is greatly needed!

Sincerely,

Lori Gilbert

001073

December 15, 2008

David L. Dunlap, FACHE
President and Chief Executive Officer
Roper St. Francis Healthcare

Mr. Dunlap:

As a resident of Berkeley County I am writing this letter to state my 100% support and request that Roper St. Francis Healthcare will continue their goal in placing a hospital here in Berkeley County. Our community here in Berkeley County is in great need of a healthcare system that we can trust for good healthcare. We have a very limited option here with Trident Hospital. Everyone I know (neighbors and friends who reside in Berkeley County) constantly take the longer drive to go to Roper Hospital or St. Francis before going to Trident. It is a long way but we all know that the healthcare is better and we all trust it more. Some of my friends are older senior citizens and worry that if the time comes where they cannot travel so far they will have to resort to Trident for care and that is a very large concern on them every day. Our area here is growing extremely fast, many neighborhoods are going up and more schools. It would be so nice to have a quality healthcare system nearby for us to access. Thank you for striving to make our community a better place by adding one of your hospitals.

Sincerely:

Yvonne Yancey
128 Southwold Circle
Goose Creek, SC 29445

D H E C

PROMOTE PROTECT PROSPER

South Carolina Department of Health and Environmental Control

INVOICE FOR SERVICES

Bureau of Financial Management / Sims/Aycock Building
2600 Bull St, Columbia, South Carolina 29201

Invoice No.
PC02705-2

Invoice To:
ROPER SAINT FRANCIS HEALTHCARE
ATTN: MS. SHANNON CANTWELL, REGULATORY AFFAIRS SPECIALIST
125 DOUGHTY ST UNIT: 760
CHARLESTON, SC 29403-

Ship To:
S.C. DHEC
Attention: Bureau of Financial Management
2600 Bull Street
Columbia, South Carolina 29201

Date:	Terms:	Department Name	Order Filled By:
2008-12-10	**DUE UPON RECEIPT**	Planning and Programs	STONELJ

Description of Services: ROPER ST.FRANCIS HEALTHCARE GOOSE CREEK TO DEVELOP A 50 BED ACUTE CARE HOSPITAL PAID CHECK #1360973 500.00

Qnty	Unit Description	Loc	Organ.	Fund	Account	Analytical	Unit Price	Amount
1	CON APPLICATION FEE	400	402011	428015	4486701	0000000	$500.00	$500.00
							Total:	$500.00

Payment can be made by credit card by completing the below form or by visiting www.scdhec.com and clicking on Invoice Payment under the Quick Links.

Name as it appears on credit card _____ Telephone Number _____

Mailing Address _____

Master Card / Visa / Discover

Type of card (circle one) _____ Credit Card Number _____

Expiration Date _____ Signature _____

Note: Make checks payable to South Carolina Department of Health and Environmental Control, remit to above address to the Attention of: Bureau of Financial Management

001075

Invoice Number	Invoice Date	Corp	Comment	Invoice Amount	Discount Amount	Net Amount
ON FILING FEE	10/20/2008			500.00	0.00	500.00

WARNING: DOCUMENT CONTAINS INVISIBLE PAPER FIBERS. A COLORED BACKGROUND AND WATERMARK ON REVERSE

ROPER ST FRANCIS HEALTHCARE

Operating Account
316 Calhoun Street
Charleston, SC 29401

67-22
589

Check No: 1360973
Date: 10/31/2008

NET PAY
$500.00
VOID AFTER 60 DAYS

Pay: Five hundred and 00/100 Dollars

RECEIVED
DEC 10 2008
COM

To the Order of
SC DEPT OF HEALTH AND ENVIRONM
2600 BULL STREET
SIMS AYCOCK BLDG
COLUMBIA, SC 29201

ON REVERS

⑈001360973⑈ ⑆053207766⑆ 200100346134⑈

Copy

001076

TRANSMISSION VERIFICATION REPORT

TIME : 02/13/2009 09:31
NAME : DHEC
FAX : 803-545-4579
TEL :
SER.# : 000G8N635010

DATE,TIME	02/13 09:30
FAX NO./NAME	9184372088355
DURATION	00:00:42
PAGE(S)	02
RESULT	OK
MODE	STANDARD ECM

D H E C
PROMOTE PROTECT PROSPER

C. Earl Hunter, Commissioner
Promoting and protecting the health of the public and the environment

Fax Message

Date: 2/13/09

Number of pages including cover sheet: 2

Please deliver this fax message

To:

Name: Shannon Cantwell

Organization/Department: Roper Hospital

Fax: 843-720-8355

Phone:

From:

Name: Lisa Sanders

Region/Bureau/Division/Section:

Fax:

Phone: 545-4231

Subject/Comments:

Shannon,

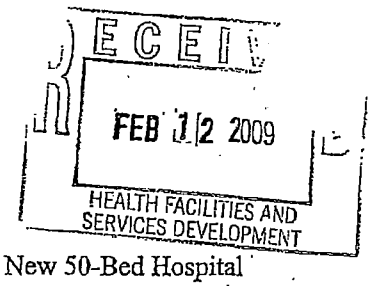
This is a letter of support Trident submitted 001077

MUSC
MEDICAL UNIVERSITY
of SOUTH CAROLINA

Office of the President
Colcock Hall
179 Ashley Avenue
MSC 001
Charleston SC 29425-0010

Tel 843 792 2211
Fax 843 792 1097
www.musc.edu

January 21, 2009



Ms. Beverly Patterson, Director
Bureau of Health Facilities and Services
South Carolina DHEC
2600 Bull Street
Columbia, SC 29201

Re: Certificate of Need Application for New 50-Bed Hospital
Trident Medical Center, LLC, Moncks Corner, SC

Dear Ms. Patterson:

On behalf of the Medical University of South Carolina (MUSC), please accept this letter as MUSC's support for Trident Medical Center's CON application to construct a new 50-bed hospital in Moncks Corner, Berkeley County, South Carolina. As the Department is aware, Trident began serving the healthcare needs of northern Charleston, Dorchester and Berkeley Counties over 35 years ago, when the Berkeley County and Dorchester County Hospitals agreed to close to allow Trident to establish a full-service hospital in North Charleston. Trident later responded to the needs of the rapidly growing Dorchester County by establishing Summerville Medical Center. Now, as Berkeley County's population continues to grow at a fast pace, and in light of Trident's principal service area and historical commitment to this population, we support their plan to build the first acute-care hospital in Berkeley County.

As a major healthcare system in the Charleston metropolitan area, MUSC is keenly aware that accessibility to basic inpatient services is a significant challenge to Berkeley County citizens, especially those residing in the northern and central areas of the County. Trident's proposal to build a full-service hospital in centrally located Moncks Corner will overcome that challenge.

Therefore, please accept this letter as MUSC's endorsement of Trident's application as the provider with the greatest geographic proximity and historical commitment to meeting the healthcare needs of Berkeley County.

Sincerely,

Raymond S. Greenberg, MD, PhD
President

001078

"An equal opportunity employer, promoting workplace diversity."

Nelson Mullins

Nelson Mullins Riley & Scarborough L.L.P.
Attorneys and Counselors at Law
1320 Main Street / 17th Floor / Columbia, SC 29201
Tel: 803.799.2000 Fax: 803.256.7500
www.nelsonmullins.com

Tammie M. Pope
Senior Paralegal
Tel: 803.255.9561
tammie.pope@nelsonmullins.com

March 3, 2009

Via Facsimile
Jody M. Hamm, Director
Freedom of Information Office
South Carolina Department of Health
and Environmental Control
2600 Bull Street
Columbia, SC 29201

RE: Berkeley Medical Center (Trident) CON application for a 50 bed hospital in Berkeley County submitted on 8/13/08

Roper St. Francis Hospital –Berkeley CON application for a 50-bed hospital in Berkeley County submitted on 12/10/08

Dear Mr. Hamm:

Pursuant to the South Carolina Freedom of Information Act, I am writing to request copies of the following materials in the above-referenced CON files that I reviewed today:

Roper file: Bates pages 1-474; 963-983; 11 pages in the file beginning with the page after bates number 983.

Trident file: Bates pages 1-42

Because I marked a limited number of pages in the two above named files, I hope they can be provided on an expedited basis. Please call me when they are copied and I will be happy to send someone to pick them up.

Thank you for your assistance and please do not hesitate to call me if you need any additional information.

Very truly yours,

Tammie M. Pope

Tammie M. Pope
Senior Paralegal

TMP

cc: Kelly Barrett (via e-mail)

02/20/2009 12:32 8032558017 PARKER POE PAGE 03/05

0902221

PARKER POE

PARKER POE ADAMS & BERNSTEIN LLP

Attorneys and Counselors at Law

Colleen C. Quillen
Paralegal
Telephone: 803.255.8921
Direct Fax: 803.255.8017
colleenquillen@parkerpoe.com

1201 Main Street
Suite 1450
P.O. Box 1509
Columbia, SC 29202-1509
Telephone 803.255.8000
Fax 803.255.8017
www.parkerpoe.com

February 20, 2009

Copied 3/27/09 SY

Via Facsimile 898.3816
Mr. Jody M. Hamm, Director
Freedom of Information Office
SC DHEC
2600 Bull Street
Columbia, SC 29201

Re: ***Roper St. Francis Hospital-Berkeley, Inc.***
Certificate of Need Application filed with the Department on December 10, 2008 for the construction of new 50 bed hospital to be located in Goose Creek, SC
$112,978,119
Reviewer: Lisa Sanders

Dear Mr. Hamm:

Please consider this letter our request pursuant to the Freedom of Information Act for copies of all documents received by the Department in connection with the above-referenced Certificate of Need application **following Bates No. 983.**

Please give me a call when the material is ready so that I may arrange for our courier to pick up the same. Of course, we agree to pay the Department's usual and customary fees for providing this information. Please call me if you have any questions.

Sincerely,

Colleen C. Quillen

cc: Ms. Kelly L. Barrett

RECEIVED
FEB 26 2009
BUREAU OF CERTIFICATION
SC DHEC HEALTH REGULATION

RECEIVED
FEB 20 2009
Freedom of Information Office

CHARLESTON, SC
CHARLOTTE, NC
MYRTLE BEACH, SC
RALEIGH, NC
SPARTANBURG, SC

PPAB 1166056v2

001080

ROPER HOSPITAL

316 Calhoun Street
Charleston, SC 29401
(843) 724-2000

September 9, 2009

Via Certified – Return Receipt Requested

Ms. Beverly Patterson, Director
Bureau of Health Facilities and Services Development
S.C. Department of Health and Environmental Control
2600 Bull Street
Columbia, South Carolina 29201

Dear Ms. Patterson:

Roper St. Francis Hospital - Berkeley will soon submit a Certificate of Need application to construct a 50-bed hospital in Goose Creek, South Carolina via a bed transfer from Roper Hospital. As required by the State Health Plan, this letter acknowledges in writing that this exchange is permanent, and confirms that Roper Hospital will not use the loss of these beds as justification for a subsequent request for the approval of additional beds.

Should you have any questions or concerns, please feel free to contact me at (843) 724-2901.

Sincerely,

Matthew J. Severance, FACHE
Chief Executive Officer

MJS/dhm

cc: Douglas Bowling, Vice President / Chief Strategy Officer
Ms. Shannon Cantwell

SEP 11 2009

001081

Healing all people with compassion, faith and excellence

D H E C

PROMOTE PROTECT PROSPER

C. Earl Hunter, Commissioner

Promoting and protecting the health of the public and the environment.

March 9, 2009

Re: Construction of a new hospital by transferring fifty (50) acute care beds from Roper Hospital to include a multi-slice Computed Tomography (CT) scanner and a 1.5T Magnetic Resonance Imaging (MRI) unit for a total license bed capacity of fifty (50) acute care beds at Roper St. Francis Berkeley and three hundred eighteen (318) total licensed beds at Roper Hospital; the facility will be located on Highway 17A in Goose Creek, South Carolina

Roper St. Francis Hospital-Berkeley
Goose Creek, South Carolina

Ms. Shannon Cantwell
Regulatory Affairs Specialist
Roper St. Francis Healthcare
125 Doughty Street Suite 760
Charleston, SC 29403

Dear Ms. Cantwell:

This Department has received the additional information concerning the above referenced project on February 6, 2009. As a result of this information, we find the following clarification is needed prior to your application being considered complete by this office.

1. In Reference to the charts provided throughout your response. Please address the following:

   a. Please provide market share data for RSF Hospital-Berkeley for Year 1 (2013) and Year 2 (2014). The chart provided on page 2 only addresses Year 3 (2015).
   b. Provide surgical volume projections for RSF Hospital-Berkeley for Year 1 and Year 2 to include related projections as outlined in the chart on page 3.
   c. Delineate the inpatient and outpatient surgery volume projections for the Roper Berkeley ASC and Roper Hospital (refer to chart on page 4).
   d. Provide patient volume shift data from Roper to RSF MT Pleasant hospital during 2013-2015 (refer to chart on page 5).
   e. It is stated the patient volume shift from Roper to RSFH-Berkeley for 2013-2015 is not reflected in the Roper Hospital Volume Projections above (refer to chart on page 5). How will this further impact the ADC of the downtown location during this time period?

2. Elaborate on Roper Hospital's future relationship with a LTAC Hospital and how this will affect future volume projections.

Please provide all the requested information to this Office within thirty (30) days of the date of this letter. Pursuant to Section 302.2 of Regulation No. 61-15, Certification of Need for Health Facilities and Services, this application will be considered withdrawn if additional information has not been received by April 8, 2009.

Should you require further information, please contact me at (803) 545-4200.

Sincerely,

Lisa D. Sanders, Health Planning Analyst
Bureau of Health Facilities and Services Development

cc: Andrea Brisbin
Jim Rardin

PARKER POE

PARKER POE ADAMS & BERNSTEIN LLP

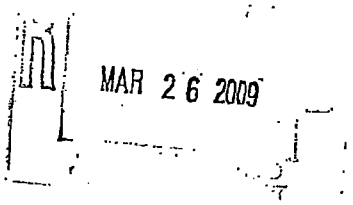
Attorneys and Counselors at Law

Andrea H. Brisbin
Special Counsel
Telephone: 843-727-2650
Direct Fax: 843-727-2680
andreabrisbin@parkerpoe.com

200 Meeting Street (29401)
Suite 301
Post Office Box 160
Charleston, SC 29402-0160
Telephone 843.727.2650
Fax 843.727.2680
www.parkerpoe.com

March 26, 2009

Via Hand Delivery
Ms. Lisa D. Sanders
Health Planning Analyst
Bureau of Health Facility & Services
South Carolina DHEC
1777 St. Julian Place, Suite 201
Columbia, SC 29204



Re: Construction of a new hospital by transferring 50 acute care beds from Roper Hospital
Roper St. Francis Hospital-Berkeley
Goose Creek, South Carolina

Dear Ms. Sanders:

On behalf of our client, Trident Health System, including Trident Medical Center, LLC d/b/a Trident Medical Center and Summerville Medical Center (collectively, "Trident"), we are writing to notify the Department that as an affected party, Trident is opposing the above-referenced Certificate of Need application filed by Roper St. Francis Hospital – Berkeley ("Roper"). Trident hereby requests an opportunity to be heard at any and all project review meetings held by the Department regarding this application.

As attorneys for Trident Health System, we are also formally requesting to be notified of all correspondence between the Department and the applicant for the above-referenced project, including but not limited to notifications of project review criteria, project review meetings and hearings, as well as the Department's staff decision regarding the above-referenced project.

Should you have any questions, please do not hesitate to contact me.

With best regards, I am

Very truly yours,

Andrea H. Brisbin

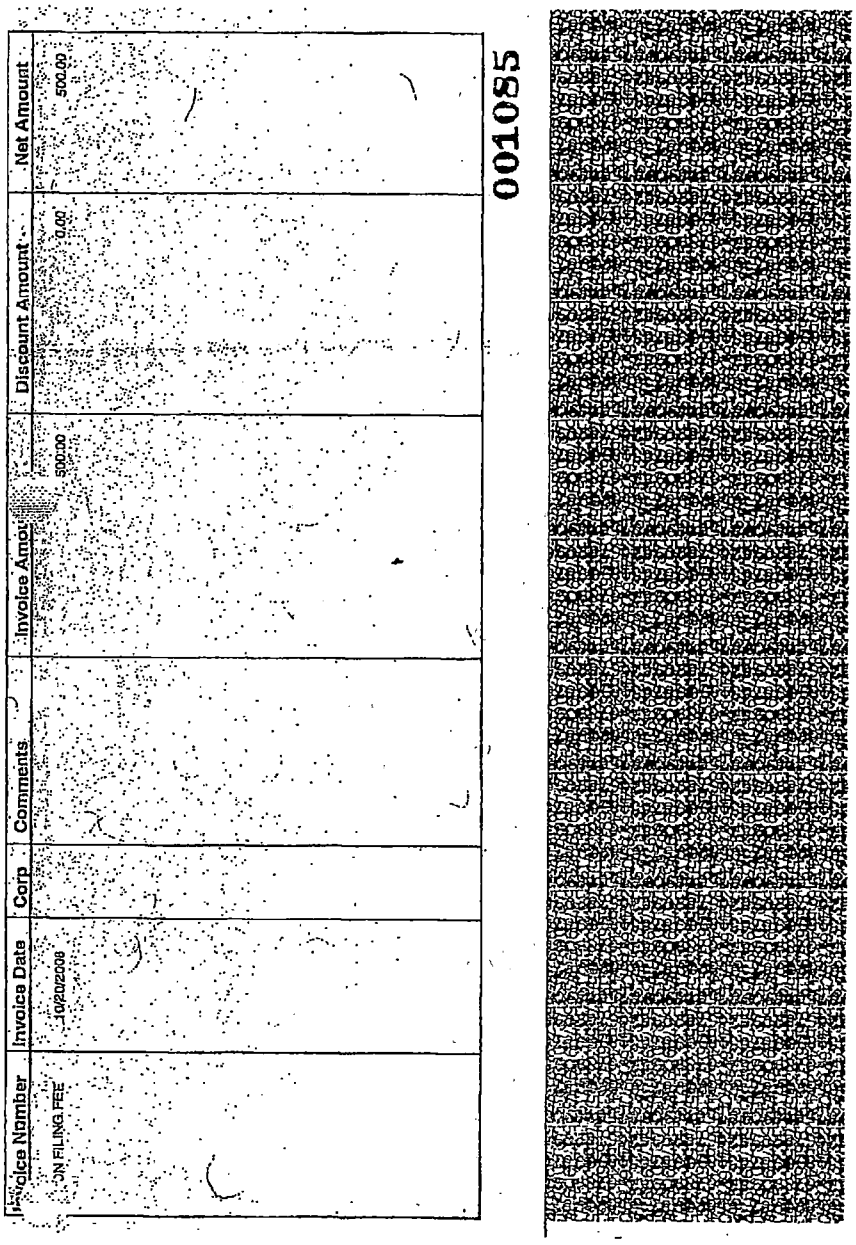
Andrea H. Brisbin

cc: Jim Rardin
Todd Gallati
David B. Summer, Jr., Esquire

CHARLOTTE, NC
COLUMBIA, SC
MYRTLE BEACH, SC
RALEIGH, NC
SPARTANBURG, SC

PPAB 1548160v1

001084



Invoice Number	Invoice Date	Corp	Comments	Invoice Amount	Discount Amount	Net Amount
ON FILING FEE	10/20/2008			500.00	0.00	500.00

001085

Invoice Number	Invoice Date	Corp	Comments	Invoice Amount	Discount Amount	Net Amount
CON FILING FEE	10/20/2008			500.00	0.00	500.00

WARNING: DOCUMENT CONTAINS INVISIBLE PAPER FIBERS. A COLORED BACKGROUND AND WATERMARK ON REVERS

ROPER ST. FRANCIS HEALTHCARE

Operating Account
316 Calhoun Street
Charleston, SC 29401

67-22
539

Check No: 1360973
Date: 10/31/2008

NET PAY
$500.00
VOID AFTER 60 DAYS

Pay Five hundred and 00/100 Dollars

RECEIVED
DEC 10 2008
CON

To the Order of
1809099
SC DEPT OF HEALTH AND ENVIRONM
2600 BULL STREET
SIMS AYCOCK BLDG
COLUMBIA, SC 29201

Wachovia Bank, N.A.
Charleston, SC

⑈001360973⑈ ⑆053207766⑆ 2001003446134⑈

Copy

001086

D H E C

PROMOTE PROTECT PROSPER

South Carolina Department of Health and Environmental Control

INVOICE FOR SERVICES

Bureau of Financial Management / Sims/Aycock Building
2600 Bull St, Columbia, South Carolina 29201

Invoice No.
PC03374-6

Invoice To:
ROPER ST. FRANCIS HEALTHCARE
ATTN: SHANNON CANTWELL
125 DOUGHTY ST UNIT: STE. 760
CHARLESTON, SC 29403-

Ship To:
S.C. DHEC
Attention: Bureau of Financial Management
2600 Bull Street
Columbia, South Carolina 29201

Date:	Terms:	Department Name	Order Filled By:
3/30/2009	**DUE UPON RECEIPT**	Planning and Programs	STONELJ

Description of Services: ROPER ST. FRANCIS HOSPITAL BERKELEY GOOSE CREEK CONSTRUCTION OF A NEW HOSPITAL BY TRANSFERRING FIFTY (50) ACUTE CARE BEDS FROM ROPER HOSPITAL TO INCLUDE A MULTI -SLICE COMPUTED TOMOGRAPHY (CT) SCANNER AND A 1.5T MRI

Qnty	Unit Description	Loc	Organ.	Fund	Account	Analytical	Unit Price	Amount
1	CON APPLICATION FEE	400	402011	428015	4486701	0000000	$7,000.00	$7,000.00
						Total:		$7,000.00

RECEIVED
APR 3 2009
HEALTH FACILITIES AND SERVICES

WARNING: DOCUMENT CONTAINS INVISIBLE PAPER FIBERS, A COLORED BACKGROUND AND WATERMARK ON REVERSE

ROPER ST FRANCIS HEALTHCARE

Operating Account
316 Calhoun Street
Charleston, SC 29401

Check No. 1378348
Date: 03/27/2009
NET PAY
$7,000.00
VOID AFTER 60 DAYS

Pay Seven thousand and 00/100 Dollars

To the Order of: SC DEPT OF HEALTH AND ENVIRONM
2600 BULL STREET
SIMS AYCOCK BLDG
COLUMBIA, SC 29201

Wachovia Bank, N.A.
Charleston, SC

RECEIVED
APR 3 2009
CON

David F. Dunlap

⑈001378348⑈ ⑆053207766⑆ 2001003446134⑈

Note: Make checks payable to South Carolina Department of Health and Environmental Control, Attention to the Attention of: Bureau of Financial Management

001087

D H E C

PROMOTE PROTECT PROSPER

uth Carolina Department of Health and Environmental Control

INVOICE FOR SERVICES

Bureau of Financial Management / Sims/Aycock Building
2600 Bull St, Columbia, South Carolina 29201

Invoice No.
PC03374-6

Invoice To:
ROPER ST. FRANCIS HEALTHCARE
ATTN: SHANNON CANTWELL
125 DOUGHTY ST UNIT: STE. 760
CHARLESTON, SC 29403-

Ship To:
S.C. DHEC
Attention: Bureau of Financial Management
2600 Bull Street
Columbia, South Carolina 29201

Date:	Terms:	Department Name	Order Filled By:
3/30/2009	**DUE UPON RECEIPT**	Planning and Programs	STONELJ

Description of Services: ROPER ST. FRANCIS HOSPITAL BERKELEY GOOSE CREEK CONSTRUCTION OF A NEW HOSPITAL BY TRANSFERRING FIFTY (50) ACUTE CARE BEDS FROM ROPER HOSPITAL TO INCLUDE A MULTI -SLICE COMPUTED TOMOGRAPHY (CT) SCANNER AND A 1.5T MRI

Qnty	Unit Description	Loc	Organ.	Fund	Account	Analytical	Unit Price	Amount
1	CON APPLICATION FEE	400	402011	428015	4486701	0000000	$7,000.00	$7,000.00
						Total:		$7,000.00

RECEIVED
APR 3 2009
HEALTH FACILITIES AND SERVICES CERTIFICATION

WARNING: DOCUMENT CONTAINS INVISIBLE PAPER FIBERS. A COLORED BACKGROUND AND WATERMARK ON REVERSE

ROPER ST FRANCIS HEALTHCARE

Operating Account
316 Calhoun Street
Charleston, SC 29401

Check No. 137834
Date 03/27/2009
NET PAY
$7,000.00
VOID AFTER 60 DAYS

Pay Seven thousand and 00/100 Dollars

To the Order of SC DEPT OF HEALTH AND ENVIRONM
2600 BULL STREET
SIMS AYCOCK BLDG
COLUMBIA, SC 29201

Wachovia Bank, N.A.
Charleston, SC

RECEIVED APR 3 2009 CON

⑈00137834⑈ ⑆053207766⑆ 2001003446834⑈

Note: Make checks payable to South Carolina Department of Health and Environmental Control, remit to above to the Attention of: Bureau of Financial Management

001088

ROPER ST FRANCIS HEALTHCARE

125 Doughty Street Ste. 760
Charleston, SC 29403

April 2, 2009

Re: CON application to construct a 50-bed hospital in Goose Creek via a permanent bed transfer from Roper Hospital
Roper St. Francis Hospital-Berkeley

Ms. Lisa Sanders
S.C. DHEC, Bureau of Health Facilities
1777 St. Julian Place Suite 201
Columbia, South Carolina 29204

APR 3 2009

Dear Ms. Sanders:

A $7,000 check for the application fee is enclosed. Please confirm my understanding that the above-referenced project will be published in the April 24, 2009 State Register-Notification of Affected Persons.

I have also enclosed additional project support letters, as well as the requested chart listing the names of all physicians, other healthcare providers, and elected officials who wrote letters of support for this project.

Should you have any questions or need additional information, please contact me at (843) 789-1754.

Sincerely,

Shannon Cantwell

Shannon Cantwell
Regulatory Affairs Specialist

Enclosures

001089

Invoice Number	Invoice Date	Corp	Comments	Invoice Amount	Discount Amount	Net Amount
APPL ROPER BERR	03/18/2009			7000.00	0.00	7000.00

WARNING: DOCUMENT CONTAINS INVISIBLE PAPER FIBERS, A COLORED BACKGROUND AND WATERMARK ON REVERSE

ROPER ST FRANCIS HEALTHCARE

Operating Account
316 Calhoun Street
Charleston, SC 29401

67-22
539

Check No: 1378348
Date: 03/27/2009

NET PAY
$7,000.00

VOID AFTER 60 DAYS

Pay Seven thousand and 00/100 Dollars

1809089
To the Order of SC DEPT OF HEALTH AND ENVIRONM
2600 BULL STREET
SIMS AYCOCK BLDG
COLUMBIA, SC 29201

Wachovia Bank, N.A.
Charleston, SC

⑈00137834⑈ ⑆053207766⑆ 2001003446134⑈

001090

LAWRENCE K. GROOMS
SENATOR BERKELEY, CHARLESTON, COLLETON, AND DORCHESTER COUNTIES
SENATORIAL DISTRICT NO. 37

SENATE ADDRESS:
GRESSETTE SENATE BLDG.
P.O. BOX 142
COLUMBIA, SC 29202
TEL.: (803) 212-6400
FAX: (803) 212-6289
EMAIL: LKG@SCSENATE.ORG

February 5, 2009

Mr. Douglas Bowling
Vice President of System Development
Roper St. Francis Healthcare
125 Doughty Street, Suite 760
Charleston, S.C. 29403

Dear Mr. Bowling:

Thank you for the recent presentation regarding Roper St. Francis Healthcare's plan to construct a 50-bed hospital in Goose Creek. I understand you are seeking approval from the S.C. Department of Health and Environmental Control for this project, and I want to convey my support for your effort.

As a Berkeley County resident I have firsthand knowledge of the tremendous growth in the area and the associated need for adequate health and medical services in a county that does not have its own hospital. I agree with my constituents that inpatient healthcare services are needed to address both current and future community healthcare needs. I have been a supporter of the Roper St. Francis Healthcare system for years, and know that you are committed to providing the best health in care.

Please accept this letter as my support for your application.

Sincerely,

Larry K. Grooms

001091

CHIP LIMEHOUSE
District No. 110-Charleston County
8 Cumberland Street
Charleston, SC 29401
(843) 577-6242 Voice
(843) 577-0504 Fax

1105 Pendleton Street
326-C Blatt Building
Columbia, SC 29211
(803) 734-2977 Voice
(803) 734-3104 Fax
E-Mail: HBL@scstatehouse.net

South Carolina House of Representatives

February 12, 2009

Mr. Douglas Bowling
Vice President of System Development
Roper St. Francis Healthcare
316 Calhoun Street
Charleston, SC 29401

Dear Mr. Bowling:

I appreciate the information you provided regarding roper St. Francis Healthcare's plan to construct a 50-bed hospital in Goose Creek. I understand you will need approval from the Department of Health and Environmental Control for this project, and want to extend my support of your effort.

I believe that it is extremely important to be able to provide quality healthcare to families close to their home. Berkeley County has a population in excess of 158,000, yet does not have a hospital. Only four other counties are without hospitals in South Carolina, with limited populations in each ranging from 10,000 to 21,000 persons.

I have been a long-standing ally of the Roper St. Francis Healthcare system, and know that your expressed commitment to this project is reflective of the overall commitment to providing quality health care for the citizens of our community.

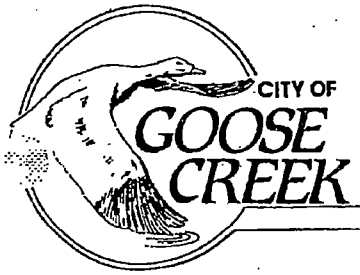
Please accept this letter as my endorsement for your application.

Very truly,

Chip Limehouse
Representative

HBLIII/eap

001092



DENNIS C. HARMON
City Administrator

March 19, 2009

Mrs. Brenda Myers
Administrator, Roper St. Francis ~ Berkeley
730 Stony Landing Road
Moncks Corner, SC 29461

Dear Mrs. Myers:

It is my understanding that Roper St. Francis Healthcare has recently submitted an application to the Department of Health and Environmental Control for permission to construct a 50-bed hospital in Goose Creek. This hospital will enhance access for residents living in Goose Creek, as well as other smaller adjacent communities within Berkeley County who currently travel out of the local area for care. With the forecasted population growth, the existing traffic/travel situation will only be exacerbated, and the need for adequate healthcare services is a basic one.

Roper St. Francis Healthcare has a long tradition of serving Berkeley County residents with existing facilities in Moncks Corner and Goose Creek. Without the specific development of this hospital there will be no access to a locally based, not-for-profit, community-focused provider of inpatient services.

Thank you for the opportunity to express my support.

Sincerely,

Dennis C. Harmon
City Administrator

001093

P.O. Drawer 1768 519 Goose Creek Boulevard, Goose Creek, South Carolina 29445-1768 Telephone (843) 797-6220, ext. 112 FAX (843) 863-5208

CITY OF GOOSE CREEK

MICHAEL J. HEITZLER, Ed.D.
Mayor
KIMO ESAREY
Mayor Pro-Tem
DENNIS C. HARMON
City Administrator
JEFF MOLINARI
Assistant City Administrator

MARGUERITE H. BROWN
SAL GANDOLFO
JOHN B. McCANTS
MARK A. PHILLIPS
JERRY TEKAC
City Council

March 19, 2009

Mrs. Brenda Myers
Administrator, Roper St. Francis ~ Berkeley
730 Stony Landing Road
Moncks Corner, SC 29461

Dear Mrs. Myers:

I was delighted to hear of Roper St. Francis Healthcare's plan to construct a 50-bed hospital in Goose Creek. I understand you are seeking approval from the Department of Health and Environmental Control for this project, and want to extend my support. There has been tremendous growth in the area. In fact, Goose Creek is the 10th largest city in South Carolina. Inpatient healthcare services are needed in Berkeley County to address both current and future community healthcare needs, and Goose Creek is the most obvious location.

I believe the Roper St. Francis Healthcare system is committed to providing the very best health care and appreciate that it is a not-for-profit. Please accept this letter as my approval and support for your application.

Sincerely,

Marguerite H. Brown

Marguerite H. Brown
Council Member

001094

P.O. Drawer 1768 · 519 N. Goose Creek Boulevard, Goose Creek, South Carolina 29445-1768 · Telephone (843) 797-6220, ext. 113 · FAX (843) 863-5208

CITY OF GOOSE CREEK

MICHAEL J. HEITZLER, Ed.D.
Mayor
KIMO ESAREY
Mayor Pro-Tem
DENNIS C. HARMON
City Administrator
JEFF MOLINARI
Assistant City Administrator

MARGUERITE H. BROWN
SAL GANDOLFO
JOHN B. McCANTS
MARK A. PHILLIPS
JERRY TEKAC
City Council

March 19, 2009

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730 Stony Landing Road
Moncks Corner, SC 29461

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Roper St. Francis Healthcare has a long tradition of serving Berkeley County residents with existing facilities in Moncks Corner and Goose Creek. Without the specific development of this hospital there will be no access to a locally based, not-for-profit, community-focused provider of inpatient services.

Thank you for the opportunity to express my support.

Sincerely,

Mark A. Phillips

Mark A. Phillips
Council Member

001095

P.O. Drawer 1768 · 519 N. Goose Creek Boulevard, Goose Creek, South Carolina 29445-1768 Telephone (843) 797-6220, ext. 113 FAX (843) 863-5208

CITY OF GOOSE CREEK

MICHAEL J. HEITZLER, Ed.D.
Mayor
KIMO ESAREY
Mayor Pro-Tem
DENNIS C. HARMON
City Administrator
JEFF MOLINARI
Assistant City Administrator

MARGUERITE H. BROWN
SAL GANDOLFO
JOHN B. McCANTS
MARK A. PHILLIPS
JERRY TEKAC
City Council

March 19, 2009

Mrs. Brenda Myers
Administrator, Roper St. Francis ~ Berkeley
730 Stony Landing Road
Moncks Corner, SC 29461

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Roper St. Francis Healthcare has a long tradition of serving Berkeley County residents with existing facilities in Moncks Corner and Goose Creek. Without the specific development of this hospital there will be no access to a locally based, not-for-profit, community-focused provider of inpatient services.

Thank you for the opportunity to express my support.

Sincerely,

James (Kimo) Esarey
Mayor Pro Tem

001096

P.O. Drawer 1768 · 519 N. Goose Creek Boulevard, Goose Creek, South Carolina 29445-1768 · Telephone (843) 797-6220, ext. 113 · FAX (843) 863-5208

CITY OF GOOSE CREEK

MICHAEL J. HEITZLER, Ed.D.
Mayor
KIMO ESAREY
Mayor Pro-Tem
DENNIS C. HARMON
City Administrator
JEFF MOLINARI
Assistant City Administrator

MARGUERITE H. BROWN
SAL GANDOLFO
JOHN B. McCANTS
MARK A. PHILLIPS
JERRY TEKAC
City Council

March 19, 2009

Mrs. Brenda Myers
Administrator, Roper St. Francis ~ Berkeley
730 Stony Landing Road
Moncks Corner, SC 29461

Dear Mrs. Myers:

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I believe the Roper St. Francis Healthcare system is committed to providing the very best health care and appreciate that it is a not-for-profit. Please accept this letter as my approval and support for your application.

Sincerely,

Sal Gandolfo
Council Member

Sal Gandolfo

001097

P.O. Drawer 1768 · 519 N. Goose Creek Boulevard, Goose Creek, South Carolina 29445-1768 · Telephone (843) 797-6220, ext. 113 · FAX (843) 863-5208

CITY OF GOOSE CREEK

MICHAEL J. HEITZLER, Ed.D.
Mayor
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Mayor Pro-Tem
DENNIS C. HARMON
City Administrator
JEFF MOLINARI
Assistant City Administrator

MARGUERITE H. BROWN
SAL GANDOLFO
JOHN B. McCANTS
MARK A. PHILLIPS
JERRY TEKAC
City Council

March 19, 2009

Mrs. Brenda Myers
Administrator, Roper St. Francis ~ Berkeley
730 Stony Landing Road
Moncks Corner, SC 29461

Dear Mrs. Myers:

Thank you for the information provided regarding Roper St. Francis Healthcare's plan to construct a 50-bed hospital in Goose Creek. Berkeley County has been without a hospital for too long. As you are aware, Berkeley County has a population of nearly 160,000 and the projected growth will result in a population in excess of 170,000 by 2015. The only other four counties in South Carolina without a hospital range in size from 10,000 to 21,000 persons.

The majority of growth in Berkeley County is occurring within and around the Goose Creek area. Your location in Carnes Crossroads is thought to be a wise choice. I also appreciate that this hospital will be a community-based, not-for-profit healthcare provider.

Please accept this letter as my approval and support of your Department of Health and Environmental Control application for the required Certificate of Need approval.

Sincerely,

John B. McCants
Council Member

001098

P.O. Drawer 1768 · 519 N. Goose Creek Boulevard, Goose Creek, South Carolina 29445-1768 · Telephone (843) 797-6220, ext. 113 FAX (843) 863-5208

September 24, 2008

Mr. David L. Dunlap
President and CEO
Roper St. Francis Healthcare
125 Doughty Street, Ste. 760
Charleston, SC 29403

Dear Mr. Dunlap:

As a registered nurse who works at Roper Saint Francis Healthcare and someone routinely cares for patients from Berkeley County, I am writing today to offer my strong support for a Roper St. Francis hospital in Goose Creek.

More than 25,800 Berkeley County residents came to a Roper St. Francis facility in 2007 for outpatient surgery, emergency care or inpatient hospitalization. By locating a new, not-for-profit hospital at Carnes Crossroads, these residents will have state-of-the-art care much closer to home.

Sincerely,

Patricia Gulledge

Patricia Gulledge
131 Plantation Drive
Summerville, SC 29485

Support Letters for
Roper St. Francis Hospital-Berkeley

	Last Name	First Name	Type
1	Ackermann	Jeremy	Physician
2	Allen	Timothy	Physician
3	Appleby	Thomas	Physician
4	Aymond	James	Physician
5	Ball	Bruce	Physician
6	Barfield	Carlysle	Physician
7	Behrens	Edward	Physician
8	Bell	Thaddeus	Physician
9	Bonner	Walter	Physician
10	Bounds	Charles	Physician
11	Brown	Eugene	Physician
12	Buckaloo	Jerrold	Physician
13	Caire	Elsa	Physician
14	Caldwell	Kenneth	Physician
15	Campbell	Stephen	Physician
16	Christian	Elizabeth	Physician
17	Costa	Milton	Physician
18	Cuddy	Brian	Physician
19	Davidson	Andrew	Physician
20	Deaton	Paul	Physician
21	Derrick	Fletcher	Physician
22	Domm	Aaron	Physician
23	Donaldson	Jonathan	Physician
24	Dorociak	Jeffrey	Physician
25	Dozier	Thomas	Physician
26	Drummond	Fitzgerald	Physician
27	Eads	R. Stewart	Physician
28	Ellison	David	Physician
29	Ellison	William	Physician
30	Ernst	John	Physician
31	Feldman	Lynn	Physician
32	Finch	Bertram	Physician
33	Fogle	Alan	Physician
34	Forren	Amy	Physician
35	Gastight	John	Physician
36	Geils Jr.	George F.	Physician
37	Geils Sr.	George F.	Physician
38	Gillespie	Joe	Physician
39	Goldsberry	Jodi	Physician
40	Graham	John	Physician
41	Graham	Charles	Physician
42	Hallett	John	Physician
43	Haly	Emily	Physician
44	Harper	Thomas	Physician
45	Hazell	Samuel	Physician
46	Hepburn	Lloyd	Physician
47	Holladay	Charles	Physician
48	Honney	Shanon	Physician
49	Huggins	Edward	Physician
50	Jennings	T. Scott	Physician
51	Kaplan	Raymond	Physician
52	Katsanis	Ward	Physician
53	Keogh	George	Physician
54	Khoury	George	Physician

Support Letters for
Roper St. Francis Hospital-Berkeley

	Last Name	First Name	Type
55	Kleckley	John	Physician
56	Kline	Elizabeth	Physician
57	Kubinski	Dennis	Physician
58	Lucas	David	Physician
59	Lyn-Sue	Jerome	Physician
60	McMahon	Daniel	Physician
61	McNellis	Edward	Physician
62	Michaelsen	Douglas	Physician
63	Mitchell	John	Physician
64	Moscatello	Salvatore	Physician
65	Murk	Stephen	Physician
66	Nelson	Jennifer	Physician
67	Noone	Michael	Physician
68	Nussbaum	Alan	Physician
69	Ohlson	Blake	Physician
70	Orcutt	James	Physician
71	Pastis	Nichole	Physician
72	Peterseim	David	Physician
73	Price	James	Physician
74	Quattlebaum	Glen	Physician
75	Ravenel	James	Physician
76	Rawe	Stephen	Physician
77	Rearden	Gail	Physician
78	Reeves	Bozman	Physician
79	Roane	Georgia	Physician
80	Robinson	David	Physician
81	Rosebrock	George	Physician
82	Ross	Scott	Physician
83	Runquist	Lars	Physician
84	Rustin	Dowse	Physician
85	Sagatelian	Michael	Physician
86	Santi	Jeff	Physician
87	Scarlett	Matthew	Physician
88	Schnell	James	Physician
89	Schwenzfeier	C. Willy	Physician
90	Scott	Shaun	Physician
91	Simmons	Jack	Physician
92	Smith	J. Scott	Physician
93	Smoak	Dahlmon	Physician
94	Spandorfer	Michael	Physician
95	Spratt	John	Physician
96	Steichen	John	Physician
97	Testa	Jaime	Physician
98	Tucker	William	Physician
99	Viduya	Sherri	Physician
100	Weeks	Johnny	Physician
101	Weinstein	Victor	Physician
102	Wilhoit	Gordon	Physician
103	Wilson	Stanley	Physician
104	Worsham	G.F.	Physician
	Sub-Total		**104 Physicians**

Support Letters for
Roper St. Francis Hospital-Berkeley

	Last Name	First Name	Other Healthcare Providers
1	Ballentine	Ginger	RNC
2	Boyd	Kelly	RN
3	Charles	Billie	RN
4	Cox	Judy	LMSW
5	Flury	Jerry	RN
6	Gulledge	Patricia	RN
7	Ham	Kathleen	RN
8	Hill	Kristy	RN
9	Jamison	Marlee	RT
10	Lee	Beth	RN
11	Lott	Tanya	RN
12	Mello	Bonnie	RN
13	Peralta	Pennie	RN
14	Quinn	Jennifer	RN
15	Sample	Maria	RN
16	Smyth	Tally	RN
17	Spade	Starla	RNC
18	Storen	Joanne	RN
19	Topjian	Diana	RN
20	Will	Linda	RN
	Sub-Total		**20 Other Healthcare Providers**

	Last Name	First Name	Elected Officials
1	Becker	Harvey	Goose Creek Chief of Police
2	Brown	Marguerite	Goose Creek Council
3	Campbell	Paul	State Senator
4	Campsen	George	State Senator
5	Daning	Joe	State Representative
6	Dantzler	Thomas	State Representative
7	Esarey	James	Mayor Pro Tem of Goose Creek
8	Gandolfo	Sal	Goose Creek Council
9	Grooms	Larry	State Senator
10	Harmon	Dennis	City Administrator, Goose Creek
11	Heitzler	Michael	Mayor of Goose Creek
12	Jefferson	Joe	State Representative
13	Limehouse	Chip	State Representative
14	McCants	John	Goose Creek Council
15	Phillips	Mark	Goose Creek Council
16	Pipkin	Roy	Mayor of Jamestown
17	Scott	Timothy	Charleston County Council
18	Tekac	Jerry	Goose Creek Council
19	Umphlett	C. David	State Representative
	Sub-Total		**19 Elected Officials**

ROPER ST FRANCIS HEALTHCARE

125 Doughty Street Ste. 760
Charleston, SC 29403

March 16, 2009

Re: CON application to construct a 50-bed hospital in Goose Creek via a permanent bed transfer from Roper Hospital
Roper St. Francis Hospital-Berkeley

Ms. Lisa Sanders
S.C. DHEC, Bureau of Health Facilities
1777 St. Julian Place Suite 201
Columbia, South Carolina 29204

MAR 17 2009

Dear Ms. Sanders:

The following information is provided in response to your March 9, 2009 letter seeking additional information regarding the application referenced above.

1. In Reference to the charts provided throughout your response. Please address the following:

   a. Please provide market share data for RSF Hospital-Berkeley for Year 1 (2013) and Year 2 (2014). The chart provided on page 2 only addresses Year 3 (2015).

   The chart provided on page 2 of my letter dated February 5, 2009 reflected a 10% market capture of non-aligned patients. As stated in the application, the current Roper St. Francis market share within Berkeley County was assumed to remain stable at 23% of the non-tertiary / non-specialty inpatient discharge market through 2015.

   The following chart reflects Roper St. Francis Hospital-Berkeley's market share within Berkeley County (non-tertiary / non-specialty discharges) during the initial three years of operation:

Year	Total Berkeley Co. Discharges	RSF Hospital-Berkeley Discharges	Market Share
2013	15,057	1,353	9%
2014	15,246	2,318	15%
2015	15,435	2,963	19%

b. Provide surgical volume projections for RSF Hospital-Berkeley for Year 1 and Year 2 to include related projections as outlined in the chart on page 3.

Surgical volumes for years 1-3 were provided on page 4 of my letter dated February 5, 2009, and again below:

Roper St. Francis Hospital-Berkeley

Year	Inpatient Surgeries	Outpatient Surgeries	Total Surgeries
2013	734	2,121	2,855
2014	1,145	3,310	4,455
2015	1,468	4,243	5,711

*Projections exclude tertiary and endoscopy cases

Should you desire projected surgical volume market share capture within Berkeley County, please refer to the following two charts:

Berkeley County Market Projections

Year	Inpatient Surgeries	Outpatient Surgeries	Total Surgeries
2013	6,773	19,616	26,389
2014	6,858	19,863	26,721
2015	6,943	20,109	27,052

*Projections exclude tertiary and endoscopy cases

Roper St. Francis Hospital-Berkeley
Berkeley County Market Share*

Year	Inpatient Surgeries	Outpatient Surgeries	Total Surgeries
2013	9%	9%	9%
2014	15%	15%	15%
2015	19%	19%	19%

*Excludes the 10% in-migration factor

c. Delineate the inpatient and outpatient surgery volume projections for the Roper Berkeley ASC and Roper Hospital (refer to chart on page 4).

All of the surgical volumes at Roper Berkeley Ambulatory Surgery Center are outpatient. Volume projections for years 2009-2015 were provided on page 5 of my letter dated February 5, 2009.

Inpatient and outpatient surgery volume projections (2009-2015) for Roper Hospital were delineated in the chart titled "Roper Hospital Volume Projections" on page 5 of my letter dated February 5, 2009.

d. Provide patient volume shift data from Roper to RSF MT Pleasant hospital during 2013-2015 (refer to chart on page 5).

The chart on page 5 delineates the projected patient volume shift from Roper Hospital to the new Mount Pleasant Hospital in 2011 and 2012. This shift was projected to occur in the first two years of operations only (i.e. none in 2013-2015).

e. It is stated the patient volume shift from Roper to RSFH-Berkeley for 2013-2015 is not reflected in the Roper Hospital Volume Projections above (refer to chart on page 5). How will this further impact the ADC of the downtown location during this time period?

Should a CON be issued for this project, the patients expected to shift to Roper St. Francis Hospital-Berkeley will reduce the projected average daily census at Roper Hospital.

Specifically, in Year 2013: 224 – 6 = Roper Hospital ADC of 218
2014: 222 – 11 = Roper Hospital ADC of 211
2015: 220 – 13 = Roper Hospital ADC of 207

2. Elaborate on Roper Hospital's future relationship with a LTAC Hospital and how this will affect future volume projections.

The 2007 Roper Hospital discharge data provided (last paragraph on page 4 of my letter dated February 5, 2009) demonstrates that an average daily census of 42 patients met the qualifications for an LTAC admission. Should there be a future relationship between Roper Hospital and a LTAC Hospital, the census at Roper's downtown facility would be considerably less; however, at this time it is too early to determine the extent to which a future relationship between Roper Hospital and a LTAC Hospital would affect future census.

Should you have any questions, please contact me at (843) 789-1754.

Sincerely,

Shannon Cantwell

Shannon Cantwell
Regulatory Affairs Specialist

free

D H E C

PROMOTE PROTECT PROSPER

C. Earl Hunter, Commissioner

Promoting and protecting the health of the public and the environment.

Certified Mail 91 7108 2133 3933 8651 9949

March 31, 2009

Ms. Shannon Cantwell
Regulatory Affairs Specialist
Roper St. Francis Healthcare
125 Doughty Street Suite 760
Charleston, SC 29403

Re: Construction of a new hospital by transferring fifty (50) acute care beds from Roper Hospital to include a multi-slice Computed Tomography (CT) scanner and a 1.5T Magnetic Resonance Imaging (MRI) unit for a total license bed capacity of fifty (50) acute care beds at Roper St. Francis Berkeley and three hundred eighteen (318) total licensed beds at Roper Hospital; the facility will be located on Highway 17A in Goose Creek, South Carolina

Roper St. Francis Hospital-Berkeley
Goose Creek, South Carolina

Dear Ms. Cantwell:

This is to notify you that the above referenced project has been determined to be complete for purposes of review by the Office of Certification of Need. Enclosed is an invoice for the required Certificate of Need application fee.

The Department will notify affected persons, which begins the review period, only after the appropriate application fee is paid by valid check made payable to the S.C. Department of Health and Environmental Control. Should the application fee not be received within 15 days from receipt of the Department's invoice by the applicant, the Certificate of Need application will be considered withdrawn.

Should the application fee be received within 15 days, a proposed decision will be made by this Department within 60 days from the date of notification of affected persons unless a public hearing is held. In cases where a public hearing is conducted, the Department will render a proposed decision within 60 days from the date of such public hearing.

In accordance with Section 304 of Regulation No. 61-15, Certification of Need for Health Facilities and Services, the following project review criteria are considered more important in the review of this application. These criteria are ranked according to their relative importance with the most important being listed first. All other relevant criteria will be given equal importance.

1. Compliance with the South Carolina Health Plan - 1
2. Community Need Documentation – 2a, 2b, 2c, 2e
   Distribution (Accessibility) –3a, 3b, 3c, 3d, 3e, 3f
3. Financial Feasibility-15
4. Acceptability-4a, 4b, 4c
   Adverse Effects on Other Facilities – 23a
5. Distribution - 22

If you wish to provide any information regarding the relative importance of the project review criteria, you must provide written comments within thirty (30) days of your receipt of this letter. However, any supplementary information relative to your application will be accepted until a proposed decision is made regarding this project by Department staff.

Should you require further information, please contact me at (803) 545-4200.

Sincerely,

Lisa D. Sanders, Health Planning Analyst
Bureau of Health Facilities and Services Development

Enclosure: Invoice

cc: Ralph Barbier
Jim Rardin
Andrea Brisbin

D H E C

PROMOTE PROTECT PROSPER

South Carolina Department of Health and Environmental Control

INVOICE FOR SERVICES

Bureau of Financial Management / Sims/Aycock Building
2600 Bull St, Columbia, South Carolina 29201

Invoice No.
PC03374-6

Invoice To:
ROPER ST. FRANCIS HEALTHCARE
ATTN: SHANNON CANTWELL
125 DOUGHTY ST UNIT: STE. 760
CHARLESTON, SC 29403-

Ship To:
S.C. DHEC
Attention: Bureau of Financial Management
2600 Bull Street
Columbia, South Carolina 29201

Date:	Terms:	Department Name	Order Filled By:
3/30/2009	**DUE UPON RECEIPT**	Planning and Programs	STONELJ

Description of Services: ROPER ST. FRANCIS HOSPITAL BERKELEY GOOSE CREEK CONSTRUCTION OF A NEW HOSPITAL BY TRANSFERRING FIFTY (50) ACUTE CARE BEDS FROM ROPER HOSPITAL TO INCLUDE A MULTI -SLICE COMPUTED TOMOGRAPHY (CT) SCANNER AND A 1.5T MRI

Qnty	Unit Description	Loc	Organ.	Fund	Account	Analytical	Unit Price	Amount
1	CON APPLICATION FEE	400	402011	428015	4486701	0000000	$7,000.00	$7,000.00
							Total:	$7,000.00

Payment can be made by credit card by completing the below form or by visiting www.scdhec.com and clicking on Invoice Payment under the Quick Links.

Name as it appears on credit card _____ Telephone Number _____

Mailing Address _____

Master Card / Visa / Discover

Type of card (circle one) _____ Credit Card Number _____

Expiration Date _____ Signature _____

001169

Note: Make checks payable to South Carolina Department of Health and Environmental Control, remit to above address to the Attention of: Bureau of Financial Management

D H E C

PROMOTE PROTECT PROSPER

South Carolina Department of Health and Environmental Control

INVOICE FOR SERVICES

Bureau of Financial Management / Sims/Aycock Building
2600 Bull St, Columbia, South Carolina 29201

Invoice No.
PC03374-6

Invoice To:
ROPER ST. FRANCIS HEALTHCARE
ATTN: SHANNON CANTWELL
125 DOUGHTY ST UNIT: STE. 760
CHARLESTON, SC 29403-

Ship To:
S.C. DHEC
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Columbia, South Carolina 29201

Date:	Terms:	Department Name	Order Filled By:
3/30/2009	DUE UPON RECEIPT	Planning and Programs	STONELJ

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Mailing Address _____

Master Card / Visa / Discover

Type of card (circle one) _____ Credit Card Number _____

Expiration Date _____ Signature _____

001110

Note: Make checks payable to South Carolina Department of Health and Environmental Control, remit to above address to the Attention of: Bureau of Financial Management

file

D H E C

PROMOTE PROTECT PROSPER

C. Earl Hunter, Commissioner

Promoting and protecting the health of the public and the environment.

April 16, 2009

Ms. Shannon Cantwell
Regulatory Affairs Specialist
Roper St. Francis Healthcare
125 Doughty Street Suite 760
Charleston, SC 29403

Re: Construction of a new hospital by transferring fifty (50) acute care beds from Roper Hospital to include a multi-slice Computed Tomography (CT) scanner and a 1.5T Magnetic Resonance Imaging (MRI) unit for a total license bed capacity of fifty (50) acute care beds at Roper St. Francis Berkeley and three hundred eighteen (318) total licensed beds at Roper Hospital; the facility will be located on Highway 17A in Goose Creek, South Carolina

Roper St. Francis Hospital-Berkeley
Goose Creek, South Carolina

Dear Ms. Cantwell:

Please be advised that this office's Project Review Committee will meet in the 1st Floor McNeely Conference Room of the Heritage Building, Middleburg Park, 1777 St. Julian Place, Columbia, SC on **Thursday, May 21, 2009 at 1:30 PM**, to discuss the Certificate of Need application for the above referenced project.

You are welcome to attend this meeting, which will provide staff an opportunity to obtain input for the development of staff findings relative to this project. These findings will then be presented to the Director of the Bureau of Health Facilities and Services Development for a Department Decision.

Due to the fact that the Department has received two applications in which both parties have requested to be affected persons on the respective applications, the Department has deemed it appropriate to hold project review concurrently. The order in which applicant presentations will occur will be in accordance with the date of application submission.

Should you have any questions concerning this, please contact me at (803) 545-4200.

001111

Sincerely,

Lisa D. Sanders, Health Planning Analyst
Bureau of Health Facilities and Services Development

cc: Ralph Barbier
Jim Rardin
Andrea Brisbin
David Summer

D H E C
PROMOTE PROTECT PROSPER

C. Earl Hunter, Commissioner

Promoting and protecting the health of the public and the environment.

May 21, 2009

Daniel J. Westbrook
Nelson Mullins
1320 Main Street, 17th Floor
Columbia, SC 29201

Re: Pending CON applications filed by Trident Medical Center, LLC and
Roper St. Francis Hospital/Berkeley for 50 Bed Hospital in Berkeley County

Dear Mr. Westbrook:

This letter acknowledges the receipt of your request to be considered an "affected person" in regards to the above referenced Certificate of Need Application. We will provide you with notices and information related to subsequent Department actions involved with this applicant.

Should you have any questions, please contact me at (803) 545-4200.

Sincerely,

Beverly Brandt

Beverly A. Brandt, Chief
Bureau of Health Facilities and Services Development

cc: Jim Rardin, Vice President, Trident Health System
Shannon Cantwell, Regulatory Affairs Specialist, Roper St. Francis Healthcare

Nelson Mullins

Nelson Mullins Riley & Scarborough LLP
Attorneys and Counselors at Law
1320 Main Street / 17th Floor / Columbia, SC 29201
Tel: 803.799.2000 Fax: 803.255.5164
www.nelsonmullins.com

Daniel J. Westbrook
Tel: 803.255.9456
Fax: 803.255.5164
dan.westbrook@nelsonmullins.com

May 19, 2009

RECEIVED
MAY 19 2009
HEALTH FACILITIES AND SERVICES DEVELOPMENT

Via E-Mail
Beverly A. Brandt, Director
Bureau of Health Facilities and Services Development
South Carolina Department of Health
and Environmental Control
1777 St. Julian Place, Suite 201
Columbia, SC 29204

Re: Pending CON Applications filed by Trident Medical Center, LLC and Roper St. Francis Hospital/Berkeley for 50 Bed Hospital in Berkeley County

Dear Beverly:

I am writing on behalf of East Cooper Regional Medical Center ("East Cooper") to request that it be considered an "affected person" as defined in Section 103(1) of Regulation 61-15 with regard to the above CON applications being considered by DHEC. As an affected person and pursuant to Sections 308 and 401 of Regulation 61-15, East Cooper reserves the right to provide comments regarding both of these applications throughout the review process.

East Cooper will make a separate Freedom of Information Act request for the Department files on each application. In the meantime, East Cooper, as an affected person, would like notice of any decisions, meetings, additional materials submitted by the applicants, correspondence, or any other materials regarding these applications.

If you have any questions regarding this request, please feel free to give me a call.

Very truly yours,

Dan

Daniel J. Westbrook

DJW:dmc
cc: Lisa Sanders

Senate

District No. 37
Lawrence "Larry" Grooms

District No. 43
George "Chip" E. Campsen III

District No. 44
Paul Campbell

State of South Carolina

Representative C. David Umphlett, Jr.
Chairman, Berkeley Delegation

Senator Larry Grooms
Vice-Chair, Berkeley Delegation

Berkeley County Legislative Delegation

House of Representatives

District No. 92
Joseph "Joe" S. Daning

District No. 99
James "Jim" Merrill

District No. 100
C. David Umphlett, Jr.

District No. 102
Joseph "Joe" Jefferson

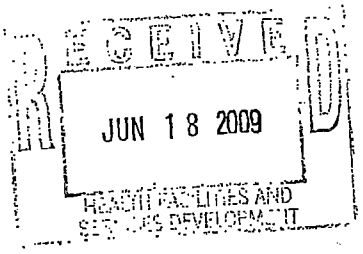
District No. 110
Harry B. "Chip" Limehouse

District No. 117
Tim Scott

June 16, 2009

The Honorable C. Earl Hunter, Commissioner
South Carolina Department of Health
And Environmental Control
2600 Bull Street
Columbia SC 29201

Ms. Beverly Brandt, Chief
Bureau of Health Facilities and
Environmental Control
1777 St. Julian Place, Suite 201
Columbia SC 29204



RE: (1) Certificate of Need Application by Roper St. Francis Healthcare – Berkeley for the construction Of a 50-bed hospital at the intersection of Hwy 176 and 17A, better known as Carnes Crossroads, Berkeley County, SC
(2) Certificate of Need Application by Trident Medical Center, LLC. for the construction of a 50-bed hospital in Moncks Corner, SC

Dear Commissioner Hunter and Chief Brandt:

As you are aware, Roper St. Francis Healthcare and Trident Medical Center are each proposing to develop a 50-bed hospital in Berkeley County. Roper's proposed hospital will be in southern Berkeley County at Carnes Crossroads (Hwys 176 and 17A), and Trident is proposing to locate its hospital in Moncks Corner, more than 12 miles north from the Roper site.

The Berkeley County Legislative Delegation has reviewed these projects and has concluded that both projects would be of great benefit to the citizens of Berkeley County and the surrounding area. With a current population over 158,000 and expected population growth to exceed 9% during the next several years, Berkeley County can support two hospitals that will have a combined total of only 100 beds. All other South Carolina counties

that have a similar sized population have more than 100 hospital beds, and many of these counties have two or more hospitals. We understand that Roper will not be bringing any new beds into service, but rather will be relocating existing beds currently located in downtown Charleston. Further, the 50 new beds for the Trident project are provided for in the current Health Plan.

In this time of economic slowdown, allowing two financially strong entities like Roper and Trident to proceed to make substantial long-term investments in our growing county will not only improve the delivery of health care to our citizens, but will also provide much needed short-term economic activity to this community.

We, the elected members of the South Carolina General Assembly who represent Berkeley County, urge the Department to approve both projects.

BERKELEY COUNTY LEGISLATIVE DELEGATION:

Representative David Umphlett, Chairman

Senator Paul Campbell

Representative Joe Daning

Senator Chip Campsen

Representative Joe Jefferson

Senator Larry Grooms

Representative Chip Limehouse

Representative Jim Merrill OUT OF STATE

Representative Tim Scott

001116

June 15, 2009

JUN 19 2009

The Honorable C. Earl Hunter, Commissioner
South Carolina Department of Health
and Environmental Control
2600 Bull Street
Columbia, South Carolina 29201

Ms. Beverly Brandt
Chief, Bureau of Health Facilities and Services Development
SC Department of Health and Environmental Control
1777 St. Julian Place, Suite 201
Columbia, SC 29204

Re: (1) Certificate of Need Application by Roper St. Francis Hospital - Berkeley for the construction of a 50 bed hospital at Carnes Crossroads, Berkeley County, South Carolina

(2) Certificate of Need Application by Trident Medical Center, LLC for the construction of a 50 bed hospital in Moncks Corner, South Carolina

Dear Mr. Hunter and Ms. Brandt:

As mayors representing several towns and cities located in both southern and northern Berkeley County, we have discussed the referenced hospital projects currently before the Department for Certificate of Need ("CON") review and ask that the Department approve both projects.

These two projects, which will be more than 12 miles apart, will bring a total of only 100 hospital beds to Berkeley County, which already has a substantial population and is projected to have significant growth. We understand that both Trident and Roper have raised concerns about the other's proposed project. However, if both projects are approved, we will strongly encourage both Roper and Trident to accept that decision to avoid a long legal fight that will likely result if only one project is approved, thereby assuring that no hospital will be built in Berkeley County for many years, to the detriment of our citizens.

Given the distance that will separate these two proposed hospitals and the county's large and growing population, having one 50 bed hospital in southern Berkeley County and another 50 bed hospital in northern Berkeley County will be the outcome that most benefits all the citizens of Berkeley County.

Thank you for your consideration of this request.

Michael J. Heitzler
Mayor Goose Creek

Robert B. Hoffman
Mayor St. Stephens

William W. Peagler, III *
Mayor Moncks Corner

Roy P. Pipkin
Mayor Jamestown

Rembert E. Wrenn
Mayor Bonneau

* I FEEL THAT MONCKS CORNER SHOULD BE THE FIRST PRIORITY &

JOHN H. SWICORD, M.D., P.A.
P.O. BOX 907
MONCKS CORNER, SC 29461
TELEPHONE (843) 761-8248 FAX (843) 899-5096

RECEIVED
JUN 19 2009

June 16, 2009

brandtba@dhec.sc.gov
Ms. Beverly Brandt
Chief, Bureau of Health Facilities and Services Development
SC Department of Health and Environmental Control
1777 St. Julian Place, Suite 201
Columbia, SC 29204

Re: Development of Fifty Bed Hospital by Roper St. Francis Healthcare of Carnes Crossroads and a Fifty Bed Hospital in Moncks Corner by Trident Health System

Dear Ms. Brandt,

I am a retired family practice physician who spent almost 30 years practicing medicine in Moncks Corner, South Carolina before retiring in 2004. As a native of Moncks Corner, it was a pleasure for me to treat the citizens of Moncks Corner and Berkeley County during my career.

When I practiced, I was on the medical staff at Roper St. Francis and Trident and I believe that both Roper St. Francis and Trident are fine hospitals who provide high quality of care for their patients.

Berkeley County has operated without a hospital in the county for over three decades. During that time, Berkeley County has experienced significant change in its population and its industrial base. Berkeley County is now one of the fastest growing counties in the state and is viewed favorably by companies considering a move to South Carolina. The time has come for Berkeley County to have its own hospitals.

Roper St. Francis, who demonstrated a longstanding commitment to Berkeley County when it opened the first free standing emergency department in the county in Moncks Corner in 1991, has selected a site at Carnes Crossroads which is at the center of the largest population center and fastest growing part of the county. Undoubtedly, this is an ideal spot for a new hospital. Also, Trident has chosen a site in Moncks Corner for its hospital which will allow it to serve the residents of the northern part of the county.

Based on my medical and personal experience in Berkeley County, I believe that there are more than enough patients in the county to support the development of both hospitals. The construction of both hospitals will create the critical mass necessary to attract physicians to the county that one hospital may not be able to do on its own. I believe that the citizens of Berkeley County will be best served by building both hospitals and I know that both hospitals can be successful.

I strongly encourage you to approve both hospital projects which will allow Berkeley County to join other counties in providing health care to its citizens closer to home.

Sincerely,

John Swicord, M.D.

John Swicord, M.D.

JUN 19 2009

Senate

District No. 37
Lawrence "Larry" Grooms

District No. 43
George "Chip" E. Campsen III

District No. 44
Paul Campbell

State of South Carolina

Representative C. David Umphlett, Jr.
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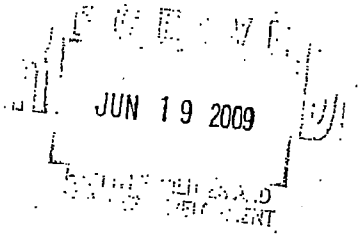
Harry B. "Chip" Limehouse

District No. 117
Tim Scott

June 16, 2009

The Honorable C. Earl Hunter, Commissioner
South Carolina Department of Health
And Environmental Control
2600 Bull Street
Columbia SC 29201



Ms. Beverly Brandt, Chief
Bureau of Health Facilities and
Environmental Control
1777 St. Julian Place, Suite 201
Columbia SC 29204

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Senator Paul Campbell

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Senator Larry Grooms

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Representative Jim Merrill OUT OF STATE

Representative Tim Scott

June 15, 2009

The Honorable C. Earl Hunter, Commissioner
South Carolina Department of Health
and Environmental Control
2600 Bull Street
Columbia, South Carolina 29201

JUN 19 2009

Ms. Beverly Brandt
Chief, Bureau of Health Facilities and Services Development
SC Department of Health and Environmental Control
1777 St. Julian Place, Suite 201
Columbia, SC 29204

Re: (1) Certificate of Need Application by Roper St. Francis Hospital - Berkeley for the construction of a 50 bed hospital at Carnes Crossroads, Berkeley County, South Carolina

(2) Certificate of Need Application by Trident Medical Center, LLC for the construction of a 50 bed hospital in Moncks Corner, South Carolina

Dear Mr. Hunter and Ms. Brandt:

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001123

Thank you for your consideration of this request.

Michael J. Heitzler
Mayor Goose Creek

Robert B. Hoffman
Mayor St. Stephens

William W. Peagler, III *
Mayor Moncks Corner

Roy P. Pipkin
Mayor Jamestown

Rembert E. Wrenn
Mayor Bonneau

* I FEEL THAT MONCKS CORNER SHOULD BE THE FIRST PRIORITY.

We need a hospital in Moncks Corner'

Published Tuesday, June 16, 2009 9:27 AM

By Dan Brown
The Gazette

Provided
Above is an artist's rendering of Roper's proposed hospital at Carnes Crossroads.

Provided
An artist's rendition of the proposed 50-bed Trident Health System hospital to be located in Moncks Corner.

JUN 19 2009

Two proposed hospitals await state's go-ahead -

There is potential good news for Berkeley County residents: a new hospital is on the way. Perhaps two.

Representatives from Roper-St. Francis Hospital met with town, county and state officials last week to discuss plans for a proposed 50-bed hospital they want to build at Carnes Crossroads in Goose Creek.

At the same time, Trident Health Systems has plans to build a 50-bed hospital in Moncks Corner, and presented a similar proposal to area officials.

The proposed building of the two hospitals has not come without its share of controversy and hard feelings, and depending upon how a Certificate of Need (CON) vote by the South Carolina Department of Health and Environmental Control plays out on June 22, it could mean two hospitals for Berkeley County residents, or one hospital, or none at all.

This is where the wicket gets sticky.

Roper-St. Francis plans to build its new 50-bed facility in the Carnes Crossroads area inside the city limits of Goose Creek. Trident Health System's proposed facility is tentatively slated for construction

next door to its ER center on Live Oak Drive in Moncks Corner just 12 miles down Hwy.17A from the proposed Roper facility.

The state's Certificate of Need decision could fall one of three ways:

1. A ruling in favor of the Roper-St. Francis hospital in Carnes Crossroads and against the Moncks Corner Trident facility;

2. A ruling in favor of the Trident facility and against Roper;

3. A ruling in favor of both Trident and Roper.

Moncks Corner Mayor Bill Peagler is concerned his town and those people living in the extreme rural areas of Berkeley County such as Bonneau, St. Stephen, Cross and Jamestown might be left out in the cold.

"I don't want to see people dying because of health care," Peagler said. "My concern is for the people of Moncks Corner and the quality of life we enjoy here. We need a hospital in Moncks Corner.

"If the market can support two hospitals and both be successful, then great, I'm all for it, but what I don't want to have happen is a decision comes down favoring one over the other and our town be left out of the picture here. If a hospital is going to be built anywhere, it should be built in Moncks Corner."

Peagler's concerns lie with the Roper-St. Francis proposed Carnes Crossroads location.

"I say if you're going to build a hospital that best services the needs of this portion of Berkeley and puts the majority of the county residents within 30 minutes of a hospital as the state would like, it's only logical that the hospital be built here," the mayor said.

Peagler added that while the proposed Carnes Crossroads location has a greater potential for population density, 100,000 proposed residents according to Roper-St. Francis figures, given the traffic situation on the two-lane Hwy. 17A those who live in extreme southern Moncks Corner are at least 30 minutes away.

"The Carnes Crossroads location serves no other purpose than those living in the immediate vicinity of the hospital," he said. "It doesn't help those people living in Moncks Corner, Bonneau, St. Stephen or Jamestown at all. Again, I'll say it: I don't want people dying because of health care."

Peagler doesn't want to see any quality of life decline of the medical services already available in Moncks Corner.

"Roper-St. Francis has been a part of Moncks Corner for a very long time," he said. "We just want to make sure things stay that way after this new hospital opens."

According to officials from Roper-St. Francis, the hospital has no intentions of closing down its Moncks Corner location.

"We have no intention of closing our Moncks Corner surgery center," said Doug Bowling. "Even if both hospitals are approved we will continue to operate our center in Moncks Corner."

Bowling commented on the different Certificate of Need scenarios that might play out, citing if there is a vote of one hospital over another, it could mean no hospital at all for residents here for the foreseeable future.

"If there is an appeal in this," he said. "It will prevent Berkeley County from having a hospital for up to 10 years. The plan for building hospitals needs to be sooner rather than later."

Bowling also added that Roper-St. Francis has no intention of appealing any CON ruling that allows for two hospitals.

"We applaud the addition of two hospitals in the area and strongly feel the market will support them both," he said.

Bowling said that the slow economy should not deter plans to move forward with providing the area with quality health care services.

"Health care is not that subject to change in the economy," he said. "Now is the time to design and build new hospitals. Growth will return. We will not be in this recession for long. Now is the time to plan and be in the position for good times to return."

Bowling cited other South Carolina counties that have equal or less population than Berkeley County but significantly more beds. "Georgetown County has only 60,000 residents," he said. "They have two hospitals in Georgetown and 255 total beds.

"Lexington County currently has 384 beds and they have almost the exact same population as Berkeley and they just put in a CON to up it to 425 beds."

Roper-St. Francis purchased 68 acres at Carnes Crossroads two years ago with the intent of building a new facility.

"We had originally intended to add 25 beds to our surgery center in Moncks Corner, but with the greater density of population it made better sense to build a 50-bed facility here," Bowling said.

Trident Health Systems already had plans on the table for a 50-bed facility of their own in Moncks Corner. According to Bowling, news of the proposed Carnes Crossroads facility put Trident on notice: "They put their CON in for a new hospital. Then we followed with one of our own."

As for the change in business plan to move to Carnes Crossroads over Moncks Corner Bowling added, "There just weren't the number of in-patients available to support adding beds to our surgery center."

Peagler, while optimistic of the addition of two hospitals in the area, doesn't want his town getting the short end of any stick.

"If they (Roper) were allowed to do that they could adversely affect Trident's earning potential which in turn will adversely affect their ability to build a hospital in Moncks Corner," he said.

Goose Creek Mayor Michael Heitzler thinks the two-hospital plan would be a tremendous help to all northern Berkeley County communities.

"In this case the best scenario is to have two hospitals," Heitzler said. "I feel the market will support two hospitals. This is an opportunity for the people in Cross, St. Stephen and Moncks Corner to take a bold step forward. This is a win/win situation for all concerned."

Heitzler added, "There's not a thing wrong with South Carolina having one hospital too many. Just centering the location in Moncks Corner isn't the solution. You need hospitals in both locations."

Roper-St. Francis Healthcare CEO David Dunlap reiterated his company's commitment to providing quality health care to citizens of Berkeley County.

"Roper St. Francis has demonstrated a strong commitment to Berkeley County since opening our Moncks Corner facility there 17 years ago (March 1992). Our commitment to these communities remains strong, and we will continue to provide outpatient services to people living and working in Moncks Corner and the surrounding communities. That will not change."

Dunlap added that Berkeley County is one of only five counties in the state that doesn't have a full service hospital.

"Roper St. Francis wants to change that," he said.

Officials at Trident Health Systems say they intend to follow through with plans to build a 50-bed hospital in Moncks Corner and would not appeal a CON ruling recommending the construction of two hospitals.

Todd Gallati, CEO of Trident Health Systems maintained that their plans for a Moncks Corner hospital is consistent with their plan of progression and not any reaction to competition.

"As a business we welcome competition," he said. "What we want to do in Berkeley County is consistent with the plan of progression we utilized in Dorchester County with the Summerville Medical Center."

Gallati said Trident is prepared to move forward with the two-hospital scenario, but questioned if a two-hospital outcome is in the best interests of Berkeley County.

"Ideally what you would want to see is one complete-service 150-bed hospital," he said. "Today people are going to drive right by a 50-bed facility because they want to go where they can get all the health care they need in one hospital."

Gallati added that the proposed Roper facility in Carnes Crossroads doesn't meet the criteria of the state's goal of providing a hospital within 30 minutes of every South Carolina resident.

"If you were to look at this from the state's health care goal, the Roper proposal doesn't meet that, as Goose Creek already has a hospital within 30 minutes of all residents. The Trident proposal in Moncks Corner meets the state's goal."

Gallati stressed that Trident Health Systems is committed to providing quality health care to Berkeley County.

"At this time we are committed to building a 50-bed facility in Moncks Corner and developing that hospital just like we did the Summerville Medical Center. This hospital has the potential to become a

150-bed facility but with the two-hospital scenario it will just take more time."

Joint Exhibit 002-1135

001130

Sign-In Sheet

Date: June 19, 2009 **Meeting:** Community Leaders- Berkeley County/Moncks Corner

Name	Affiliation
RM Holcombe	Farmers & Merchants Bank (Berkeley County)
Julius Barnes	Berkeley County (St. Stephen)
Terry L. Kunkle PHD.	D.L.O. Kunkle & Kunkle, P.A.
Gene Williams	Retired ~~Member of Keep~~ Roper
Lisa Sanders	DHEC - CON
Beverly Brandt	DHEC - CON
Fatumah Wilson	DHEC - CON
Kelley Barrett	DHEC - CON
Misty Hallen	DHEC - CON
Sallie Harrell	DHEC - CON
Les Shelton	DHEC CON
Chris Ward	DHEC

RECORD 006513

Nelson Mullins

Nelson Mullins Riley & Scarborough LLP
Attorneys and Counselors at Law
1320 Main Street / 17th Floor / Columbia, SC 29201
Tel: 803.799.2000 Fax: 803.255.5164
www.nelsonmullins.com

Daniel J. Westbrook
Tel: 803.255.9456
Fax: 803.255.5164
dan.westbrook@nelsonmullins.com

May 19, 2009

RECEIVED
MAY 19 2009
HEALTH FACILITIES AND SERVICES DEVELOPMENT

Via E-Mail
Beverly A. Brandt, Director
Bureau of Health Facilities and Services Development
South Carolina Department of Health
and Environmental Control
1777 St. Julian Place, Suite 201
Columbia, SC 29204

Re: Pending CON Applications filed by Trident Medical Center, LLC and Roper St. Francis Hospital/Berkeley for 50 Bed Hospital in Berkeley County

Dear Beverly:

I am writing on behalf of East Cooper Regional Medical Center ("East Cooper") to request that it be considered an "affected person" as defined in Section 103(1) of Regulation 61-15 with regard to the above CON applications being considered by DHEC. As an affected person and pursuant to Sections 308 and 401 of Regulation 61-15, East Cooper reserves the right to provide comments regarding both of these applications throughout the review process.

East Cooper will make a separate Freedom of Information Act request for the Department files on each application. In the meantime, East Cooper, as an affected person, would like notice of any decisions, meetings, additional materials submitted by the applicants, correspondence, or any other materials regarding these applications.

If you have any questions regarding this request, please feel free to give me a call.

Very truly yours,

Dan

Daniel J. Westbrook

DJW:dmc
cc: Lisa Sanders

C. Earl Hunter, Commissioner
Promoting and protecting the health of the public and the environment.

May 21, 2009

Daniel J. Westbrook
Nelson Mullins
1320 Main Street, 17th Floor
Columbia, SC 29201

Re: Pending CON applications filed by Trident Medical Center, LLC and Roper St. Francis Hospital/Berkeley for 50 Bed Hospital in Berkeley County

Dear Mr. Westbrook:

This letter acknowledges the receipt of your request to be considered an "affected person" in regards to the above referenced Certificate of Need Application. We will provide you with notices and information related to subsequent Department actions involved with this applicant.

Should you have any questions, please contact me at (803) 545-4200.

Sincerely,

Beverly Brandt

Beverly A. Brandt, Chief
Bureau of Health Facilities and Services Development

cc: Jim Rardin, Vice President, Trident Health System
Shannon Cantwell, Regulatory Affairs Specialist, Roper St. Francis Healthcare

PROJECT REVIEW COMMITTEE MEETING
May 21, 2009 1:30 pm

Berkeley Medical Center Moncks Corner, SC
Roper St. Francis Berkeley Hospital Goose Creek, SC

NAME:	AFFILIATION:
Sara Tyler	PPAM
Robert W Hoffman	Town of St. Stephen
M Strange	TMC
Ashley Steenhuis	TMC
Doug Bauer	Roper St. Francis
William W. Penrose, III	Town Of Moncks Corner
RICK KNAPP	ROPER ST. FRANCIS
Ralph Barbier	Roper
MADE RICHARD	RSF
Brenda Myers	RSC
Todd Gallati	THS
Mark Dobson	TMC
Jim Rardin	TMC
Shannon Cantwell	Roper St Francis
Matt Severance	Roper St. Francis
ANDREA BRISBIN	THS
DAVID SUMMER	THS
WILL THOMASS	THS
Melanie Williams	THS
DAVID DUNLAP	RSH
Erin Snow	RSH
Richard Bacot	TMC IRAB v.Ce

001133

PROJECT REVIEW COMMITTEE MEETING
May 21, 2009 1:30 pm

Berkeley Medical Center Moncks Corner, SC
Roper St. Francis Berkeley Hospital Goose Creek, SC

NAME:	AFFILIATION:
Lynn Bailey	Southeastern Spine & Colorectal Endo/Surg
Teresa Swanger	Roper St Francis Healthcare
Tricia Cunningham	Roper St. Francis Healthcare
David Dunlap	Roper St Francis Healthcare
Jimmy Long	Nexsen Pruet
KAM GOODELL	TRIDENT HEALTH SYSTEM
Will Thomas	THS / PPAB
Peggy Pinnell	Community Resident

001134

May 21, 2009

MEMORANDUM:

From: Beverly Brandt, Chief, Bureau of Health Facilities and Services Development

Re: Project Review Committee Meeting for Certificate of Need (CON) Applications:

Berkeley Medical Center
Intersection of Martin Luther King Drive and Highway 17A
Moncks Corner, SC 29461
(Berkeley County)
Construction to establish a fifty (50) bed acute care hospital through the transfer of 50 acute care beds from the bed need generated by Trident Medical Center to include a Magnetic Resonance Imaging (MRI) unit and a Computed Tomography (CT) scanner; the facility will be located adjacent to the current site of the Moncks Corner Medical Center at the intersection of martin Luther King Drive and Highway 17A; conversion of the existing Moncks Corner Medical Center into a medical office building housing physician offices and clinics
$115,000,000

Roper St. Francis Hospital-Berkeley
Highway 17A
Goose Creek, SC 29461
(Berkeley County)
Construction of a new hospital by transferring fifty (50) acute care beds from Roper Hospital to include a multi-slice Computed Tomography (CT) scanner and a 1.5T Magnetic Resonance Imaging (MRI) unit for a total license bed capacity of fifty (50) acute care beds at Roper St. Francis Berkeley and three hundred eighteen (318) total licensed beds at Roper Hospital; the facility will be located on Highway 17A in Goose Creek, South Carolina
$112,978,119

Project Review Committee meet in the First (1st) Floor Conference Room of the Heritage Building, Middleburg Park, 1777 St. Julian Place, Columbia, South Carolina at **1:30PM on Thursday May 21, 2009** to discuss the Certificate of Need applications for the above referenced projects.

This meeting will provide Department Staff an opportunity to obtain input for the development of staff findings relative to these projects. These findings will then be presented to the Chief of the Bureau of Health Facilities and Services Development for a Department Decision.

001135

Certificate of Need Application – Project Review – May 21, 2009
Roper St. Francis Hospital-Berkeley

I. Application Information:

Facility: Roper St. Francis Hospital-Berkeley

Location of Facility: Intersection of US Highway 17A and Highway 176 Goose Creek, SC 29461.

Project Description: Construction of a new hospital by transferring fifty (50) acute care beds from Roper Hospital to include a multi-slice Computed Tomography (CT) scanner and a 1.5T Magnetic Resonance Imaging (MRI) unit for a total license bed capacity of fifty (50) acute care beds at Roper St. Francis Berkeley and three hundred eighteen (318) total licensed beds at Roper Hospital; the facility will be located on Highway 17A in Goose Creek, SC.

Licensee/Ownership: The licensee for this facility will be Roper St. Francis Hospital-Berkeley, Inc. and will be owned by Care Alliance Health Services d/b/a Roper St. Francis Healthcare.

Profit or Non-Profit: This will be a non-profit facility.

II. Application Summary:

A. Cost: The total project cost is estimated to be $ 112,978,119 and is itemized as follows:

Site Costs	$ 8,192,083
Construction Cost	$ 57,876,525
Professional Fee	$ 6,962,226
Equipment Costs	$ 22,296,158
Financing during Construction	$ 6,700,000
Other Costs	$ 3,491,909
Project Contingency	$ 7,459,218
Total Project Cost	**$ 112,978,119**
Number of Buildings	One
Number of Stories	Two
Square Footage	138,750 gross s.f. 144,000 with canopies and loading dock
Total Project Cost/Square Foot	**$578**

B. Financing: A letter dated November 19, 2008, from Bret Johnson, Senior Vice President and Chief Financial Officer states that Roper St. Francis Healthcare

management proposes funding the project through the use of $25 million in cash on hand. Bond financing will fund the remainder of the project.

C. **Need:** This CON request is based on the *2008-2009 South Carolina Health Plan*, pp.II-9 thru II-10 regarding the standards for general hospital criterion for bed transfers. Justification of Project Need as addressed by the applicant are attached and can be found in the original application on Bates Stamped pages 15-38.
Additional information regarding utilization for existing Roper St. Francis Healthcare facilities are attached and can be found on applicant response to additional information request dated March 16, 2009 found in the original application.

D. **Financial Feasibility:**
The applicant has provided a three or five-year budget, which indicates net income as follows:

Roper St. Francis Hospital-Berkeley
Forecasted Statement of Operations

	2013	2014	2015
Patient Days-Incremental	3,194	5,475	6,388
Adjusted Patient Days-Incremental	6,254	10,721	12,509
Gross Patient Services Revenue	52,436,329	96,175,681	120,068,706
Total Revenue	15,421,627	27,975,554	34,538,863
Revenue over Expenses	-11,765,772	-3,313,318	285,160

Roper St. Francis Healthcare (including Berkeley)
Forecasted Statement of Operations

	2013	2014	2015
Gross Patient Services Revenue	2,717,888,288	2,997,252,916	3,270,490,167
Total Revenue	789,084,820	839,222,141	883,057,100
Revenue over Expenses	64,632,658	76,801,173	82,878,196

Roper St. Francis Healthcare (without Berkeley)
Forecasted Statement of Operations

	2013	2014	2015
Gross Patient Services Revenue	2,665,451,959	2,901,077,235	3,150,421,461
Total Revenue	773,663,193	811,246,587	848,518,237
Revenue over Expenses	76,398,430	80,114,491	82,593,036

E. Staffing: Proposed staffing by the applicant includes:

	Year 1	Year 2	Year 3
Total Full time equivalent employees	214.1	253.7	286.7

Refer to Bates Stamped pages 47-49 in the original application for job classification breakdown by year.

F. Indigent Care Plan: The applicant has provided an indigent care plan with the following amounts in the projected budget:

	Budget Year 1	Budget Year 2
Gross Revenue	$52,436,329	$96,175,681
Indigent Care	$1,153,599	$2,115,865
Indigent Care as a % of GR	2.2%	2.2%

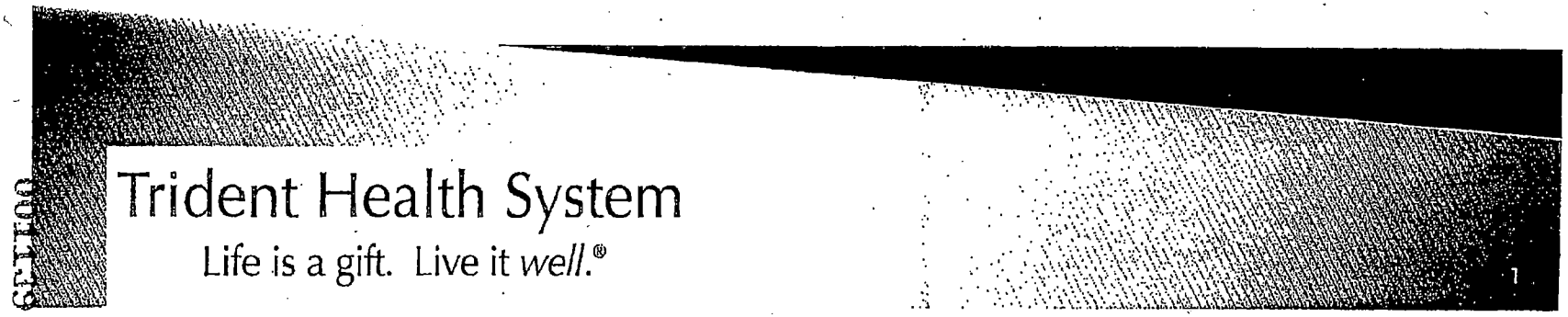
G. Cost Containment: The applicant addressed cost containment and quality of care in the following manner:
The program will foster cost containment by benefiting from being a member of Roper St. Francis Healthcare, which provides an extensive corporate infrastructure for such support functions as human resources, finance, information technology, audit, 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. The incremental FTEs expected at this corporate level arising from the presence of Roper St. Francis Hospital-Berkeley are less than 10, creating economies of scale. Also, it is important to note that Roper St. Francis Healthcare hospital 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 result in prompt reaction to adverse trends and the cost effective provision of services.

H. Service Area Proposed by Applicant:
The proposed project is projected to primarily meet the needs of residents in Berkeley County.

Decision Due Date: A proposed decision must be made by the Department on or before **June 27, 2009.**

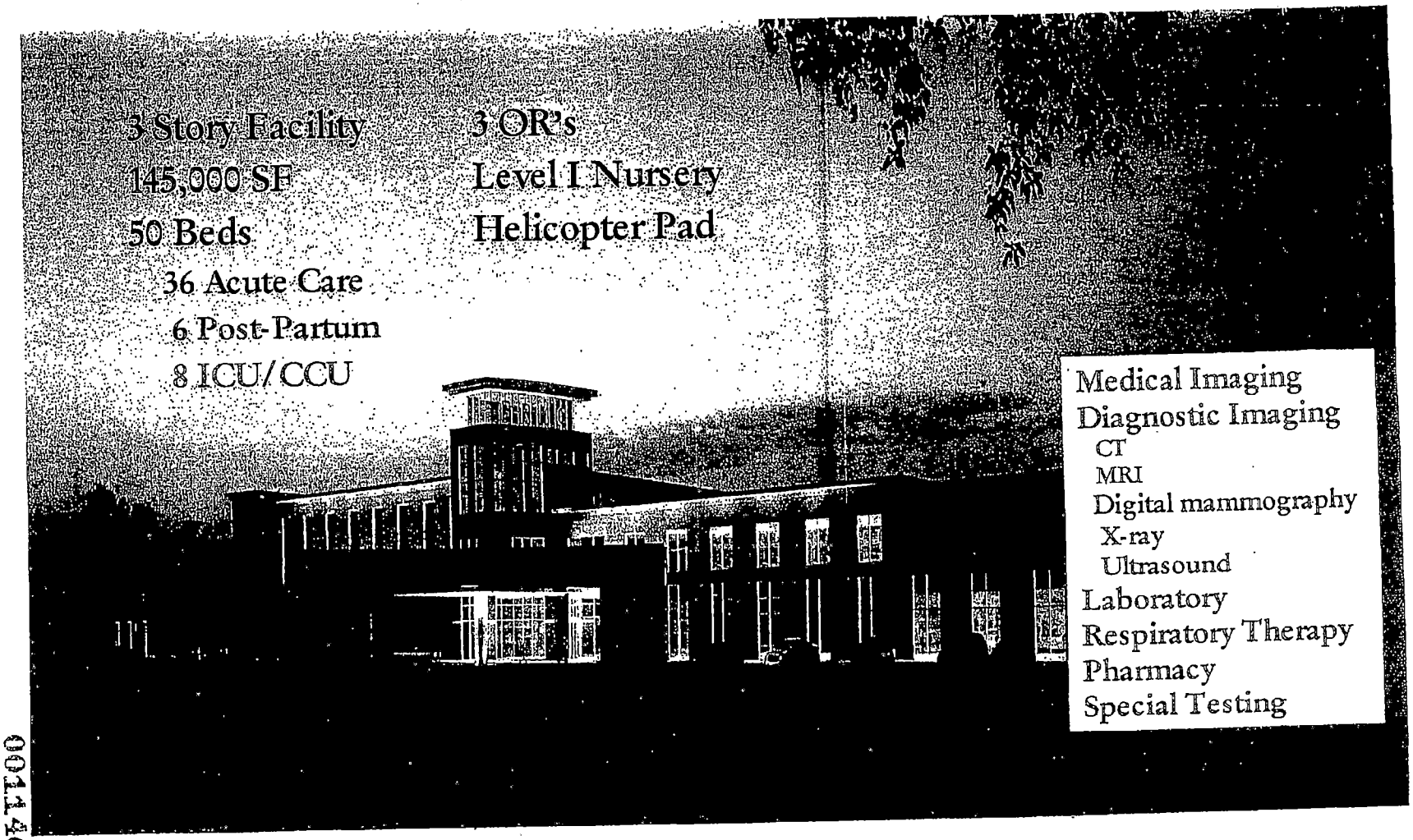
Trident Health System:
Proposal for the Construction of Berkeley Regional Medical Center Moncks Corner, S.C.

S.C. Department of Health & Environmental Control
Project Review Meeting
May 21, 2009



RECORD 006522
Joint Exhibit 002-1144

Berkeley Regional Medical Center



RECORD 006523

001140

Joint Exhibit 002-1145

Trident Health System:
35 Year History of Service to the Tri-County Region

- In 1972, the Charleston Area Comprehensive Health Planning Council issued its Final Report on acute care needs of patients in Berkeley, Dorchester & northern Charleston Counties

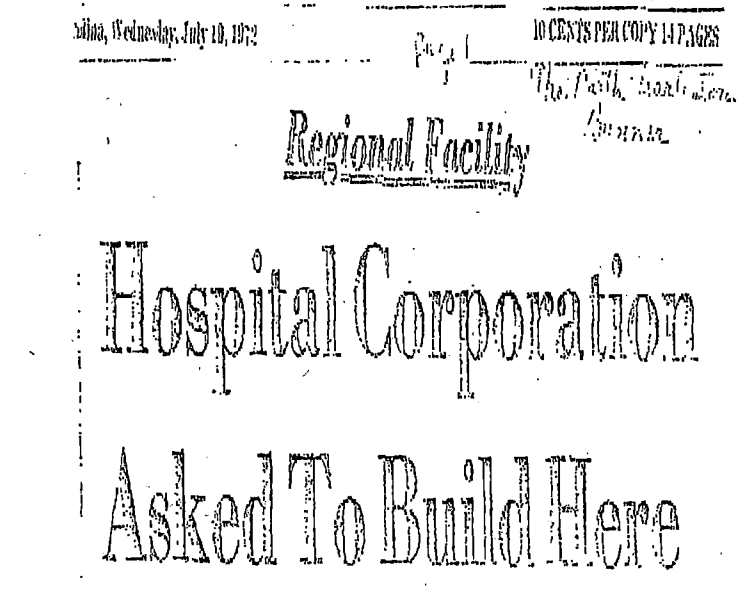
- Final Report Conclusions:
  - A disproportionate concentration of hospitals on the Chas. Peninsula exist at the expense of citizens living inland
  - Berkeley County and Dorchester County Hospitals are in disrepair and in need of replacement
  - A regional, tri-county hospital should be established to serve the needs of Berkeley, Dorchester and northern Charleston Counties

RECORD 006524

001141

Joint Exhibit 002-1146

Trident Health System:
35 Year History of Service to the Tri-County Region



...lina, Wednesday, July 19, 1972 — 10 CENTS PER COPY 14 PAGES

Regional Facility

Hospital Corporation Asked To Build Here

BERKELEY COUNTY HOSPITAL

MONCKS CORNER, S. C. 29461

October 18, 1972

A special meeting of the Board of Trustees of the Berkeley County Hospital was held at the hospital on this date. Members present were Mr. Martin, Mr. Hilman, Mr. Fincher, Mr. West and Mr. Barby which constituted a quorum.

Mr. West moved and Mr. Fincher seconded the following resolution:

" That the board approves the plans of the Hospital Corporation of America to place a regional hospital on site number one and agrees that the Berkeley County Hospital will phase into some other type of health care when said hospital is opened."

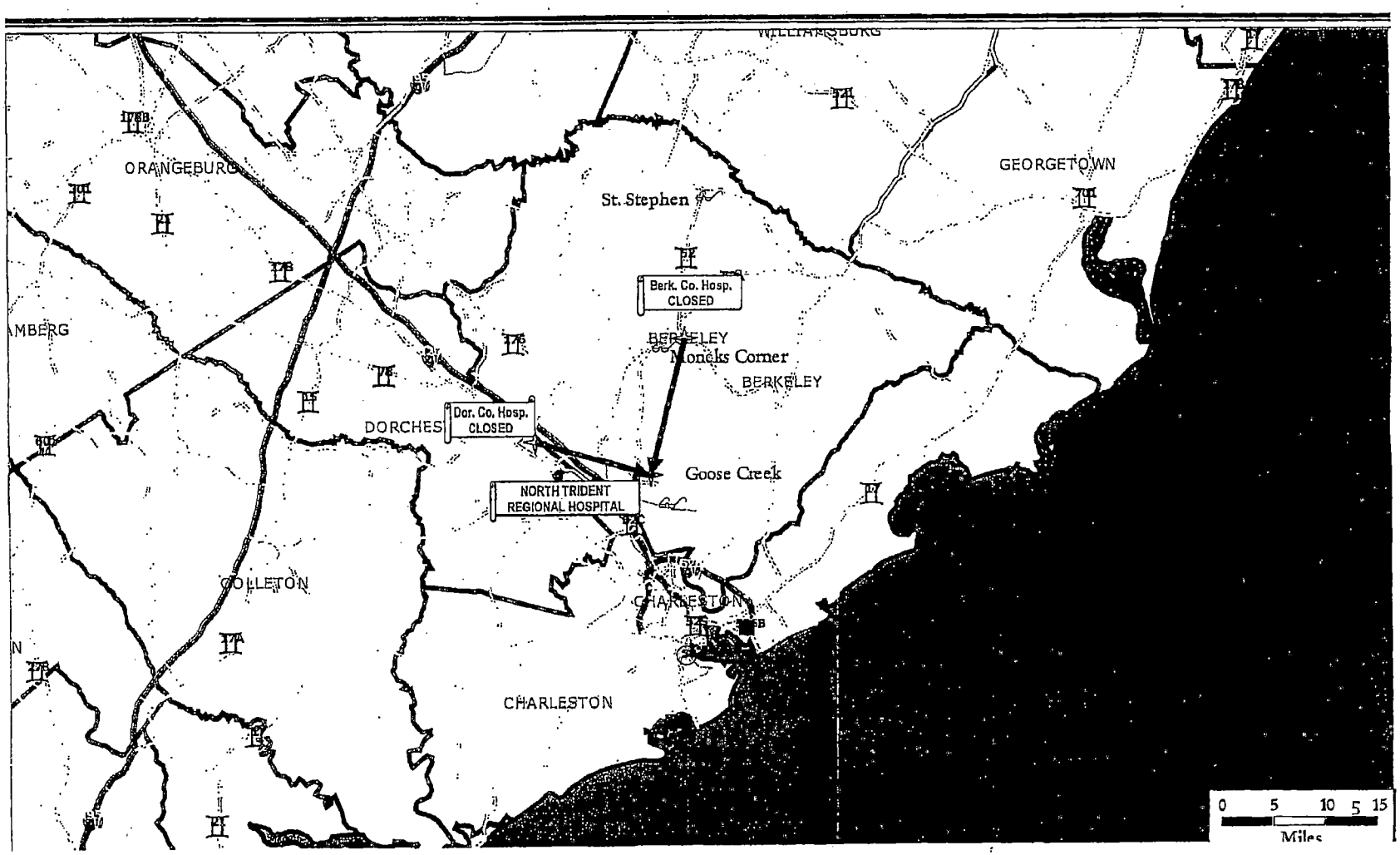
- ➔ Planning Council requested; HCA agreed to build new regional hospital
- ➔ Berkeley & Dorchester County Hospitals agreed to close upon opening of new HCA hospital
- ➔ December 22, 1972: CON issued to HCA for construction of a "200-bed full-service general hospital for the North Trident Area of Charleston, Berkeley and Dorchester Counties"

RECORD 006525

Joint Exhibit 002-1147

Trident Health System: Established 1975

35 Year History of Service to the Tri-County Region



RECORD 006526

001143

Joint Exhibit 002-1148

Trident Health System: Fulfilling our Promise

Northern CHARLESTON COUNTY	DORCHESTER COUNTY	BERKELEY COUNTY
1975: Opening of North Trident Regional Hospital [200 beds]	1975: Dorchester Co. Hospital closed	1975: Berkeley Co. Hospital closed
1983: Expansion of Emergency Department and addition of 6th & 7th floors [251 beds]		1983: Opening of Moncks Corner Medical Center [OP diag. & rehab]
1988: Addition of 20 beds	1989: Opening of SMC as freestanding ER & OP center	
1996: Addition of 25 beds	*1993: Opening of SMC as acute care hospital [80 beds]*	1999: Expansion of MCMC to add freestanding ER, primary care, & community health education services
2009: Trident Medical Center [296 beds]	2009: Summerville Medical Center [94 acute beds]	

$ 365 Million Investment

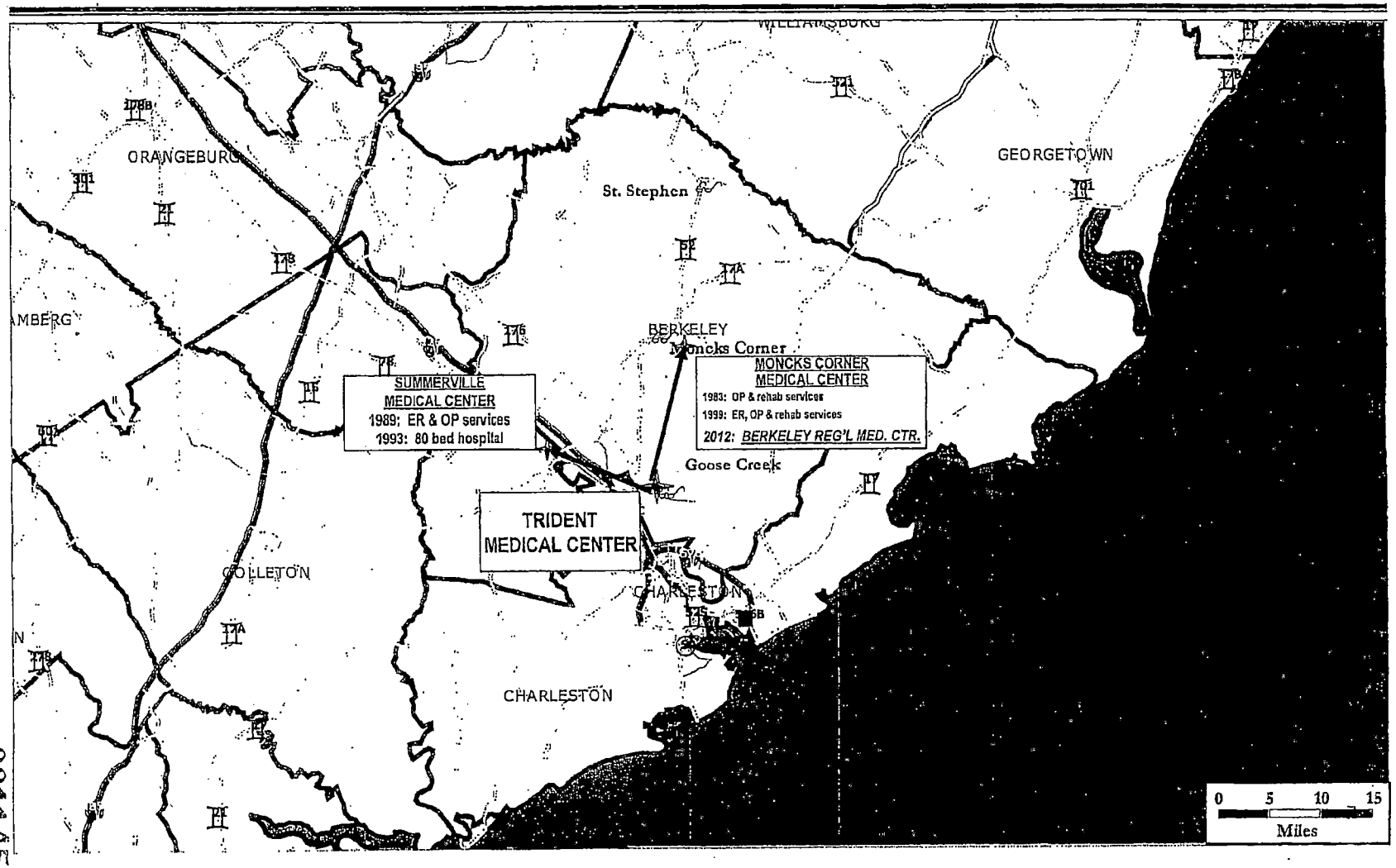
2012: Opening of Berkeley Regional Medical Center

RECORD 006527

Joint Exhibit 002-1149

Trident Health System: Today

35 Year History of Service to the Tri-County Region



RECORD 006528

001145

Joint Exhibit 002-1150

Trident Health System: What We Do

Trident Medical Center 296 beds	Summerville Medical Center 94 beds	Moncks Corner Medical Center
24-hour ER & ER Express Medical/Surgical Services ✧ da Vinci Surgical S Robot Outpatient/Ambulatory Surgery ICU/CCU/COU/SPCU Trident Cancer Center ✧ Elekta Synergy S LINAC approved ✧ Varian LINAC with RapidArc technology Cardiac/Thoracic/Vascular Services Level II Nursery Women's & Children's Health Services Trident Speech Therapy Services Medical Imaging Services Diabetes and Wound Care Occupational Therapy Physical Therapy Trident Sports Medicine & Rehab Lab Services Outpatient Burn Center	24-hour ER & ER Express Medical/Surgical Services Outpatient/Ambulatory Surgery ICU/CCU Cardiac and Vascular Services Cardiac Rehabilitation Diabetes Education Sleep Lab Occupational Therapy Physical Therapy Summerville Sports Medicine & Rehabilitation Women's & Children's Health Services Lab Services Medical Imaging	24-hour ER Primary and Specialty Care Physician Practices Medical Imaging (x-ray, CT) Digital Mammography Ultrasound Laboratory Services Physical Therapy Sports Medicine & Rehabilitation ▼ **Berkeley Regional Medical Center** 50 beds

RECORD 006529

Joint Exhibit 002-1151

Trident Health System: What We Do

Recognized as the first hospital in South Carolina to achieve certificatior from The Joint Commission in both hip and knee total joint replacement

Trident Medical Center achieves D2B times better than state & national times.

Summerville Medical Center Voted Best Hospital and Urgent Care Facility

2008 VOTED THE BEST! FIRST★PLACE

Moncks Corner Medical Center Adds Digital Mammography

RECORD 006530
001147
Joint Exhibit 002-1152

For Profit = For the Community

TAXES & UNCOMPENSATED CARE	Trident Health System (2008)	RSFH System (2008)*
School Districts	$994,016	$0
Berkeley County Gov't	$65,105	$0
Charleston County Gov't	$956,689	$0
Dorchester County Gov't	$462,123	$0
State & Federal	$12,766,972	$0
Bad Debt/Gross Patient Revenues	6.6%	4.3%**
Charity Care/Gross Patient Revenues	1.9%	2.2%**
Net Revenue Per Patient Day	$3,952	$5,152

*Due to RSFH's status as a 501(c)3, it is assumed that they do not pay income, property, or license taxes
**RSFH data taken from Roper St. Francis Hospital –Berkeley CON application

RECORD 006531
001148
Joint Exhibit 002-1153

Berkeley Regional Medical Center: Why Moncks Corner?

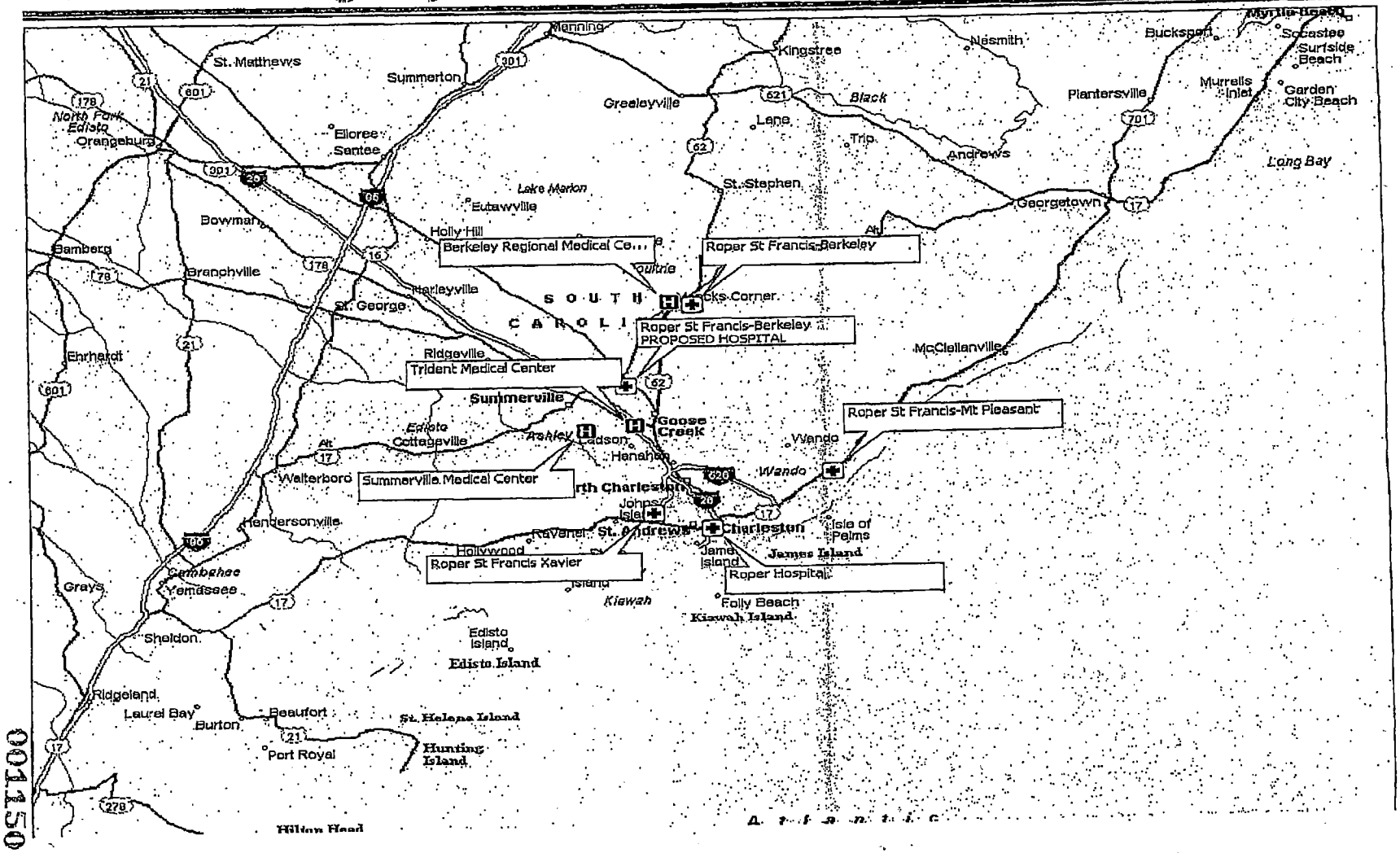
- Moncks Corner is centrally located in the county
- Trident has served Berkeley County from Moncks Corner for over 25 years
- Placing a hospital in Moncks Corner increases accessibility to the less populated, historically underserved areas of Berkeley County
- Placing a hospital in Moncks Corner is the best distribution of health care services and Trident Health System's assets
- Goose Creek area in southern Berkeley County is already well served by Trident and Summerville Medical Centers

RECORD 006532

0011449

Joint Exhibit 002-1154

Roper St. Francis – Berkeley Cannot Survive Without Taking Significant Market Share from Trident



RECORD 006533

001150

Joint Exhibit 002-1155

BRMC Significantly Increases Access to Hospital Care for Berkeley County Residents; RSFB Does Not

	BRMC	RSFB	TMC	SMC
Bonneau	12 minutes 8 miles	30 minutes 21 miles	38 minutes 27 miles	46 minutes 31 miles
Cross	23 minutes 17 miles	30 minutes 24 miles	42 minutes 32 miles	47 minutes 35 miles
Jamestown	26 minutes 20 miles	45 minutes 32 miles	52 minutes 39 miles	60 minutes 42 miles
St. Stephen	21 minutes 15 miles	40 minutes 28 miles	46 minutes 35 miles	55 minutes 38 miles

- source: MapQuest

RECORD 006534

Joint Exhibit 002-1156

Roper St. Francis – Berkeley: Why *Not* Moncks Corner?

- **Insufficient physician infrastructure:**

RSF physicians' "practice patterns are problematic . . . Physicians whose offices are located in Goose Creek have, for the most part, been unwilling to utilize the Moncks Corner location."

"[A]fter six years of operation [of Roper Berkeley ASC], the . . . Facility's utilization rate averaged only 13% in 2007."

"Ideally Roper Hospital, Inc. would have joint ventured the [Roper Berkeley] ASF at its current location with enough qualified physicians to make the center profitable; however, after meeting with various physician groups regarding the opportunity, not enough interest was generated."

- May 2008 CON Application for Roper Berkeley/Carnes Crossroads Surgery Center, LLC at pp. 15, 29

RECORD 006535

001152

Joint Exhibit 002-1157

Roper St. Francis – Berkeley: Why Goose Creek?

- **In the heart of Trident's Primary Service Area**
- **In reaction to Trident's plans to further serve Berkeley County with a full-service hospital**

> **"[David] Dunlap said [Roper St. Francis Healthcare] wanted to announce its plans about a year from now, but had to accelerate them because of Trident's competing proposal in nearby Moncks Corner."**
>
> - "Roper Plans 50-Bed Hospital," *The Post & Courier* (Sept. 5, 2008)

RECORD 006536

Joint Exhibit 002-1158

Berkeley Regional Medical Center Has Broad Community Support

Berkeley County Council

Town of Moncks Corner
Town of St. Stephen

Town of Bonneau
Town of Jamestown
City of Hanahan
MUSC
Berkeley County EMS
Over 85 physicians
Over 80 business & community leaders

"As growth continues and the population expands unfortunately so do injuries resulting from motor vehicle, boating, fires, and industrial accidents....**In many cases patient transport times exceed 40 minutes....The establishment of a full-service community hospital in the central part of Berkeley County will greatly improve our residents' and our firefighters' access to acute healthcare services.**"

David A. Miller
Fire Chief
Town of Moncks Corner

RECORD 006537

Joint Exhibit 002-1159

TRIDENT HEALTH SYSTEM: Proposed Berkeley Regional Medical Center

May 21, 2009

Richard A. Baehr & Associates

RECORD 006538

Joint Exhibit 002-1160

The Trident System Has a Long History of Service to the Residents of Berkeley County and is Their Provider of Choice

Providers	Berkeley County Inpatient Market Share
Trident Health System	52.9%
Roper St. Francis Health System	23.0 %

Sources: CON Applications. Roper Data reflects 2006 market share for non-tertiary and non-specialty patients. Trident data reflects 2007 market share for all patients. Trident Market Share does not include patients resident in ZIP Code 29483, which straddles Berkeley and Dorchester Counties. Trident System market share in this ZIP code is 68.0 percent.

RECORD 006539

Joint Exhibit 002-1161

Berkeley County is Part of the Trident Health System's Core Service Area

Provider	Percentage of 2006 Admissions Drawn from Berkeley County Residents
Trident Health System	41.9 %
Roper Health System	15.4%

RECORD 006540

001157

Joint Exhibit 002-1162

Berkeley Regional Medical Center Forecast Utilization

	2012	2013	2014	2015	2016
Forecast Admissions					
From Berkeley County	924	1,206	1,554	1,561	1,569
From ZIP Code 29483	533	710	932	955	979
Subtotal Berkeley & 29483	1,457	1,916	2,486	2,517	2,548
From Other Areas	165	218	285	289	294
Total Admissions	1,622	2,134	2,771	2,806	2,842
Total Patient Days	7,212	9,490	12,317	12,470	12,628
ADC	19.8	26.0	33.7	34.2	34.6
Percent Occupancy	39.5%	52.0%	67.5%	68.3%	69.2%

Admissions from ZIP Code 29483 are shown separately because this ZIP Code overlaps Berkeley and Dorchester Counties

RECORD 006541

001158

Joint Exhibit 002-1163

Financial Projections for Berkeley Regional Medical Center

	2012	2013	2014	2015	2016
Revenues					
Gross Revenues	$93,652,613	$123,667,300	$157,381,038	$179,402,906	$196,886,633
Deductions	67,929,563	91,241,380	117,726,524	135,643,970	150,260,895
Net Revenues	$25,723,050	$32,425,920	$39,654,514	$43,758,936	$46,625,738
Expenses					
Operating Expenses	$24,940,382	$29,922,548	$34,226,443	$38,067,016	$40,651,547
Depreciation and Interest	5,358,519	5,358,519	5,358,519	5,358,519	3,735,590
Total Expenses	$30,298,901	$35,281,067	$39,584,962	$43,475,535	$44,387,137
Net Income (Loss)	($4,576,851)	($2,855,147)	$69,552	$283,402	$2,238,601

RECORD 006542

001459

Joint Exhibit 002-1164

Financial Projections for Roper St. Francis Berkeley

	2013	2014	2015
Revenues			
Gross Revenues	$52,436,329	$96,175,681	$120,068,706
Deductions	37,078,582	68,312,912	85,665,384
Net Revenues	$15,357,747	$27,862,769	$34,403,322
Other Revenues	63,880	112,785	135,541
Total Revenues	$15,421,627	$27,975,554	$34,538,863
Expenses			
Operating Expenses	$27,187,398	$31,288,871	$34,253,703
Depreciation and Interest	11,548,000	11,418,000	11,378,000
Total Expenses	$27,187,398	$31,288,871	$34,253,703
Net Income (Loss)	($11,765,772)	($3,313,318)	$285,160

RECORD 006543

001160

Joint Exhibit 002-1165

The Berkeley Regional Medical Center Application is Responsive to Bed Need Projected by the State Health Plan; The Roper St. Francis Berkeley Application is Not

Provider	Bed Need 2004-2005 Health Plan	Bed Need 2008-2009 Health Plan
Trident Health System		
Trident Medical Center	42	56
Summerville Medical Center	20	24
Total Trident System	62	80
Roper Health System		
Roper Hospital	-11	-6
Roper St. Francis Xavier	34	-17
Total Roper System	23	-23

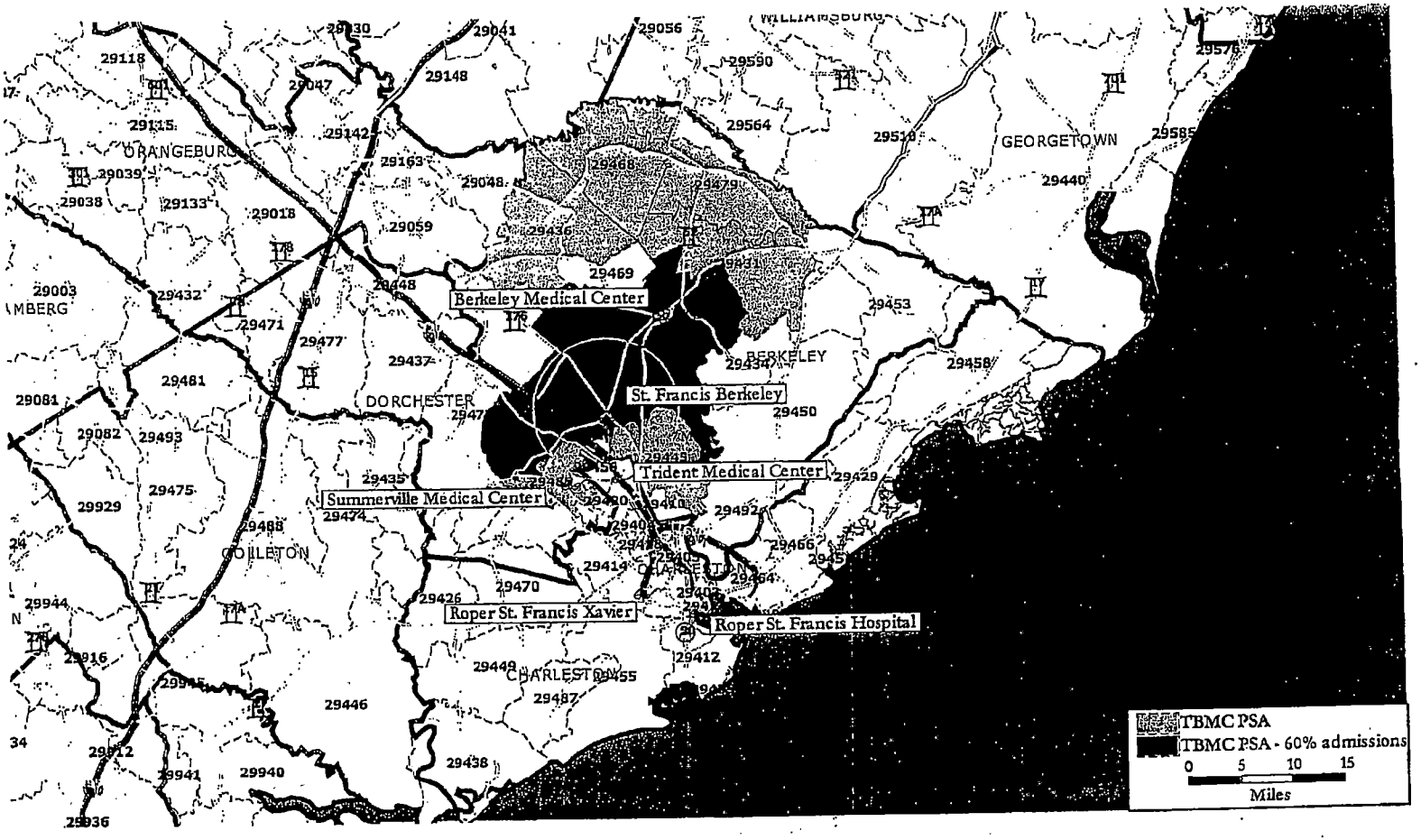
Trident Medical Center converted 25 skilled nursing beds to acute care beds, thus using 25 of its 2004-2005 bed need of 42 beds. The 2008-2009 bed need reflects this conversion and is incremental to it.

RECORD 006544

001161

Joint Exhibit 002-1166

The Primary Service Area proposed by Roper St. Francis – Berkeley is Located within Trident's Primary Service Area



ZIP Code under the red dot marking Summerville Medical Center is 29485.

RECORD 006545

001162

Joint Exhibit 002-1167

Service Area Overlap

- Roper sometimes identifies its service area as a seven mile radius around the proposed hospital's campus.
- Other times it identifies the service area as all of Berkeley County.
- Its utilization forecasts rely on total growth in Berkeley County.
- Its utilization forecasts assume that half of the current admissions by all Berkeley County residents to Roper facilities will be diverted to the new hospital.
- Its utilization forecasts further assume that its new hospital will achieve a 10 percent market share for all Berkeley County patients not currently affiliated with the Roper system.

RECORD 006546

001163

Joint Exhibit 002-1168

Both Proposed Hospitals Rely on Achieving a High Market Share in Berkeley County. If Future Utilization Has to be Divided Between Two New Hospitals, Neither will be Financially Feasible

	2013	2014	2015	TOTAL
Berkeley Regional Medical Center				
Adjusted Net Income (Loss) if Berkeley County Utilization is Reduced by Half	($8,285,663)	($6,396,966)	($5,984,884)	($20,667,513)
Roper St. Francis Hospital Berkeley				
Adjusted Net Income (Loss) if Berkeley County Utilization is Reduced by Half	($16,534,360)	($12,009,026)	($9,734,299)	($38,277,685)
TOTAL PROVIDER LOSS				($58,945,198)

Note: Roper St. Francis Berkeley losses are larger because of debt financing and associated interest expense.

RECORD 006547

001164

Joint Exhibit 002-1169

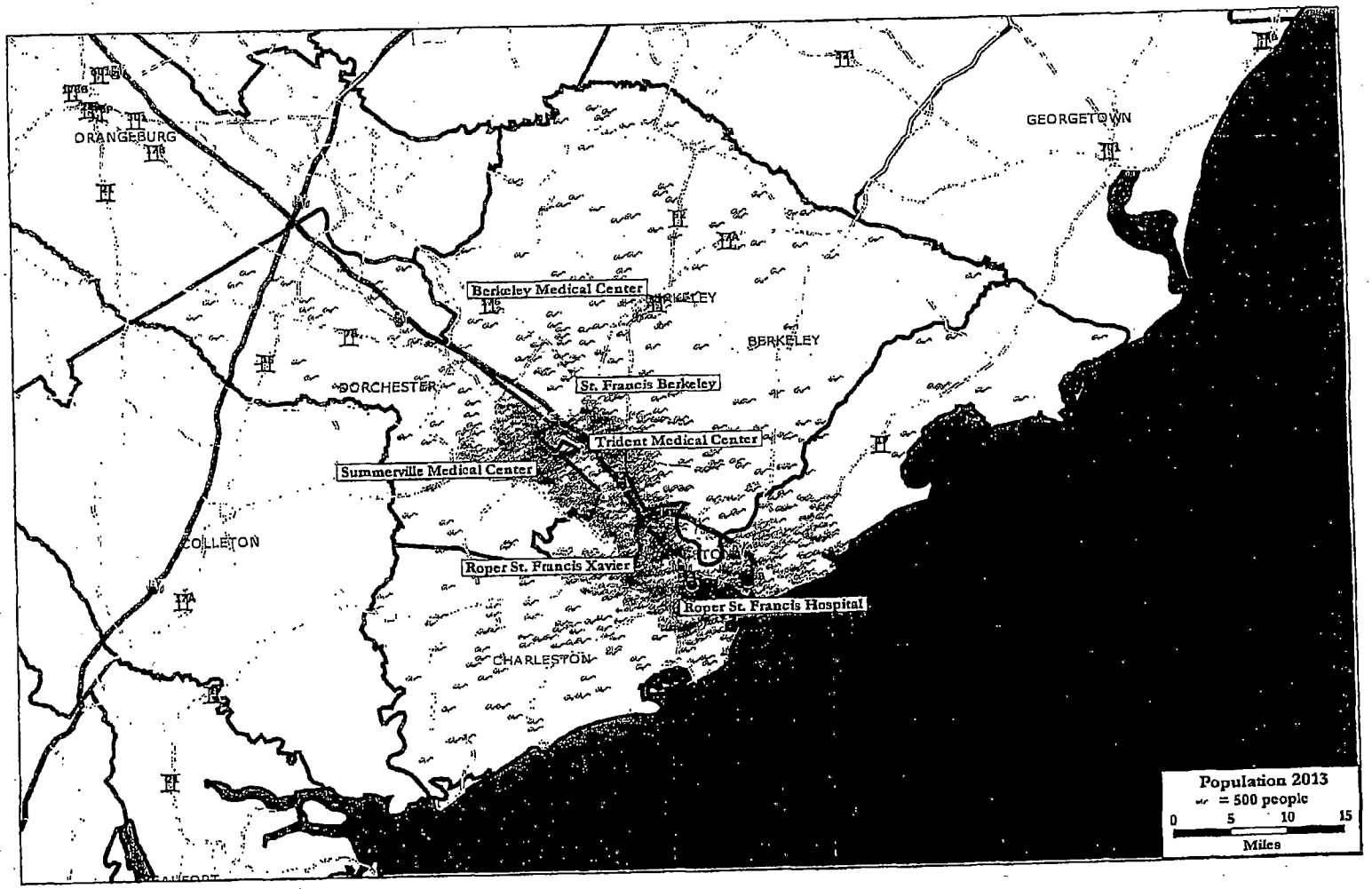
The Proposed Roper St. Francis Berkeley Hospital Does Not Meaningfully Improve Access to Healthcare for Anyone

- Every Resident of The Roper Facility's Defined Service Area Already Lives Within 30 Minute's Driving Time from an Established Acute Care Hospital.
- Many of the Residents of the Roper Facility's Defined Service Area Live Closer to Other Established Acute Care Hospitals Than They Will to the New Roper Hospital.
- The Residents of Berkeley County who Currently Lack Timely Access to Acute Hospital Services Will Obtain No Material Relief From the Opening of the Roper Facility.

RECORD 006548

Joint Exhibit 002-1170

The Proposed Roper St. Francis Berkeley Hospital Will Not Enhance Access to Acute Care Services for Berkeley County's Population



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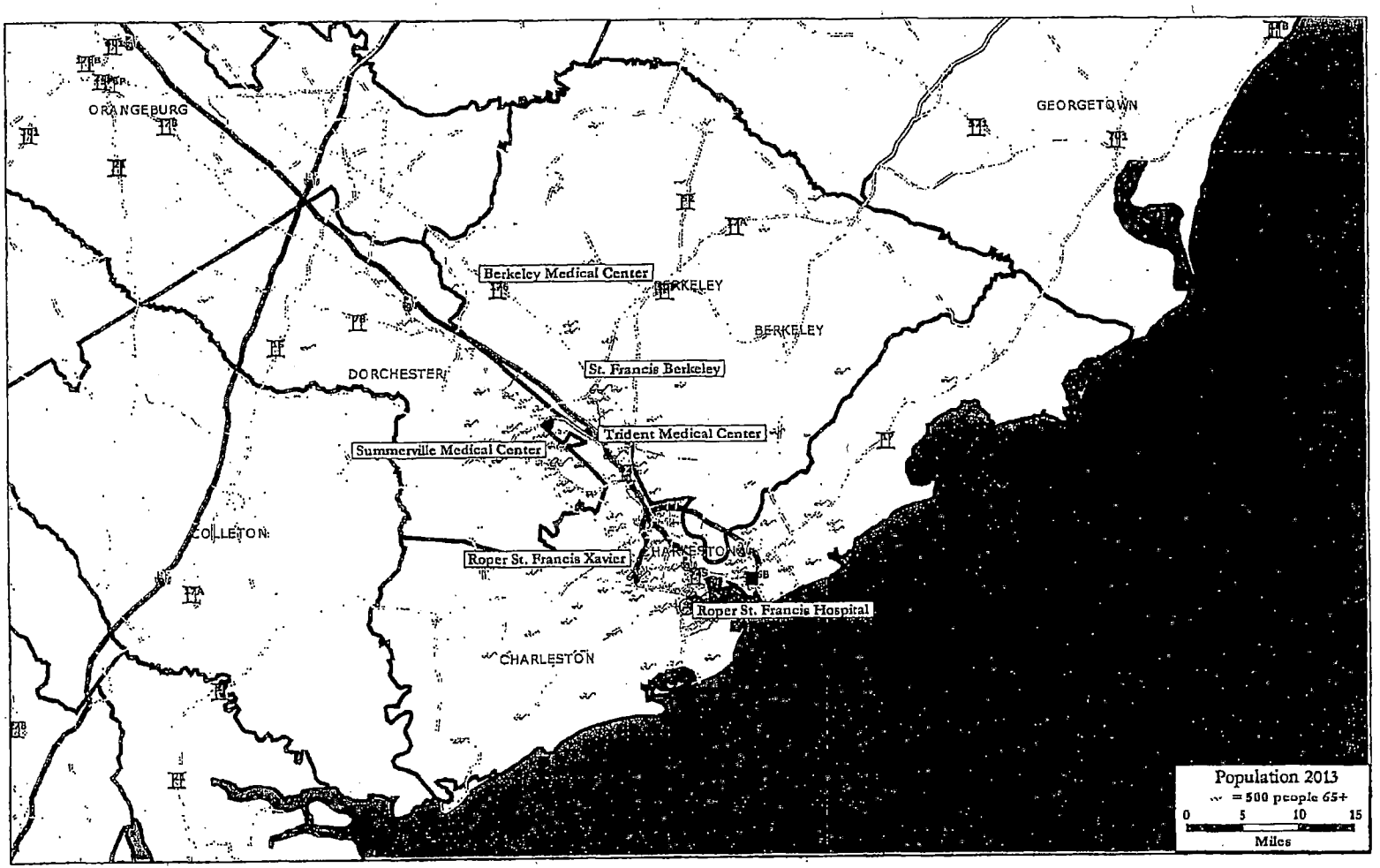
Joint Exhibit 002-1171

The Proposed Roper St. Francis Berkeley Hospital Will Not Enhance Access to Acute Care Services for Berkeley County's Elderly Population



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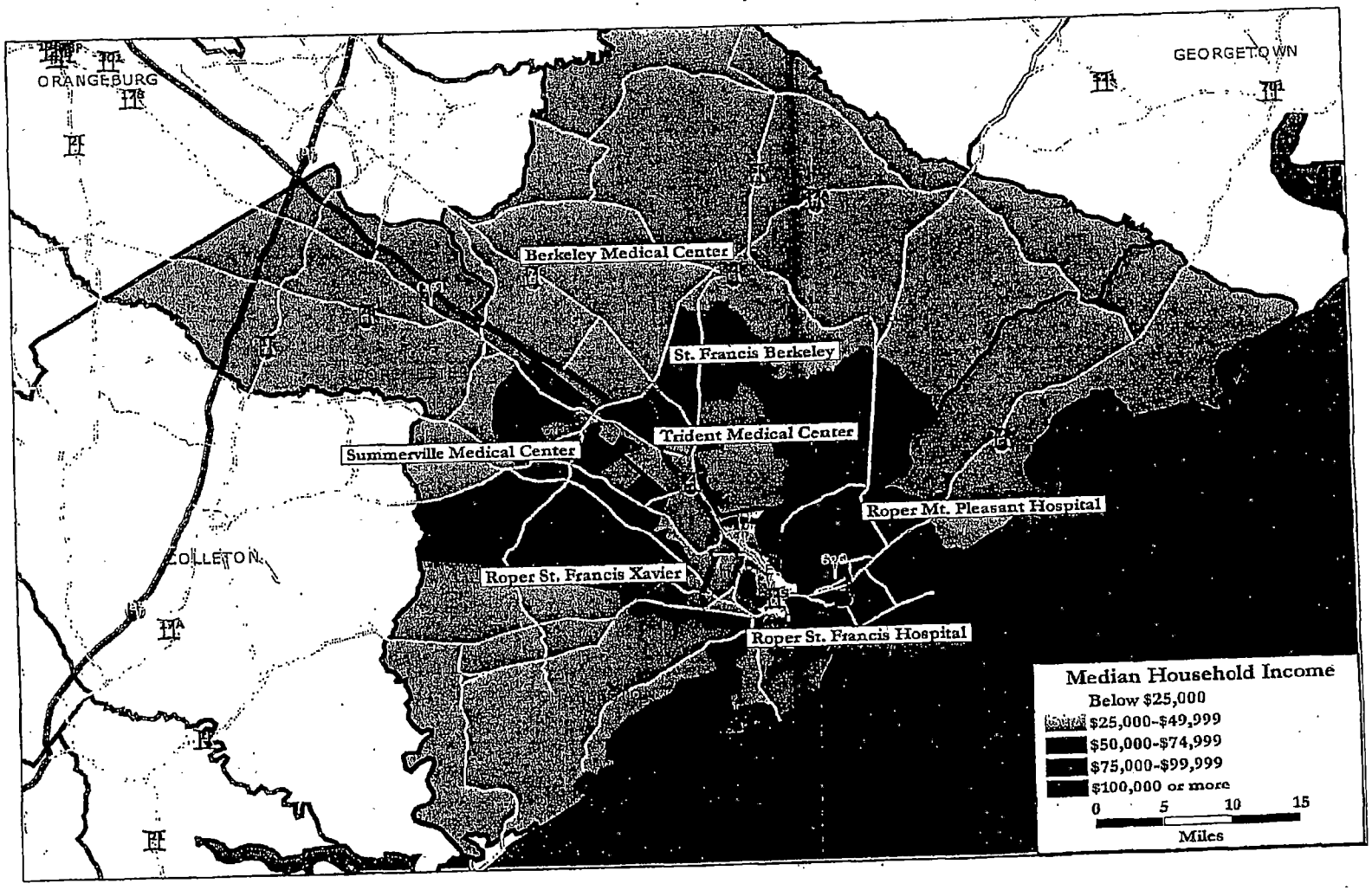
Joint Exhibit 002-1172

The Proposed Roper St. Francis Berkeley Hospital Will Not Enhance Access for Indigent Populations in Berkeley County



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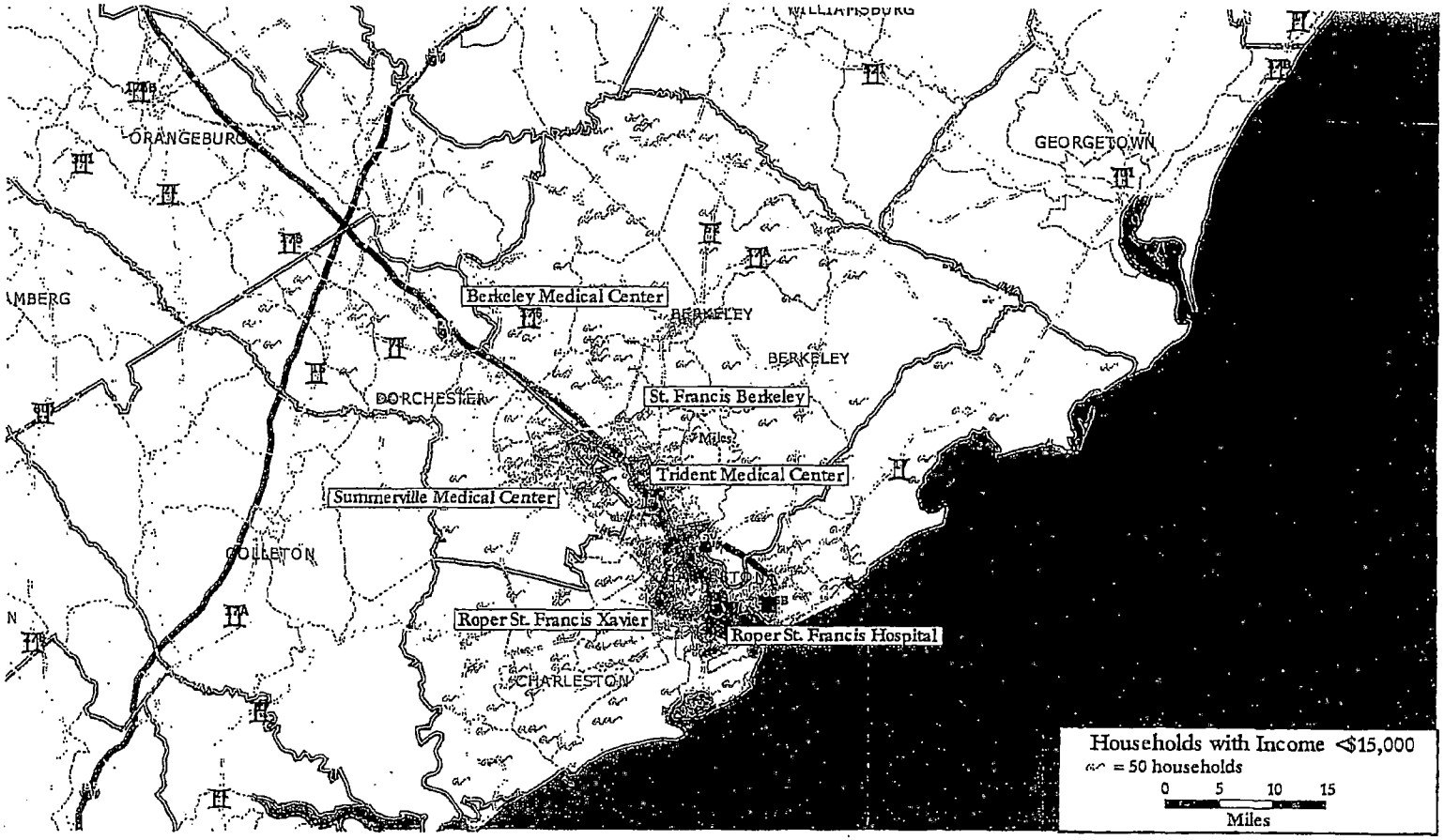
Joint Exhibit 002-1173

The Proposed Roper St. Francis Berkeley Hospital will not Enhance Access to Households with Incomes Under $15,000 in 2008



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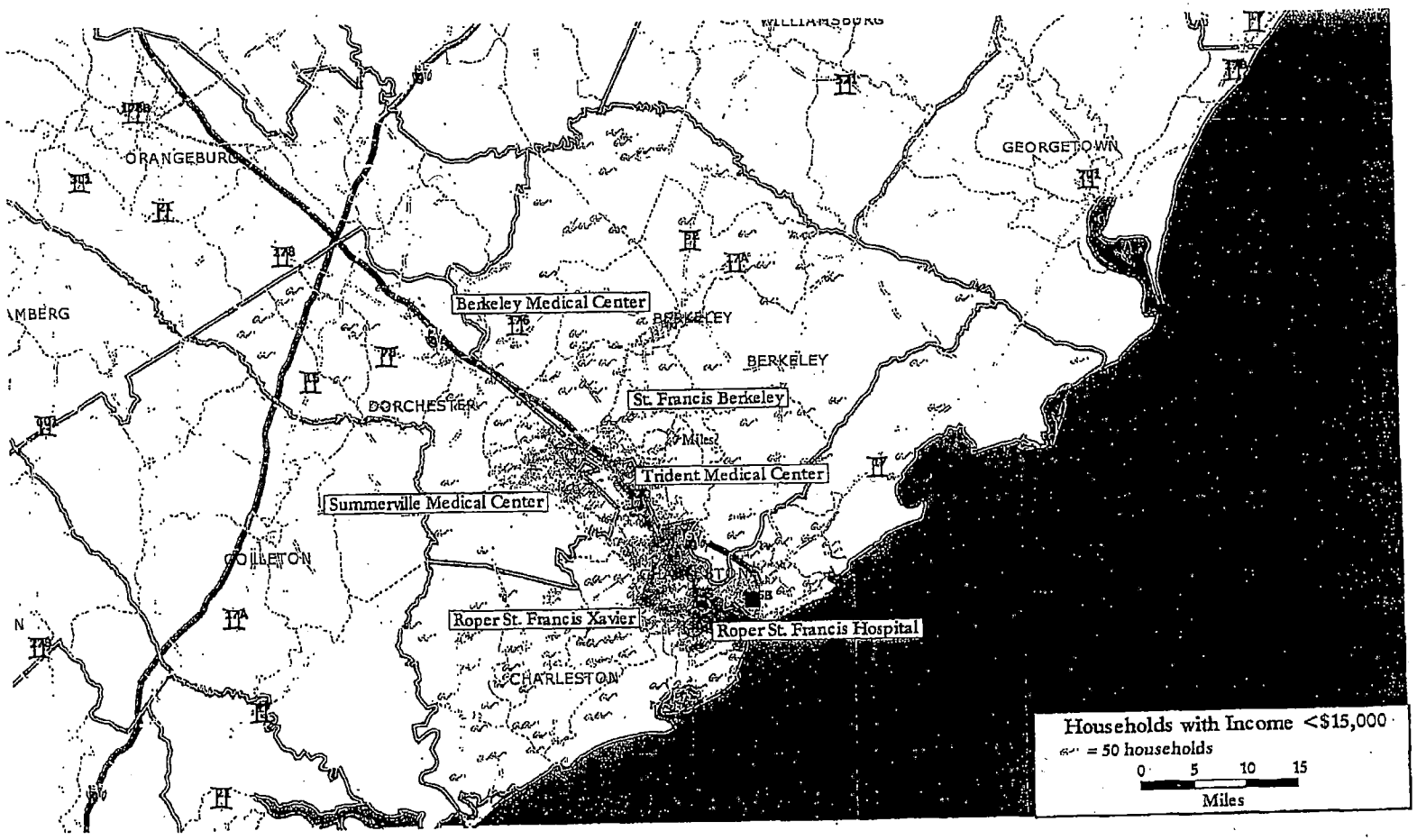
Joint Exhibit 002-1174

The Proposed Roper St. Francis Berkeley Hospital will not Enhance Access to Households with Incomes Under $15,000 in 2013



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Joint Exhibit 002-1175

Repeated Bed Transfers will Make it Difficult for Roper Hospital to Serve its Own Patients in the Future

Time Line	Bed Loss	Roper Hospital's Acute Bed Inventory
2007		414
After Transferring Beds to Bon Secours St. Francis Xavier (2008)	(13)	401
After Transferring Beds to Roper St. Francis Mt. Pleasant (2009)	(85)	316
After Transferring Beds to Roper St. Francis Berkeley (2013)	(50)	266

RECORD 006554

001169

Joint Exhibit 002-1176

If Roper Reduces its Acute Bed Inventory to 266, It Will Be Operating Substantially Above Capacity by 2013

Year	Roper Hospital Acute ADC	Roper Hospital Acute Beds	Percent Occupancy of Acute Beds
2007	237	414	57%
2008	243	401	61%
2009	232	316	74%
2010	238	316	75%
2011	244	316	77%
2012	250	316	79%
2013	236	266	89%
2014	242	266	91%
2015	248	266	93%

Roper ADC projections reflect a combination of population growth driven increases in patient days and the effect of diverting Roper Hospital utilization to new Roper Hospitals as modeled in their CON Applications. Roper Mt. Pleasant is assumed to open in 2009; Roper Berkeley in 2013. Note that the entire occupancy reduction benefit of the new hospitals is assigned to Roper Hospital. In fact, some would be felt by Roper St. Francis Xavier, so the occupancy levels shown in this slide would be higher.

RECORD 006555

004170

Joint Exhibit 002-1177

Although Presented as a "Transfer," the Effect of the Bed Reduction at Roper Hospital Will Result in a Bed Need Projection at Roper Hospital in Future Health Plans

As Roper Hospital's Bed Inventory Declines Due to Serial Transfers to Satellite Facilities :

- Its Acute Percentage Bed Occupancy Will Increase
- Its Target Occupancy Under the Department's Need Methodology will be Reduced
- To Meet the Needs of its Historical Service Area, it Must Apply for More Acute Care Beds; however:
  - "The facility giving up the beds may not use the loss of these beds as justification for a subsequent request for the approval of additional beds."
    - *2008-2009 State Health Plan* at II-10
  - "[T]his letter acknowledges in writing that . . . Roper Hospital will not use the loss of these [50] beds [to Goose Creek] as justification for a subsequent request for the approval of additional beds."
    - 9/9/08 Ltr., Matthew J. Severance to DHEC

RECORD 006556

Joint Exhibit 002-1178

How Roper's 2013 Bed Need Would be Affected by Its Bed Inventory Reductions and Patient Diversions

Scenario	Roper Acute Bed Inventory	2013 Roper ADC Assuming Population Growth and Patient Diversions to Satellite Facilities Projected in CON Applications	2013 Gross Bed Need	2013 Net Bed Need
As Published	401	296	395	(6)
With Mt. Pleasant Only	316	256	366	50
With Mt. Pleasant and Berkeley	266	236	337	71

The Gross Bed Need figure is based on a Projected ADC of 296, as published in the 2008-2009 State Health Plan. If Roper has 350 beds or more, the occupancy standard is 75 percent; if fewer than 350 beds, the occupancy standard is reduced to 70 percent so the gross bed need increases.

RECORD 006557

001172

Joint Exhibit 002-1179

Roper's Project Will Have Material Adverse Impact on Existing Providers; Trident's Will Not

- Roper's Forecast Methodology Explicitly States that by 2015 it will draw 1,188 admissions (5,049 patient days) from market share to be taken from existing providers outside of the Roper System.

- Trident's Forecast Methodology states that it will draw all of its utilization from growth in its own patient base or from Trident System Hospitals. All other providers will retain their current market shares in the future.

RECORD 006558

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Joint Exhibit 002-1180

Conclusions

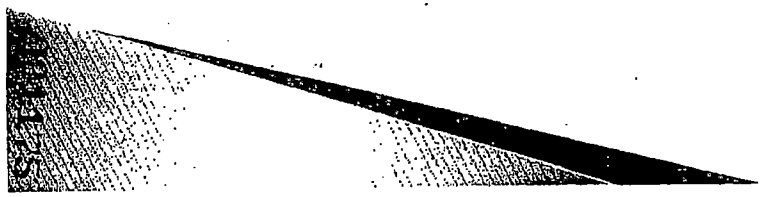
- Berkeley County cannot support two hospitals; if both are approved, neither will be financially feasible
- The only hospital that can be approved is BRMC
  - It is a natural expansion of the Trident Health System into its historical service area
  - It is the only hospital that will increase access to all citizens of Berkeley County
  - It is the best distribution of health care facilities & services
  - RSFH-B will not increase patient access
  - RSFH-B cannot be financially feasible unless it has a material adverse impact on the Trident Health System

RECORD 006559

Joint Exhibit 002-1181

Berkeley Regional Medical Center is the Best Project for Berkeley County & Should Be Approved

- The people of Berkeley County need a hospital. Trident is in the best position to build this facility as part of its integrated network of care.
- This is the next logical step in the deliberate, methodical expansion of the Trident Health System.
- BRMC will be centrally located in Berkeley County to provide access to acute care health care services to <u>all</u> county residents.
- Just as Trident did for Dorchester County, Trident again recognizes the future growth of Berkeley County and intends to provide the County with its own hospital.



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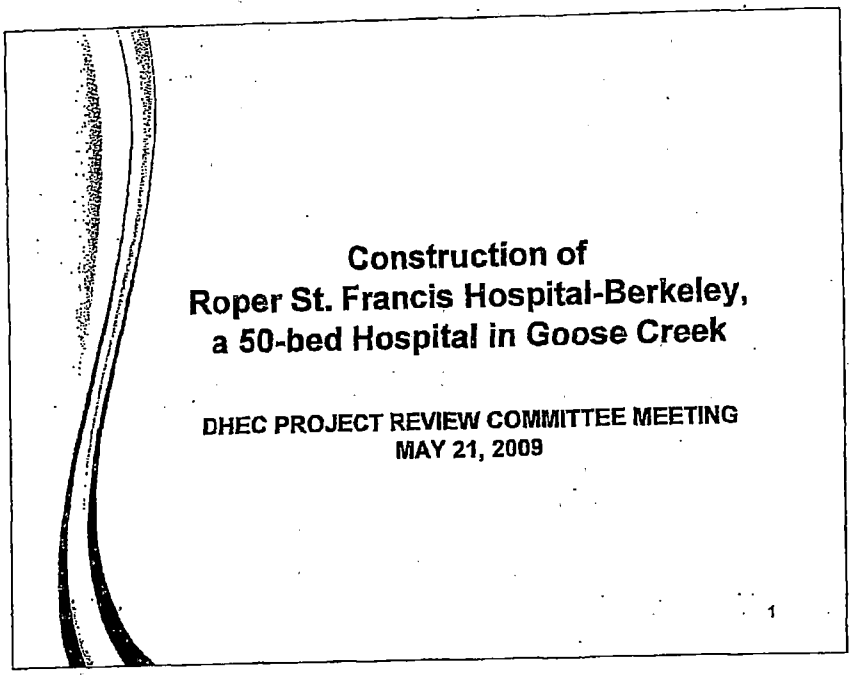
Joint Exhibit 002-1182



Good afternoon. I'm David Dunlap, President and Chief Executive Officer of Roper St. Francis Healthcare. I'd like to thank the members of the DHEC project review committee for this opportunity to present our project today.

Members of our executive team are here today, along with our consultants, any of which will be glad to answer questions the committee may have at the end of the presentation. Now, I'd like to introduce Doug Bowling, Vice President and Chief Strategy Officer for Roper St. Francis Healthcare, who will begin our presentation.

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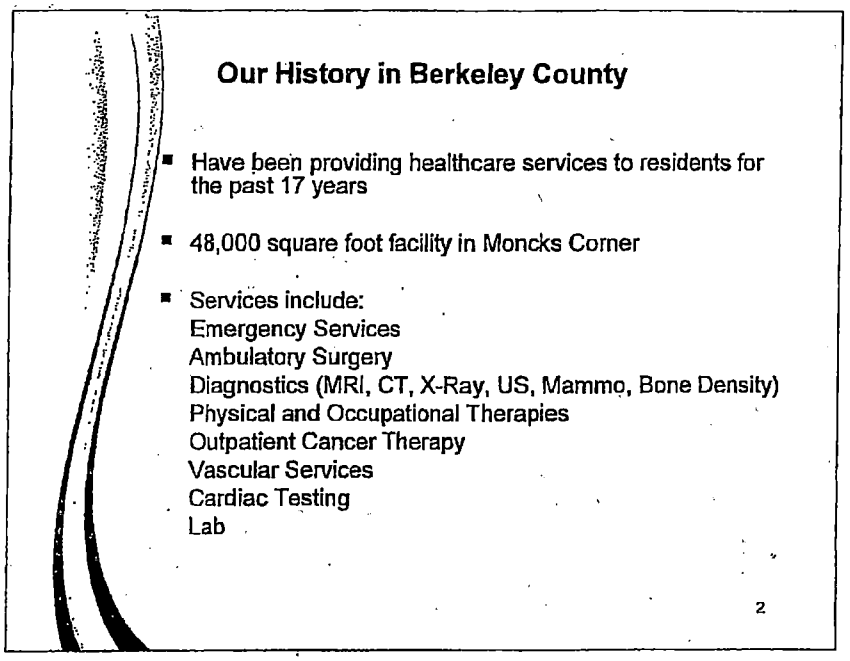
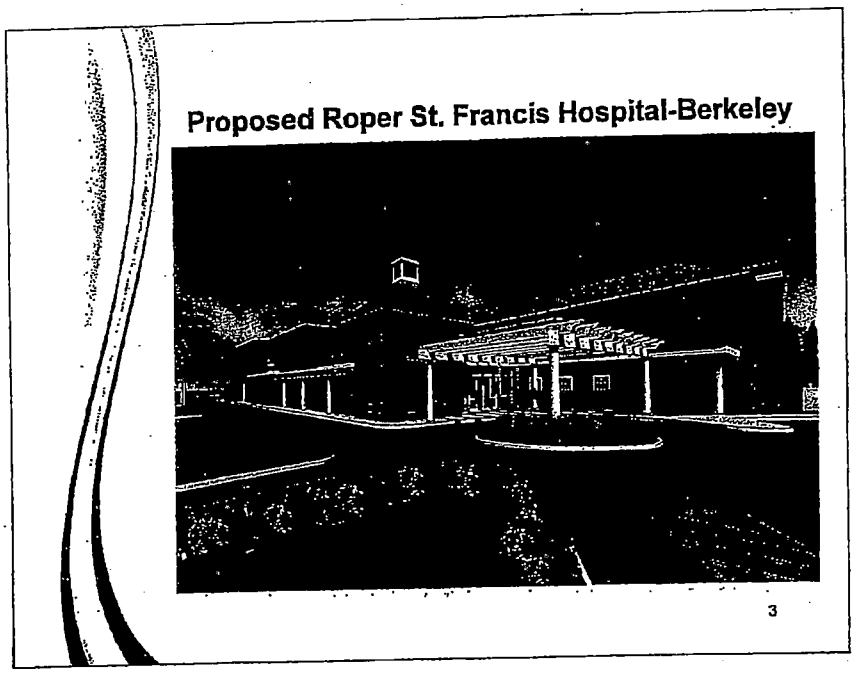


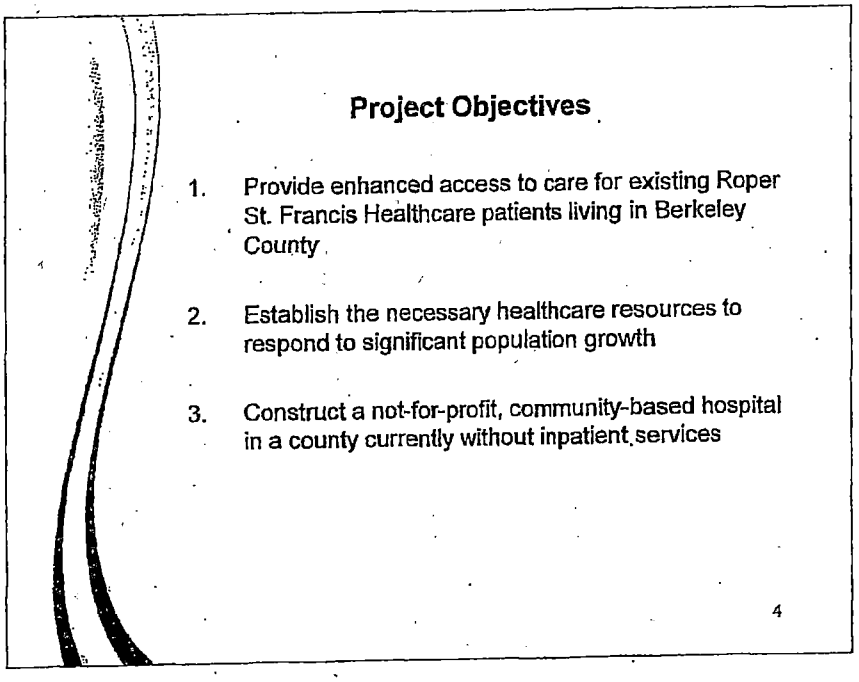
Thank you David and committee members. Roper St. Francis Healthcare has been providing medical care to Berkeley County residents for the past seventeen years.

Our facility in Moncks Corner offers a wide array of services including 24-hour emergency care, ambulatory surgery, diagnostic services, physical and occupational therapies, outpatient cancer therapy, vascular services, cardiac testing, and laboratory services. In addition, the facility includes a medical office building with physician office space.



Roper St. Francis is requesting the transfer of 50 existing, licensed beds from Roper Hospital to construct a new hospital in Berkeley County. The hospital campus will encompass 16.5 acres of a 68 acre site in the Carnes Crossroads development, a master planned residential community located on 2300 acres at the intersection of US Highways 17A and 176 in Goose Creek.

The decision to place inpatient services in Goose Creek rather than Moncks Corner was based on both internal and external market analyses. In both cases Moncks Corner's population and growth would not support the inpatient volume required to justify the expense. Carnes Crossroads met the test for population density and growth. However, it is important to note that we will continue to offer our outpatient services in Moncks Corner which have been well utilized with the exception of ambulatory surgery.



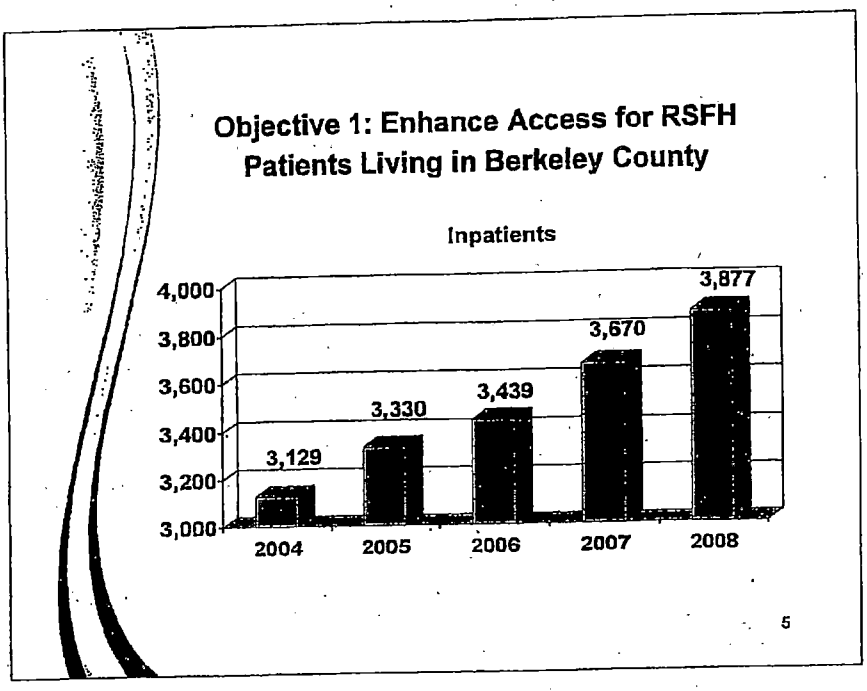
The primary objectives our proposed hospital seeks to accomplish are:

- to provide enhanced access to care for patients living in Berkeley County that currently travel outside of the County to seek care at Roper St. Francis facilities

- to establish the necessary healthcare resources to respond to significant population growth

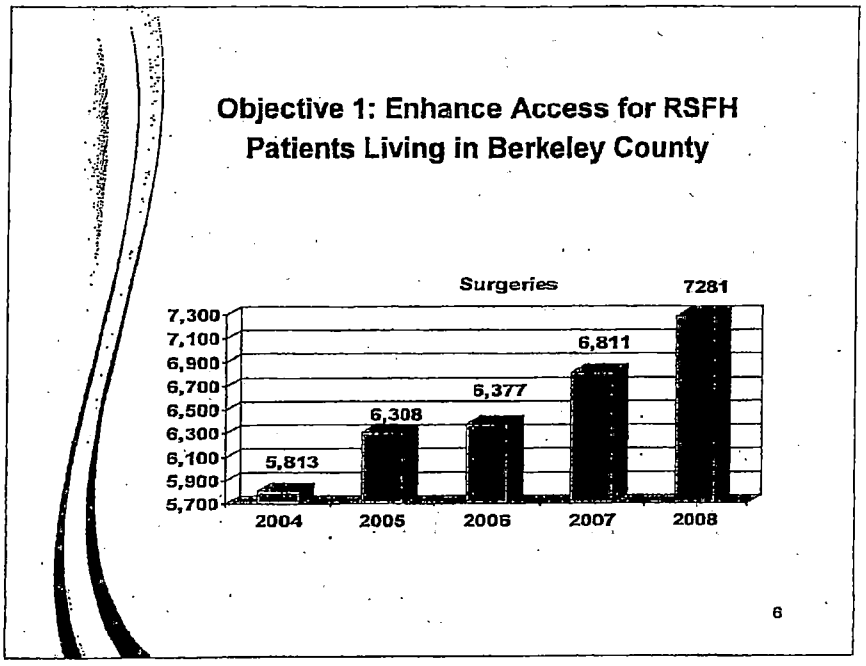
- and to construct a not-for-profit, community-based hospital in a county currently lacking inpatient services

I'd like to take the next few minutes to highlight each objective.

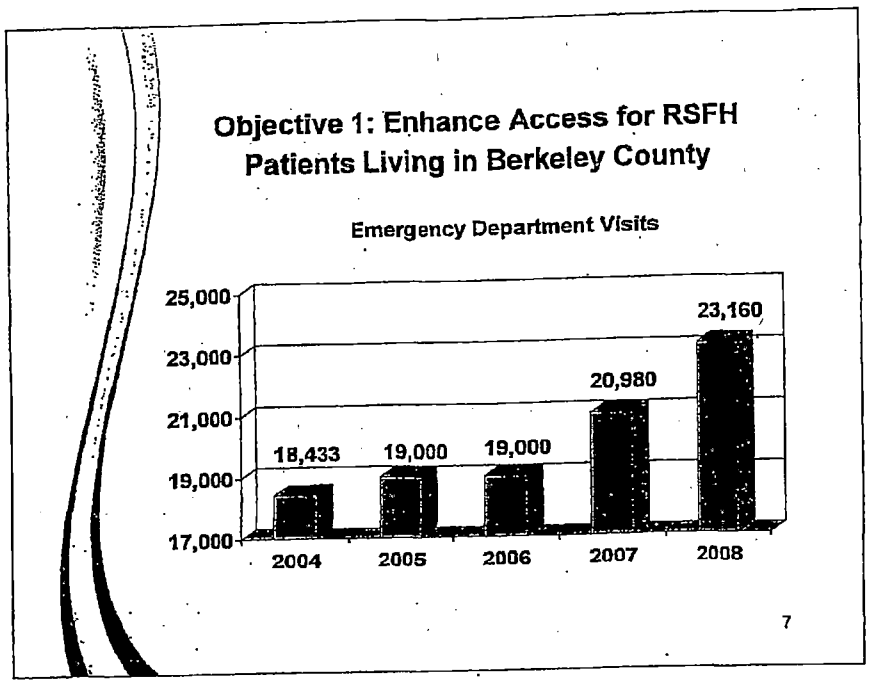


The first objective is to enhance patient access. As this chart demonstrates, the number of inpatients from Berkeley County using our two hospitals has increased 24% over the past five years. In comparison, the number of inpatients from Berkeley County using Trident or Summerville Medical Center has increased only 1.5% from 2004-2007. Note that 2008 data is not yet available from the State's Office of Research and Statistics.

In addition, 24% of Berkeley County residents that had an inpatient stay in 2007 (source: most recent ORS data) chose Roper Hospital or Bon Secours St. Francis Hospital despite the travel time, which can take anywhere from 20 to 65 minutes.



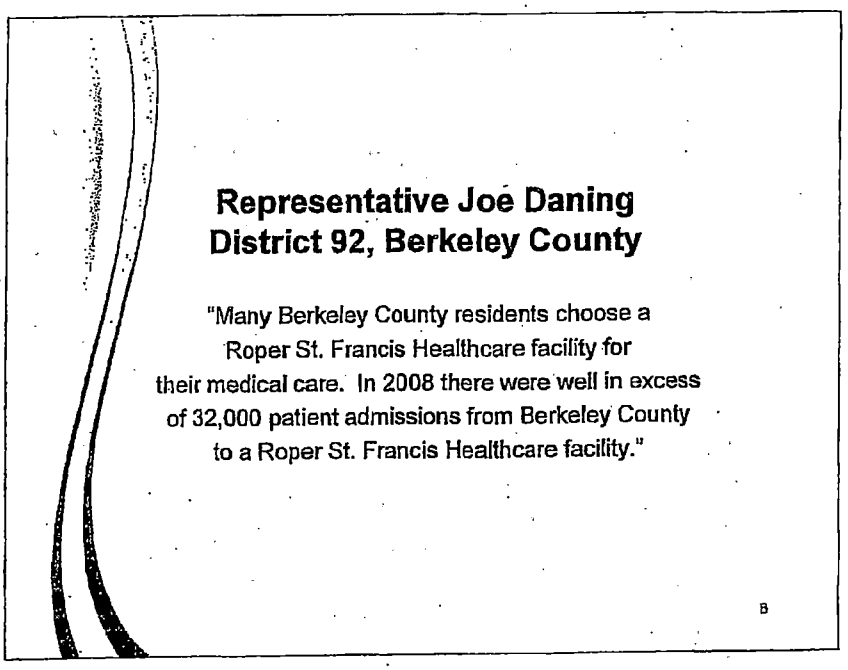
Roper St. Francis Healthcare facilities' surgery volumes originating from Berkeley County have increased an average of 5% per year for the past five years.



This growth trend is also apparent in our emergency department volumes originating from Berkeley County, which have increased an average of 5.1% annually during the most recent 5-year period.

In comparison, ED visits to Trident and Summerville Medical Centers have increased an average of 1.7% annually (source: 2004-2007 available data from the State's Office of Research and Statistics).

As evidenced by the number of patients from Berkeley County that choose Roper St. Francis Healthcare, our construction of a hospital in the area will provide the enhanced access this community wants, deserves, and needs.



In order to be respectful of the committee's and participants' time, we opted to videotape messages of support for our project. The first is from Representative Joe Daning, who represents Berkeley County, resides in Goose Creek, and sits on the Medical, Military, Public and Municipal Affairs Committee.

Hello, I'm Joe Daning the South Carolina House Representative for District 92 in southern Berkeley County.

Thank you for this opportunity to speak with you today about a very important matter to me, my family, friends and neighbors and everyone living and working in Berkeley County.

Berkeley County is the 9th largest county in South Carolina, and also one of the fastest growing. The City of Goose Creek has emerged as the population epicenter of the County.

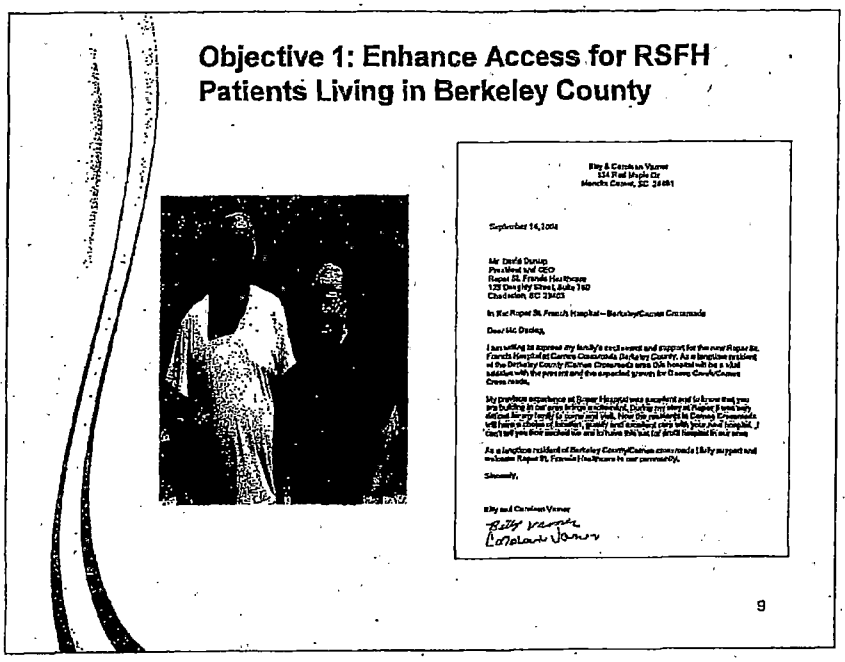
Roper St. Francis Healthcare plans to build a 50-bed hospital at Carnes Crossroads. This location at Highway 17A and 176 is at the very heart of our community, with more than 104,000 residents living within a 7-mile radius of this site.

Many Berkeley County residents choose Roper St. Francis Healthcare for their medical care. In fact, in 2008 alone, there were well in excess of 32,000 patient admissions from Berkeley County to a Roper St. Francis Healthcare facility.

This new hospital would provide them and others with a convenient location to receive these services. Just as important, it would also provide them with a choice.

This is why I support the plans to build the Roper St. Francis Hospital Berkeley at Carnes Crossroads.

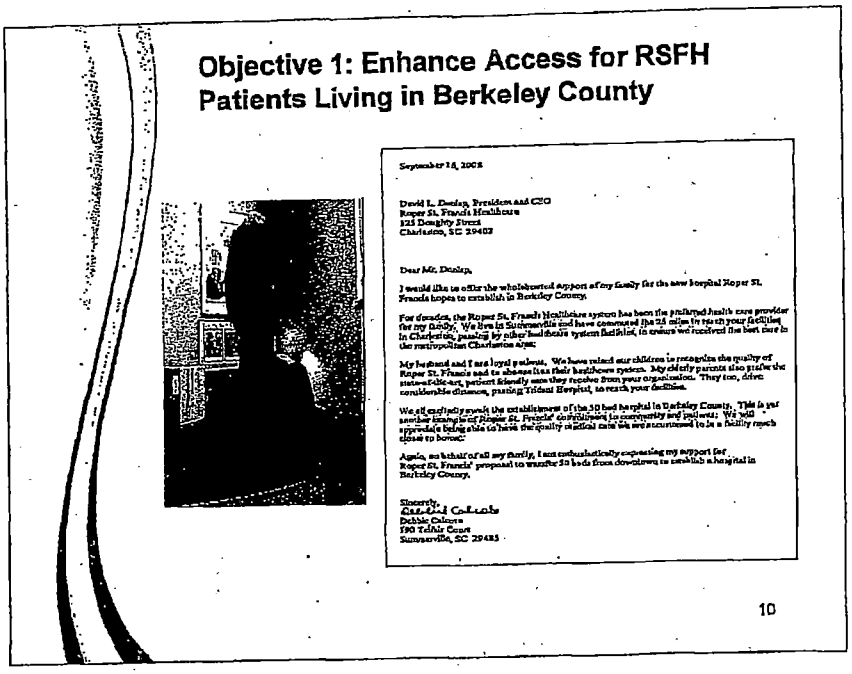
Thank you for your consideration of this important project.



We've received hundreds of letters of support, and know you won't be able to read them all. For that reason, I'd like to share excerpts from two representative letters.

Mr. and Mrs. Varner, who live in the Carnes Crossroads area state:

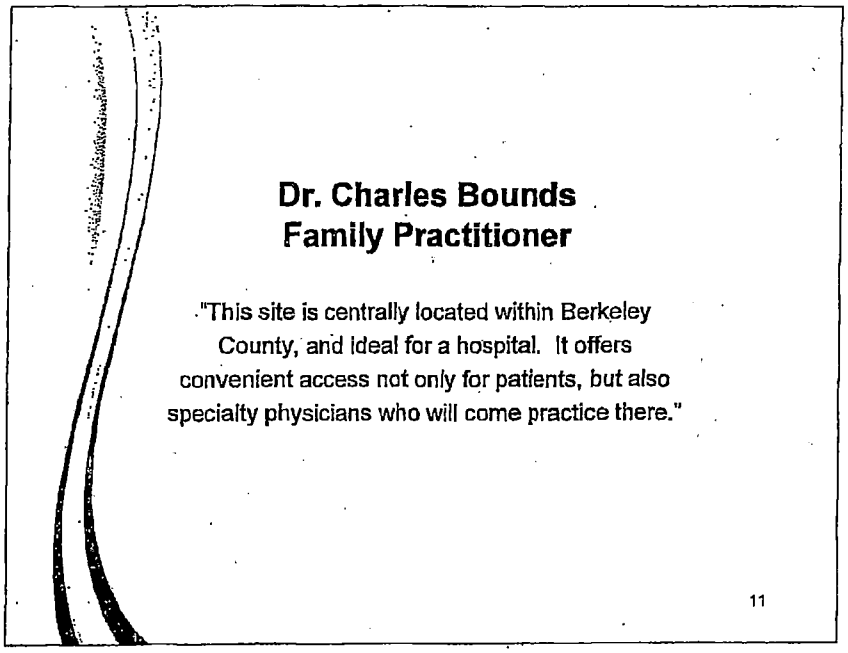
My previous experience at Roper Hospital was excellent and to know that you are building in our area brings excitement. During my stay at Roper it was very difficult for my family to come and visit. Now residents in Carnes Crossroads will have a choice of location, quality, and excellent care with your new hospital. I can't tell you how excited we are to have this not for profit hospital in our area.



And here's another letter from Deborah Calcote:

For decades, the Roper St. Francis Healthcare system has been the preferred health care provider for my family. We live in Summerville and have commuted the 25 miles to reach your facilities in Charleston, passing by other healthcare system facilities, to ensure we received the best care in the metropolitan Charleston area.

We all excitedly await the establishment of the 50 bed hospital in Berkeley County. This is yet another example of Roper St. Francis' commitment to community and patients. We will appreciate being able to have the quality medical care we are accustomed to in a facility much closer to home.

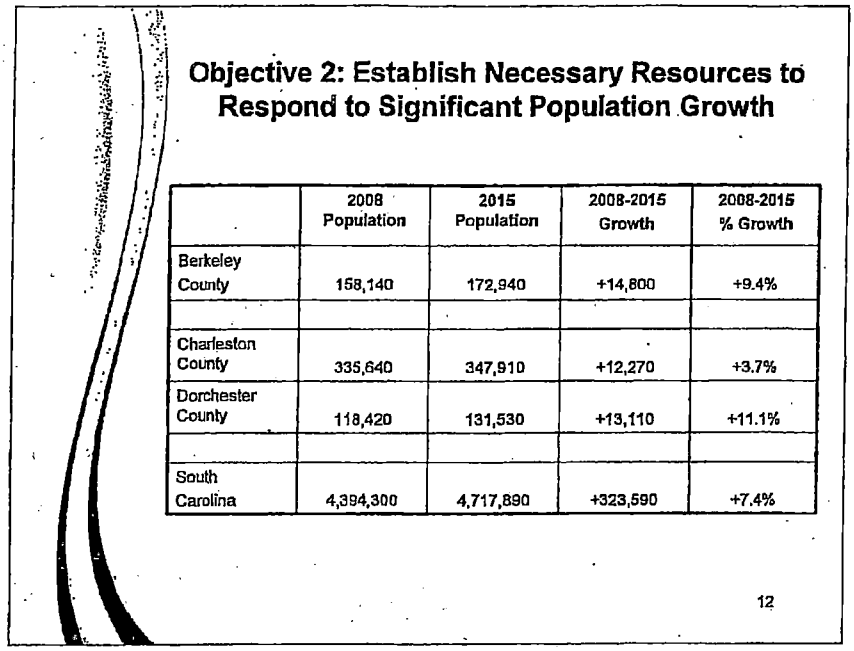


The proposed hospital would not be successful without physician support as well. Our application includes in excess of 100 letters from physicians. The message you are about to hear is from Dr. Chip Bounds, a founding member of Berkeley Family Practice. Dr. Bounds has been practicing in Berkeley County for the past thirty years.

Hello, my name is Dr. Charles "Chip" Bounds, and I am a family practice physician based in Moncks Corner, South Carolina.

There can be no doubt... we absolutely need a full service hospital in Berkeley County to serve our growing population, and there is no better location for it than Carnes Crossroads. This site is centrally located within Berkeley County, and ideal for a hospital. It offers convenient access not only for patients, but also specialty physicians who will come practice there.

Just as important, a Roper St. Francis hospital will give Berkeley County residents a choice in healthcare services, one that they have come to trust and rely upon through the years, just as I have. I believe that people living and working in Berkeley County need and deserve a choice.

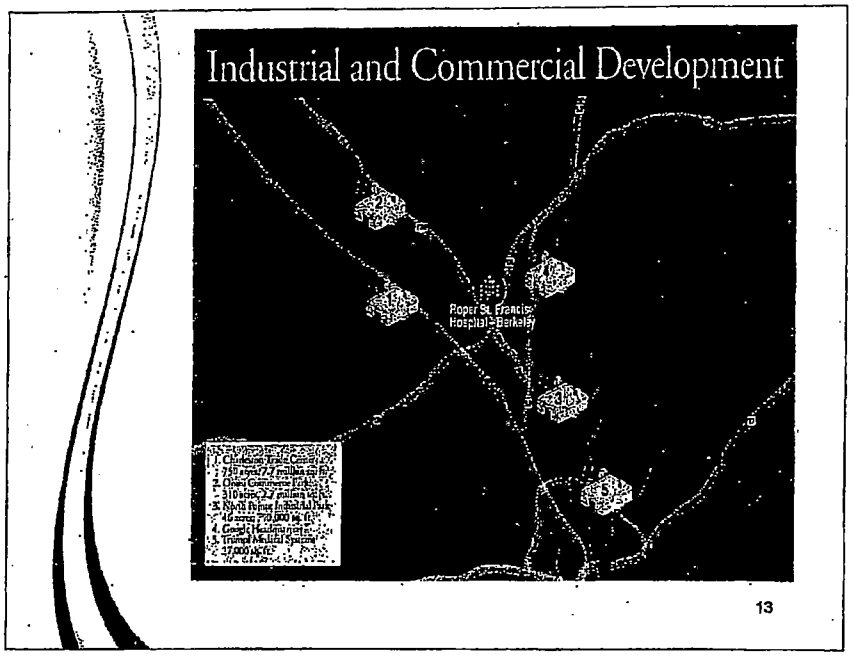


Objective 2: Establish Necessary Resources to Respond to Significant Population Growth

	2008 Population	2015 Population	2008-2015 Growth	2008-2015 % Growth
Berkeley County	158,140	172,940	+14,800	+9.4%
Charleston County	335,640	347,910	+12,270	+3.7%
Dorchester County	118,420	131,530	+13,110	+11.1%
South Carolina	4,394,300	4,717,890	+323,590	+7.4%

12

Our second objective is to establish the necessary resources to respond to the area's tremendous population growth. As this graphic demonstrates, Berkeley County is forecasted to grow more than 9% by 2015. This rate is significantly greater than the rate forecast for Charleston County where the beds are currently located, or the growth rate for the State.



The industrial and commercial markets are keeping pace as well, with new developments throughout the Tri-County area and Berkeley in particular. Increasing warehouse space will allow the State to better handle the flood of goods expected to arrive after 2014, when expansions of the Port of Charleston and the Panama Canal are scheduled for completion.

Hillwood Investment Properties purchased 750 acres and plans to develop the Charleston Trade Center with more than 7 million square feet of distribution and manufacturing facilities.

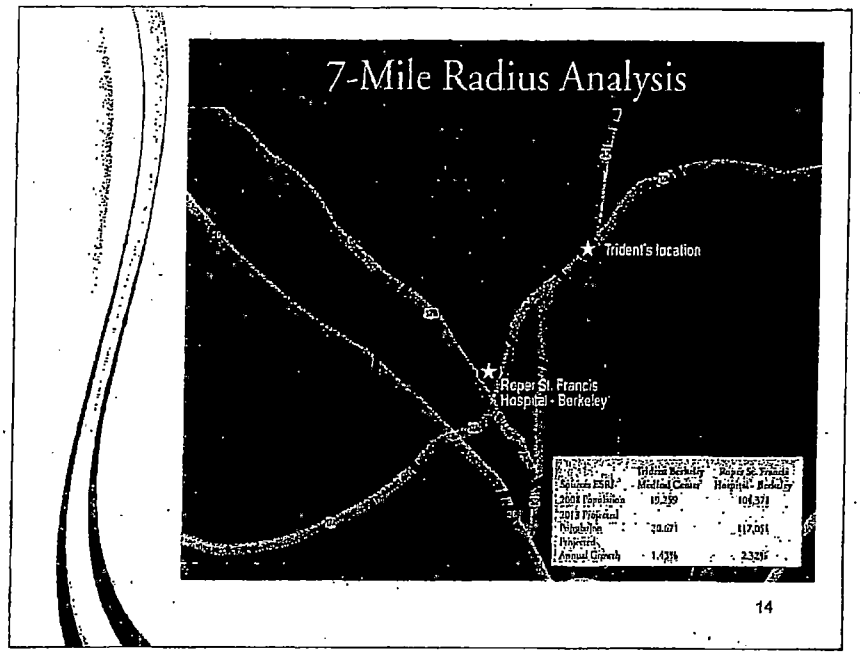
Omni Commerce Park's first building under construction is approximately a half million square feet. Their plans are for a 2.7 million square foot industrial complex in Berkeley County.

North Pointe Industrial Park has completed a fourth building, and plans to construct a fifth.

Google has 500 acres in Berkeley County and has built a new data center with a total investment estimated at $600 million.

Trumpf Medical Systems is expanding in Berkeley County and plans to invest $5.6M in a new facility in Cainhoy Park. It will completely move its operations once the new building is complete. Berkeley County beat out Connecticut, New Jersey and Michigan for Trumpf's expansion.

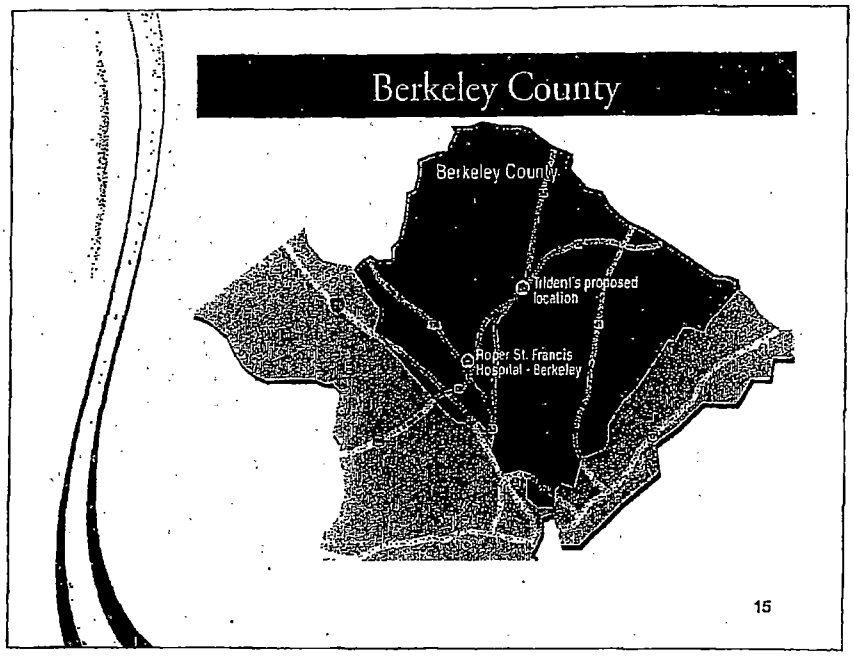
In addition, the Rockefeller Group in conjunction with Mead Westvaco Corp. is planning a 2.6 million square foot industrial park on 400 acres near Omni Commerce Park.



This analysis compares the population within a standard seven-mile planning radius of each of the proposed hospital sites, showing that our location in Goose Creek will serve a significantly larger population than Trident's proposed center in Moncks Corner.

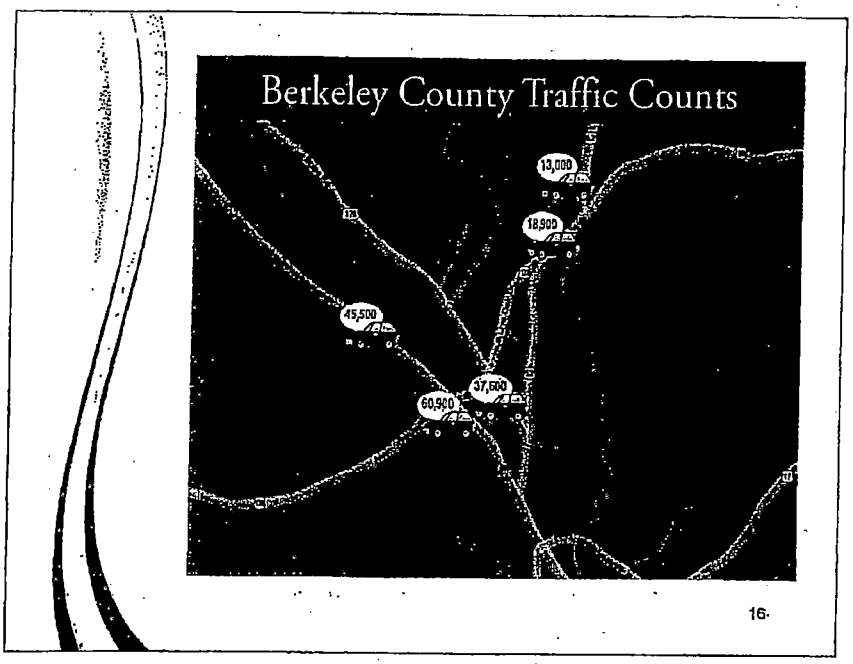
The 2008 population base within seven miles of our location is 104,371. That is more than five times larger than the population surrounding Trident's proposed Moncks Corner location, which is only 19,259.

In addition, the projected annual population growth rate in Goose Creek is nearly double that of Moncks Corner, Trident's proposed site.

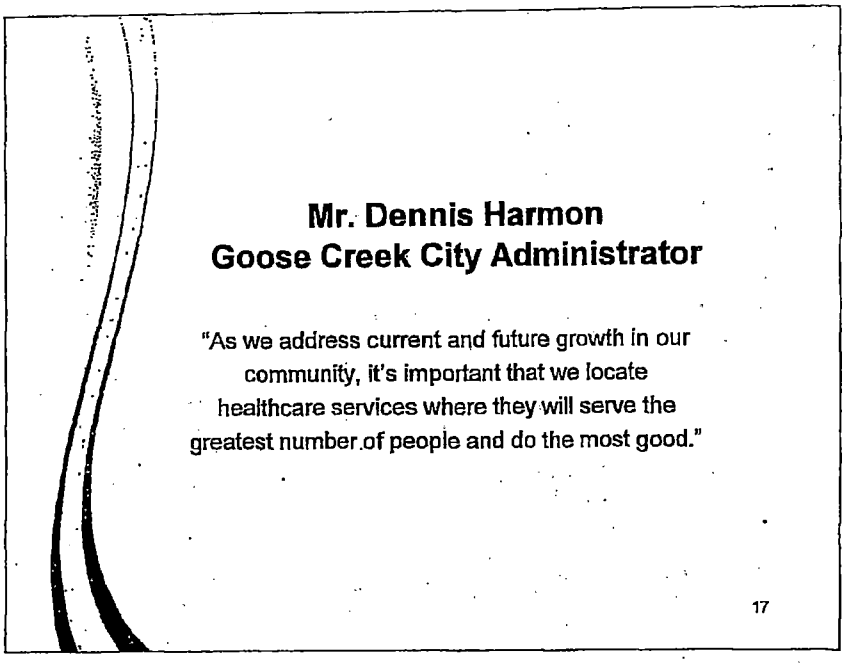


Expanding from a seven mile radius around each site to now look at the entire county, one notes that Berkeley County is large, rural in nature, and has a significant amount of water. The red zone on this map is where the majority of the population resides and growth is expected to occur. Moncks Corner falls outside of the red zone.

Consumer travel patterns support that individuals living in more rural areas will travel to more densely populated and commercially developed areas for goods and services. We anticipate patients will be willing to travel from Moncks Corner to Goose Creek for their healthcare needs, as travel between the two areas represents an established traffic pattern for Moncks Corner residents.



This blow-up of the primary highways and roads in both the Goose Creek and Moncks Corner areas denotes the average daily traffic counts recorded by the S.C. Department of Transportation in its latest published survey. The numbers bear out that there are double and triple the cars traveling through Goose Creek on a daily basis- again, demonstrating the site we've selected is more densely populated and commercially developed.



In the next message from Mr. Dennis Harmon, Goose Creek City Administrator, he validates the site we've selected as best for the provision of inpatient services.

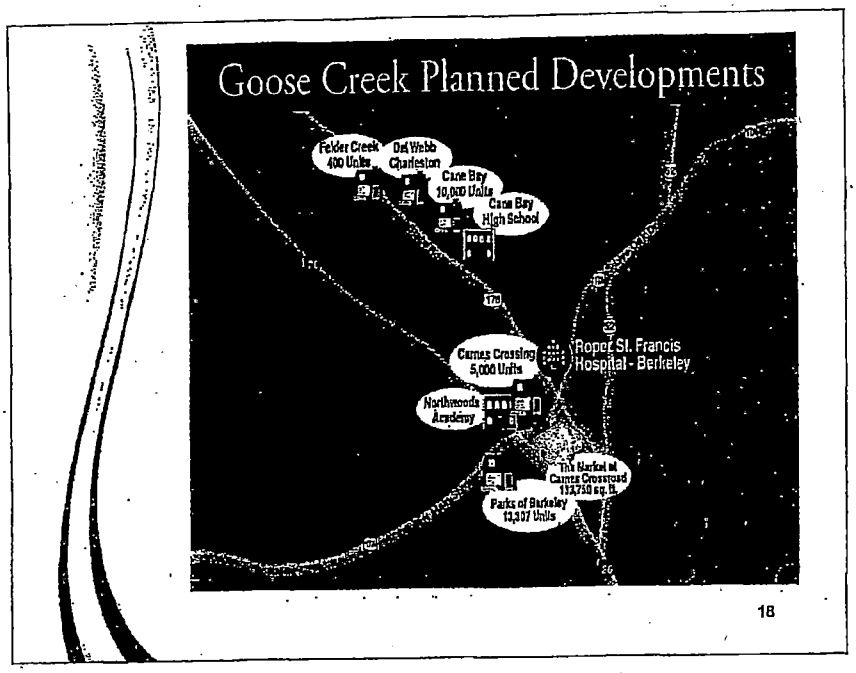
Hello, I'm **Dennis Harmon, City Administrator for the City of Goose Creek.** I also wish to speak in support of Roper St. Francis.

The location of this new hospital makes sense. Carnes Crossroads is situated squarely in the crosshairs of Berkeley County and the greatest concentration of our county's population, both now and in the future.

In fact, this same location that Roper St. Francis has chosen is where the Daniel Island Company is building an almost 2,400-acre mixed use planned community. Also within close proximity to this site is Del Webb, a community for active adults 55 and older, as well as the new Cane Bay High School. Carnes Crossroads is also conveniently located for area business and industry, including Google's new $600 million data center.

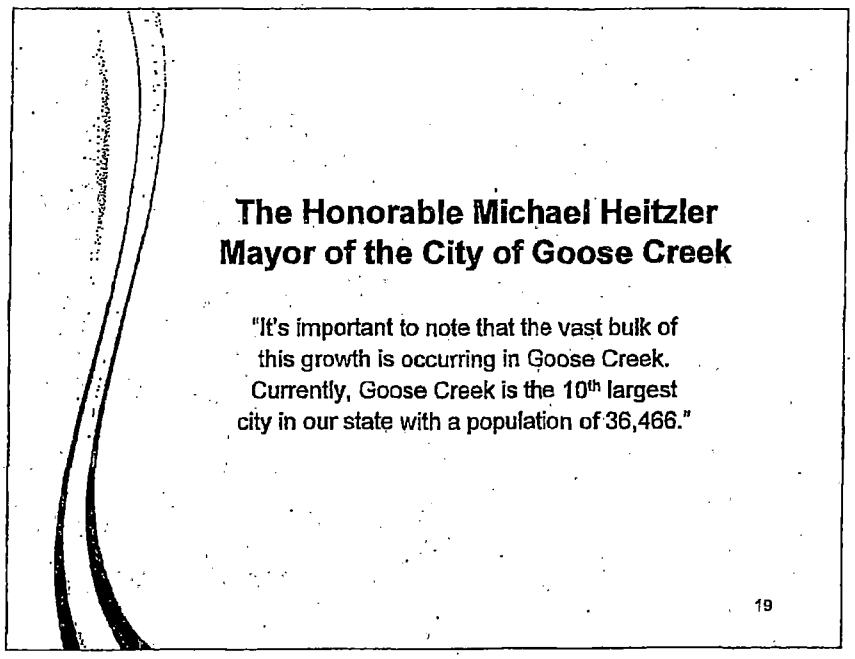
As we address current and future growth in our community, it's important that we locate healthcare services where they will serve the greatest number of people and do the most good. And it is for these reasons that I offer my wholehearted support to Roper St. Francis Hospital Berkeley to be located at Carnes Crossroads.

Thank you for this opportunity to speak with you today and for your thoughtful consideration



Both developers and planners are trying to provide more livable, mixed-use communities that allow residents to have many of their needs met within the community, be it work, shopping, or medical care. The Carnes Crossroads location is centrally located, near Goose Creek, and 15 to 20 minutes from Moncks Corner and Summerville. Three major communities are currently planned for the area, Cane Bay, The Parks at Berkeley, and Carnes Crossing-which will add nearly 30,000 homes when completed. Construction is already underway. Cane Bay High School, approximately four miles northwest of Carnes Crossroads, opened in the fall of 2008.

Several companies have purchased land in Carnes Crossroads for upcoming developments, including the Market at Carnes Crossroads, Northwood Assembly Church and Northwood Academy. As demonstrated, this hospital location will be immediately accessible to a substantial number of residents.



And now the Mayor of the City of Goose Creek, the Honorable Michael Heitzler, will speak to the area's growth.

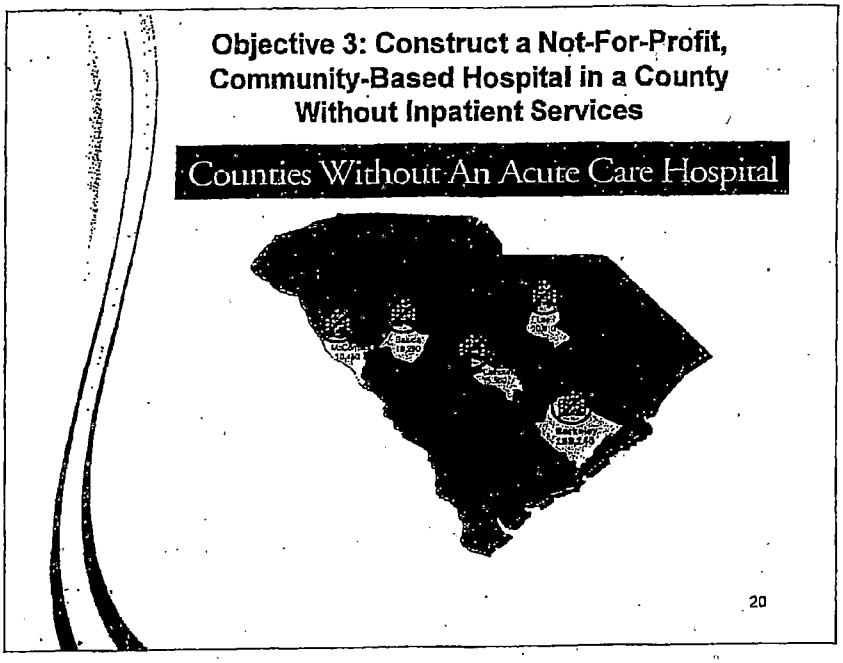
Distinguished members of the Project Review Committee for the South Carolina Department of Health and Environmental Control, I'm **Michael Heitzler, Mayor for the City of Goose Creek.**

On behalf of the City of Goose Creek, I would like to voice my strong support for Roper St. Francis and plans to build a 50-bed, full-service hospital to be centrally located in Berkeley County at the intersection of US Highways 17A and 176.

Berkeley County is experiencing tremendous growth. In fact, we're growing at a rate 2 times the national average. What's more, this trend is projected to continue with an additional 7.8% growth in the next five years.

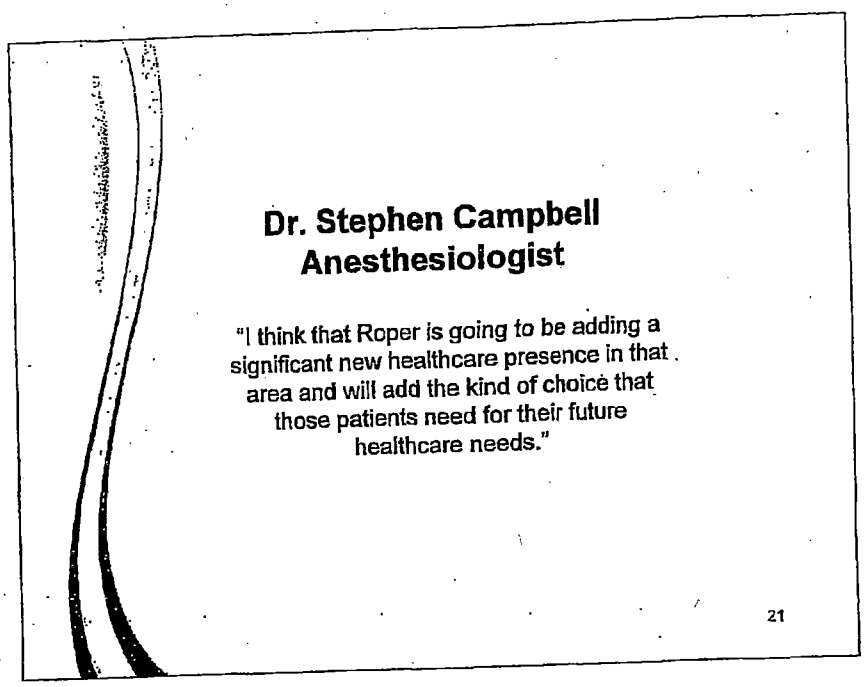
It's important to note that the vast bulk of this growth is occurring in Goose Creek. Currently, Goose Creek is the 10th largest city in our state with a population of 36,466.

I support Roper St. Francis in its efforts to make healthcare services more easily accessible for area residents and businesses. I also feel that it's important to provide people living and working in our community with a convenient choice in healthcare providers.



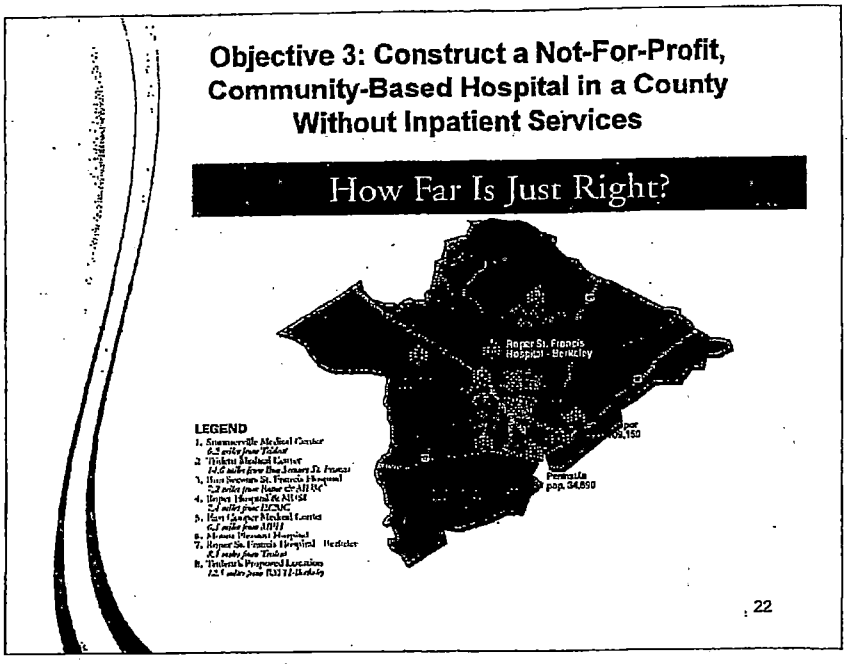
The project's third objective is to construct a not-for-profit, community-based hospital in a county without inpatient healthcare services. Berkeley County is one of the fastest growing counties in the State, and among the top ten counties statewide when reviewed along either a percentage of growth or a total population growth evaluation.

Only four other counties are without hospitals in South Carolina, including McCormick, Saluda, Calhoun, and Lee Counties with limited population in each county ranging from 10,000-21,000 persons. Berkeley County's 2008 population totaled 158,140 persons.



This next message is from Dr. Campbell, an Anesthesiologist on our medical staff and Summerville resident.

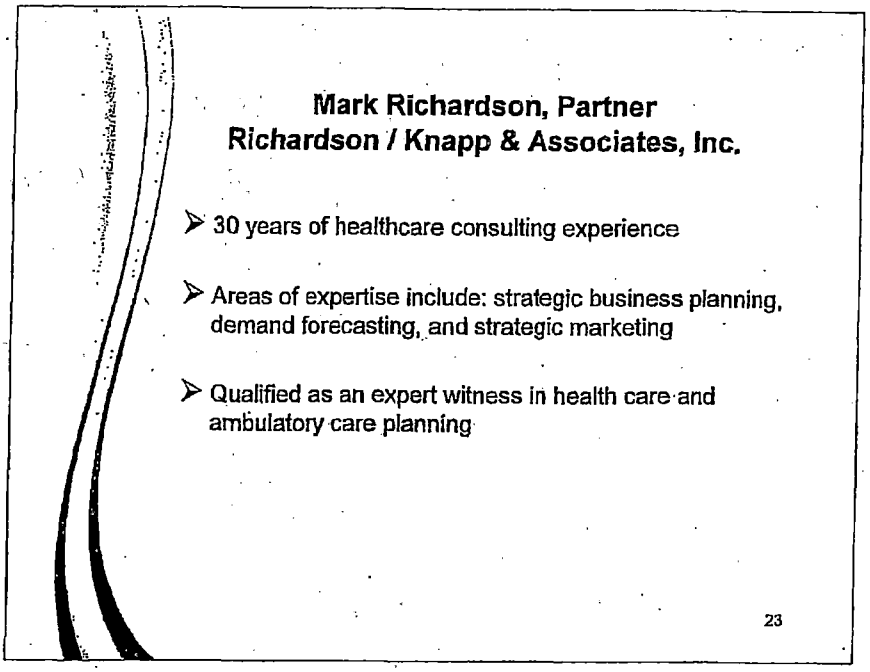
I'm Steve Campbell. I'm one of the Roper Saint Francis Healthcare anesthesiologists, and I've been practicing at the Roper facilities for the last 15 years or so. I have been practicing out at Moncks Corner Surgery Center and I've witnessed the dynamic growth of that population over the last few years. I happen to live in Summerville and the population growth there and the Goose Creek area of Berkeley County has been tremendous. I think that Roper is going to be adding a significant new healthcare presence in that area and will add the kind of choice that those patients need for their future healthcare needs.



Given the population growth, urban sprawl, and geographic barriers in our communities, traveling even short distances can take a considerable amount of time. It is important to note that existing hospitals in the Tri-County area are separated by 5-15 miles, making the location of our new Berkeley Hospital consistent with the distances between existing hospitals in our area. For example:

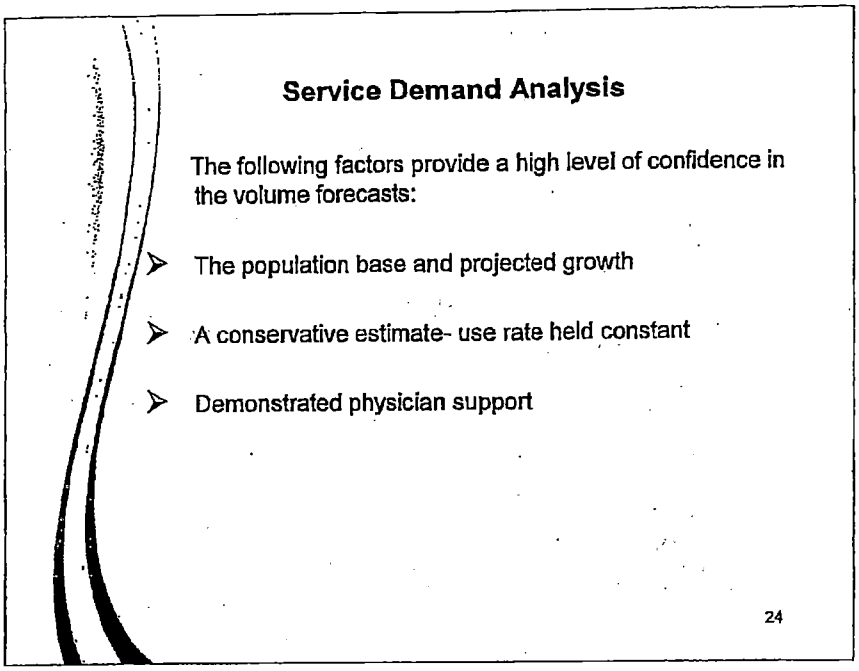
- Summerville Medical Center is 6.2 miles from Trident Medical Center
- Trident Medical Center is 14.6 miles from Bon Secours St. Francis
- Roper St. Francis Mount Pleasant Hospital is 6.5 miles from East Cooper Hospital
- Our proposed hospital is 8.1 miles from Trident Medical Center, 11.0 miles from Summerville Medical Center, and 12.5 miles from Trident's proposed hospital location in Moncks Corner.

Undoubtedly the committee is more familiar with its local hospitals in Richland and Lexington Counties. As a reference point, Lexington Medical Center is 7.9 miles from Providence Hospital and 6.8 miles from Palmetto Baptist– all without the geographic barriers that exist in the Tri-County area.



The healthcare consulting firm Richardson/Knapp & Associates was hired to conduct an independent service demand analysis and financial feasibility analysis.

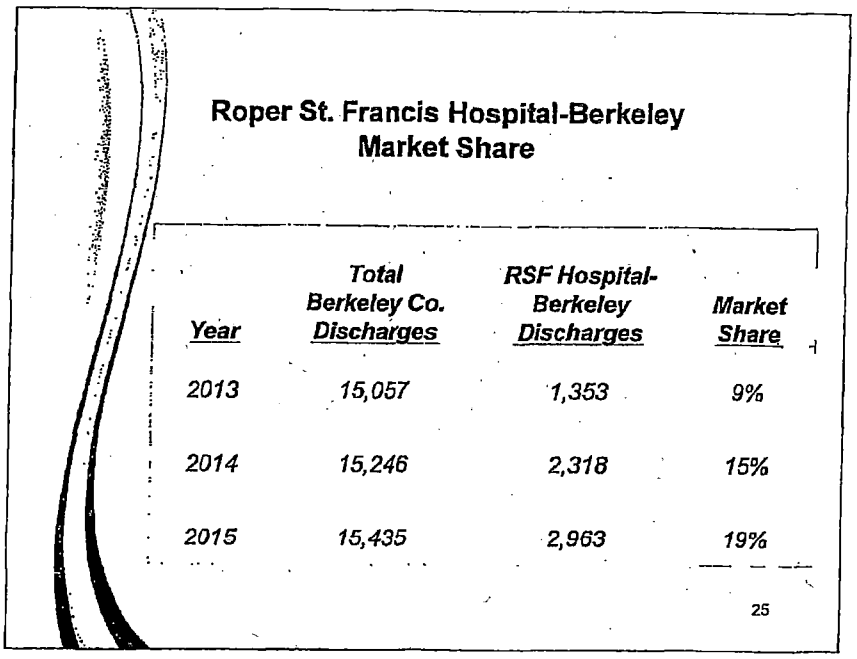
Mark Richardson has 30 years of experience with a focus on strategic business planning and demand forecasting. At this time, I will turn the presentation over to Mark.



Thank you Mr. Bowling. Each step of the methodology used to forecast bed need and patient volumes is outlined in the application, so at this time I'd just like to mention several factors that provide me with a high level of confidence in the volume forecasts.

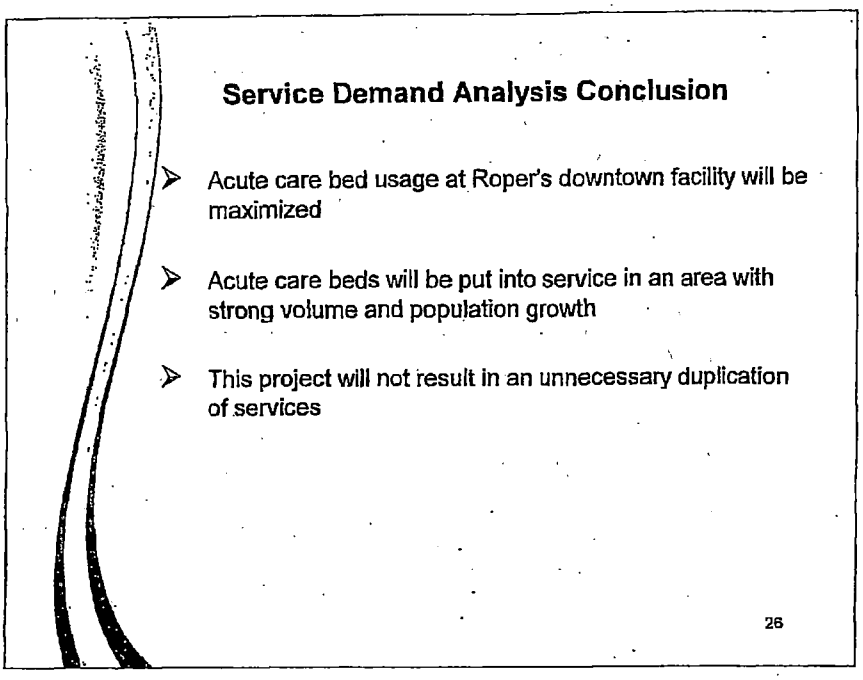
The total of all ages population data for Berkeley County from the 2008-2009 State Health Plan was used to establish the market forecasts in the CON application. This is a very conservative approach as there is forecast to be significant population aging, with the Berkeley County population aged 65+ forecast to grow more than five times greater than the population under age 65. The implication is that with the 65+ population utilizing health care services at a rate more than three times higher than the population as a whole, the use of the total population forecast in the CON application results in a conservative and very achievable volume forecast.

An additional factor that drives the conclusion that the market and volume forecasts are conservative and achievable is the use of a constant use rate through the planning horizon, given the significant aging of the population. Finally, the market and volume forecasts presented in the application are strongly supported by the extensive physician support demonstrated by the project support letters provided.



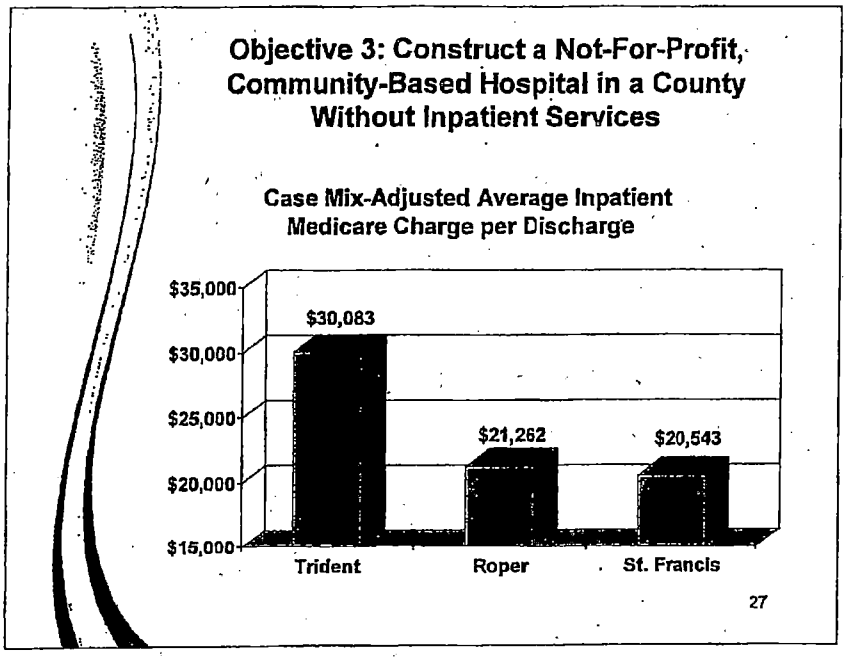
The market and volume forecasts for the proposed project were established for the 2015 time frame, which was assumed to be the third year of operation. The 2015 forecast was based upon the assumption that 50% of Roper St. Francis' non-tertiary / non-specialty patients from Berkeley County and 10% of the non-Roper St. Francis patients would be served at the new hospital. This translates into a 19% Berkeley County market share for 2015.

With Roper St. Francis currently serving 23% of the Berkeley County non-tertiary / non-specialty market – even without a hospital in the local area – this 2015 estimate of 19% market share with a new state of the art hospital located in the County's major population hub is reasonable and achievable.



The application submitted on behalf of Roper St. Francis Healthcare thoroughly documents the need for the proposed 50-bed relocation, which will maximize acute care bed usage at Roper's downtown facility.

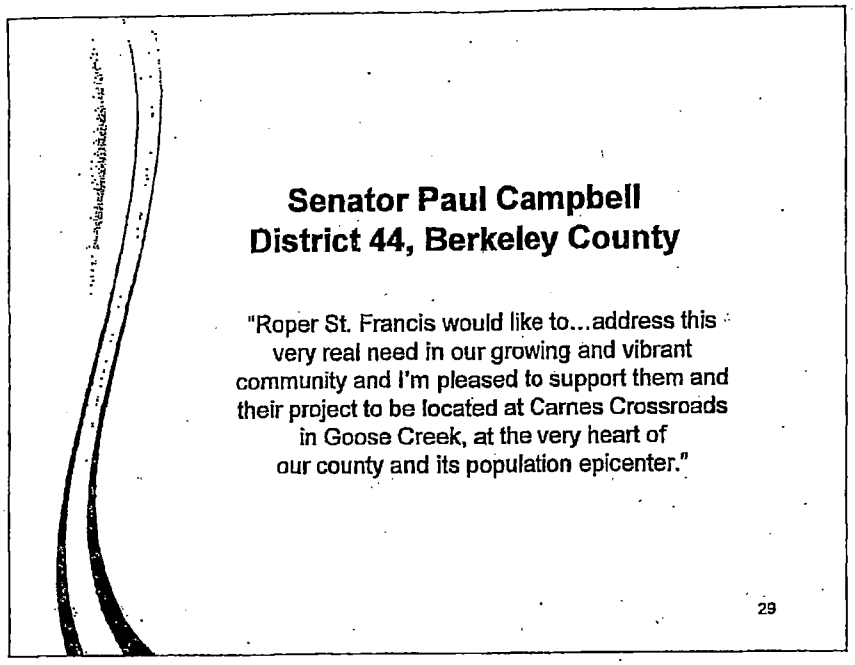
This project will place acute care beds and services in an area with strong volume and population growth, without resulting in an unnecessary duplication of services. This will be accomplished with no net gain in the number of licensed hospital beds in the Tri-County area. Market growth in Berkeley County will offset any non-Roper St. Francis redirected patient volume served at the new hospital, resulting in no adverse impact to other existing providers.



The proposed Berkeley Medical Center would be a for-profit hospital owned by HCA. 2007 Medpar data reveals that HCA Trident's $30,083 case mix-adjusted average inpatient Medicare charge per discharge is 41% higher than that of Roper Hospital and 46% higher than Bon Secours St. Francis Hospital's charge.

In this case a Roper St. Francis Healthcare not-for-profit hospital would offer the local community not only a real choice in local providers- versus allowing Trident to further expand its market control in Berkeley County- but a better choice benefiting both payors and patients.

I'll now turn the presentation back over to Doug.



And now a message from Senator Paul Campbell, who represents Berkeley County, resides in Goose Creek, and is a member of the Labor, Commerce & Industry committee among others.

Members of the Project Review Committee, thank you for this opportunity to speak with you today.

I'm Senator Paul Campbell, representing South Carolina District 44, which covers areas of Berkeley County.

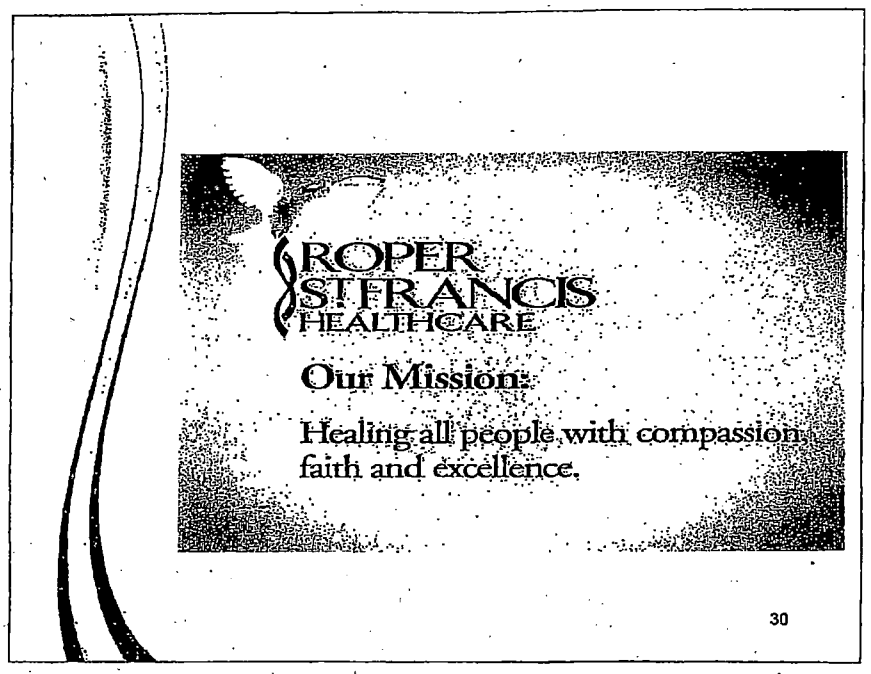
I support Roper St. Francis and plans to build a 50-bed, full-service hospital in Berkeley County, the ninth largest county in our state.

In March, the US Census Bureau released a report which ranked the tricounty as the 35th fastest-growing metropolitan area in our nation. Among the three counties, Berkeley led this growth with the highest number of new residents and the highest rate of increase. And even with the current economy and housing market, this rapid growth is projected to continue.

However, despite its size and growth, Berkeley County is currently one of only five counties in South Carolina without a hospital. No other county this size is without an acute care facility.

Roper St. Francis would like to change that and address this very real need in our growing and vibrant community and I'm pleased to support them and their project to be located at Carnes Crossroads in Goose Creek, at the very heart of our county and its population epicenter.

Thank you for your time and attention. I appreciate your consideration of our request.



To conclude, at Roper St. Francis Healthcare our mission is healing all people with compassion, faith and excellence.

For generations people of the Lowcountry have put their faith in us and we, along with our extraordinary team of employees and physicians, hope to bring this same mission of healing to our new hospital in Goose Creek.

Thank you for your time and careful consideration of this project. We'd be happy to answer any questions the committee may have.

PARKER POE

PARKER POE ADAMS & BERNSTEIN LLP

Attorneys and Counselors at Law

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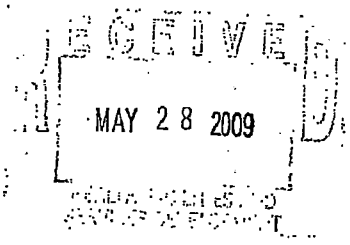
May 28, 2009



VIA HAND DELIVERY

Beverly A. Brandt
Director, Bureau of Health Facilities and Services Development
South Carolina Department of Health and
Environmental Control
1777 St. Julian Place, Suite 201
Columbia, SC 29204

Re: Construction to establish a fifty (50) bed acute care hospital through the transfer of ***50 acute care beds from the bed need generate by Trident Medical Center to include a Magnetic Resonance Imaging (MRI) unit and a Computed Tomography (CT) scanner; the proposed facility is to be located adjacent to the current site of the Moncks Corner Medical Center at the intersection of Martin Luther King Drive and Highway 17A***

Trident Medical Center, LLC d/b/a Berkeley Regional Medical Center, Moncks Corner, South Carolina ("Trident Application")

Construction of a new hospital by transferring fifty (50) acute care beds from Roper Hospital to include a multi-slice Computed Tomography (CT) scanner and a 1.5T Magnetic Resonance Imaging (MRI) unit; the proposed facility will be located on Highway 17A in Goose Creek

Roper St. Francis Hospital-Berkeley, Inc., Goose Creek, South Carolina ("Roper Berkeley Application")

Dear Ms. Brandt:

Please find attached additional comments prepared by Richard Baehr, Trident Health System's health planning consultant. Trident is submitting these comments in further support of Trident's presentation and in response to Roper's presentation during the May 21, 2009 Project Review meeting. It is our understanding that any additional written comments must be submitted by today's date.

Should you have questions or concerns, please do not hesitate to contact me.

With best regards, I am

Sincerely,

David B. Summer, Jr.

DBS:st

Enclosures

001212

RICHARD A. BAEHR & ASSOCIATES

1813 N. Lincoln Park West
Chicago, IL 60614

Phone: (312) 654-8648
Fax: (312) 654-8649
E-Mail: rabaehr@aol.com

May 28, 2009

Ms. Beverly A. Brandt, Director
Bureau of Health Facilities and
Services Development
South Carolina DHEC
1777 St. Julian Place, Suite 201
Columbia, S.C29204

Dear Ms Brandt:

As a follow-up to the Project Review presentation by Trident Health System on May 21, I wanted to address a few of the issues that were raised at that meeting.

SUMMARY

1. There Is A Need For One New 50-Bed Hospital In Berkeley County, Not Two.

2. Berkeley Regional Medical Center Will Improve Access To Care For Residents Of Northern Berkeley County. Roper St. Francis Berkeley Hospital Will Not.

3. Southern Berkeley County Is Already Well Served By Both Trident Medical Center And Summerville Medical Center. Approval Of the Roper St. Francis Application Would Result Only In An Expensive Duplication Of Services.

4. Approval of the Roper St. Francis Berkeley Application Would Result In A Material Adverse Impact For Other Providers. The Proposed Berkeley Regional Medical Center Will Not.

5. Approval of another of Roper St. Francis' Multiple Bed Transfers from its Downtown Facility Will Enable the Roper St. Francis Healthcare System to Expand by Circumventing the Bed Need Methodology Established in the *State Health Plan.*

DISCUSSION

1. **THERE IS A NEED FOR ONE NEW 50-BED HOSPITAL IN BERKELEY COUNTY, NOT TWO.**

As seen on Pages 21 and 22 of the Trident Project Review presentation for the Berkeley Regional Medical Center, both the proposed Berkeley Regional Medical Center and the Roper St. Francis Berkeley Hospital are projected to experience financial losses in their first two years of operation, and small gains thereafter. However, if both 50-bed applications

were approved, the financial results would be disastrous for both the Trident and Roper St. Francis systems.

As shown on Page 26 of the Trident presentation, the losses would total approximately ***$59 million for the two hospitals combined*** over three years, and ***over $15 million in the third year alone***. These projections assume that the two hospitals would have to divide the growth in the Berkeley County inpatient market on which both applicants justify their projects. For example, the Roper St. Francis application projects growth in average daily census in all of Berkeley County of just over 20 patients per day by 2016. This increase in inpatient utilization is enough to justify construction of ***one*** 50-bed hospital along with additional census obtained from gaining market share from existing providers. It is certainly not enough to support two new hospitals.

Clearly, the approval of two new 50-bed hospitals in Berkeley County, each costing approximately $115 million to construct, will undermine any chance of either of them being financially feasible. Such a result reflects poor health planning and undermines the purpose of certificate of need programs.

2. BERKELEY REGIONAL MEDICAL CENTER WILL IMPROVE ACCESS TO CARE FOR RESIDENTS OF NORTHERN BERKELEY COUNTY.

As seen on Page 13 of the Trident presentation, many residents of northern Berkeley County currently have long drive times, well in excess of 30 minutes, to access an acute care hospital.

The proposed site for the new 50 bed Berkeley Regional Medical Center, seen on the map on Page 12 of the Trident presentation, is centrally located in Berkeley County in the town of Moncks Corner. The approval of the Berkeley Regional Medical Center application will thus significantly reduce the long drive times for residents of the northern part of the county, and greatly improve access to care for this historically underserved population. In terms of both distribution of health care services and accessibility, the proposed hospital in Moncks Corner is the only project consistent with the Department's project review criteria.

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3. APPROVAL OF THE ROPER ST. FRANCIS APPLICATION WILL NOT MATERIALLY ENHANCE ACCESS BUT WOULD RESULT IN AN EXPENSIVE DUPLICATION OF SERVICES.

The Roper St. Francis application for a new 50-bed hospital in Goose Creek may serve to make acute care services more ***convenient*** for the residents of that city, but ***access*** to acute care services is already very good in southern Berkeley County generally and in Goose Creek itself. The Roper St. Francis application suggests that the new hospital will rely primarily on a service area that is drawn 7 miles around the proposed site of the new hospital, as seen on the map on Page 24 of the Trident presentation. Roper further has represented that the 7-mile distance defines a 15 minute drive time. There is nothing in the *State Health Plan* or the Certificate of Need laws that suggests that achieving a 15-minute or lower drive time is justification for approving a new hospital. In fact, many residents of southern Berkeley County already have a drive time of 15 minutes or less to get to an acute care hospital, and under normal drive times, residents of this part of the county are entirely within 30 minutes drive time of one or more of two existing facilities.

Importantly, as shown in Map 1, the entire 7-mile radius service area proposed by Roper St. Francis Berkeley Hospital fits within a 14-mile, or 30 minute drive time, radius from Trident Medical Center. Virtually the same is true when a 14-mile radius is drawn around Summerville Medical Center. Thus, ***the entire target population proposed to be served by the Roper St. Francis Berkeley Hospital resides within 30 minutes' drive time of not one, but two existing hospitals***. However, a very large proportion of the population of northern Berkeley County, which will be served by Berkeley Regional Medical Center, is outside the 30-minute drive time circles for Trident Medical Center and Summerville Medical Center. This northern region would experience a meaningful improvement in access to acute care services from the location of a new hospital in Moncks Corner, but not from one in Goose Creek. This contrast between the Roper and Trident proposals in this context could not be more pronounced.

As seen in Tables 1 to 4 which follow, there are many more residents of Berkeley County today (Table 3) who are closer to either Trident Medical Center or to the proposed Berkeley Regional Medical Center than they would be to the site of the proposed Roper St. Francis Berkeley facility. This will also be the case in 2013, based on population projections by ZIP Code for that year (Table 4). Table 1 shows that for the ZIP Codes entirely within Berkeley County, the population is expected to grow by about 9,000 persons from 2008 to 2013, from approximately 144,000 to near 153,000 residents. The ZIP Code for Goose Creek, 29455, is expected to grow by 929 people in that time period (from just under 49,000 to just under 50,000).

Certainly, a new hospital is not needed to serve a community with growth of only 929 people in 5 years, especially when the site for the new hospital in Goose Creek is but 8 miles from a large existing acute care facility (Trident Medical Center), and 11 miles from another (Summerville Medical Center).

In Table 2, we have listed the existing or proposed hospital that is closest for residents of each Berkeley County ZIP Code, as well as for residents of two ZIP Codes that cross the Berkeley-Dorchester county lines: 29483, and 29472. In 8 ZIP Codes in the northern part of Berkeley County, the proposed Berkeley Regional Medical Center would be the closest hospital for 100% of the residents of those ZIP codes: Bonneau, Cordesville, Cross, Huger, Jamestown, Pineville, Pinopolis and Saint Stephen, as well as for 80% of the residents of the Moncks Corner ZIP code 29461.

In a few ZIP Codes, such as 29456, part of the population of that ZIP Code is closer to one facility or proposed facility, and part is closer to another facility. Allocating the percentages in Table 2 to the ZIP Code populations in Table 1, we can see in Table 3 that in 2008, for the ZIP Codes entirely within Berkeley County, 55,602 residents are closest to Trident Medical Center and 45,814 are closest to the proposed Berkeley Regional Medical Center in Moncks Corner; but only 35,888 are closest to the proposed Roper St. Francis Berkeley Hospital. In fact, even when the two cross county ZIP codes that are primarily in Dorchester County are included (29472 and 29483), over 100,000 residents of the proposed Roper service area live closer to the two existing Trident hospitals than they do to the proposed Roper St. Francis Berkeley Hospital itself. Thus, even if the Department approved both hospitals, the great majority of Berkeley County residents will live closer to a hospital within the Trident Health System than to the proposed Roper hospital.

Most importantly, even in areas where the proposed Roper St. Francis Berkeley Hospital would be the closest hospital, residents of this area can still reach Trident Medical Center or Summerville Medical Center in less than 30 minutes' drive time, and often far less. On the other hand, for most of the 46,000 residents of northern Berkeley County in 2008 and nearly 48,000 in 2013 (almost one-third of the county population), the proposed Berkeley Regional Medical Center in Moncks Corner will be the first and only hospital that can be reached in less than 30 minutes' drive time.

The primary benefit of the $113 million proposed Roper St. Francis Hospital would be to cut the drive times to the closest hospital by a few minutes for some residents in southern Berkeley County, for whom the existing drive times and access to care are already very good. This would be a costly duplication of health care services which does not alleviate

access issues nor address the needs of underserved populations. The proposed Berkeley Regional Medical Center, on the other hand, would materially improve access for residents of northern Berkeley County who have poor access today.

4. THE PROPOSED ROPER HOSPITAL WOULD RESULT IN A MATERIAL ADVERSE IMPACT FOR OTHER PROVIDERS. THE PROPOSED BERKELEY REGIONAL MEDICAL CENTER WILL NOT.

Trident Health System hospitals currently have a 53% market share of acute care services delivered to the residents Berkeley County. Roper St. Francis facilities have less than half of this market presence at a 23% market share (Page 18 of Trident presentation). In the Roper St. Francis Berkeley application, more than half of the projected volume at the new Roper facility in Berkeley County is expected to come from patients who would otherwise have been seen at Roper downtown, and the combined share for all of the Roper facilities would reach just over 30% in Berkeley County once the new hospital opens and reaches steady-state utilization. However, in the presentation made by Roper St. Francis to the Project Review Committee on May 21, Roper St. Francis admitted that the new Roper St. Francis Berkeley Hospital was expected to achieve a 19% market share in Berkeley County ***in addition to*** the 23% share for the existing Roper system – resulting in a market share of more than 40% overall.

Regardless of whether the combined Roper St. Francis market share reaches over 30% or over 40% in Berkeley County, the hospitals that will realize the most adverse impact from approval of the Roper St. Francis Berkeley proposal would be the two Trident hospitals, which combined, have by far the highest market share in Berkeley County. On the other hand, if the Berkeley Regional Medical Center application is approved, it would have minimal impact on existing Roper and St. Francis facilities, since few residents of the northern part of Berkeley County now go to these distant hospitals for inpatient care.

5. APPROVAL OF ANOTHER OF ROPER ST. FRANCIS' MULTIPLE BED TRANSFERS FROM ITS DOWNTOWN FACILITY WILL ENABLE THE ROPER ST. FRANCIS HEALTHCARE SYSTEM TO EXPAND BY CIRCUMVENTING THE BED NEED PROJECTIONS ESTABLISHED IN THE *STATE HEALTH PLAN*.

As seen in pages 33-36 of the Trident presentation, the proposed Roper St. Francis Berkeley Hospital represents the third transfer of beds from the downtown Roper facility to other existing or proposed hospitals (Page 33) in recent years -- totaling 148 beds. As a result of these bed reductions at the downtown Roper facility, Roper is now projected to achieve occupancy levels of over 90% in the next few years by its own projections (Page

34). These are dangerously high and unsustainable occupancy levels, especially for a tertiary care facility. While Roper has signed a letter to the Department (Page 35) indicating it will not use the transfer of the 50 beds as justification for applying for any new beds, the reality is that once the new hospitals are open, the next *State Health Plan* will show a need for new beds at Roper downtown (Page 36). This need projection will be due to two factors:

(1) Roper will have reduced its bed size enough such that its target occupancy level under the *State Health Plan* for its 266-bed downtown facility will be only 70%, as compared to 75% when Roper was a 400-plus-bed hospital.

(2) Roper has reduced its size by too much downtown -- there is enough volume remaining to fill almost all of the 266 beds. As with the Mt. Pleasant application, Roper has chosen to relocate beds from a less affluent area to a more affluent community in order to poach a higher paying market share from other providers. By contrast, the proposed Trident hospital in Moncks Corner is located in a far less affluent area than Goose Creek (Page 30 from the Trident presentation) and is intended to serve all populations of Berkeley County.

In essence, Roper wants to have its cake (a transfer of 50 beds to gain approval for a new hospital in Berkeley County), and eat it too - apply for additional beds downtown once the new hospitals in Mt. Pleasant and Goose Creek are open. This tactic runs counter to the intent of the *State Health Plan*. Significantly, Roper will have succeeded in manipulating the Department into increasing its overall bed count for its system and circumventing the rules of the Department's *State Health Plan*.

CONCLUSION

The Trident Health System has been serving Berkeley County since the opening of Trident Medical Center in 1975. The Moncks Corner outpatient facilities, centrally located in Berkeley County, have been expanded over the last 25 years, and there is now a need for the next step -- the development of a 50-bed hospital in Berkeley County.

The need for improved access is best served by locating a new hospital in Moncks Corner, not in Goose Creek. Trident has chosen to locate its hospital in the center of the county in Moncks Corner, so as to significantly improve access to acute care services for the underserved communities in the northern part of Berkeley County. While Goose Creek has a larger population than Moncks Corner, residents of Goose Creek and the southern part of Berkeley County already enjoy excellent access to two existing acute care facilities.

RICHARD A. BAEHR & ASSOCIATES

Improving access for all County residents must trump any attempt by Roper to merely increase convenience for its existing patient population, to significantly increase its market share, and thus to have a material adverse impact on the Trident Health System.

Given that population growth will not support two new 50-bed hospitals in Berkeley County, and that approval of both applications will result in huge financial losses for both new hospitals, the Department must choose only one of the two competing applications. It is clear that one of the applications is far superior in terms of serving the needs and improving access for residents of Berkeley County, and that is the Trident Health System application for the Berkeley Regional Medical Center in Moncks Corner.

If you have any questions regarding these projects, please do not hesitate to contact me at 312-654-8648.

Sincerely,

Richard A. Baehr

Financial Projections for Berkeley Regional Medical Center

	2012	2013	2014	2015	2016
Revenues					
Gross Revenues	$93,652,613	$123,667,300	$157,381,038	$179,402,906	$196,886,633
Deductions	67,929,563	91,241,380	117,726,524	135,643,970	150,260,895
Net Revenues	$25,723,050	$32,425,920	$39,654,514	$43,758,936	$46,625,738
Expenses					
Operating Expenses	$24,940,382	$29,922,548	$34,226,443	$38,067,016	$40,651,547
Depreciation and Interest	5,358,519	5,358,519	5,358,519	5,358,519	3,735,590
Total Expenses	$30,298,901	$35,281,067	$39,584,962	$43,475,535	$44,387,137
Net Income (Loss)	($4,576,851)	($2,855,147)	$69,552	$283,402	$2,238,601

RECORD 006605

001220

Joint Exhibit 002-1227

Financial Projections for Roper St. Francis Berkeley

	2013	2014	2015
Revenues			
Gross Revenues	$52,436,329	$96,175,681	$120,068,706
Deductions	37,078,582	68,312,912	85,665,384
Net Revenues	$15,357,747	$27,862,769	$34,403,322
Other Revenues	63,880	112,785	135,541
Total Revenues	$15,421,627	$27,975,554	$34,538,863
Expenses			
Operating Expenses	$27,187,398	$31,288,871	$34,253,703
Depreciation and Interest	11,548,000	11,418,000	11,378,000
Total Expenses	$27,187,398	$31,288,871	$34,253,703
Net Income (Loss)	($11,765,772)	($3,313,318)	$285,160

RECORD 006606

001221

Joint Exhibit 002-1228

Both Proposed Hospitals Rely on Achieving a High Market Share in Berkeley County. If Future Utilization Has to be Divided Between Two New Hospitals, Neither will be Financially Feasible

	2013	2014	2015	TOTAL
Berkeley Regional Medical Center				
Adjusted Net Income (Loss) if Berkeley County Utilization is Reduced by Half	($8,285,663)	($6,396,966)	($5,984,884)	($20,667,513)
Roper St. Francis Hospital Berkeley				
Adjusted Net Income (Loss) if Berkeley County Utilization is Reduced by Half	($16,534,360)	($12,009,026)	($9,734,299)	($38,277,685)
TOTAL PROVIDER LOSS				($58,945,198)

Note: Roper St. Francis Berkeley losses are larger because of debt financing and associated interest expense.

RECORD 006607

001222

Joint Exhibit 002-1229

BRMC Significantly Increases Access to Hospital Care for Berkeley County Residents; RSFB Does Not

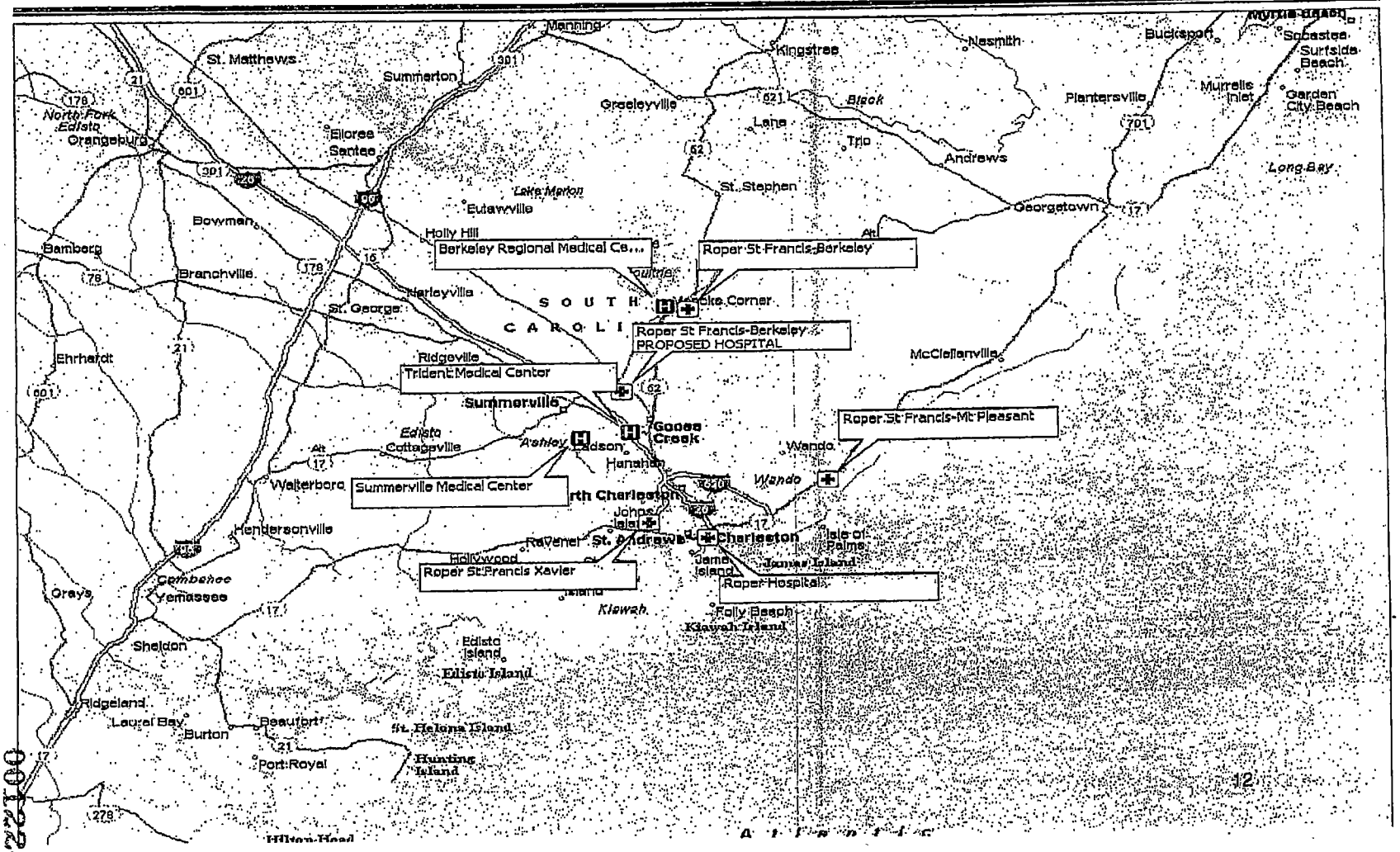
	BRMC	RSFB	TMC	SMC
Bonneau	12 minutes 8 miles	**30 minutes** **21 miles**	38 minutes 27 miles	46 minutes 31 miles
Cross	23 minutes 17 miles	**30 minutes** **24 miles**	42 minutes 32 miles	47 minutes 35 miles
Jamestown	26 minutes 20 miles	**45 minutes** **32 miles**	52 minutes 39 miles	60 minutes 42 miles
St. Stephen	21 minutes 15 miles	**40 minutes** **28 miles**	46 minutes 35 miles	55 minutes 38 miles

- source: MapQuest

RECORD 006608

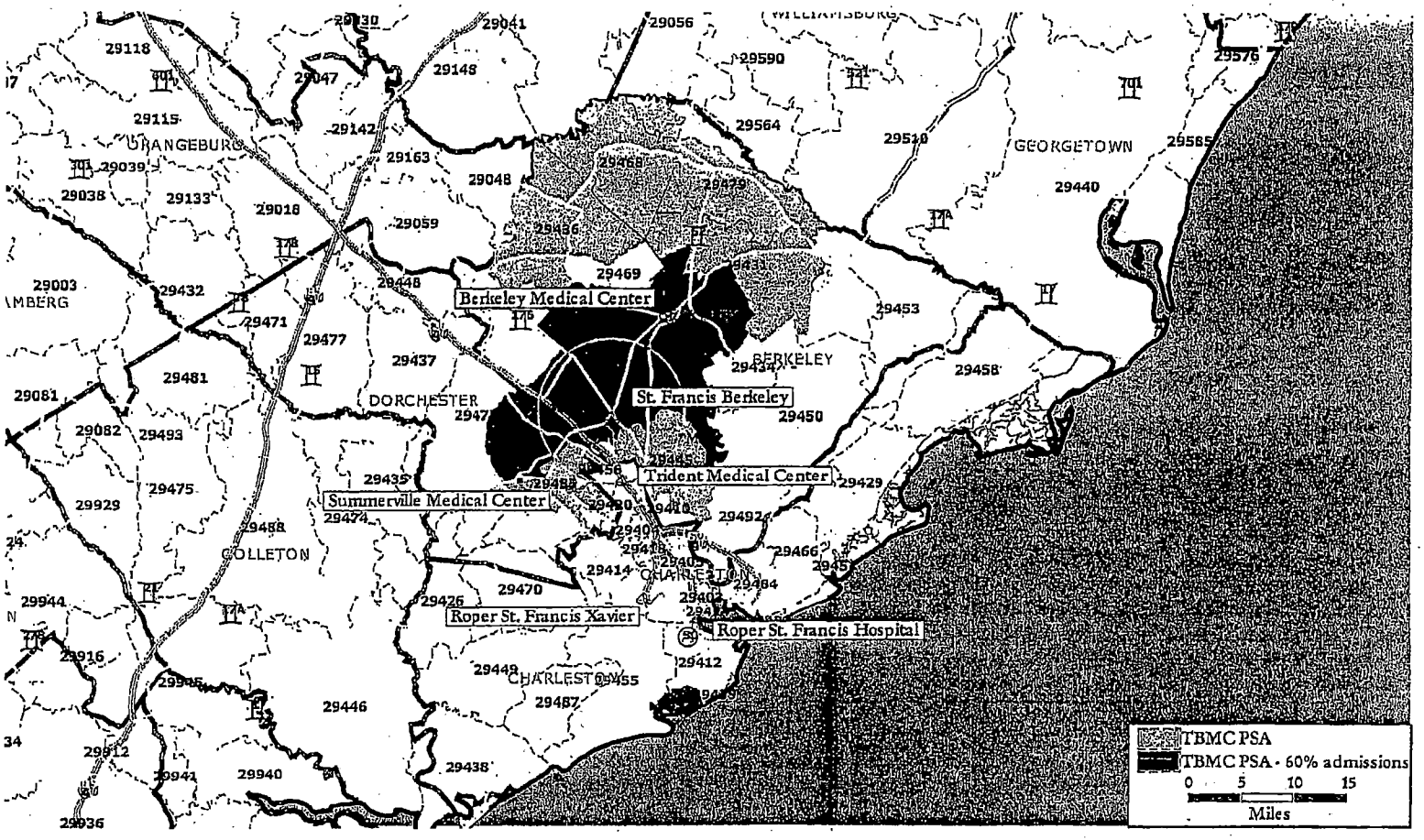
Joint Exhibit 002-1230

Roper St. Francis – Berkeley Cannot Survive Without Taking Significant Market Share from Trident



RECORD 006609
001224
Joint Exhibit 002-1231

The Primary Service Area proposed by Roper St. Francis – Berkeley is Located within Trident's Primary Service Area

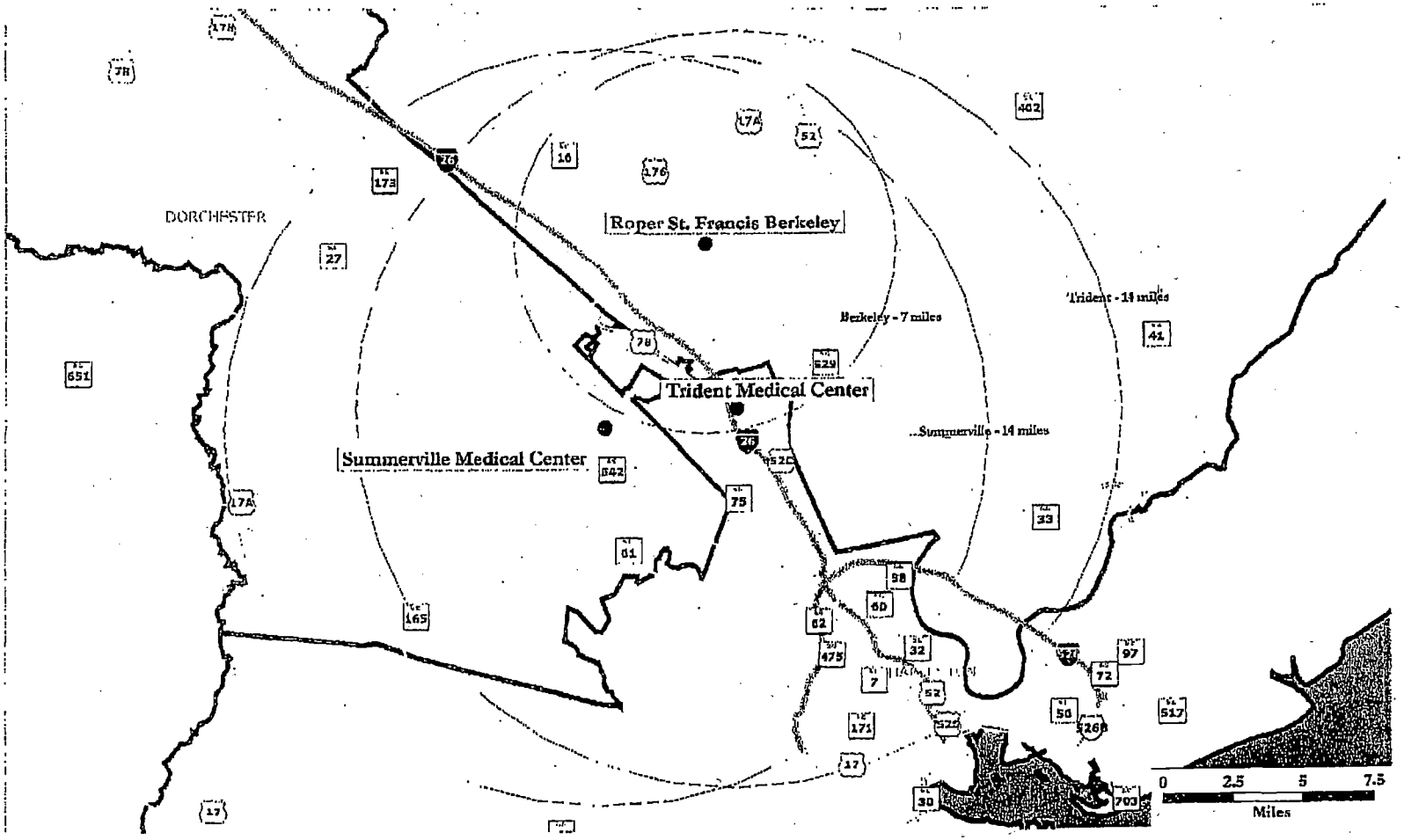


RECORD 006610

001225

Joint Exhibit 002-1232

Areas Within 14 Miles (30 Minutes Driving Time) of Trident Medical Center and Summerville Medical Center



MAP 1

RECORD 006611
001226
Joint Exhibit 002-1233

TABLE 1

CLARITAS POPULATION PROJECTIONS FOR ZIP CODES IN BERKELEY & PORTIONS OF DORCHESTER COUNTIES

2008-2013

County\ZIP Code	Location	Total Population 2008	2013
ZIP Codes in Berkeley County			
29410	North Charleston	14,124	14,933
29431	Bonneau	6,407	6,860
29434	Cordesville	551	536
29436	Cross	4,213	4,179
29445	Goose Creek	48,987	49,916
29450	Huger	6,421	8,275
29453	Jamestown	1,335	1,321
29456	Ladson	19,251	20,944
29461	Moncks Corner	25,209	26,068
29468	Pineville	2,305	2,148
29469	Pinopolis	914	869
29479	Saint Stephen	6,711	6,676
29482	Charleston	7,421	10,257
Subtotal Berkeley County		143,849	152,982
ZIP Codes in Berkeley and Dorchester Counties			
29483	Summerville	58,918	66,537
29472	Ridgeville	9,604	10,246
Subtotal Berkeley and Dorchester County ZIP Codes			
Total			

Source: Claritas

RECORD 006612

001227

Joint Exhibit 002-1234

TABLE 2

ESTIMATED PERCENTAGE OF RESIDENTS OF SELECTED ZIP CODES IN BERKELEY & PORTIONS OF DORCHESTER COUNTIES WHO LIVE CLOSEST TO EXISTING OR PROPOSED MEDICAL FACILITIES

County\ZIP Code Location		Estimated Percentage of Residents of this ZIP Code Who are Geographically Closest to:			
		Trident Medical Center	Summerville Medical Center	Berkeley Regional Medical Center	Roper St. Francis Berkeley Hospital
ZIP Codes in Berkeley County					
29410	North Charleston	100%			
29431	Bonneau			100%	
29434	Cordesville			100%	
29436	Cross			100%	
29445	Goose Creek	50%			50%
29450	Huger	50%		50%	
29453	Jamestown			100%	
29456	Ladson	33%	33%		33%
29461	Moncks Corner			80%	20%
29468	Pineville			100%	
29469	Pinopolis			100%	
29479	Saint Stephen			100%	
29492	Charleston	100%			
ZIP Codes in Berkeley and Dorchester Counties					
29483	Summerville		60%		40%
29472	Ridgeville		60%		40%

Source: Claritas

RECORD 006613

001228

Joint Exhibit 002-1235

TABLE 3

ESTIMATED NUMBER OF RESIDENTS OF SELECTED ZIP CODES IN BERKELEY & PORTIONS OF DORCHESTER COUNTIES WHO LIVE CLOSEST TO EXISTING OR PROPOSED MEDICAL FACILITIES - 2008

		2008 Residents Geographically Closest to:				
County\ZIP Code	Location	Trident Medical Center	Summerville Medical Center	Berkeley Regional Medical Center	Subtotal Trident System Hospitals	Roper St. Francis Berkeley Hospital
ZIP Codes in Berkeley County						
29410	North Charleston	14,124	-	-	14,124	-
29431	Bonneau	-	-	6,407	6,407	-
29434	Cordesville	-	-	551	551	-
29436	Cross	-	-	4,213	4,213	-
29445	Goose Creek	24,494	-	-	24,494	24,494
29450	Huger	3,211	-	3,211	6,421	-
29453	Jamestown	-	-	1,335	1,335	-
29456	Ladson	6,353	6,353	-	12,706	6,353
29461	Moncks Corner	-	-	20,167	20,167	5,042
29468	Pineville	-	-	2,305	2,305	-
29469	Pinopolis	-	-	914	914	-
29479	Saint Stephen	-	-	6,711	6,711	-
29492	Charleston	7,421	-	-	7,421	-
Subtotal Berkeley County		55,602	6,353	45,814	107,768	35,888
ZIP Codes in Berkeley and Dorchester Counties						
29483	Summerville	-	35,351	-	35,351	23,567
29472	Ridgeville	-	5,762	-	5,762	3,842
Subtotal Berkeley and Dorchester County ZIP Codes		-	41,113	-	41,113	27,409
Total		55,602	47,466	45,814	148,882	63,297

Source: Claritas

RECORD 006614

Joint Exhibit 002-1236

TABLE 4

ESTIMATED NUMBER OF RESIDENTS OF SELECTED ZIP CODES IN BERKELEY & PORTIONS OF DORCHESTER COUNTIES WHO LIVE CLOSEST TO EXISTING OR PROPOSED MEDICAL FACILITIES - 2013

		2013 Residents Geographically Closest to:				
County\ZIP Code	Location	Trident Medical Center	Summerville Medical Center	Berkeley Regional Medical Center	Subtotal Trident System Hospitals	Roper St. Francis Berkeley Hospital
ZIP Codes in Berkeley County						
29410	North Charleston	14,933	-	-	14,933	-
29431	Bonneau	-	-	6,860	6,860	-
29434	Cordesville	-	-	536	536	-
29436	Cross	-	-	4,179	4,179	-
29445	Goose Creek	24,958	-	-	24,958	24,958
29450	Huger	4,138	-	4,138	8,275	-
29453	Jamestown	-	-	1,321	1,321	-
29456	Ladson	6,912	6,912	-	13,823	6,912
29461	Moncks Corner	-	-	20,854	20,854	5,214
29468	Pineville	-	-	2,148	2,148	-
29469	Pinopolis	-	-	869	869	-
29479	Saint Stephen	-	-	6,676	6,676	-
29492	Charleston	10,257	-	-	10,257	-
Subtotal Berkeley County		61,197	6,912	47,581	116,589	37,083
ZIP Codes in Berkeley and Dorchester Counties						
29483	Summerville	-	39,922	-	39,922	26,615
29472	Ridgeville	-	6,148	-	6,148	4,098
Subtotal Berkeley and Dorchester County ZIP Codes		-	46,070	-	46,070	30,713
Total		61,197	52,981	47,581	161,759	67,796

Source: Claritas

RECORD 006615

001229

Joint Exhibit 002-1237

The Trident System Has a Long History of Service to the Residents of Berkeley County and is Their Provider of Choice

Providers	Berkeley County Inpatient Market Share
Trident Health System	52.9%
Roper St. Francis Health System	23.0 %

Sources: CON Applications. Roper Data reflects 2006 market share for non-tertiary and non-specialty patients. Trident data reflects 2007 market share for all patients. Trident Market Share does not include patients resident in ZIP Code 29483, which straddles Berkeley and Dorchester Counties. Trident System market share in this ZIP code is 68.0 percent.

RECORD 006616

001230

Joint Exhibit 002-1238

Repeated Bed Transfers will Make it Difficult for Roper Hospital to Serve its Own Patients in the Future

Time Line	Bed Loss	Roper Hospital's Acute Bed Inventory
2007		414
After Transferring Beds to Bon Secours St. Francis Xavier (2008)	(13)	401
After Transferring Beds to Roper St. Francis Mt. Pleasant (2009)	(85)	316
After Transferring Beds to Roper St. Francis Berkeley (2013)	(50)	266

RECORD 006617

001231

Joint Exhibit 002-1239

If Roper Reduces its Acute Bed Inventory to 266, It Will Be Operating Substantially Above Capacity by 2013

Year	Roper Hospital Acute ADC	Roper Hospital Acute Beds	Percent Occupancy of Acute Beds
2007	237	414	57%
2008	243	401	61%
2009	232	316	74%
2010	238	316	75%
2011	244	316	77%
2012	250	316	79%
2013	236	266	89%
2014	242	266	91%
2015	248	266	93%

Roper ADC projections reflect a combination of population growth driven increases in patient days and the effect of diverting Roper Hospital utilization to new Roper Hospitals as modeled in their CON Applications. Roper Mt. Pleasant is assumed to open in 2009; Roper Berkeley in 2013. Note that the entire occupancy reduction benefit of the new hospitals is assigned to Roper Hospital. In fact, some would be felt by Roper St. Francis Xavier, so the occupancy levels shown in this slide would be higher.

RECORD 006618

001232

Joint Exhibit 002-1240

Although Presented as a "Transfer," the Effect of the Bed Reduction at Roper Hospital Will Result in a Bed Need Projection at Roper Hospital in Future Health Plans

As Roper Hospital's Bed Inventory Declines Due to Serial Transfers to Satellite Facilities :

- Its Acute Percentage Bed Occupancy Will Increase
- Its Target Occupancy Under the Department's Need Methodology will be Reduced
- To Meet the Needs of its Historical Service Area, it Must Apply for More Acute Care Beds; however:
  - "The facility giving up the beds may not use the loss of these beds as justification for a subsequent request for the approval of additional beds."
    - *2008-2009 State Health Plan* at II-10
  - "[T]his letter acknowledges in writing that . . . Roper Hospital will not use the loss of these [50] beds [to Goose Creek] as justification for a subsequent request for the approval of additional beds."
    - 9/9/08 Ltr., Matthew J. Severance to DHEC

RECORD 006619

001233

Joint Exhibit 002-1241

How Roper's 2013 Bed Need Would be Affected by Its Bed Inventory Reductions and Patient Diversions

Scenario	Roper Acute Bed Inventory	2013 Roper ADC Assuming Population Growth and Patient Diversions to Satellite Facilities Projected in CON Applications	2013 Gross Bed Need	2013 Net Bed Need
As Published	401	296	395	(6)
With Mt. Pleasant Only	316	256	366	50
With Mt. Pleasant and Berkeley	266	236	337	71

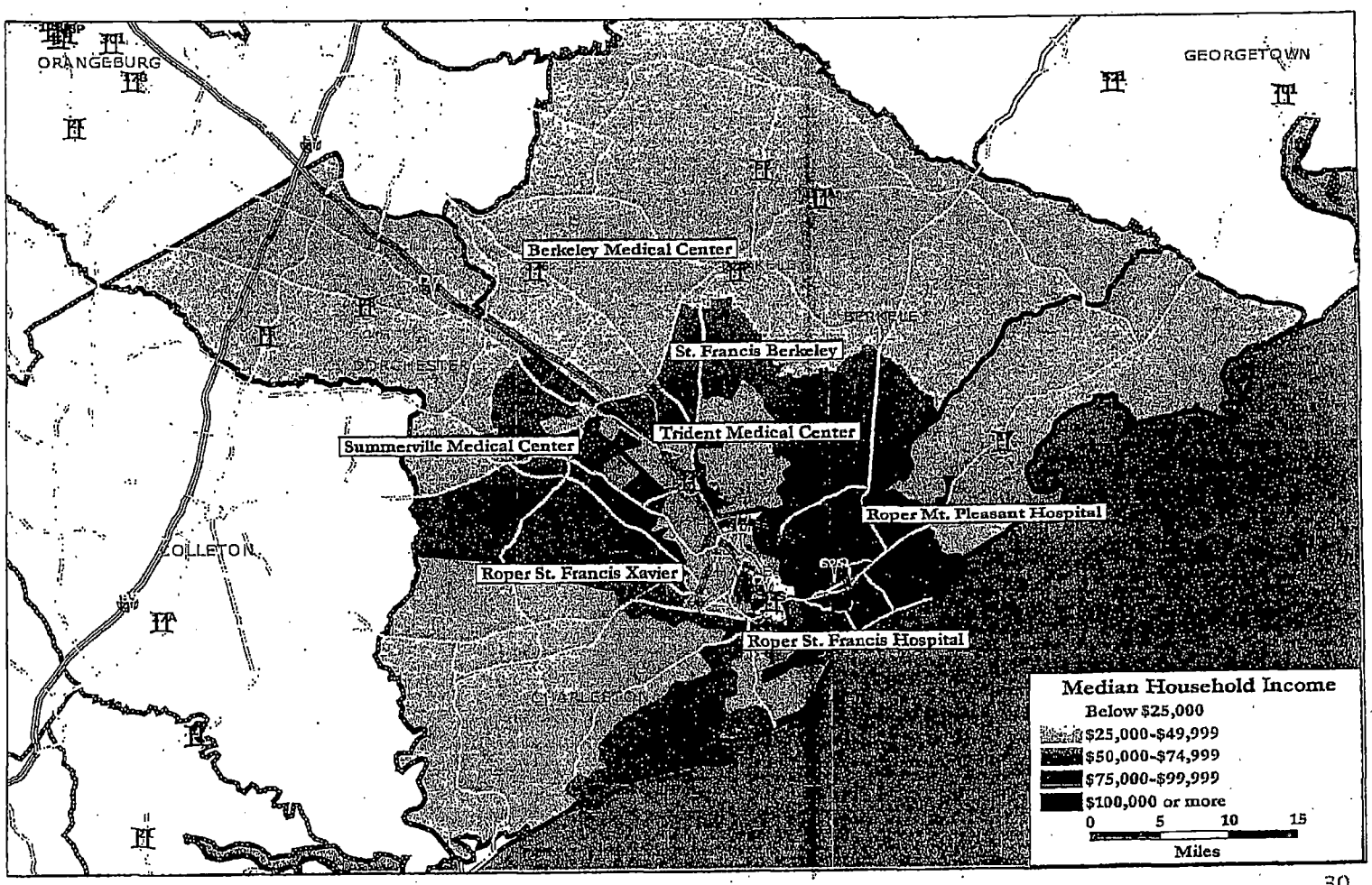
The Gross Bed Need figure is based on a Projected ADC of 296, as published in the 2008-2009 State Health Plan. If Roper has 350 beds or more, the occupancy standard is 75 percent; if fewer than 350 beds, the occupancy standard is reduced to 70 percent so the gross bed need increases.

RECORD 006620

001234

Joint Exhibit 002-1242

The Proposed Roper St. Francis Berkeley Hospital Will Not Enhance Access for Indigent Populations in Berkeley County



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RECORD 006621
001235
Joint Exhibit 002-1243

125 Doughty Street
Suite 760
Charleston, SC 29403
(843) 724-2910
(843) 720-8355

May 28, 2009

VIA EMAIL AND HAND-DELIVERY

brandtba@dhec.sc.gov
Ms. Beverly Brandt
Chief, Bureau of Health Facilities and Services Development
SC Department of Health and Environmental Control
1777 St. Julian Place, Suite 201
Columbia, SC 29201

MAY 28 2009

sanderld@dhec.sc.gov
Ms. Lisa Sanders
Health Planning Analyst
SC Department of Health and Environmental Control
1777 St. Julian Place, Suite 200
Columbia, South Carolina 29204

Re: (1) Certificate of Need Application by Roper St. Francis Hospital - Berkeley for the construction of a 50 bed hospital at Carnes Crossroads, Berkeley County, South Carolina

(2) Certificate of Need Application by Trident Medical Center, LLC for the construction of a 50 bed hospital in Moncks Corner, South Carolina

Dear Ms. Brandt and Ms. Sanders:

I again want to thank you and the other DHEC staff members for the time and attention last week during the project review meeting on the referenced Certificate of Need (CON) projects. During the past eighteen years, Roper St. Francis Health Care (Roper) has made a significant investment in Berkeley County to provide health care services to residents of Berkeley County, and the proposed Roper St. Francis Hospital – Berkeley at Carnes Crossroads (Roper Berkeley Hospital) is the next step in our long term commitment to this community.

There are several points that were discussed at the project review meeting that I believe warrant additional focus, and therefore, offer the following comments for your further consideration:

1. **ROPER'S ONGOING COMMITMENT TO MONCKS CORNER AND RURAL NORTHERN BERKELEY COUNTY.**

Most of Roper's investment in health care services in Berkeley County have been located in the Moncks Corner area through the development of freestanding emergency services, imaging (MRI, CT, X-Ray, US Mammo, Bone Density), physical and occupational therapies, outpatient cancer therapy, laboratory services, and the only surgery facility in Berkeley County (Roper Berkeley Ambulatory Surgery Center). These services are located in the heart of Moncks Corner at a site Roper began developing in 1991.

As you know, in May of 2008, Roper filed a CON Application with DHEC to relocate the Roper Berkeley Ambulatory Surgery Center from Moncks Corner to its Carnes Crossroad site in southern Berkeley County, near Goose Creek. The decision to relocate this surgery center was the result of low surgical volumes. It became apparent that many surgeons do not want to travel to our rural site in Moncks Corner to perform surgeries. From 2006-2008, this surgery center has averaged a total of only 772 surgeries per year despite having three operating rooms. However, even with the low utilization and our ongoing concern that it will continue to be difficult to attract surgeons to this site, on November 5, 2008, we withdrew the CON application to relocate the surgery center and have made the decision to keep this facility in Moncks Corner. Nevertheless, the Center's low utilization and our additional analysis regarding the proper location for a hospital in Berkeley County clearly indicated that building a hospital in northern Berkeley County with a population of 19,000 in a seven mile radius of our current Moncks Corner site, did not make sense from a health planning standpoint and would not adequately serve the needs of the entire county. Rather, our site at Carnes Crossroads with a 2008 population of 104,371 within a seven mile radius seemed to be the obvious choice.[1]

The services currently provided by Roper in Moncks Corner are the types of services that are appropriate for this more rural area. Patients have immediate access to care, but if inpatient hospital services are required, these patients can then be admitted to an acute or tertiary hospital located at the Tri-County population centers.

2. **CARNES CROSSROADS IS THE BEST LOCATION FOR A BERKELEY COUNTY HOSPITAL.**

I respectfully request that DHEC examine the location of other hospitals throughout South Carolina, which I believe will show that these hospitals are built in the population centers of the counties in which they are located. Even in the rural counties of South Carolina, the hospitals are built in the county's population center, which is not necessarily the geographic center of the county. The geographic center is irrelevant. It is the population center that can sustain inpatient hospital services and is most accessible to the majority of the county residents and physicians.

[1] Despite clear references in Roper's CON application, Trident has indicated that they are confused about the service area that Roper Berkeley Hospital will cover. To confirm, the service area is all of Berkeley County. The seven mile radius population analysis simply illustrates for planning purposes the location of a majority of the patient base for each applicant.

The patients who live in the population center of Berkeley County, as well as the physicians who practice in that area, are not going to drive north away from the main roadway system and Interstate 26 to a rural area for inpatient hospital services. Our experience with the Roper Berkeley Ambulatory Surgery Center supports this conclusion. However, consumer travel patterns in the area show that individuals living in the rural areas of northern Berkeley County will travel south to the population center around Carnes Crossroads.

Despite comments by Trident at project review to the contrary, a Roper Berkeley Hospital at Carnes Crossroads will make hospital services more accessible to the people residing in Moncks Corner, Bonneau, St. Stephens and Cross. Currently, these residents of northern Berkeley County, like the people residing around Carnes Crossroads and other parts of southern Berkeley County, including Goose Creek, have to drive outside of Berkeley County for hospital services. The residents of northern Berkeley County travel approximately forty minutes to an hour for inpatient hospital care. With a hospital in Berkeley County at Carnes Crossroads, the population center of the county, all residents of Berkeley County, including the people residing in the more rural northern parts of the county, will have greater accessibility to hospital services than they currently do, significantly cutting the drive time from the northern part of the county.

Trident took considerable time at project review questioning the benefit of Roper building a hospital at Carnes Crossroads, which is 8.1 miles from Trident in Charleston County and 11.0 miles from Summerville Medical Center in Dorchester County, apparently suggesting that the distance between these hospitals is not far enough apart to improve patient access. Again, hospitals are developed in areas that are not only most centrally located to the existing population but also are in close proximity to the projected population growth. The best evidence of this health planning approach is Trident's decision more than fifteen years ago to build Summerville Medical Center only 6.2 miles from Trident's existing hospital in North Charleston. That decision made sense in the early 1990s because Summerville was projected to have extraordinary population growth, and, in fact, that population growth has occurred during the past fifteen years. Despite being located only 6.2 miles apart, Trident and Summerville Medical Center both have very high utilization, and this high utilization is supported by the current 2008-2009 Health Plan (Plan), which shows that each of these facilities needs additional beds to keep up with the patient demand. The Plan shows Trident needing 56 new beds and Summerville Medical Center needing 24 beds for a total of 80 new beds to serve their growing patient population in North Charleston and Summerville.

DHEC may also want to consider that in other areas of South Carolina with a high concentration of population similar to North Charleston, Summerville, and southern Berkeley County, it is common for hospitals to be developed at a distance of even less than the distance that will separate Trident and Summerville Medical Center from the Roper Berkeley Hospital. In the Midlands, for example, Baptist Medical Center is down the street from Richland Memorial, and both of these hospitals are only approximately two miles from Providence Hospital, approximately 5 miles from Lexington Medical Center, approximately 9.5 miles from Providence Hospital Northeast, and approximately 12 miles from the proposed Parkridge Hospital in Irmo, which DHEC approved just two years ago. DHEC's decision on the Parkridge application is very instructive here. Palmetto did not select a site in rural Richland County at a point furtherest from the existing Midlands hospitals. Rather, Palmetto elected to relocate existing beds from their Baptist Hospital to the population center of Irmo, which like Carnes

Crossroads, is projecting significant population growth. Likewise, in York County, DHEC approved Piedmont's application to build a 50 bed hospital in the exploding population center of Fort Mill, which is only approximately 7 miles from Piedmont Medical Center in Rock Hill. Piedmont did not select a site in rural York County to the south of Rock Hill, but rather picked a site north toward the population growth of south Charlotte, despite the new site being only 7 miles from Piedmont's existing facility.

The distance from the proposed Roper Berkeley Hospital at Carnes Crossroads to either Trident (8.1 miles) or Summerville Medical Center (11 miles) is further than the distance between Trident and Summerville Medical Center, and when considering that Carnes Crossroads is Berkeley County's population center and will account for most of the population growth during the next five years, Carnes Crossroads is the right location for a hospital. As discussed, this location will not only improve access to the residents of Berkeley County's population center around Carnes Crossroads who will not have to travel 8-11 miles through the heavily populated areas of North Charleston and Summerville, but will also cut significantly the travel time for the residents of northern Berkeley County.

Trident offered a population slide during the project review that tells the Berkeley County population story and highlights the most appropriate location for a hospital to serve Berkeley County. ***Attachment 1.*** This slide highlights the lack of a population cluster in the area that Trident has proposed to locate its Moncks Corner hospital. The slide shows that by 2013, there is still very little change in population density in the northern part of Berkeley County. Not only is all the population currently located near and around the site selected by Roper, but almost all of the population growth in the future is projected to be in and around the Roper site. Consequently, if the decision is to allow only one hospital to be built in Berkeley County, it would not make sense to build that hospital in an area that currently has very little population base and is not projected to have much population growth.

In the past fifteen years, the Tri-County population has extended further north and west up Interstate 26 past Summerville. Southern Berkeley County is at the stage where North Charleston and Summerville were fifteen to twenty years ago. Carnes Crossroads in southern Berkeley County is the epicenter of Berkeley County's population explosion and the right place for a Berkeley County hospital.

3. **A ROPER BERKELEY HOSPITAL WILL NOT ADVERSELY IMPACT EXISTING PROVIDERS.**

Trident's project review presentation regarding adverse impact completely ignores Roper's CON application. Roper is proposing to build only a 50 bed hospital. The utilization of these 50 beds does not require Roper to take any of Trident's patient base. As Trident's current utilization at both of its existing hospitals demonstrates, there are not enough hospital beds in service to support the current patient population of North Charleston, Dorchester County and Berkeley County, and there are not nearly enough beds to serve the projected patient population growth in these service areas.

The Roper Berkeley project will place acute beds and services in an area with strong volume and population growth, without resulting in an unnecessary duplication of services. This will be

accomplished with no net gain in the number of licensed hospital beds in the Tri-County area.[2] Market growth in Berkeley County will offset any non-Roper St. Francis redirected patient volume served at the new hospital, resulting in no adverse impact to other existing providers.

Roper currently serves 23% of all Berkeley County residents who receive non-tertiary/non-specialty inpatient hospital care. These patients now travel to Roper Hospital in downtown Charleston or to St. Francis Hospital in West Ashley. These Berkeley County residents have made the decision not to go to Trident in North Charleston or Summerville Medical Center in Dorchester County, but rather to drive even further to Roper facilities. Roper is proposing to take only 50 beds at Roper Hospital in Charleston and relocating these 50 beds to Berkeley County so that the Berkeley County residents who have been choosing Roper do not have to continue to travel to downtown Charleston or to West Ashley, but rather, can receive inpatient hospital services in their home county.

Volume forecasts for Roper Berkeley Hospital assume that 50 percent of Roper non-tertiary/non-specialty patients originating in Berkeley County will remain in Berkeley County at the new hospital (versus Trident assuming that 100% of patients would be Trident-aligned patients) and that an additional 10% of the Berkeley County patients not currently using Roper facilities will shift to the new hospital.

The 50% re-direction from Roper non-tertiary/non-specialty patients translates into 1,775 Roper patients that will be treated at the new hospital as a result of staying within their home county versus travelling to Charleston to obtain Roper health care. The treatment of these 1,775 non-tertiary/non-specialty patients at Roper Berkeley Hospital will have no impact on any providers other than Roper's other facilities.

The 10% of non-Roper patients that are also forecast to use the new hospital are patients that otherwise would leave Berkeley County to obtain inpatient care at Tri-County hospitals other than Roper. This 10% of the non-Roper market translates into 1,188 currently non-Roper patients that will be treated at the new hospital.

Due to strong market volume growth forecast within the Berkeley County, the treatment of this 10% of non-Roper patients will have no adverse impact on other providers, as non-tertiary / non-specialty market growth will 100% offset the proposed shift of 1,188 patients to the new Roper Berkeley Hospital.

As shown below and as included in the additional information provided to DHEC, the total Berkeley County non-tertiary/non-specialty market is forecast to grow from 13,732 discharges in 2006 to 15,435 discharges in 2015 – a growth of +1,703 additional non-tertiary / non-specialty discharges. Roper non-tertiary/non-specialty discharges are forecast to grow by 398 discharges from 3,152 to 3,550 discharges while non-tertiary/non-specialty discharges for all other providers are forecast to grow by +1,305 discharges from 10,580 to 11,885.

[2] Although our application references the bed transfer language from page II-3 of the 2008-2009 South Carolina Health Plan, it is our position that even if that provision does not apply to this situation, the Health Plan and regulations otherwise allow for a transfer of existing beds for the development of a new hospital. There is nothing in the Health Plan or regulations that prohibit this. Further, DHEC has made clear, through the approval of many other CON applications, that the transfer of existing beds to build a new hospital is permitted.

Berkeley County Non-Tertiary/Non-Specialty Discharges

	2006 Baseline	2006-2015 Pop. Growth Rate	2015 Forecast	2006 to 2015 Discharge Growth
Total Non-Tertiary, Non-Specialty DRGs only	13,732	12.4%	15,435	+1,703
Sum of RSFH (23%)	3,152	12.4%	3,550	+398
Sum of Other Providers	10,580	12.4%	11,885	+1,305

With 1,188 non-Roper non-tertiary/non-specialty patients expected to remain in Berkeley County to obtain care at the proposed new hospital by 2015, and with the Berkeley County non-tertiary/non-specialty market forecast to grow by +1,305 through 2015, it is clear that market growth will offset all patient shifts and that the other area hospitals will actually have more patients in 2015 than they did in 2006.

Analysis provided in the Trident CON application also supports Roper's position that market growth will offset any impact associated with the new Roper Berkeley Hospital treating 10% of the non-Roper aligned Berkeley County residents. In Table H, presented at page 29 of Trident's CON application, Trident forecasts that Berkeley County population alone will generate +966 additional patient discharges for all non-Trident System providers through 2014. With non-Trident providers accounting for only 47% of Berkeley County admissions (Trident CON Table I, page 30), total Berkeley County market growth as forecast by Trident is +2,055 additional Berkeley County patients (+966 / 47% = 2,055) by 2014.

With 23% of the Berkeley County market served by Roper and 77% of the market served by other providers, this Trident information translates into a growth of +1,582 additional Berkeley County patients through only 2014 (one year prior to the Roper forecast timeframe) for non-Roper patients – a level well above the 1,188 additional Berkeley County patients proposed to be served by the new Roper Berkeley Hospital.

One additional point with respect to the issue of adverse impact, I request that DHEC consider that Trident is projecting for 2009 combined EBDIT of $73,390,885 and pretax profits of $44,360,821 for its North Charleston hospital and Summerville Medical Center. A Roper Berkeley Hospital with only 50 beds that will rely on a population base that Roper is already serving, as well as a proportional share of the substantial population growth both applicants project, cannot possibly adversely impact Trident's substantial profit margins.[3]

[3] If there will be any adverse impact, it will be the impact that a Trident Moncks Corner hospital will have on the Roper Ambulatory Surgery Center in Moncks Corner. A new hospital only 1.2 miles from this surgery center will further erode the number of surgeries performed per year at this center.

001241

RECORD 006627

4. **ROPER HOSPITAL IN DOWNTOWN CHARLESTON WILL MAINTAIN ADEQUATE CAPACITY DESPITE THE PROPOSED BED TRANSFER TO BERKELEY COUNTY.**

Trident offered a slide during its project review presentation whereby it projected that occupancy at Roper Hospital downtown will operate substantially above capacity by 2013 if Roper's bed transfer to Berkeley County is approved. According to Trident, a combination of population growth driven increases in patient days, as well as the effect of diverting Roper Hospital utilization to two new hospitals (Mount Pleasant and Carnes Crossroads) was used to project 2008-2015 average daily census. This analysis completely ignores historical utilization (below) and the annual declines in average daily census Roper Hospital has been experiencing, presumably in an attempt to inflate occupancy thereby negating Roper's ability to transfer beds.

A more accurate projection presented in our application follows:

Roper Hospital Historical Utilization

Year	Acute Discharges	Patient Days	ADC	Occupancy
2005	15,305	90,022	247	60%
2006	15,549	87,576	240	58%
2007	16,259	86,430	237	57%
2008	15,190	83,195	228	55%

- Occupancy rate based on 414 licensed beds excluding rehabilitation beds

Roper Hospital Volume Projections

Year	Acute Discharges	Patient Days	ADC	Occupancy
2009	15,137	86,730	238	59%
2010	15,288	86,066	236	59%
2011	15,200	84,051	230	73%
2012	15,175	82,395	226	71%
2013	14,801	79,452	218	82%
2014	14,578	77,121	211	79%
2015	14,481	75,297	207	78%

- 2009 projected volumes were based on 2008 projected volumes. Given the variance between projections and actual volumes in 2008, the above projections may be overstated
- Occupancy rates are based on 401 current licensed beds and do reflect bed and patient transfers to Mount Pleasant Hospital in 2011+ and to Goose Creek Hospital 2013+

It is important to note that hospitals typically staff fewer beds than licensed, including Roper. The occupancy rates for staffed beds during 2005-2008 ranged from 78%-85%. The above projections will be easily accommodated.

Additional factors which will contribute to ensuring adequate bed capacity at Roper Hospital include:

- Length of Stay reduction efforts (.10 days per year due to a .5-day variance to the Medicare National Average)
- Shift of observation patients to non-licensed beds
- Potential relationship with a Long Term Acute Care Hospital

5. THE APPLICATIONS ARE NOT COMPETING.

The DHEC regulations clearly define "competing applicants" as:

> [t]wo or more persons and/or health care facilities as defined in this regulation who apply for Certificate of Needs to provide similar services and/or facilities in the same service area and whose applications if approved would exceed the need for this facility or service.

S.C. Code Regs. 61-15, Section 103(6). (Emphasis added). The two proposed hospital projects for Berkeley County do not meet this definition.

At project review, Trident was adamant that Berkeley County cannot support 100 hospital beds. That if both proposed 50 bed hospitals are built, both will fail financially. In fact, Trident offered a slide that predicts $58,945,198 of combined loss by both hospitals for years 2013-2015 if both hospitals are built. ***Attachment 2.*** Trident's analysis is flawed because it ignores each applicant's current and projected patient base. Inexplicably, Trident arbitrarily reduces the Berkeley County utilization in half in this analysis and also ignores that each applicant depends on a different patient base to support its revenue projections. Roper's application depends on its current 23% Berkeley County market share and a similar share of the growth. Trident's application depends on its 54% market share and proportional share of the projected growth. This combined loss projection by Trident defies common sense and ignores the information in both applications. There is no plausible way that the construction of two 50 bed hospitals that are more than 12 miles apart will result in a combines loss of $58 million, when each hospital's application depends on a separate patient base, and each applicant has projected their 50 bed hospital will be profitable by 2015. This appears to be a scare tactic by Trident because they

would obviously prefer that no hospital be built in Berkeley County rather than the scenario under which both hospitals are built and all communities in the county can benefit.

Further, it is interesting that the Trident project volume forecasts assume that only 55% of forecasted patient day volume will come from Berkeley County -- with up to 38% of patient volume originating from Dorchester County in total and 37% originating from just the Summerville area. See Chart 17 in Appendix 1. Trident is being inconsistent when in the CON and at Project Review they talk about a service area of Berkeley County plus ZIP 29483 (Summerville) -- when in fact the service area they expect to draw from includes the entire Tri-County area -- then an additional 5% in-migration from beyond that.

The Bonneau/Cross/Jameston/St. Stephens areas Trident highlighted in the Project Review presentation account for only 2,870 patient days by 2016 -- or only 23% of the project volume.

Furthermore, every county in South Carolina that, like Berkeley County, has a population between 100,000-199,000 has well in excess of 100 hospital beds in service:

		2006 Population	Existing Beds
(a)	Anderson County (2 hospitals)	173,710	495
(b)	Pickens County (2 hospitals)	120,650	164
(c)	Lexington County	164,134	384
(d)	York County (1existing hospital and CON approved for 2nd hospital)	180,410	332
(e)	Florence County (4 hospitals)	131,020	831
(f)	Sumter County	112,850	283
(g)	Aiken County	155,900	183
(h)	Beaufort County (2 hospitals)	135,480	262

Source: 2008-2009 South Carolina Health Plan

Perhaps even more telling, however, are the counties that have significantly less population than Berkeley County but still have well in excess of 100 hospital beds.

		2006 Population	Existing Beds
(a)	Cherokee County	55,390	125
(b)	Oconee County	71,850	169
(c)	Union County	29,720	143
(d)	Greenwood County	69,100	354
(e)	Kershaw County	56,020	121
(f)	Lancaster County	62,310	217
(g)	Darlington County (2 hospitals)	68,220	165
(h)	Georgetown County (2 hospitals)	58,970	255
(i)	Marion County	36,060	124
(j)	Colleton County	40,220	131
(k)	Orangeburg County	94,780	247

Source: 2008-2009 South Carolina Health Plan

Please note that many of the counties listed have more than one hospital. Further, the projected rate of population growth for Berkeley County through 2015 exceeds most of these counties. Certainly, the precedent set by DHEC is that a county with a population similar to Berkeley County and that is projected to grow more than 9% by 2015, far greater than the growth rate expected in most South Carolina counties, can support at least 100 inpatient beds in two hospitals that will be built more than 12 miles apart.

CONCLUSION

Given the compelling data and substantial support from the communities in both southern Berkeley County and in rural northern Berkeley County, certainly, DHEC has the option to approve both applications. This is something that all of Berkeley County, including the hundreds of supporters, elected officials, and physicians who have provided letters, can support. Just 100 beds for a population of over 150,000 is consistent with the Plan, the applicable regulations, and perhaps most importantly, the precedent set by DHEC in other similarly situated counties throughout South Carolina.

Again, we thank DHEC for its attention and consideration of our application. We will be happy to provide you with any additional information you may need as you review this matter further.

Sincerely,

Doug Bowling

ATTACHMENT 1

The Proposed Roper St. Francis Berkeley Hospital Will Not Enhance Access to Acute Care Services for Berkeley County's Population

RECORD 006633

Joint Exhibit 002-1255

ATTACHMENT 2

Both Proposed Hospitals Rely on Achieving a High Market Share in Berkeley County. If Future Utilization Has to be Divided Between Two New Hospitals, Neither will be Financially Feasible

	2013	2014	2015	TOTAL
Berkeley Regional Medical Center				
Adjusted Net Income (Loss) if Berkeley County Utilization is Reduced by Half	($8,285,663)	($6,396,966)	($5,984,884)	($20,667,513)
Roper St. Francis Hospital Berkeley				
Adjusted Net Income (Loss) if Berkeley County Utilization is Reduced by Half	($16,534,360)	($12,009,026)	($9,734,299)	($38,277,685)
TOTAL PROVIDER LOSS				($58,945,198)

Note: Roper St. Francis Berkeley losses are larger because of debt financing and associated interest expense.

RECORD 006635

001250

Joint Exhibit 002-1257

From: "Quillen, Colleen C." <colleenquillen@parkerpoe.com>
To: <brandtba@dhec.sc.gov>
CC: "Brisbin, Andrea H." <andreabrisbin@parkerpoe.com>
Date: 5/29/2009 9:44 AM
Subject: Berkeley County New Hospital Applications - Written Comments

Beverly,

Per our telephone conversation, please consider this email our request for a copy of any and all written comments (except for Richard Baehr's comments) submitted to the Department following Project Review in connection with the applications for a new hospital in Berkeley County of Trident Medical Center and Roper St. Francis Hospital.

Please give me a call when the copies of ready, and I will pick up the same from the Department.

Thank you.

Colleen Quillen
Paralegal

1201 Main Street | Suite 1450 | Columbia, SC 29201
Phone: 803.253.8921 | Fax: 803.255.8017 | http://www.parkerpoe.com

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June 23, 2009

Via Hand-Delivery
Beverly A. Brandt, Director
Bureau of Health Facilities and Services Development
South Carolina Department of Health and
Environmental Control
1777 St. Julian Place, Suite 201
Columbia, SC 29204

JUN 23 2009

Re: ***Construction to establish a fifty (50) bed acute care hospital through the transfer of 50 acute care beds from the bed need generated by Trident Medical Center to include a Magnetic Resonance Imaging (MRI) unit and a Computed Tomography (CT) scanner; the proposed facility is to be located adjacent to the current site of the Moncks Corner Medical Center at the intersection of Martin Luther King Drive and Highway 17A***

Trident Medical Center, LLC d/b/a Berkeley Regional Medical Center, Moncks Corner, South Carolina ("Trident Application")

Construction of a new hospital by transferring fifty (50) acute care beds from Roper Hospital to include a multi-slice Computed Tomography (CT) scanner and a 1.5T Magnetic Resonance Imaging (MRI) unit; the proposed facility will be located on Highway 17A in Goose Creek

Roper St. Francis Hospital-Berkeley, Inc., Goose Creek, South Carolina ("Roper Berkeley Application")

Dear Ms. Brandt:

On behalf of our client Trident Medical Center ("Trident"), I want to thank you and your staff for the many hours of work that you have performed in reviewing the above-referenced certificate of need applications (collectively, the "Applications"). In follow-up to the Project

2009
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MENT

Review meeting and to your prior communications regarding these projects, I am writing to address certain legal issues that you and your staff currently are considering.

Discussion

I. Trident and Roper Are Competing Applicants.

There has been some discussion regarding whether Trident and Roper St. Francis Hospital – Berkeley, Inc. ("Roper Berkeley") should be considered "competing applicants" within the meaning of the State Licensure and Certification of Need Act, S.C. Code Ann. §§44-7-110 *et seq.* ("CON Act") and the Department's CON regulations codified at 24A S.C. Code Ann. Reg. 61-15 ("Regulation 61-15"). Based on the law and facts applicable to this issue and as explained in greater detail below, the only conclusion that the Department can reach is that Trident and Roper Berkeley are competing applicants. Therefore, the Department must determine which Application most fully complies with the applicable requirements and criteria and approve only one of the Applications.

As you are aware, Section 44-7-130(5) of the CON Act and Regulation 61-15 §103(6) collectively define the term "competing applicants" as follows:

> two or more persons and/or health care facilities as defined in this regulation who apply for Certificates of Need to provide similar services and/or facilities in the same service area and whose applications if approved would exceed the need for this facility or service. An application shall be considered competing if it is received by the Department no later than fifteen (15) days after a Notice of Affected Persons is published in the State Register for one or more applications for similar services and/or facilities in the same service area. All applications received by the Department within fifteen (15) days of publication of the Notice of Affected Persons in the State Register for the first application(s) will be considered to be competing. Any applications received by the Department later than the fifteenth day following publication of the Notice of Affected Persons in the State Register for the first application(s) will not be considered to be competing with the(se) application(s).

The Department must consider Trident and Roper Berkeley to be "competing applicants" with respect to the Applications because (1) Trident and Roper Berkeley are seeking to provide similar facilities and services in the same service area, (2) the Roper Berkeley Application was filed no later than fifteen days after the Department's Notice of Affected Persons for the Trident Application was published in the *State Register*, and (3) approval of both Applications would exceed the need for the facilities and services.

A. Trident and Roper Berkeley are seeking to provide similar facilities and services in the same service area.

The Department correctly has acknowledged that Trident and Roper Berkeley are applying to provide similar facilities and services in the same service area. *See* 4/28/2009 Ltr., Lisa Sanders to Jim Rardin (extending Trident Application review time frame because "there is another application . . . requesting approval of similar services in the same service area"). Both Applicants seek to establish a 50-bed non-tertiary acute care hospital, to include CT and MRI.

services. Both Applicants further seek to establish a hospital in Berkeley County which, under both the *2004-2005 State Health Plan* and the *2008-2009 State Health Plan*, is located in the defined service area of Berkeley, Dorchester and Charleston Counties ("Tri-County Service Area"). In addition, the respective Primary Service Areas proposed by Trident and Roper Berkeley overlap significantly.

B. Roper Berkeley met the 15-day filing deadline.

Clearly, Roper Berkeley, as the second Applicant, filed its Application well before the 15-day deadline referenced in the CON Act and Regulation 61-15 in order to ensure that it was a competing applicant. The Notice of Affected Persons for the Trident Application was published in the February 27, 2009 issue of the *South Carolina State Register*, and therefore an applicant was required to file an application on or before March 16, 2009[1] in order to qualify as a competing applicant. Roper Berkeley filed its Application on December 10, 2008.

C. Approval of both Applications would exceed the need for hospital beds in the service area and would violate the Department's regulations requiring the projects to be financially feasible.

The information that has been submitted for the Department's consideration clearly demonstrates that if the Department approves both Applications, the projects would greatly exceed the need for hospital beds in the service area. The projected need for inpatient hospital beds in the service area is established in the *State Health Plan*.[2] Under either the *2004-2005* or *2008-2009 State Health Plan*, Trident has a facility-specific need for additional beds in its service area, but Roper has an excess of hospital beds. Roper is attempting to circumvent this excess bed capacity by proposing to relocate, rather than add, beds to establish a new hospital. Thus, the Department's evaluation of whether both projects will exceed the "need" for new hospital beds cannot rely solely on the *Plans'* numerical bed need projections. The Department must make this determination based on the totality of the circumstances and a comprehensive evaluation of the Applications in light of the CON Act's stated purposes.

The information submitted to the Department clearly demonstrates that there is insufficient projected population growth to support acceptable utilization rates for two 50-bed hospitals.[3] Thus, if both Applications are approved, neither hospital can meet its projected utilization unless it forces the other new hospital to close and/or it has a significant adverse

---

1 The fifteenth day after February 27, 2009 was Saturday, March 14, 2009. Based on the Department's practice of extending deadlines that fall on Saturdays, Sunday or holidays to the next business day, the 15-day deadline was Monday, March 16, 2009.

2 Trident filed its Application when the *2004-2005 Plan* was in effect and Roper Berkeley filed its Application after the *2008-2009 Plan* went into effect.

3 *See* May 28, 2009 Letter, Richard Baehr & Associates to Beverly A. Brandt, at p. 2 ("[T]he Roper St. Francis application projects growth in average daily census in all of Berkeley County of just over 20 patients per day by 2016. This increase in inpatient utilization is enough to justify construction of *one* 50-bed hospital along with additional census obtained from gaining market share from existing providers. ***It is certainly not enough to support two new hospitals.***")

impact on Trident Health System's existing hospitals. The practical effect of this finding is reflected in the financial projections provided by both Trident and Roper Berkeley in their respective Applications, which demonstrate that if both Applications are approved, ***both hospitals will lose a combined total of almost $60 million by year three of their operations.*** *See* Trident Health System Project Review Presentation (May 21, 2009), slide 26.

Finally, if the Department approves both Applications, the result would be the unnecessary duplication and over-proliferation of inpatient hospital facilities and services in Berkeley County. This will prevent both hospitals from becoming financially viable, which in turn will most likely result in the closure of one or both of the hospitals. In addition, the establishment of the Roper hospital within 10 miles of existing Trident Health System hospitals would have a material adverse financial impact on Trident Health System. Thus, approval of both Applications would effectively disqualify them from satisfying the criteria set forth in the *State Health Plans* and in Regulation 61-15, including the requirement that the projects will be financially feasible and that the projects will not have a material adverse impact on existing providers.[4] This is an absurd result that the concept of "competing applicants" was intended to prevent. In short, the Department's approval of both Applications would epitomize poor health planning and would violate every stated purpose of the CON Act and the Department's CON Program.

II. Roper Cannot Transfer Existing Beds to Establish a New Hospital.

Although neither of the existing Roper St. Francis Healthcare hospitals shows a bed need, Roper attempts to justify its proposal to establish a new satellite hospital based on the *2008-2009 State Health Plan*'s allowance of the transfer of inpatient hospital beds between ***existing,*** related facilities. The *State Health Plan* sets forth the requirements and criteria for the transfer of beds as follows:

> (4)(j) 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 following criteria:
>
> 1. A transfer or exchange of beds may be approved only if there is no overall increase in beds;
>
> 2. Such transfers may cross county lines; however, the applicants must document with patient origin data the ***historical*** utilization of the ***receiving*** facility by residents of the county giving up beds;

[4] *See, e.g.,* S.C. Reg. 61-15 §802(15) ("The applicant must have projected both the immediate and long-term financial feasibility of the proposal. Such projection should be reasonable and based upon accepted accounting procedures."); §802(23) ("The impact on the current and projected occupancy rates or use rates of existing facilities and services should be weighed against the increased accessibility offered by the proposed services.").

3. Should the response to Criterion 2. fail to show a historical precedence of residents of the county transferring the beds utilizing the receiving facility, the applicants must document why it is in the best interest of these residents to transfer the beds to a facility with no historical affinity for them;

4. The applicants must explain the impact of transferring the beds on the health care delivery system of the county from which the beds are to be taken; any negative impacts must be detailed along with the perceived benefits of such an agreement;

5. The facility receiving the beds ***must*** demonstrate the need for the additional capacity based on both ***historical*** and projected utilization patterns;

6. The facility giving up the beds may not use the loss of these beds as justification for a subsequent request for the approval of additional beds;

7. A written contract or agreement ***between*** the governing bodies of the affected facilities approving the transfer or exchange of beds must be included in the Certificate of Need application;

8. Each facility giving up beds must acknowledge in writing that this exchange is permanent; any further transfers would be subject to this same process.

2008-2009 State Health Plan, Chapter II, Section G.1.(A)(4)(j), pp. II-9 – II-10. Roper's proposal to transfer existing beds to establish a ***new*** hospital violates this section of the *Plan* and disqualifies Roper's Application from being approved. Specifically, the plain language of the *Plan* dictates that the transfer of beds provision only applies to currently existing related hospitals. Nothing in the *Plan* provides for the transfer of beds to a proposed, but currently non-existent, hospital. Nothing in the *Plan* supports DHEC's interpretation that the bed transfer section can be used to create a new hospital where none existed before. *See Fox v. Moultrie*, 379 S.C. 609, 666 S.E.2d 915 (2008) ("In interpreting these statutes, we must look to the plain meaning. 'If the statute is clear and unambiguous 'that is the end of the matter, for the court, as well as the agency, must give effect to the unambiguously expressed intent of [the legislative body]. The traditional deference courts pay to agency interpretation is not to be applied to alter the clearly expressed intent of [the legislative body].'") (citing *Bd. of Governors, FRS v. Dimension Fin. Corp.*, 474 U.S. 361, 368 (1986)).

To the contrary, as the preamble to this section of the *State Health Plan* indicates, sometimes "***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 . . . ." This language, when read in its plain and ordinary sense, clearly contemplates the existence of two related hospitals currently operating inpatient hospital beds which desire to transfer beds from one to the other or which desire to exchange beds between themselves.[5] In addition, the only rational interpretation of the bed transfer provision is that the affiliated hospital facilities must actually be in existence in order for the provision to apply. Among the mandatory criteria which must be met in order to transfer or exchange beds is the requirement that "[t]he facility ***receiving*** the beds ***must*** demonstrate the need for the

[5] For example, a transfer of beds under this section would be appropriate if Roper Hospital, Inc. sought to transfer some of its medical/surgical beds to Bon Secours St. Francis Xavier Hospital, an existing hospital affiliate with Roper.

additional capacity based on both ***historical*** and projected utilization patterns. . . ." (Emphasis added). It is impossible for a hospital facility which is not yet in existence to demonstrate need based on historical utilization patterns.

The CON Act and Regulation 61-15 prohibit the Department from issuing a Certificate Need "***unless*** an application complies with the State Health Plan, Project Review Criteria, and other regulations." S.C. Code Ann. § 44-7-210(C) (emphasis added); *see* 24A S.C. Code Ann. Reg. 61-15 §307(1). Roper's Application does not and cannot comply with the *State Health Plan*. Therefore, the Department is prohibited from approving Roper's Application.

Conclusion

Based on the foregoing, both South Carolina Certificate of Need law and the basic principles of sound health planning dictate that only one of the above-referenced projects can be approved. Furthermore, the overwhelming evidence in the record mandates a finding that the Trident Application best meets the needs of the citizens of Berkeley County. Approving the Trident Application is the only solution that allows the Department to achieve the CON Act's goals of promoting cost containment, preventing the unnecessary duplication of facilities and services, guiding the establishment of health facilities and services which will best serve public needs, and ensuring that high quality services are provided in health facilities in this State.

Thank you for your time and consideration in this review process. Should the Department need any additional information, please do not hesitate to contact me.

With best regards, I am

Sincerely,

David B. Summer, Jr.

DBSjr/suj

RICHARD A. BAEHR & ASSOCIATES

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Chicago, IL 60614

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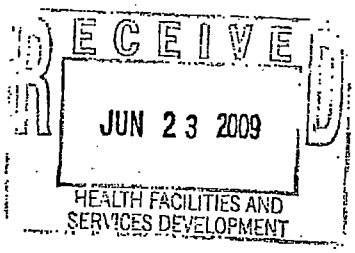
June 23, 2009



Ms. Beverly A. Brandt, Director
Bureau of Health Facilities and Services Development
South Carolina DHEC
1777 St. Julian Place, Suite 201
Columbia, S. C. 29204

Dear Ms Brandt:

I have prepared for your consideration an analysis of the projected adverse impact that would result for the Trident Health System were the Roper St. Francis Berkeley Hospital project approved, and Trident's Berkeley Regional Medical Center application denied.

SUMMARY

If the Roper St. Francis Berkeley Hospital project is the only project approved, Trident Health System will suffer a total loss of over $33 million just in the first three years of the new Roper hospital's operation. This will result in a material adverse impact on the Trident Health System. This calculation is based on the following:

1. Trident Health System has the largest market share of the providers serving Berkeley County (53%). If the Roper St. Francis Berkeley Hospital application is approved and Trident's Berkeley Regional Medical Center is denied, 53% of the patients at the new Roper St. Francis Hospital would otherwise have been served by existing Trident Health System hospitals.
2. As a result, this shift of patients from existing Trident Health System hospitals to the new Roper St. Francis Berkeley Hospital would cause a significant loss in patient revenue and thus have a material adverse financial impact on the Trident Health System.

DISCUSSION

As stated in my letter to you dated May 28, 2009, there is a need for only one new 50-bed hospital in Berkeley County. Projected annual population growth in Berkeley County will generate an additional census of only 3 patients per day. This is not enough to allow two new 50-bed hospitals to achieve an adequate census. Two existing providers, Trident Medical Center and Summerville Medical Center, have been serving the needs of the population in Berkeley County and are located in close proximity to the population in southern Berkeley County (all of whom are within 30 minutes' drive time of one or in most cases both of the Trident hospitals). The communities in Berkeley County that do not

currently have reasonable access (within 30 minutes' drive time) to acute care medical services are located in the northern half of the county, and the proposed Berkeley Regional Medical Center in Moncks Corner is ideally situated to serve these communities. The proposed Roper St. Francis Berkeley project in Goose Creek would only serve to make acute care services a bit more convenient for residents in the southern half of the county, but this population already has very good access to care at existing acute care facilities today.

1. THE NEW ROPER ST. FRANCIS BERKELEY HOSPITAL WOULD SERVE PATIENTS OTHERWISE SEEN AT EXISTING PROVIDERS, AND OVER HALF (53%) WOULD BE TAKEN FROM TRIDENT HOSPITALS

The only conclusion that the Department can reach is that if the Roper St. Francis application is approved, this new hospital would serve patients who otherwise would have been seen at existing hospitals serving Berkeley County, which includes Trident and Summerville Medical Centers. The Department first should assume that if there is no new provider, the current and future patient population of the County will be served by existing providers and those providers will maintain their respective market shares. Second, if a new competitor is introduced into the market, this naturally results in a redistribution of the market which decreases the market share for all existing providers. Therefore, as the largest provider of services to Berkeley County residents (approximately 53% market share), the Trident Health System will suffer much larger losses of patient population than other providers if the new Roper St. Francis Hospital is approved.[1]

The Department should assume that a new hospital in the market draws both inpatients and outpatients away from existing providers. The Roper St. Francis Berkeley application projects total inpatient admissions in its first 3 years of: 1,503 in 2013, 2,576 in 2014, and 3,006 in 2015. The Roper St. Francis Berkeley application also projects outpatient volume with projected patient revenue from outpatient services about equal to that from inpatient services in each year from 2013 to 2015. Thus, we have included this outpatient volume (50% of total hospital activity) to calculate the number of adjusted admissions for the Roper St. Francis Berkeley Hospital project by year (2 times the number of inpatient admissions). As a result, and based on Roper's own projected utilization, projected adjusted admissions are 2,943 in 2013, 5,045 in 2014, and 5,886 in 2015.

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1 We acknowledge that the proposed Berkeley Regional Medical Center would also take some patients from the existing Trident Hospitals were it approved. Trident already has incorporated that assumption into its application's financial projections. However, those patients will remain in the Trident Health System network and will contribute revenue to the overall Health System. In other words, Trident would still be serving these patients but now at a different location - Berkeley Regional Medical Center.

Because the Trident Health System hospitals have a 53% market share in Berkeley County (where Roper St. Francis Berkeley Hospital expects to draw 90% of its patients), and assuming that all providers' historical market shares will be maintained in future years, 53% of the projected Roper St. Francis Berkeley Hospital volume would be expected to be taken from Trident Health System hospitals. Applying Trident's historical market share of 53% to the projected adjusted admissions at the new Roper St. Francis Berkeley Hospital, Trident hospitals would lose the following adjusted admissions to the new Roper hospital:

2013:	1,557
2014:	2,669
2015:	3,114
Total:	**7,340**

Roper has attempted to argue that half or more of the patients at the new Roper St. Francis Berkeley Hospital would be patients otherwise seen at the Roper and St. Francis facilities in Charleston, and the rest would come from population growth. However, there is no historical basis for this arbitrary forecast. In fact, it would be very financially beneficial for Roper St. Francis if the new Roper hospital attracted far more patients from Trident hospitals than from Roper St. Francis facilities. Historical market shares in Berkeley County (53% for the Trident hospitals, 23% for the Roper St. Francis hospitals) suggest that Roper's projection is very unlikely to occur. By arguing that the new Roper St. Francis Berkeley Hospital would draw many patients who otherwise would have been seen at Roper St. Francis hospitals, Roper is trying to minimize adverse impact on Trident. But there is no history to support this speculation.

2. APPROVAL OF THE ROPER ST. FRANCIS BERKELEY HOSPITAL WOULD CAUSE SUBSTANTIAL ADVERSE FINANCIAL IMPACT ON THE TRIDENT HEALTH SYSTEM

The above projected volume loss of 7,340 patients in the first three years will result in an adverse financial impact on the Trident Health System, ranging from $7 million in 2013 to double that level- $14 million, in 2015. The adverse financial impact averages over $11 million a year for the period 2013-2015, and totals over $33 million for the three year period.

This financial impact analysis was developed using the net revenue per adjusted admission for Trident hospitals for the first five months of 2009: $11,343. This analysis further considers that when a hospital loses patients to a new provider in the market, it loses revenue, but certain expenses directly related to patient volume also decrease. Accordingly, in order to arrive at a reasonably accurate estimate of financial impact, our calculations projected the reduction in expenses that would be associated with volume

losses of the magnitude indicated above. In total, variable expenses associated with this loss of patient volume would be $6,821 per adjusted admission, leaving a contribution margin of $4,522 per adjusted admission. As a result, Trident Health System would lose about $4,500 for every Roper St. Francis Berkeley Hospital adjusted admission that would otherwise be served by Trident hospitals if the new Roper hospital were not approved.

The above analysis is based on a very traditional methodology for calculating financial adverse impact. In addition, the $4,522 loss per adjusted admission should be seen as a conservative estimate of financial adverse impact that could ultimately be much higher.[2]

CONCLUSION

Trident's proposed Berkeley Regional Medical Center in Moncks Corner would serve to greatly improve access to care for residents of northern and central Berkeley County without resulting in an unnecessary duplication of services and/or a material adverse impact on any other existing providers. By contrast, the proposal by Roper St. Francis to build a new hospital in Goose Creek would not significantly increase access for residents of Berkeley County, but it would have a significant adverse financial impact – approximately $33 million in the first three years alone – on the Trident Health System.

If you have any questions concerning this letter, please do not hesitate to call Richard Baehr at 312-654-8648.

Sincerely,

Richard A. Baehr

[2] The contribution margin that results from this analysis is 40% of the net revenue per adjusted admission ($4,522/$11,343). This margin is on the low end of the range of contribution margins (40% to 70% of net revenues lost) that have been calculated for many other projects in South Carolina and in other states. In other words, if variable costs were lower, the contribution margin would be higher, and the adverse financial impact would be even larger.

D H E C

PROMOTE PROTECT PROSPER

C. Earl Hunter, Commissioner

Promoting and protecting the health of the public and the environment.

CERTIFIED MAIL 91 7108 2133 3933 7191 9167

June 26, 2009

Re: Roper St. Francis Hospital - Berkeley
Goose Creek, South Carolina

Ms. Shannon Cantwell, Regulatory Affairs Specialist
Roper St. Francis Healthcare
125 Doughty Street, Suite 760
Charleston, South Carolina 29403

Dear Ms. Cantwell:

The Department has determined that the Roper St. Francis Hospital - Berkeley and the Berkeley Medical Center applications are not competing applications as defined by Regulation 61-15 "Certification of Need for Health Facilities and Services" Section 103.6. The Department has determined the applications are not competing because the beds used for the Roper St. Francis Hospital - Berkeley project are a permanent bed transfer, not a bed increase; therefore, the bed need will not be exceeded. The proposed project basically a re-positioning of currently licensed acute care beds from an area of limited growth to an area of strong growth and will have no impact on the Tri-County's bed count or bed need. Further, the proposal is consistent with general health planning goals of maximizing the usage of existing resources and positioning and re-positioning underutilized resources in areas of strong volume and population growth.

It is the decision of this Department that a Certificate of Need be issued to Roper St. Francis Hospital - Berkeley in Goose Creek, South Carolina for the construction of a new hospital by permanently transferring fifty (50) acute care beds from Roper Hospital to include a multi-slice Computed Tomography (CT) scanner and a 1.5T Magnetic Resonance Imaging (MRI) unit for a total license bed capacity of fifty (50) acute care beds at Roper St. Francis Berkeley and three hundred eighteen (318) total licensed beds at Roper Hospital; the facility will be located on Highway 17A in Goose Creek, South Carolina

The decision is based on the following:

1. The application is consistent with Chapter II Section G.1(A)(4)(j) for the General Acute Hospital bed need methodology as stated in the 2008-2009 South Carolina Health Plan;

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2. The applicant has adequately demonstrated the need for the project within the application;

3. The project will increase accessibility and availability of services for residents of Berkeley County;

4. The project appears to be financially feasible based upon the information available;

5. The applicant has submitted substantial letters of community and physician support for the project;

6. Upon review and consideration of all materials submitted by affected parties, the Department concludes there should be minimal impact upon other facilities in the proposed service area; and

7. The applicant has considered the distribution of acute care services in relation to the target population and the effect of the project in meeting the growing demands of the service area.

The Department makes the following findings pursuant to Section 501, Regulation No. 61-15, Certification of Need for Health Facilities and Services:

1. The capital and operating costs of the proposal and their potential impact on patient charges are reasonable;

2. 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;

3. In the case of new construction, alternatives to new construction (e.g., modernization or sharing arrangements) have been considered;

4. Patients will experience serious problems in terms of costs, availability or accessibility, or such other problems as may be identified by the Department, in obtaining care of the type proposed in the absence of the project.

The additional finding required by Section 501.5 of Regulation No. 61-15, Certification of Need for Health Facilities and Services is not applicable to this project.

The following appeal procedures are in effect beginning July 1, 2006, pursuant to 2006 Act No. 387:

1. This decision of the S.C. Department of Health and Environmental Control (Department) becomes the final agency decision fifteen (15) days after notice of the

decision has been mailed to the applicant or his agent unless a written request for final review is filed with the Department by the applicant or an affected person.

2. An applicant or affected person who wishes to appeal this decision must file a written request for final review with the Clerk of the Board at the following address or by facsimile at 803-898-3323:

Clerk of the Board
SC DHEC
2600 Bull Street
Columbia, SC 29201

3. The request for final review should include the following:
   a) the grounds on which the Department's decision is challenged and the specific changes sought in the decision;
   b) a statement of any significant issues or factors the Board should consider in deciding how to handle the matter; and
   c) a copy of the Department's decision or action under review.

4. In order to be timely, a request for final review must be received by the Clerk of the Board within 15 days after notice of the Department decision has been mailed to the applicant or his agent. If the 15th day occurs on a weekend or State holiday, the request is due to be received by the Clerk of the Board on the next working day. The request for final review must be received by the Clerk of the Board by 5:00 pm on the date it is due.

5. If a timely request for final review is filed with the Clerk of the Board, the Clerk will provide additional information regarding procedures.

6. The Board of Health and Environmental Control has 60 days from the date of receipt of a request for final review to conduct a final review conference. The conference may be conducted by the Board, its designee, or a committee of three members of the Board appointed by the chair.

7. If a final review conference is not conducted within 60 days, the Department decision becomes the final agency decision, and a party may request a contested case hearing before the Administrative Law Court within 30 days after the deadline for the final review conference.

If you have any questions, please feel free to contact us at (803) 545-4200.

Sincerely,

Beverly Brandt

Beverly A. Brandt, Chief
Bureau of Health Facilities and Services Development

cc: Trident Health System
East Cooper Regional Medical Center

Certificate of Need Summary of Department Findings

I. Project Information

Facility: Roper St. Francis Hospital-Berkeley

Address: Intersection of US Highway 17A and Highway 176 Goose Creek, SC 29461.

Project Reference: Construction of a new hospital by permanently transferring fifty (50) acute care beds from Roper Hospital to include a multi-slice Computed Tomography (CT) scanner and a 1.5T Magnetic Resonance Imaging (MRI) unit for a total license bed capacity of fifty (50) acute care beds at Roper St. Francis Berkeley and three hundred eighteen (318) total licensed beds at Roper Hospital; the facility will be located on Highway 17A in Goose Creek, SC.

Project Description:

The beds for the proposed project will be a permanent transfer of 50 acute care beds from Roper Hospital, Inc. According to the applicant, the bed transfer from downtown Charleston to Goose Creek will have no impact on operation or availability of care at Roper Hospital. A letter of September 9, 2009, from Matthew J. Severance, CEO, acknowledges in writing that the proposed 50 bed hospital will be accomplished "via a bed transfer from Roper Hospital" and "this exchange is permanent and confirms that Roper Hospital will not use the loss of these beds as justification for a subsequent request for the approval of additional beds."

Roper St. Francis Hospital-Berkeley will be the fourth member hospital of Care Alliance Health Services d/b/a Roper St. Francis Healthcare. The facility will consist of two floors. The first floor will contain the hospital's diagnostic, treatment, and support functions. The second floor of the two-story facility will house the 50 inpatient beds and 4 non- licensed observation beds. The facility will be seeking Level I, Community Perinatal Center designation.

The scope of services for the proposed new hospital includes the following:

- 36 medical/surgical beds, 8 obstetrics beds, and 6 intensive care/critical care beds
- 4 non licensed observation beds
- 24-hour emergency care
- Surgical services (four operating rooms)
- Obstetrical services
- Nursery
- Respiratory and physical therapy services
- Non-invasive cardiology services
- Infusion therapy services
- Imaging services: major medical equipment includes a multi-slice (16 slice) CT scanner and a 1.5T MRI scanner-other equipment includes fluoroscopy, mammography, digital radiology, ultrasound, bone density, nuclear medicine, and a portable C-arm
- Laboratory
- Pharmacy

001266

- Support services
- Air ambulance service

Ownership: The licensee for this facility will be Roper St. Francis Hospital-Berkeley, Inc. and will be owned by Care Alliance Health Services d/b/a Roper St. Francis Healthcare.

Profit or Non-Profit Status: Roper St. Francis Hospital is a non-profit entity.

II. Staff Summary

A. Total Project Cost. The total project cost for the proposed project is $ 112,978,119. The costs are itemized as follows:

Site Costs	$ 8,192,083
Construction Cost	$ 57,876,525
Professional Fee	$ 6,962,226
Equipment Costs	$ 22,296,158
Financing during Construction	$ 6,700,000
Other Costs	$ 3,491,909
Project Contingency	$ 7,459,218
Total Project Cost	**$ 112,978,119**

Number of Buildings	One
Number of Stories	Two
Square Footage	138,750 gross s.f. 144,000 with canopies and loading dock
Total Project Cost/Square Foot	**$578**

B. Financing. A letter dated November 19, 2008, from Bret Johnson, Senior Vice President and Chief Financial Officer states that Roper St. Francis Healthcare management proposes funding the project through the use of $25 million in cash on hand. Bond financing will fund the remainder of the project.

Management proposes funding the project through the use of $25 million of equity financing and tax exempt bond financing to fund the remainder of the project. Historically, tax exempt bonds have proven to be the most cost effective means of financing large capital projects for not for profit entities. The structure of the financing will be based on market conditions at the time of the issuance. A letter from Richard Marvin, Managing Director of Wachovia Securities, documents the firm's opinion Roper St. Francis Healthcare can support the debt and will be able to issue tax exempt revenue bonds.

C. Justification. The applicant has provided a justification of need located in the file in its entirety; however, the synopsis is as follows:

Justification Overview:

The proposed bed relocation from downtown Charleston to Goose Creek will have no impact on the operations or access and availability of care at Roper Hospital. The proposed relocation will, however, provide a significant positive impact to the residents of the Goose Creek and Berkeley County area by establishing a community-based not-for-profit hospital in Goose Creek, thereby, significantly enhancing access to hospital services in Berkeley County.

Berkeley County is currently one of the largest counties in SC with a 2008 population base of 158,140 (9th largest population in 2008) and by far the largest county in SC without an acute care hospital. In addition, Berkeley County is one of the fastest growing counties in the State, among the top ten counties statewide when reviewed along either a percentage growth or a total population growth evaluation. Only four other counties are without hospitals in SC, including Calhoun, Lee, McCormick and Saluda Counties with limited population in each county ranging from 10,000 to 21,000 persons.

According to the SC Budget and Control Board Office of Research and Statistics, the April 1, 2000 Census for Berkeley County was 142,651, the July 1, 2007 estimated population for Berkeley County was 163,222, and the July 1, 2010 projected population will 170,270. The change in population from 2000 to 2007 was an increase of 14.7 percent.

Goose Creek is also a rapidly growing town. According to the SC Budget and Control Board Office of Research and Statistics, the population of the city of Goose Creek grew by 24.8 percent between 2000-2007, from 29,208 persons to 36,486. The site for the proposed hospital is located in the Carnes Crossroads development, a master planned residential community located on 2300 acres. Developers are trying to provide a more livable, mixed use community that allow residents of the community to have many of their needs met within the community. Three major communities are currently planned near the area. Two housing developments will add nearly 30,000 homes at build-out. A new high school, Cane Bay High School, recently opened with a 1500 student capacity, an elementary school will be opening August 2009, and a middle school is slated to be built. Del Webb Charleston, a retirement community, opened its third SC location in this area in the spring of 2007. Extensive retail development of this area is also planned.

The proposed hospital will bring new enhanced local access to this large and growing population and will ensure that local residents are able to obtain readily accessible local inpatient care to meet the majority of their healthcare needs. The proposed project is basically a re-positioning of currently licensed acute care beds from an area of limited growth to an area of strong growth and will have no impact on the Tri-County's bed count or bed need. Further, the proposal is consistent with general health planning goals of maximizing the usage of existing resources and positioning and re-positioning underutilized resources in areas of strong volume and population growth.

The justification for this project is based on:

- Providing the first local access to inpatient care within the Berkeley County area
- Ensuring access to a community-based, not-for-profit inpatient provider within the Berkeley County area
- Enhancing access to care for the Roper St. Francis-aligned patients living within Berkeley County who currently travel out of the local area for care
- Maximizing the usage of acute care beds at Roper's downtown facility

- Establishing the proposed new facility with no addition of licensed beds within the State Health Plan's defined service area (Berkeley/Charleston/Dorchester Counties)

Proposed Service Area Definition:
The proposed new hospital is anticipated to primarily serve the residents of Berkeley County, with expected additional patients originating from adjacent geographic areas within Charleston and Dorchester counties. The primary service area is expected to generate 90% of the facility's total patient volume, with the remaining 10% of patients originating largely from adjacent areas within Charleston and Dorchester counties.

Population Projections:
The site at Carnes Crossroads had a 2008 population of 104,371 within a seven mile radius. The seven mile radius population analysis illustrates for planning purposes the location of a majority of the patient base. The Carnes Crossroads site is 8.1 miles from Trident Medical Center in Charleston County and 11.0 miles from Summerville Medical Center in Dorchester County.

The population located within the primary service area is estimated to be over 158,000 persons in 2008 and is forecast to grow by more than 9% or 14,800 persons through 2015. This growth rate is significantly higher than forecast for Charleston County or the State of SC as a whole.

From a comparative perspective, the Goose Creek area today encompasses a significantly larger population base than Moncks Corner. Goose Creek has also experienced significantly higher levels of population growth and is predicted to experience higher growth in the future. Data from the US Census show that the city of Goose Creek has a 2007 population base of 30,868 persons s or more than five times that of the town of Moncks Corner and that overall numerical population growth and percentage population growth is much higher in Goose Creek as well.

For additional statistics relevant to the population projection of Berkeley County to include specific age cohort population forecasts refer to Bates Stamped pages 20-24.

Market Share:

Roper currently serves 23% of all Berkeley County residents who receive no-tertiary/non-specialty inpatient hospital care. These patients now travel to Roper Hospital in downtown Charleston or to St. Francis Hospital in West Ashley. These Berkeley County residents have made the decision not to go to Trident in North Charleston or Summerville Medical Center in Dorchester County, but rather to drive even further to Roper facilities. Volume forecasts for Roper Berkeley Hospital assume that 50 percent of Roper non-tertiary/non-specialty patients originating in Berkeley County will remain in Berkeley County at the new hospital and that an additional 10% of the Berkeley County patients not currently using Roper facilities will shift to the new hospital.

The 50% re-direction from Roper non-tertiary/non-specialty patients translates into 1,775 Roper patients that will be treated at the new hospital as a result of staying within their home county versus travelling to Charleston to obtain Roper health care. The treatment of these 1,775 non-tertiary/non-specialty patients at Roper Berkeley Hospital will have no impact on any providers other than Roper's other facilities.

The 10% of non-Roper patients that are also forecast to use the new hospital are patients that otherwise would leave Berkeley County to obtain inpatient care at Tri-County hospitals other than Roper. This 10% of the non-Roper market translates into 1,188 patients to the new Roper Berkeley hospital.

Utilization:

The total Berkeley county non-tertiary/non-specialty market is forecast to grow from 13,732 discharges in 2006 to 15,435 discharges in 2015-a growth of 1,703 additional non-tertiary/non-specialty discharges. Roper non-tertiary/non-specialty discharges are forecast to grow by 398 discharges from 3,152 to 3,550 discharges while non-tertiary/non-specialty discharges for all other providers are forecast to grow by 1,305 discharges from 10,580 to 11,885.

Proposed Services:

The applicant intends to provide fixed permanent Magnetic Resonance Imaging (MRI) services at the proposed hospital. The volume estimates are reasonable and reflect future population growth. Calculation of the potential MRI volume was based on applying the 2007 MRI use rate (91.2 exams per 1000 population according to the US Census Bureau) to the 2015 forecast Berkeley County population, resulting in a volume base of 15,772 scans. The assumption was made that the proposed hospital would achieve a 15% market share of the market potential, resulting in a forecasted volume of 2366 scans from Berkeley County and a total of 2629 scans assuming a 10 percent migration factor.

D. Applicable Plan:

The application was accepted for filing on December 10, 2008. Therefore, this project is to be reviewed under the 2008-2009 S.C. Health Plan. The 2008-2009 South Carolina Health Plan addresses the standards that must be met for Certificate of Need approval. To be more specific, the criteria shown outlined for transfer or exchange of beds between affiliated hospitals. The applicant addresses each of the criteria as shown within the application on Bates Stamped pages 35-38.

E. Applicable Standards:

Roper St. Francis Berkeley hospital's proposal for construction to establish a fifty (50) bed acute care hospital by permanently transferring beds from their existing facility is consistent under the 2008-2009 South Carolina Health Plan in accordance with Section G.1(A)(4)(j) items 1-8 on pages II-9 and II-10 for General Hospital bed transfers. On May 8, 2009, the DHEC Board issued its Decision on Remand, in which the Board determined and clearly stated: "Accordingly, the Board has determined that the 2004-2005 South Carolina Health Plan, which includes the Plan Transfer Standard, allows for approval of a CON application for the transfer of licensed general acute care hospital beds to establish a new hospital." The Department's position and practice has always been, and continues to be, to allow beds to be transferred from an existing facility in order to create a new hospital.

F. Financial Feasibility:

The applicant has provided a three year budget for the proposed project, which indicates net income as follows:

J. Letters of Support

Substantial letters of support, at least 500, have been received from physicians and the community and are in sufficient volume. The applicant categorized the support letters as being from physicians, other healthcare providers, elected officials and the community.

In addition, letters of support have been received supporting both Roper St. Francis Berkeley application and Berkeley Medical Center applications, to include the members of the Berkeley County Legislative Delegation and the mayors of Goose Creek, Moncks Corner, St. Stephens, Jamestown and Bonneau.

K. Experience of the Applicant

The Roper St. Francis Healthcare System includes two licensed hospitals with a third under construction. Roper hospital was founded in 1850 as the first community hospital of the Carolinas. Bon Secours St. Francis Xavier Hospital was founded in 1882 by the Sisters of Charity of Our Lady of Mercy. The Roper St. Francis Healthcare System also operates a variety of additional facilities, extending throughout the tri-county area. There are a total of twenty facilities or services at this time. In Part B-27, the applicant also expanded on accomplishments they felt distinguished them as an excellent healthcare provider.

III. Staff Findings

The proposed project has been found to be consistent with all applicable items of criteria as outlined in Section 802 of Regulation No. 61-15. The most important criteria in the review of this application are as follows:

1. Compliance with the 2008-2009 South Carolina Health Plan – 1

Roper St. Francis Berkeley hospital's proposal for construction to establish a fifty (50) bed acute care hospital by permanently transferring beds from their existing facility is consistent under the 2008-2009 South Carolina Health Plan in accordance with Section G.1(A)(4)(j) items 1-8 on pages II-9 and II-10 for General Hospital bed transfers. On May 8, 2009, the DHEC Board issued its Decision on Remand, in which the Board determined and clearly stated: "Accordingly, the Board has determined that the 2004-2005 South Carolina Health Plan, which includes the Plan Transfer Standard, allows for approval of a CON application for the transfer of licensed general acute care hospital beds to establish a new hospital." The Department's position and practice has always been, and continues to be, to allow beds to be transferred from an existing facility in order to create a new hospital.

2. Community Need Documentation – 2a, 2b, 2c, 2e

The applicant has adequately documented its target population based upon historical acute care patient origin and market shares. The proposed project is basically a re-positioning of currently licensed acute care beds from an area of limited growth to an area of strong volumes and growth. The proposed new hospital is anticipated to primarily serve the residents of Berkeley County. The primary service area is expected to generate 90 percent of the facility's total patient volume, with the remaining 10 percent of patients originating from adjacent geographic areas within Charleston and Dorchester Counties.

Roper St. Francis Hospital-Berkeley Forecasted Statement of Operations

	2013	2014	2015
Patient Days-Incremental	3,194	5,475	6,388
Adjusted Patient Days-Incremental	6,254	10,721	12,509
Gross Patient Services Revenue	52,436,329	96,175,681	120,068,706
Total Revenue	15,421,627	27,975,554	34,538,863
Revenue over Expenses	-11,765,772	-3,313,318	285,160

Roper St. Francis Healthcare (including Berkeley) Forecasted Statement of Operations

	2013	2014	2015
Gross Patient Services Revenue	2,717,888,288	2,997,252,916	3,270,490,167
Total Revenue	789,084,820	839,222,141	883,057,100
Revenue over Expenses	64,632,658	76,801,173	82,878,196

Roper St. Francis Healthcare (without Berkeley) Forecasted Statement of Operations

	2013	2014	2015
Gross Patient Services Revenue	2,665,451,959	2,901,077,235	3,150,421,461
Total Revenue	773,663,193	811,246,587	848,518,237
Revenue over Expenses	76,398,430	80,114,491	82,593,036

G. Staffing

The applicant projects to operate the facility with 214.1 FTEs in year one and graduate to 286.7 by year 3.

H. Indigent Care Plan

The applicant has provided an Indigent Care Plan providing approximately 2.2% of gross revenue as charity care. This amount translates to $1,153,599 in Year 1 and $2,115,865 in Year 2.

I. Cost Containment

The applicant addressed cost containment and quality of care in the following manner:
The program will foster cost containment by benefiting from being a member of Roper St. Francis Healthcare, which provides an extensive corporate infrastructure for such support functions as human resources, finance, information technology, audit, 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. The incremental FTEs expected at this corporate level arising from the presence of Roper St. Francis Hospital-Berkeley are less than 10, creating economies of scale. Also, it is important to note that Roper St. Francis Healthcare hospital 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 result in prompt reaction to adverse trends and the cost effective provision of services.

Population estimates for Berkeley and Dorchester Counties show significant estimated growth.

Distribution (Accessibility) – 3a, 3b, 3c, 3d, 3e, 3f

There are currently no acute care hospitals in Berkeley County. The populations to be served by the proposed Berkeley Medical Center will reside primarily in Berkeley and Dorchester counties. The patients will be best served in an acute facility reasonably proximate to their homes and to the homes of their families. As the population centers of Berkeley and Dorchester Counties continue to move to the north and west, acute facilities in downtown Charleston and Charleston County will become increasingly difficult to access, especially with increased traffic congestion that can be expected to accompany population growth.

3. Financial Feasibility - 15

The applicant's projected income statements indicate an improvement in revenue over time, with year three showing a net positive income.

4. Acceptability – 4a, 4b, 4c

Substantial letters of support, at least 500, have been received from physicians and the community and are in sufficient volume. The applicant categorized the support letters as being from physicians, other healthcare providers, elected officials and the community.

In addition, letters of support have been received supporting both Roper St. Francis Berkeley application and Berkeley Medical Center applications, to include the members of the Berkeley County Legislative Delegation and the mayors of Goose Creek, Moncks Corner, St. Stephens, Jamestown and Bonneau.

Adverse Effects on Other Facilities – 23a

There should be minimal adverse impact upon other facilities in Charleston and Dorchester Counties. The utilization projections adequately documented that the proposed facility will not replicate or unnecessarily duplicate services that already exist in the service area. The utilization of these 50 beds does not require Roper to take any of Trident's patient base. As Trident's current utilization at both of its existing hospitals demonstrates, there are not enough hospital beds in service to support the current patient population of North Charleston, Dorchester county and Berkeley county, and there are not nearly enough beds to serve the projected patient population growth in these service areas. All of the tri-county area's current acute care hospitals are operating in excess or near the standards published in the 2008-2009 Plan.

The site at Carnes Crossroads had a 2008 population of 104,371 within a seven mile radius. The seven mile radius population analysis illustrates for planning purposes the location of a majority of the patient base. The Carnes Crossroads site is 8.1 miles from Trident Medical Center in Charleston County and 8.1 miles from Summerville Medical Center in Dorchester County.

The Roper Berkeley project will place acute beds and services in an area with strong volume and population growth. Market growth in Berkeley County will offset any non-Roper St. Francis redirected volume served at the new hospital, resulting in no adverse impact to other existing providers. Roper currently serves 23% of all Berkeley County residents who receive non-tertiary/non-specialty inpatient hospital care. These patients now travel to Roper Hospital in downtown Charleston or to St. Francis Hospital in West Ashley. Volume forecasts for Roper Berkeley assume that 50 percent of Roper non-tertiary/non-specialty patients originating in Berkeley County will remain in Berkeley County at the new hospital and an additional 10 percent of the Berkeley County patients not currently using Roper facilities will shift to the new hospital. The 50 percent translates into 1775 Roper patients and the additional 10 percent translates into 1,188 currently non-Roper patients. This additional 50 percent should have no impact on any providers other than Roper's other facilities since the patients are being redirected. Due to strong market volume growth forecast within Berkeley County, the treatment of this 10 percent of non-Roper patients will have no adverse impact on other providers.

5. Distribution – 22

There should be minimal impact upon other facilities in Charleston and Dorchester Counties. The proposed project is basically a re-positioning of currently licensed acute care beds from an area of limited growth to an area of strong growth and will have no impact on the Tri-County's bed count or bed need. The utilization projections adequately documented that the proposed facility will not replicate or unnecessarily duplicate services that already exist in the service area. All of the tri-county areas current acute care hospitals are operating in excess or near the standards published in the 2004-2005 Plan. Population growth alone and the resulting increase in market size is anticipated to offset any possible patient volume reductions. The Roper Berkeley project will place acute beds and services in an area with strong volume and population growth.

5-DEC-08

GENERAL RECEIPT REPORT
SC DHEC
BUREAU OF FINANCE
COLUMBIA, SC

PROG/FY2009

Received From: ROPER SAINT FRANCIS HEALTHCA

Bank Code = 03100011 Deposit Date: 12/15/08

Print Code = G Invoice = 02705 Control =

Receipt No. CR35320
Deposit No. 0600617
Voucher No.

	DHEC CODES					CG CODES						
Loc	Org	Fund	Acct	Actvty	Uns	Mini	Subf	Proj	Ph	Obj	Inv_Ref	Amount
400	402011	428015	4486701	0000000	000	0530	2837			4867		$500.00
												$500.00

RECORD 006660

Joint Exhibit 002-1282

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TO:	COMPANY:	FAX NO.	RECIPIENT'S PHONE NO
Jody M. Hamm	**Freedom of Information Office**	**898-3816**	
Kelly Barrett	**DHEC**	**545-4579**	

FROM: **Colleen C. Quillen** DATE: **July 7, 2009**

CLIENT-MATTER:

RE:

COMMENTS: **JODY/KELLY – PLEASE NOTE THAT WE WOULD LIKE THE BATES STAMPED COPY OF THESE FILES. IF THE FILES HAVE NOT BEEN BATES STAMPED YET, PLEASE DO NOT COPY UNTIL THEY HAVE BEEN BATES STAMPED. THANKS!**

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* *NOTICE* *

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Form 3 (12/01)
PPAB 1167671v1

0907049

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July 7, 2009

Via Facsimile 898.3816
Mr. Jody M. Hamm, Director
Freedom of Information Office
SC DHEC
2600 Bull Street
Columbia, SC 29201

See Note on 2nd page

Re: ***Roper St. Francis Hospital-Berkeley*** Volumes I thru IV
Certificate of Need Application for the construction of a new hospital by transferring 50 acute care beds from Roper Hospital
$112,978,119

Note Yes of support will be done once Bate Stamped

Berkeley Medical Center
Construction to establish a 50 bed acute care hospital through the transfer of 50 acute care beds from the bed need generated by Trident Medical Center
$115,000,000

Dear Jody:

Please consider this letter our request pursuant to the Freedom of Information Act for Bates stamped copies of the Department's entire file in connection with the above-referenced Certificate of Need applications.

Please give me a call when the material is ready so that I may arrange for our courier to pick up the same. Of course, we agree to pay the Department's usual and customary fees for providing this information. Please call me if you have any questions.

Sincerely,

Colleen C. Quillen

cc: Ms. Kelly L. Barrett

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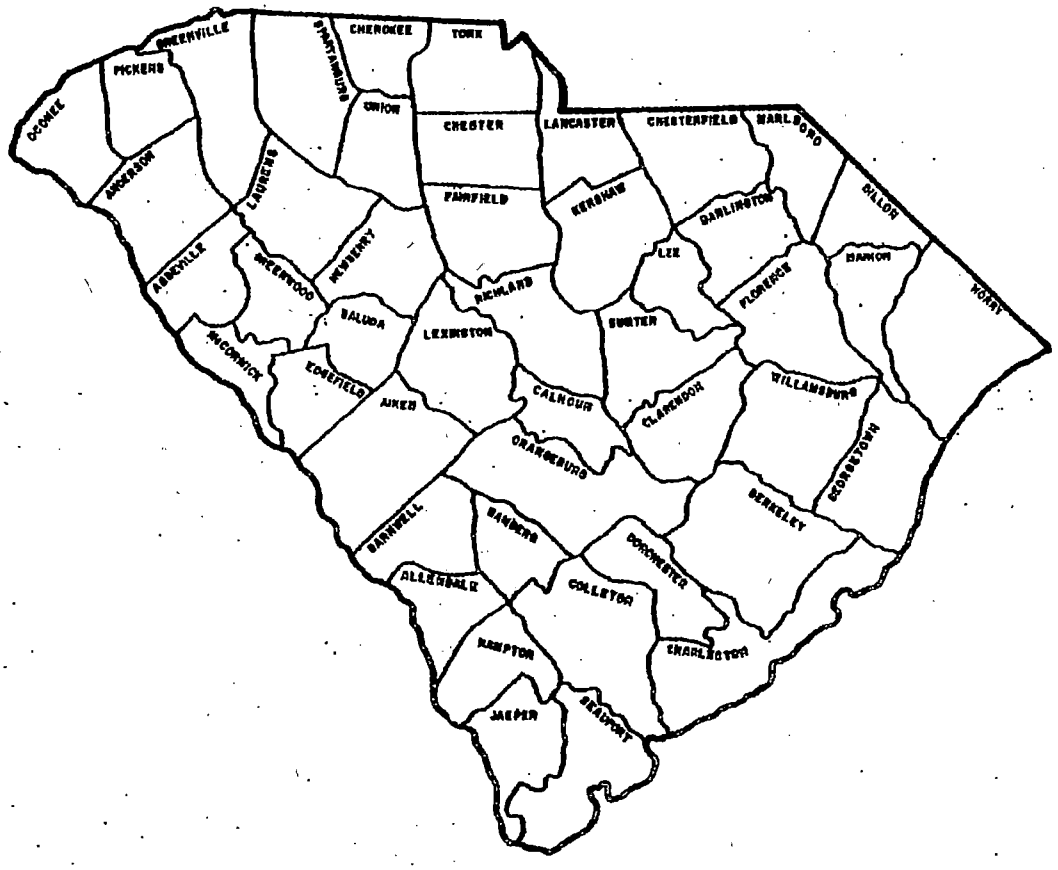
2004-2005
South Carolina Health Plan



South Carolina State Health Planning Committee

South Carolina Department of Health and Environmental Control

Effective October 15, 2004 for all but the Open Heart Surgery Section on page II-48, Section (5)A items 1 and 2 and the Ambulatory Surgery Facility Section
The above two sections became effective on January 14, 2005

South Carolina State Health Planning Committee

Member	Representing	Term expires
Gerald A. Wilson, M.D. Chairman	Provider	6/30/06
Langdon A. Hartsock, M.D.	Provider	6/30/04
Susan A. Lake	Provider	6/30/06
Frederick D. Hobby	Provider	6/30/04
Nicki S. Davis	Finance/Business	6/30/04
James E. Armbruster	Finance/Insurance	6/30/04
Angela H. McCrae	Finance/Business	6/30/06
Samuel A. Williams	Finance/Insurance	6/30/06
Edward D. Tinsley, III	Consumer	6/30/06
Oscar J. Harm, III, Ph.D.	Consumer	6/30/06
Vacant	Consumer	6/30/04
Billy R. Oswald	Consumer	6/30/04
Elliott Elam, Jr.	Ex Officio DHEC Board	(Consumer Affairs)

All correspondence should be addressed to: State Health Planning Committee, Division of Planning and Certification of Need, S.C. DHEC, 2600 Bull Street, Columbia, South Carolina 29201.

TEL: 803-545-4200 FAX: 803-545-4579

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CHAPTER I

INTRODUCTION

Legal Basis

Purpose

Health Planning Committee

Relationship with Other Agencies

Standards of Construction and Equipment

Standards for Maintenance and Operation

State Certification of Need and Health Facility Licensure Act

Indigent Care Policy

Relative Importance of Project Review Criteria

Existing Resources and Capacity

Interpretation of the Plan

Safety of Patient Care

CHAPTER I

INTRODUCTION

A. Legal Basis:

Section 44-7-180 of the South Carolina Code of Laws requires the Department of Health and Environmental Control, with the advice of the S.C. State Health Planning Committee, to prepare a State Health Plan for use in the administration of the Certificate of Need Program.

B. Purpose:

The South Carolina Health Plan outlines the need for medical facilities and services in the State. This document is used as one of the criteria for reviewing projects under the Certificate of Need Program.

C. Health Planning Committee:

This committee is composed of fourteen members. Twelve are appointed by the Governor with at least one member from each congressional district. Health care consumers, health care financiers, including business and insurance, and health care providers are equally represented. One member is appointed by the Chairman of the Board of Health and Environmental Control and the State Consumer Advocate is an ex-officio member. The State Health Planning Committee will review the South Carolina Health Plan and submit it to the Board of Health and Environmental Control for final revision and adoption.

D. Relationship With Other Agencies:

The Department has received consultation and advice from a number of State Agencies, including the Department of Mental Health, Department of Disabilities and Special Needs, Vocational Rehabilitation Department, Department of Social Services, Department of Alcohol and Other Drug Abuse Services, Continuum of Care for Emotionally Disturbed Children, and the Department of Health and Human Services, during the development of this plan including the collection and analysis of data. Other organizations affected under the program, such as the S.C. Hospital Association, the S.C. Home Care Association and the S.C. Health Care Association, have been consulted as the need arises. The Department wishes to express its appreciation for their assistance.

The Department is conscious that the ultimate responsibility for administering this program cannot be shared with any individual or organization; however, it does recognize the valuable contributions that can be made by other interested organizations and individuals. For that reason it will be the policy to actively seek cooperation and guidance from anyone who wishes to comment on this plan.

E. Standards of Construction and Equipment:

Construction of health care facilities will comply with the Standards for Licensing as promulgated by the S.C. Department of Health and Environmental Control.

F. Standards for Maintenance and Operation:

1. Pursuant to the "State Certification of Need and Health Facility Licensure Act," the South Carolina Department of Health and Environmental Control (DHEC) is designated as the responsible agency for the administration and enforcement of basic standards for maintenance and operation of health care facilities and services in South Carolina. The Division of Health Licensing within DHEC is responsible for licensing Hospitals, Nursing Homes, Intermediate Care Facilities for the Mentally Retarded, Ambulatory Surgical Facilities, Home Health Agencies, Hospice Programs and Facilities, Community Residential Care Facilities, Renal Dialysis Facilities, Psychiatric Hospitals, Psychoactive Substance Abuse Treatment Facilities, Residential Treatment Programs, Detoxification Facilities, Residential Treatment Centers for Children and Adolescents, Abortion Clinics, Day Care Facilities for Adults, Chiropractic Inpatient Facilities, Hearing Aid Specialists, Licensed Midwives, Birthing Centers, and Body Piercing Facilities.

2. Health Officers in local county health departments and various Bureaus of DHEC provide health care facilities with professional consultation, e.g., medical, laboratory, nursing, dietary, home visitation, x-ray, et cetera.

3. The Office of Environmental Quality Control, DHEC, must approve all water supply and sewage disposal systems.

G. State Certification of Need and Health Facility Licensure Act:

1. The purpose of the State Certification of Need and Health Facility Licensure Act as amended is to promote cost containment, prevent unnecessary duplication of health care facilities and services, guide the establishment of health facilities and services that will best serve public needs, and ensure that high quality services are provided in health facilities in this State.

2. This law requires the:

   (1) issuance of a Certificate of Need prior to the undertaking of any project prescribed by this article;

   (2) adoption of procedures and criteria for submittal of an application and appropriate review prior to issuance of a Certificate of Need;

(3) preparation and publication of a State Health Plan, with the advice of the health planning committee; and

(4) licensure of facilities rendering medical, nursing and other health care.

3. An applicant desiring a Certificate of Need for a health-related facility or service or any specific or general information pertaining to the law or its application may contact the Bureau of Health Facilities and Services Development, DHEC, at their mailing address: 2600 Bull Street, Columbia, South Carolina, 29201. The telephone number is (803) 545-4200; fax number is (803) 545-4579.

4. A copy of S.C. Department of Health and Environmental Control Regulation No. 61-15, Certification of Need for Health Facilities and Services, may be obtained from the above address, or accessed on the internet through www.scdhec.net.

H. Indigent Care Policy:

The following indigent care policy shall apply to all Certificate of Need applications which have a capital cost associated with a health service or beds; the establishment or expansion of a home health agency; or change of ownership or controlling interest in a health care facility or home health agency. Certificate of Need applications will be reviewed with particular emphasis on the Department's accessibility criteria. Applications which fail to address this issue in enough specificity, or which fail to reflect an adequate commitment to meeting this identified community need will be denied by Department staff subject to review on appeal by the Board of Health and Environmental Control.

The South Carolina Board of Health and Environmental Control is particularly concerned about the problems of accessibility and indigent care in South Carolina health care facilities. It is in the interest of the Board to assure all citizens of this state equal access to our health care facilities including those who are not fortunate enough to be able to pay for their health care services. For this reason, the Board has adopted the following policy:

> "It shall be the policy of the S.C. Board of Health and Environmental Control to require all applicants for Certification of Need to address in detail their plan of access to care for the indigent population in their application. This plan must separately identify bad debt and contractual adjustments from any indigent care as addressed in their plan for provision of indigent care. Applications which fail to address this issue adequately and clearly or which fail to reflect an adequate commitment to meeting this identified community need shall be denied by the staff subject to review on appeal by the Board."

For the purpose of this policy, the following definitions are adopted:

1. Indigent Care - That medical care (measured in dollars) provided to an individual who has been determined to be unable to pay for this care prior to admission in non-

emergency situations, and as soon as possible but before the discharge in emergency situations and for which only one billing has occurred and no other efforts have been undertaken to collect such debt. Indigent care does not include debt; contractual adjustments; or care that is reimbursed by a governmental program (Medicare, Medicaid, County indigent care program), church, or philanthropic organizations.

2. Revenue - When indigent care is expressed as a percentage of revenue, gross operating revenues should be used. Gross operating revenues are total charges prior to reduction due to contractual adjustments, discounts, bad debts or similar revenue adjustments.

3. Department - The South Carolina Department of Health and Environmental Control.

4. Health Care Facility or facility - Those "health care facilities" as defined in the State Certification of Need and Health Facility Licensure Act, Section 44-7-130 (10).

5. Home Health Agency or agency - Those "home health agencies" as defined in the Licensure of Home Health Agencies Act Section 44-69-20 (4).

The provisions of this policy will apply to all health care facilities and home health agencies that apply to the Department for a Certificate of Need. When an application is submitted, the applicant shall submit as part of the application, an indigent care plan addressing all of the elements of the Board's policy. The plan will describe how the health care facility or home health agency will address indigent care. It shall include at a minimum, the following:

1. 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.

2. 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.

3. In existing facilities or agencies, provide the amount, in terms of dollars and percent of gross revenues, that the facility or agency provided in indigent care during the past three fiscal years. NOTE: Indigent care is defined in H-1.

4. 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.

5. 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 problems in the service area. Include any initiatives or undertakings the

facility or agency has begun to address the indigent care problems in the proposed service area.

6. Describe any Board or Advisory Board established to implement or control the Indigent program at the facility or agency. Include the Board's functions, responsibilities and limitations.

I. Relative Importance of Project Review Criteria:

In accordance with the latest revisions to the Certification of Need and Health Facility Licensure Act, a general statement has been added to each section of Chapter II stating the project review criteria considered to be the most important in reviewing certificate of need applications for each type of facility, service, and equipment. These criteria are not listed in order of importance, but sequentially as found in Chapter 8 of Regulation No. 61-15, Certification of Need for Health Facilities and Services. In addition, a finding has been made in each section as to whether the benefits of improved accessibility to each such type of facility, service and equipment may outweigh the adverse affects caused by the duplication of any existing facility, service or equipment.

J. Existing Resources and Capacity:

To preclude unnecessary duplication, the existing resources and capacity of all services and facilities will be considered prior to the approval of any Certificate of Need application.

K. Interpretation of the Plan:

The criteria and standards set forth in the Plan speak for themselves, and each section of the Plan must be read as a whole.

L. Safety of Patient Care:

There is both local and national concern regarding the quality of health care services, particularly in relation to patient safety. The Joint Commission on Accreditation of Health Care Organizations (JCAHCO) identified the following 2004 Patient Safety Goals for surveyed facilities: improve the accuracy of patient identification; improve the effectiveness of communication among caregivers; improve the safety of using high-alert medications; eliminating wrong-site, wrong-patient, wrong-procedure surgery; improve the safety of using infusion pumps; improve the effectiveness of clinical alarm systems; and reduce the risk of health care-acquired infections. Not all of the goals or measurements of compliance are appropriate for all organizations. Other organizations, such as the Leapfrog Group, a business consortium of Fortune 500 companies, are also focusing on health care safety.

The Department of Health and Environmental Control shares this concern. Therefore, it is the policy of the Department that all Certificate of Need applications must address the policies and procedures taken to assure patient safety by the applicant.

CHAPTER II

PLANNING REGIONS AND FACILITY CATEGORIES

Inventory Regions and Service Areas
Exceptions to Service Area Standards
Identification of Inventory Regions
Estimated State Civilian Population
Patient Statistics
Facility Information and Plan Cut-Off Date
Categories of Facilities and Services
- General Medical Facilities and Services
  - General Hospitals
  - General Hospital-Bed Supply
  - General Hospital-Occupancy Rate
  - Obstetrical and Neonatal Services
    - Obstetrical Services
    - Neonatal Services
  - Pediatric Inpatient Services
  - Cardiovascular and Associated Heart Disease
    - Cardiac Catheterization
    - Open Heart Surgery
  - Cancer
    - Linear Accelerators
    - Gamma Knife
  - Diagnostic Imaging
    - Magnetic Resonance Imaging
    - Positron Emission Tomography
  - Outpatient Facilities
    - Ambulatory Surgical Facility
    - Emergency Hospital Services
    - Trauma Referral System
- Community Psychiatric Beds
- Residential Treatment Facilities for Children and Adolescents
- Alcohol and Drug Abuse Facilities
- Rehabilitation Facilities
- Long-Term Care Facilities and Services
  - Nursing Homes
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  - Retirement Community: Nursing Home Units
  - Hospice Facilities and Hospice Programs
  - Swing Beds
  - Home Health Agencies
  - Other Services for the Elderly
- Critical Access Hospitals
- Long-Term Care Hospitals

CHAPTER II

PLANNING REGIONS AND FACILITY CATEGORIES

A. Inventory Regions and Service Areas:

This State Plan has adopted four regions and one statewide category for the purpose of inventorying health facilities and services as specified in Section C. below. These regions, based on existing geographic, trade and political areas, are a practical method of administration. The Health Service Area (HSA) designations previously used are no longer applicable and have been replaced.

The needs for hospital beds are based on the utilization of individual facilities. Nursing home and home health service needs are projected by county. The needs for acute psychiatric services, alcohol and drug abuse services, comprehensive rehabilitation services, and residential treatment centers for children and adolescents are based on various service areas and utilization methodologies specified herein. Institutions serving a restricted population throughout the state are planned on a statewide basis. The needs for most services (cardiac catheterization, open heart surgery, etc.) are based upon the service standard, which is a combination of utilization criteria and travel time requirements. Each service standard constitutes the service area for that particular service.

Any service area may cross multiple administrative, geographic, trade and/or political boundaries. It is recognized that due to factors which may include availability, accessibility, personal or physician preferences, insurance and managed care contracts or coverage, or other reimbursement issues, patients may seek and receive treatment outside the county or inventory region in which they reside and/or outside of the state. Therefore, service areas may specifically cross inventory regions and/or state boundaries. The need for a service is analyzed by an assessment of existing resources and need in the relevant service area, along with other factors set forth in this Plan and applicable statutes and regulations.

B. Exceptions to Service Area Standards:

It must be recognized that the health care delivery system is in a state of evolution both nationally and in South Carolina. Due to the health reform movement, we are seeing a number of health care facilities consolidating and establishing provider networks in order to better compete for contracts within the new environment. This is particularly important for the smaller, more rural, facilities that run the risk of being bypassed by insurers and health care purchasers looking for the availability of comprehensive health care services for their subscribers.

Given the changing nature of the health care delivery system, affiliated hospitals may sometimes desire to transfer or exchange specific technologies in order to better meet an identified need. Affiliated hospitals are defined as being two or more health care facilities, whether inpatient or outpatient, owned, leased, sponsored, or who have a formal legal relationship with a central organization and whose relationship has been established for reasons other than for transferring beds,

equipment or services. There may be certain instances where such a transfer or exchange of acute services could be accomplished in a cost-effective manner and result in a more efficient allocation of health care resources. This transfer or exchange of services applies to both inpatient and outpatient services; however, such transfers or exchanges could only occur between facilities within the same licensing category. A Certificate of Need would be required to achieve the transfer or exchange of services. In order to evaluate a proposal for the transfer or exchange of any health care technology reviewed under the Certificate of Need program, the following criteria must be applied to it:

(1) A transfer or exchange of services may be approved only if there is no overall increase in the number or amount of such services;

(2) Although such transfers may cross county or service area lines, the facilities must be located within the one-way driving time established for the proposed service of each other, as determined by the Department;

(3) The facility receiving the service must demonstrate the need for the additional capacity based on both historical and projected utilization patterns;

(4) The applicants must explain the impact of transferring the technology on the health care delivery system of the county and/or service area from which it is to be taken; any negative impacts must be detailed along with the perceived benefits of the proposal;

(5) The facility giving up the service may not use the loss of such services as justification for a subsequent request for the approval of establishment of such service;

(6) A written contract or agreement between the governing bodies of the affected facilities approving the transfer or exchange of services must be included in the Certificate of Need process;

(7) Each facility giving up a service must acknowledge in writing that this exchange is permanent; any further transfers would be subject to this same process.

C. Identification of Inventory Regions:

The inventory regions are designated as follows:

Region	Counties
I	Anderson, Cherokee, Greenville, Oconee, Pickens, Spartanburg, and Union.
II	Abbeville, Chester, Edgefield, Fairfield, Greenwood, Kershaw, Lancaster, Laurens, Lexington, McCormick, Newberry, Richland, Saluda and York.
III	Chesterfield, Clarendon, Darlington, Dillon, Florence, Georgetown, Horry, Lee, Marion, Marlboro, Sumter and Williamsburg.

IV Aiken, Allendale, Bamberg, Barnwell, Beaufort, Berkeley, Calhoun, Charleston, Colleton, Dorchester, Hampton, Jasper and Orangeburg.

D. Estimated State Civilian Population:

This Plan has been developed using the estimated civilian population of 4,136,020 for 2003 and projected population of 4,446,400 for 2010 where these projections were required for calculations. All population data (county, planning area, and statewide) were computed by the State Budget and Control Board, Division of Research and Statistical Services, in cooperation with the U.S. Bureau of Census. The Governor has designated the above agency as the official source of all population data to be used by state agencies.

E. Patient Statistics:

Patient statistics in the Plan are based on the 2003 Fiscal Year for health care facilities.

F. Facility Information and Plan Cut-Off Date:

Only those facilities reviewed under the Certificate of Need program are included in the inventory. The cut-off date for inclusion of information in this Plan was January14, 2005.

G. Categories of Facilities and Services:

1. General Medical Facilities and Services

(A) General Hospitals

(1) Definitions:

(a) A "hospital" means a facility organized and administered to provide overnight medical or surgical care or nursing care of illness, injury, or infirmity and may provide obstetrical care, and in which all diagnoses, treatment, or care is administered by or under the direction of persons currently licensed to practice medicine, surgery, or osteopathy.

(b) "Hospital beds" means a bed for an adult or child patient. Bassinets for the newborn in a maternity unit nursery, beds in labor rooms, recovery rooms, and other beds used exclusively for emergency purposes are not included in this definition.

(2) Bed Capacity is as follows:

(a) For existing beds, capacity is considered bed space designated exclusively for inpatient care, including space originally designed or remodeled for inpatient beds even though temporarily not used for such purposes. The number of beds counted in

any patient room is the maximum number for which adequate square footage is provided, except that single beds in single rooms have been counted even if the room contained inadequate square footage.

Adequate square footage is defined as:

100 square feet in single rooms;
80 square feet per bed or pediatric crib in multi-bed rooms;
40 square feet per bassinet in pediatric nurseries.

In measuring the square footage of patient rooms for the purpose of determining bed capacity, only the net usable space in the room was considered. Space in toilet rooms, washrooms, closets, vestibules, and corridors were not included.

(b) For facilities constructed under the Certificate of Need program, bed capacity will be as stated in the certificate, regardless of oversize room construction.

(c) For Areas Included:

1. Bed space in all nursing units, including: (1) intensive care unit and (2) minimal or self-care units.
2. Isolation units.
3. Pediatric units, including: (1) pediatric bassinets and (2) incubators located in the pediatric department.
4. Observation units equipped and staffed for overnight use.
5. All space designated for inpatient bed care even if currently closed or assigned to easily convertible, non-patient uses such as administration offices or storage.
6. Space in areas originally designed as solaria, waiting rooms, offices, conference rooms and classrooms that have necessary fixed equipment and are accessible to a nurses' station exclusively staffed for inpatient care.
7. Bed space under construction if planned for immediate completion (not an unfinished "shell" floor).

(d) For Areas Excluded:

1. Newborn nurseries in maternity department.
2. Labor rooms.
3. Recovery rooms.
4. Emergency units.
5. Preparation or anesthesia induction rooms.
6. Rooms used for diagnostic or treatment procedures unless originally designed for patient care.
7. Hospital staff bed areas, including accommodations for on-call staff unless originally designed for patient care.

8. Corridors.
9. Solaria, waiting rooms and such which are not permanently set aside, equipped and staffed exclusively for inpatient bed care.
10. Unfinished space (shell) {an area that is finished except for movable equipment shall not be considered unfinished space}.
11. Psychiatric, substance abuse and comprehensive rehabilitation units of general hospitals are a separate category of bed utilizing the same criteria outlined for general acute beds.

(3) Inventory:

(a) All licensed general hospitals, as well as Federal facilities, are included in the inventory. Patient days and admissions are as reported by the hospital. The number of patient days listed for the general hospital category does not include days of care rendered in psychiatric units, substance abuse units, or comprehensive rehabilitation units of hospitals. These days of care are shown in the corresponding inventory.

(b) Total capacity by survey refers to a total designed capacity or maximum number of beds that may be accommodated as determined by an on-site survey. This capacity may exceed the number of beds actually set up and in use. It may also differ from the licensed capacity, which is based on State laws and regulations. Beds have been classified as conforming and nonconforming according to standards of plant evaluation, such as:

1. Fire-resistivity of each building.
2. Fire and other safety factors of each building.
3. Design and structural factors affecting the function of nursing units.
4. Design and structural factors affecting the function of service departments.

(4) Narrative: General Hospital Beds

The General Acute Hospital bed need methodology is based on analyses including historical utilization; nationally recognized bed need methodologies; and consideration of the physical characteristics of hospitals in the State. Based upon these analyses, a variable occupancy rate methodology was developed, as follows:

0-174 bed hospitals, 65%;
175-349 bed hospitals, 70%; and
350+ bed hospitals, 75%.

The population and associated utilization are broken down by age groups. The use rates and projected average daily census are made for the age cohorts of 0-17, 18-64, and 65 and over, recognizing that different population groups have different hospital utilization rates. For some hospitals, different age groups were used based on the data provided by the facility.

It should be noted that, throughout the Plan where the term "hospital bed need" is specified, these figures are actually based upon demand or utilization data for the general acute hospitals. Use of these planning factors is not intended to stem initiative or to suggest that facilities cannot operate at more efficient levels than used in the calculations without additional beds.

The methodology for calculating bed needs is as follows:

(a) Calculations of bed need are made for individual facilities.

(b) 1. Multiply the current facility use rate by age cohort by the projected population by age cohort (in thousands) and divide by 365 to obtain a projected average daily census by age cohort.

2. 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 area's need.

(c) The number of additional beds needed or excess beds is obtained by subtracting the number of existing beds from the bed need.

(d) Should there be a need shown for additional beds for a hospital, then an increase may be approved. In order to provide for a cost-effective addition, up to the greater of 50 beds or the actual projected number of additional beds may be approved, provided the hospital can document and demonstrate the need for additional beds.

(e) In some areas of South Carolina, there is a considerable influx of tourists who are 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 the Department may approve some additional beds at the existing hospital based on further analysis.

(f) Should a hospital request additional beds due to the deletion of services at a Federal facility that results in the immediate impact on the utilization of the hospital, then additional beds may be approved at the affected hospital. The impacted hospital must document this increase in demand and explain why additional beds are needed to accommodate the care of patients previously served at a Federal facility. Based on the analysis of utilization provided by the affected hospital, the Department may approve some additional hospital beds to accommodate this immediate need.

(g) Because of the low utilization and the low capital cost of converting hospital-based nursing home, psychiatric and/or substance abuse beds to general acute care hospital beds, the following policies may apply:

1. Hospitals that have licensed nursing home beds within the hospital may be allowed to convert these nursing home beds to acute care hospital beds only within the hospital provided the hospital can document an actual need for these additional acute care beds. This will be based on actual utilization using current information. A CON is required for this conversion.

2. Existing general hospitals that have inpatient psychiatric, rehabilitation, or substance abuse beds may be allowed to convert these specialty beds to acute care hospital beds regardless of the projected need for general acute care hospital beds, provided a Certificate of Need is received.

(h) 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 following criteria:

1. A transfer or exchange of beds may be approved only if there is no overall increase in the number of beds;

2. Such transfers may cross county lines; however, the applicants must document with patient origin data the historical utilization of the receiving facility by residents of the county giving up beds;

3. Should the response to Criterion 2. fail to show a historical precedence of residents of the county transferring the beds utilizing the receiving facility, the applicants must document why it is in the best interest of these residents to transfer the beds to a facility with no historical affinity for them;

4. The applicants must explain the impact of transferring the beds on the health care delivery system of the county from which the beds are to be taken; any negative impacts must be detailed along with the perceived benefits of such an agreement;

5. The facility receiving the beds must demonstrate the need for the additional capacity based on both historical and projected utilization patterns;

6. The facility giving up the beds may not use the loss of these beds as justification for a subsequent request for the approval of additional beds;

7. A written contract or agreement between the governing bodies of the affected facilities approving the transfer or exchange of beds must be included in the Certificate of Need application;

8. Each facility giving up beds must acknowledge in writing that this exchange is permanent; any further transfers would be subject to this same process.

(i) Factors to be considered regarding modernization of facilities should include:

1. Functional arrangement of the facility as it relates to efficient handling of patients and related workloads.
2. The ability to update medical technology within the existing plant.
3. Existence of Joint Commission on Accreditation of Healthcare Organizations (JCAHO) deficiencies or "grandfathered" licensure deficiencies.
4. Cost efficiency of the existing physical plant versus plant revision, etc.

(j) Each modernization proposal must be evaluated on the basis of merit, cost efficiency, and impact on health delivery and status within the service area.

The following pages depict the calculation of hospital bed need as described earlier.

RELATIVE IMPORTANCE OF PROJECT REVIEW CRITERIA

The following project review criteria are considered to be the most important in evaluating certificate of need applications for this service:

a. Compliance with the Need Outlined in this Plan;
b. Community Need Documentation;
c. Distribution (Accessibility);
d. Acceptability;
e. Financial Feasibility;
f. Cost Containment; and
g. Adverse Effects on Other Facilities.

General hospital beds are located within approximately thirty (30) minutes travel time for the majority of the residents of the State and current utilization and population growth are factored into the methodology for determining general hospital beds. The benefits of improved accessibility will be equally weighted with the adverse affects of duplication in evaluating Certificate of Need applications for these beds.

FY 2010 HOSPITAL NEED

FACILITY/COUNTY	AGE CAT	2003 POP	2010 POP	2003 PAT DAYS	PROJ ADC	% OCCU	BED NEED	EXIST BEDS	TO BE ADDED/OR (EXCESS)
REGION I									
ANDERSON CO.									
ANDERSON AREA MEDICAL CTR & WOMEN AND CHILDREN'S HOSPITAL #1	<18	41,470	42,910	3,000	8.51				
	18-64	105,050	111,550	42,097	122.47				
	+65	23,060	25,820	45,734	140.30				
	TOTAL	169,580	180,280	90,923	271.27	0.75	362	495	-133
CHEROKEE CO.									
UPSTATE CAROLINA MEDICAL CTR	<18	13,980	14,770	1,151	3.33				
	18-64	33,390	35,960	7,241	21.37				
	+65	6,520	7,120	7,577	22.67				
	TOTAL	53,890	57,850	15,985	47.37	0.65	73	125	-52
GREENVILLE CO:									
ALLEN BENNETT MEMORIAL	<18	95,940	99,860	141	0.40				
	18-64	249,390	271,400	6,726	20.05				
	+65	45,090	49,950	8,861	26.95				
	TOTAL	390,420	421,210	15,719	47.41	0.65			
GREENVILLE MEMORIAL MED CTR	<18	95,940	99,860	15,612	44.52				
	18-64	249,390	271,400	103,885	309.74				
	+65	45,090	49,950	73,240	222.29				
	TOTAL	390,420	421,210	192,736	576.54	0.75			
ALLEN BENNETT MEM & GREENVILLE MEM MED CTR AND GREENVILL HOSP SYS- PATEWOOD #2	TOTAL						842	840	2
HILLCREST	<18	95,940	99,860	54	0.15				
	18-64	249,390	271,400	4,442	13.24				
	+65	45,090	49,950	6,259	19.00				
	TOTAL	390,420	421,210	10,755	32.39	0.65	50	43	7
NORTH GREENVILLE LTAC #3	<18	95,940	99,860	-	0.00				
	18-64	249,390	271,400	70	0.21				
	+65	45,090	49,950	163	0.49				
	TOTAL	390,420	421,210	233	0.70	0.65	1	45	-44
SAINT FRANCIS HOSPITAL	<64	345,330	371,260	24,841	73.17				
	+65	45,090	49,950	25,241	76.61				
	TOTAL	390,420	421,210	50,082	149.77	0.70			
ST FRANCIS WOMAN'S & FAMILY HOSP	<64	345,330	371,260	6,819	20.08				
	+65	45,090	49,950	6,915	20.99				
	TOTAL	390,420	421,210	13,721	41.07	0.65			

RECORD 006682

Joint Exhibit 003-0020

FY 2010 HOSPITAL ED

FACILITY/COUNTY		AGE CAT	2003 POP	2010 POP	2003 PAT DAYS	PROJ ADC	% OCCU	BED NEED	EXIST BEDS	TO BE ADDED/OR (EXCESS)
SAINT FRANCIS HOSPITAL & ST FRANCIS WOMAN'S & FAMILY HOSP	#4	TOTAL						278	319	-41
REGENCY HOSPITAL GREENVILLE	#5	<18	95,940	99,860	-	0.00				
		18-64	249,390	271,400	-	0.00				
		+65	45,090	49,950	-	0.00				
		TOTAL	390,420	421,210	-	0.00		0	32	-32
OCONEE CO										
OCONEE MEMORIAL		<18	15,380	15,910	855	2.42				
		18-64	42,240	45,020	13,968	40.79				
		+65	11,410	14,530	18,011	62.84				
		TOTAL	69,030	75,460	32,867	106.05	0.65	163	160	3
PICKENS CO										
CANNON MEMORIAL		<18	27,690	29,360	75	0.22				
		18-64	74,910	82,880	1,544	4.68				
		+65	13,150	14,910	4,164	12.94				
		TOTAL	115,750	127,150	5,784	17.84	0.65	27	55	-28
PALMETTO BAPTIST MED CTR EASLEY		<18	27,690	29,360	745	2.16				
		18-64	74,910	82,880	8,920	27.04				
		+65	13,150	14,910	8,958	27.83				
		TOTAL	115,750	127,150	18,623	57.03	0.65	88	109	-21
SPARTANBURG CO										
B.J. WORKMAN MEMORIAL		<18	65,080	67,440	77	0.22				
		18-64	164,700	177,670	967	2.86				
		+65	32,130	35,490	1,601	4.85				
		TOTAL	261,910	280,600	2,642	7.92	0.65	12	43	-31
SPART HOSP RESTORATIVE CARE		<18	65,080	67,440	-	0.00				
		18-64	164,700	177,670	5,513	16.29				
		+65	32,130	35,490	17,082	51.69				
		TOTAL	261,910	280,600	22,595	67.99	0.65	105	97	8
MARY BLACK MEMORIAL		<18	65,080	67,440	1,472	4.18				
		18-64	164,700	177,670	11,454	33.85				
		+65	32,130	35,490	11,601	35.11				
		TOTAL	261,910	280,600	24,527	73.14	0.70	104	176	-72
SPARTANBURG REGIONAL MED CTR		<18	65,080	67,440	4,883	13.86				
		18-64	164,700	177,670	63,861	188.74				
		+65	32,130	35,490	56,222	170.14				
		TOTAL	261,910	280,600	125,217	372.75	0.75	497	532	-35
UNION CO										

RECORD 006683

Joint Exhibit 003-0021

FY 2010 HOSPITAL NEED

FACILITY/COUNTY	AGE CAT	2003 POP	2010 POP	2003 PAT DAYS	PROJ ADC	% OCCU	BED NEED	EXIST BEDS	TO BE ADDED/OR (EXCESS)
WALLACE THOMSON	<18	7,090	6,990	738	1.99				
	18-64	17,890	17,440	6,272	16.75				
	+65	4,770	5,000	10,560	30.33				
	TOTAL	29,750	29,430	17,570	49.07	0.65	75	143	-68
REGION II									
ABBEVILLE CO.									
ABBEVILLE CO. MEMORIAL	<18	6,700	6,750	186	0.51				
	18-64	15,940	16,710	1,651	4.74				
	+65	3,840	4,190	2,209	6.60				
	TOTAL	26,480	27,650	4,046	11.86	0.65	18	25	-7
CHESTER CO.									
CHESTER CO. HOSPITAL	<18	9,080	8,910	620	1.67				
	18-64	21,060	21,770	4,133	11.70				
	+65	4,290	4,820	4,640	14.28				
	TOTAL	34,430	35,500	9,393	27.65	0.65	43	82	-39
EDGEFIELD CO.									
EDGEFIELD CO. HOSPITAL #6	<18	5,880	5,840	140	0.38				
	18-64	16,510	16,360	837	2.55				
	+65	2,730	3,200	2,069	6.64				
	TOTAL	25,120	27,400	3,042	9.57	0.65	15	25	-10
FAIRFIELD CO.									
FAIRFIELD MEMORIAL #7	<18	6,170	6,150	58	0.19				
	18-64	14,700	15,440	1,459	4.20				
	+65	3,050	3,300	2,224	6.59				
	TOTAL	23,920	24,900	3,751	10.98	0.65	17	25	-8
GREENWOOD CO									
SELF MEMORIAL HOSPITAL	<18	17,400	17,920	2,129	6.01				
	18-64	41,190	43,630	27,682	80.33				
	+65	9,070	9,620	32,629	94.82				
	TOTAL	67,660	71,170	62,628	181.16	0.70	259	334	-75
KERSHAW CO									
KERSHAW CO. MEMORIAL HOSPITAL	<18	13,760	14,180	1,489	4.20				
	18-64	33,550	35,810	8,775	26.38				
	+65	6,920	7,920	12,647	39.66				
	TOTAL	54,230	58,910	22,911	70.24	0.65	108	121	-13
LANCASTER CO									

RECORD 006684

Joint Exhibit 003-0022

FY 2010 HOSPITAL BED

FACILITY/COUNTY	AGE CAT	2003 POP	2010 POP	2003 PAT DAYS	PROJ ADC	% OCCU	BED NEED	EXIST BEDS	TO BE ADDED/OR (EXCESS)
SPRINGS MEMORIAL	<18	15,530	15,450	2,114	5.76				
	18-64	38,810	40,540	20,293	58.08				
	+65	7,350	7,970	16,027	47.61				
	TOTAL	61,690	63,960	38,434	111.45	0.65	171	168	3
LAURENS CO									
LAURENS CO. HOSPITAL	<18	17,690	17,720	405	1.11				
	18-64	44,430	48,750	6,333	19.04				
	+65	9,420	10,770	9,443	29.58				
	TOTAL	71,540	77,240	16,197	49.73	0.65	77	76	1
LEXINGTON CO									
LEXINGTON MEDICAL CENTER	<18	35,450	36,961	2,103	6.01				
	18-64	90,687	101,337	42,652	130.58				
	+65	14,653	17,919	39,371	131.91				
	TOTAL	140,790	156,217	84,126	268.49	0.70	384	346	38
NEWBERRY CO									
NEWBERRY CO. MEMORIAL	<18	8,850	8,980	298	0.83				
	18-64	22,640	23,760	4,385	12.61				
	+65	5,330	5,780	7,232	21.49				
	TOTAL	36,850	38,520	11,915	34.92	0.65	54	90	-36
RICHLAND CO									
PALMETTO HEALTH BAPTIST	<18	103,241	105,950	1,919	5.40				
	18-64	268,753	289,794	38,967	115.12				
	+65	40,798	46,361	32,916	102.48				
	TOTAL	412,792	442,105	73,802	222.99	0.75	297	363	-66
PROVIDENCE HOSPITAL	<18	103,241	105,950	70	0.20				
	18-64	268,753	289,794	29,667	87.64				
	+65	40,798	46,361	39,905	124.24				
	TOTAL	412,792	442,105	69,642	212.08	0.70	303	258	45
PROVIDENCE HOSPITAL NORTHEAST	<18	103,241	105,950	74	0.21				
	18-64	268,753	289,794	6,725	19.87				
	+65	40,798	46,361	5,576	17.36				
	TOTAL	412,792	442,105	12,363	37.43	0.65	58	46	12
PALMETTO HEALTH RICHLAND	<18	103,241	105,950	21,430	60.25				
	18-64	268,753	289,794	78,907	233.11				
	+65	40,798	46,361	41,582	129.46				
	TOTAL	412,792	442,105	141,919	422.82	0.75	564	579	-15
INTERMEDICAL HOSPITAL OF SC	<18	103,241	105,950	-	0.00				
	>18	309,551	336,155	9,038	26.89				
	TOTAL	412,792	442,105	9,038	26.89	0.65	41	35	6

RECORD 006685

Joint Exhibit 003-0023

FY 2010 HOSPITAL NEED

FACILITY/COUNTY	AGE CAT	2003 POP	2010 POP	2003 PAT DAYS	PROJ ADC	% OCCU	BED NEED	EXIST BEDS	TO BE ADDED/OR (EXCESS)
YORK CO									
PIEDMONT MEDICAL CENTER	<18	44,300	45,910	2,937	8.34				
	18-64	110,120	125,480	36,863	115.08				
	+65	17,670	20,910	33,632	109.04				
	TOTAL	172,090	192,300	73,432	232.46	0.70	332	268	64
REGION III									
CHESTERFIELD CO									
CHESTERFIELD GENERAL	<18	11,270	11,080	785	2.11				
	18-64	26,620	27,570	4,519	12.82				
	+65	5,050	5,620	2,096	6.39				
	TOTAL	42,940	44,270	7,408	19.21	0.65	30	59	-29
CLARENDON CO									
CLARENDON MEMORIAL HOSPITAL	<18	8,180	7,770	578	1.50				
	18-64	19,940	20,670	6,624	18.81				
	+65	4,900	6,210	5,367	18.64				
	TOTAL	33,020	34,650	12,569	38.95	0.65	60	56	4
DARLINGTON CO									
CAROLINA PINES REGIONAL HOSPITAL	<18	17,780	17,560	2,444	6.61				
	18-64	41,750	42,690	15,857	44.42				
	+65	8,200	9,000	13,036	39.20				
	TOTAL	67,730	69,250	31,337	90.23	0.65	139	166	-27
WILSON MEDICAL CENTER	<18	17,780	17,560	3	0.01				
	18-64	41,750	42,690	1,111	3.11				
	+65	8,200	9,000	1,974	5.94				
	TOTAL	67,730	69,250	3,085	9.06	0.65	14	49	-35
DILLON CO									
SAINT EUGENE MEDICAL CENTER	<18	8,590	8,090	1,436	3.71				
	18-64	18,360	18,670	6,628	18.47				
	+65	3,490	3,530	5,758	15.96				
	TOTAL	30,440	30,290	13,809	38.13	0.65	59	79	-20
FLORENCE CO									
CAROLINAS HOSP SYS & WOMEN'S CENTER OF THE CAROLINAS HOSP. SYS. #8	<18	32,740	32,610	1,877	5.12				
	18-64	80,440	84,930	38,123	110.28				
	+65	15,190	16,930	39,818	121.59				
	TOTAL	128,370	134,470	75,244	236.99	0.70	339	282	57
CAROLINAS HOSPITAL SYSTEM LAKE CITY	<18	32,740	32,610	103	0.28				
	18-64	80,440	84,930	1,547	4.47				
	+65	15,190	16,930	2,151	6.57				
	TOTAL	128,370	134,470	3,801	10.91	0.65	17	48	-31

RECORD 006686

Joint Exhibit 003-0024

FY 2010 HOSPITAL BED

FACILITY/COUNTY	AGE CAT	2003 POP	2010 POP	2003 PAT DAYS	PROJ ADC	% OCCU	BED NEED	EXIST BEDS	TO BE ADDED/OR (EXCESS)
MCLEOD REGIONAL MEDICAL CTR	<18	32,740	32,610	8,001	21.83				
	18-64	80,440	84,930	60,116	173.89				
	+65	15,190	16,930	43,115	131.65				
	TOTAL	128,370	134,470	111,121	327.38	0.70	468	453	15
REGENCY HOSPITAL OF SC	<18	32,740	32,610		0.00				
	18-64	80,440	84,930		0.00				
	+65	15,190	16,930		0.00				
	TOTAL	128,370	134,470	9,251	26.55	0.65	41	28	13
GEORGETOWN CO									
GEORGETOWN CO. MEMORIAL	<18	13,510	12,660	2,269	5.83				
	18-64	34,530	36,770	15,743	45.93				
	+65	9,280	12,320	17,461	63.58				
	TOTAL	57,320	61,750	35,458	115.34	0.65		131	
WACCAMAW COMMUNITY HOSPITAL	<18	13,510	12,660	122	0.31				
	18-64	34,530	36,770	3,872	11.30				
	+65	9,280	12,320	7,131	25.94				
	TOTAL	57,320	61,750	11,125	37.55	0.65		82	
GEORGETOWN CO. MEMORIAL & WACCAMAW COMMUNITY HOSP #9	TOTAL				152.88	0.65	236	213	23
HORRY CO									
CONWAY HOSPITAL	<18	42,520	43,600	2,313	6.50				
	18-64	132,550	152,460	15,242	48.03				
	+65	33,090	43,000	16,501	58.75				
	TOTAL	208,160	239,060	34,022	113.28	0.65	175	160	15
GRAND STRAND REGIONAL MED CTR	<18	42,520	43,600	1,095	3.08				
	18-64	132,550	152,460	21,296	67.11				
	+65	33,090	43,000	27,416	97.61				
	TOTAL	208,160	239,060	49,757	167.79	0.70	240	219	21
LORIS COMMUNITY HOSPITAL	<18	42,520	43,600	731	2.05				
	18-64	132,550	152,460	8,582	27.04				
	+65	33,090	43,000	9,929	35.35				
	TOTAL	208,160	239,060	19,242	64.45	0.65	99	105	-6
MARION CO									
MARION CO MEDICAL CENTER	<18	9,590	9,200	1,321	3.47				
	18-64	21,940	22,560	16,716	47.09				
	+65	4,190	4,610	16,716	50.39				
	TOTAL	35,720	36,370	34,753	100.95	0.65	155	124	31
MARLBORO CO									

RECORD 006687

Joint Exhibit 003-0025

FY 2010 HOSPITAL NEED

FACILITY/COUNTY		AGE CAT	2003 POP	2010 POP	2003 PAT DAYS	PROJ ADC	% OCCU	BED NEED	EXIST BEDS	TO BE ADDED/OR (EXCESS)
MARLBORO PARK		<18	7,400	7,070	716	1.87				
		18-64	17,650	17,030	4,641	12.27				
		+65	3,320	3,340	650	1.79				
		TOTAL	28,370	27,440	6,020	15.93	0.65	25	94	-69
SUMTER CO										
TUOMEY		<18	30,250	31,020	2,095	5.89				
		18-64	66,240	70,420	30,012	87.41				
		+65	12,630	14,680	29,458	93.81				
		TOTAL	109,120	116,120	61,627	187.11	0.70	268	248	20
WILLIAMSBURG CO										
WILLIAMSBURG REG HOSPITAL	#10	<18	10,230	9,410	199	0.50				
		18-64	21,930	22,150	2,330	6.45				
		+65	4,890	5,300	2,707	8.04				
		TOTAL	37,050	36,860	5,236	14.99	0.65	23	25	-2
REGION IV										
AIKEN CO.										
AIKEN REGIONAL MEDICAL CTR.		<18	37,520	37,750	897	2.47				
		18-64	92,370	103,080	22,519	68.85				
		+65	19,460	23,110	21,442	69.76				
		TOTAL	149,350	163,940	44,858	141.09	0.65	217	183	34
ALLENDALE CO.										
ALLENDALE CO. HOSPITAL		<18	3,030	3,030	110	0.30				
		18-64	7,050	7,170	827	2.30				
		+65	1,500	1,750	960	3.07				
		TOTAL	11,580	11,950	1,897	5.67	0.65	9	25	-16
BAMBERG CO.										
BAMBERG CO. MEMORIAL		<18	4,210	3,850	98	0.25				
		18-64	9,910	9,550	2,961	7.83				
		+65	2,200	2,340	2,712	7.90				
		TOTAL	16,320	15,750	5,771	15.97	0.65	25	59	-34
BARNWELL CO.										
BARNWELL CO. HOSPITAL		<18	6,390	6,090	411	1.07				
		18-64	14,540	15,820	2,166	6.46				
		+65	3,060	3,490	2,758	8.62				
		TOTAL	23,990	25,400	5,335	16.15	0.65	25	53	-28
BEAUFORT CO.										
BEAUFORT CO. MEMORIAL		<18	28,750	27,740	1,852	4.90				
		18-64	77,320	87,650	20,329	63.14				

RECORD 006688

Joint Exhibit 003-0026

FY 2010 HOSPITAL BED

FACILITY/COUNTY	AGE CAT	2003 POP	2010 POP	2003 PAT DAYS	PROJ ADC	% OCCU	BED NEED	EXIST BEDS	TO BE ADDED/OR (EXCESS)
	+65	22,010	31,030	17,954	69.35				
	TOTAL	128,080	146,420	40,255	137.38	0.65	212	195	17
HILTON HEAD REGIONAL MEDICAL CTR	<18	28,750	27,740	352	0.93				
	18-64	77,320	87,650	8,491	26.37				
	+65	22,010	31,030	14,613	56.44				
	TOTAL	128,080	146,420	23,456	83.74	0.65	129	93	36
BERKELEY/CHARLESTON/DORCHESTER COS									
TRIDENT MEDICAL CENTER	<18	143,710	143,140	2,449	6.68				
	18-64	363,720	390,100	38,968	114.50				
	+65	62,130	78,300	32,807	113.27				
	TOTAL	569,560	611,540	74,225	234.46	0.75	313	271	42
SUMMERVILLE MEDICAL CENTER	0-64	507,430	533,240	11,491	33.08				
	+65	62,130	78,300	9,201	31.77				
	TOTAL	569,560	611,540	20,817	64.85	0.65	100	80	20
KINDRED HOSPITAL CHARLESTON	<18	143,710	143,140		0.00				
	18-64	363,720	390,100	3,533	10.38				
	+65	62,130	78,300	8,442	29.15				
	TOTAL	569,560	611,540	11,975	39.53	0.65	61	59	2
CHARLESTON MEMORIAL #11	<18	143,710	143,140	7	0.02				
	18-64	363,720	390,100	4,342	12.76				
	+65	62,130	78,300	499	1.72				
	TOTAL	569,560	611,540	4,890	14.50	0.65			
MEDICAL UNIVERSITY HOSPITAL #11	<18	143,710	143,140	23,201	63.31				
	18-64	363,720	390,100	76,653	225.24				
	+65	62,130	78,300	26,328	97.81				
	TOTAL	569,560	611,540	126,182	386.36	0.75	536	604	-68
ROPER HOSPITAL	<18	143,710	143,140	1,122	3.06				
	18-64	363,720	390,100	38,144	112.08				
	+65	62,130	78,300	54,224	187.22				
	TOTAL	569,560	611,540	93,489	302.37	0.75	403	414	-11
BON SECOURS ST FRANCIS XAVIER	<18	143,710	143,140	656	1.79				
	18-64	363,720	390,100	20,331	59.74				
	+65	62,130	78,300	17,631	60.88				
	TOTAL	569,560	611,540	38,579	122.41	0.70	175	141	34
EAST COOPER REG MED CTR.	<18	143,710	143,140	166	0.45				
	18-64	363,720	390,100	12,022	35.33				
	+65	62,130	78,300	8,611	29.73				
	TOTAL	569,560	611,540	20,800	65.51	0.65	101	100	1
COLLETON CO.									

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Joint Exhibit 003-0027

FY 2010 HOSPITAL NEED

FACILITY/COUNTY	AGE CAT	2003 POP	2010 POP	2003 PAT DAYS	PROJ ADC	% OCCU	BED NEED	EXIST BEDS	TO BE ADDED/OR (EXCESS)
COLLETON MEDICAL CENTER	<18	10,520	10,690	626	1.74				
	18-64	23,760	25,190	11,429	33.20				
	+65	4,990	5,730	15,157	47.68				
	TOTAL	39,270	41,610	27,211	82.62	0.65	128	131	-3
HAMPTON CO.									
HAMPTON REGIONAL MEDICAL CTR	<18	5,740	5,490	65	0.17				
	18-64	13,340	14,170	1,618	4.71				
	+65	2,590	3,030	1,940	6.22				
	TOTAL	21,670	22,690	3,627	11.10	0.65	17	68	-51
JASPER CO.									
COASTAL CAROLINA MEDICAL CENTER	<18	5,350	5,050	-	0.00				
	18-64	13,410	15,120	-	0.00				
	+65	2,330	2,830	-	0.00				
	TOTAL	21,090	23,000	-	0.00	0.65	0	31	-31
ORANGEBURG CO.									
REG MED CTR ORANGEBURG-CALHOUN	<18	24,070	23,740	2,065	5.58				
	18-64	56,610	59,090	22,618	64.68				
	+65	12,530	14,050	24,486	75.22				
ORANGEBURG CO.	TOTAL	93,210	96,880	49,169	145.48	0.70	208	247	-39

#1 CON ISSUED TO TRANSFER 72 BEDS FOR NEW HOSPITAL.
#2 BED NEEDS ARE COMBINED FOR THESE HOSPITALS; SINCE, ADDITIONAL BEDS WERE APPROVED FOR TRANSFER AMONG THESE HOSPITALS. 6/30/03
#3 CON ISSUED TO CONVERT N GREENVILLE TO A 45 BED LTC HOSPITAL 4/15/03.
#4 BED NEEDS ARE COMBINED FOR THESE HOSPITALS, SINCE ADDITIONAL BEDS WERE APPROVED FOR TRANSFER AMONG THESE HOSPITALS. 6/30/03
#5 CON ISSUED FOR 32 BED LTACH 5/22/04 SC-04-26
#6 THE HOSPITAL DELICENSED FROM 40 TO 25 BEDS ON 8/31/04 TO BECOME A CRITICAL ACCESS HOSPITAL
#7 THE HOSPITAL DELICENSED FROM 50 TO 25 BEDS ON 8/23/04 TO BECOME A CRITICAL ACCESS HOSPITAL
#8 DATA AND BED NEEDS ARE COMBINED.
#9 NEEDS ARE COMBINED SINCE CON SC-03-65 TRANSFER 14 BEDS FROM GM TO WACCAMAW. 11/10/03. AND WACCAMAW ADDED 28 BEDS 4/12/04 SC-04-20.
#10 THE HOSPITAL DELICENSED FROM 78 TO 25 BEDS ON 9/20/04 TO BECOME A CRITICAL ACCESS HOSPITAL
#11 CON ISSUED TO COMBINE THESE TWO FACILITIES SC-09-60 10/14/03.

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Joint Exhibit 003-0028

SOUTH CAROLINA GENERAL ACUTE BEDS

% OCCUPANCY RATE

	2001	2002	2003
REGION I	**58.3**	**58.7**	**59.4**
ANDERSON AREA MED CTR	52.3	52.8	50.3
UPSTATE CAROLINA MED CTR	34.3	31.7	35.0
ALLEN BENNETT MEMORIAL	71.1	71.3	74.3
GREENVILLE MEM MED CTR	81.6	81.5	83.5
NORTH GREENVILLE LTAC	–	–	13.0
HILLCREST HOSPITAL	43.7	52.7	55.7
ST FRANCIS HOSPITAL	74.7	73.7	65.6
ST FRANCIS WOMEN'S & FAMILY	59.8	58.4	60.6
OCONEE MEMORIAL	54.8	52.2	56.3
CANNON MEMORIAL	31.2	27.8	28.8
PALMETTO BAPTIST M C EASLEY	51.1	52.8	53.1
BJ WORKMAN MEMORIAL	17.5	18.0	16.8
MARY BLACK MEMORIAL	40.7	40.7	38.2
SPART HOSP RESTORATIVE CARE	62.4	40.7	63.8
SPARTANBURG REG MED CTR	62.4	65.6	64.5
HOPE HOSPITAL	13.8	11.5	0.0
WALLACE THOMSON	32.1	32.2	33.7
REGION II	**61.2**	**63.0**	**64.8**
ABBEVILLE COUNTY	24.0	25.0	21.3
CHESTER REGIONAL MED CTR	44.4	37.3	31.4
EDGEFIELD COUNTY	24.5	19.9	20.8
FAIRFIELD MEMORIAL	33.9	36.4	31.1
SELF REGIONAL MED CTR	49.5	48.5	51.4
KERSHAW COUNTY MEMORIAL	56.3	53.3	51.9
SPRINGS MEMORIAL	77.1	67.6	78.0
LAURENS COUNTY HOSPITAL	64.0	61.4	58.4
LEXINGTON MEDICAL CTR	71.6	76.2	78.9
NEWBERRY CO MEMORIAL	29.3	34.0	36.3
INTERMEDICAL HOSPITAL OF SC	72.3	78.5	70.7
PALMETTO HEALTH BAPTIST	55.9	52.7	55.7
PROVIDENCE HOSPITAL	76.9	79.0	83.7
PROVIDENCE HOSPITAL NE	74.1	82.6	73.6
PALMETTO HEALTH RICHLAND	69.0	68.5	67.2
PIEDMONT MEDICAL CTR	65.2	71.6	75.1

	2001	2002	2003
REGION III	**64.0**	**63.3**	**63.6**
CHESTERFIELD GENERAL	25.1	31.1	34.4
CLARENDON MEMORIAL	67.0	69.5	61.5
CAROLINA PINES REG MED CTR	65.1	69.4	74.0
WILSON CLINIC	20.5	19.7	17.2
ST. EUGENE REGIONAL MED CTR	43.8	48.2	47.9
CAROLINAS HOSPITAL SYSTEM	60.3	68.3	75.6
CAROLINAS HOSP LAKE CITY	21.5	19.9	21.7
MCLEOD REGIONAL MED CTR	92.5	92.0	90.6
WOMEN'S CTR/CAROLINAS	53.2	37.1	40.9
REGENCY HOSPITAL OF SC	12.8	78.6	90.5
GEORGETOWN MEMORIAL	81.0	81.1	68.4
WACCAMAW COMMUNITY	–	–	78.6
CONWAY HOSPITAL	63.3	57.3	58.3
GRAND STRAND REGIONAL	78.6	64.3	62.2
LORIS COMMUNITY	56.0	49.9	50.2
MARION COUNTY MED CTR	90.6	69.4	76.8
MARLBORO PARK	19.2	21.7	17.5
TUOMEY	67.7	70.7	68.1
WILLIAMSBURG REGIONAL	9.3	19.6	18.4
REGION IV	**60.8**	**62.9**	**62.2**
AIKEN REGIONAL MED CTR	70.9	71.1	69.0
ALLENDALE COUNTY	14.8	21.0	20.8
BAMBERG CO MEMORIAL	27.0	25.2	26.8
BARNWELL COUNTY	29.6	27.9	27.6
BEAUFORT MEMORIAL	89.3	94.7	84.8
HILTON HEAD	78.8	60.6	69.1
CHARLESTON MEMORIAL	11.9	12.3	13.7
EAST COOPER REG MED CTR	48.0	48.8	57.0
MEDICAL UNIVERSITY	72.5	72.2	75.4
TRIDENT MEDICAL CTR	77.6	82.4	76.9
KINDRED-HOSP CHARLESTON	39.1	50.9	55.6
SUMMERVILLE MED CTR	61.4	69.3	74.5
ROPER	63.4	63.9	61.9
BON SECOURS ST FRANCIS X	72.2	75.7	75.0
COLLETON MEDICAL CTR	69.7	61.6	64.3
HAMPTON REGIONAL MED CTR	18.4	13.2	14.6
LOW COUNTRY	0.0	0.0	0.0
RMC ORANGEBURG/CALHOUN	58.7	58.9	54.5

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Joint Exhibit 003-0029

(B) Obstetrical and Neonatal Services

Obstetrical Services

Advances in obstetrical and newborn intensive care offer the promise of a lower perinatal mortality and an improvement in the quality of life for survivors. The high cost of intensive care and the limited availability of skilled personnel have created the requirement for a more efficient method of resource allocation.

Maternal, fetal, and neonatal mortality and morbidity rates can be significantly reduced if patients at high risk are identified early in the pregnancy, and optimum techniques for the care of both the mother and infant are applied. High-risk deliveries constitute a small percentage of the total annual deliveries, but these patients require a high degree of specialized care.

Infant mortality is the death rate for babies from birth until their first birthday. South Carolina's infant mortality rate has declined faster than it has for the nation as a whole. For 2002, South Carolina's infant mortality rate was 9.3 per thousand infant births with a Healthy People 2010 objective for the nation of no more than 4.5 per thousand infant deaths per thousand live births.

Neonatal mortality is the death rate for infants up to 28 days old. For 2002, South Carolina's neonatal mortality rate for all races was 6.4 neonatal deaths per 1,000 live births with a Healthy People 2010 objective for the nation of 2.9 neonatal deaths per 1,000 live births.

The following is a description of the five levels of perinatal services as outlined in Regulation Number 61-16, Standards for Licensing Hospitals and Institutional General Infirmaries.

Because the cost of high-risk obstetrical and neonatal services is so great, it is not desirable or cost-effective for all hospitals in the state to provide the higher levels of care. Over the years, a regionalized approach to perinatal care has been implemented in South Carolina to address the need for high quality, risk-appropriate, cost-effective perinatal health care. Regionalization provides a coordinated system of perinatal care for a well-defined population group. Each hospital providing perinatal services shall be designated by DHEC's Division of Licensing as a Level I, II, IIE (Enhanced), or III Perinatal Hospital or RPC (Regional Perinatal Center) and the hospital shall request such designation by letter to the Department. The determination shall be made by the Department based upon a hospital's ability to meet regulatory requirements to be determined by a special inspection by the Department following the initial request for designation and as an integral part of subsequent license renewal procedures. Each Level I, II, IIE and III hospital shall maintain and document a relationship with its designated RPC for consultation, transport and continuing education. All patients shall be transferred to the appropriate RPC when medically appropriate, if beds are available. This agreement/relationship shall include the ability to share data, as appropriate, related to these functions. This should ensure that patients are treated in the hospital best suited to handle their expected problems. In this way, quality care is provided to mothers and newborn infants, and specially trained perinatal personnel and intensive care facilities can be used efficiently and cost-effectively.

The following definitions apply:

A. **Community Perinatal Center (Level I):** These hospitals provide services for uncomplicated deliveries and normal neonates. The hospital shall have the capability to manage normal pregnant women and uncomplicated labor and delivery of neonates who are at least 36 weeks of gestation with an anticipated birth weight of greater than 2000 grams. When it is anticipated or determined that these criteria will not or have not been met, consultation and a plan of care shall be initiated and mutually agreed upon with the RPC. Hospitals must be able to manage a perinatal patient with acute or potentially life-threatening problems while preparing for

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immediate transfer to a higher level hospital. Management shall include emergency resuscitation and/or stabilization for both maternal and neonatal patients in preparation for transfer/transport for more specialized services. Hospitals at this level shall not provide care or services which are designated only for higher level hospitals. This description does not constitute Certificate of Need review criteria.

B. **Specialty Perinatal Center (Level II)**: In addition to Level I requirements, these hospitals provide services for both normal and selected high-risk obstetrical and neonatal patients. This level of neonatal care includes the management of neonates who are at least 32 weeks of gestation with an anticipated birth weight of at least 1500 grams. A board-eligible pediatrician shall be in the hospital or on site within 30 minutes, 24 hours a day. The hospital shall have at least a written consultative agreement with a board eligible neonatologist. Neonates shall be without acute distress or complex management requirements and shall not be in need of ventilatory support for more than six cumulative hours. Neonates shall not require high-frequency ventilation support. When it is anticipated or determined that these criteria will not or have not been met, a plan of care will be developed in consultation with the RPC and documented in the patient's medical record. These hospitals shall manage no less than an average of 500 deliveries annually, calculated over the previous three years. This calculation shall include the number of maternal transfers made prior to delivery to higher level perinatal hospitals. A Level II hospital shall not admit outborn neonates into its nursery without prior concurrence with the RPC. Hospitals at this level shall not provide care or services which are designated only for higher level hospitals. This description does not constitute Certificate of Need review criteria.

C. **Enhanced Perinatal Center (Level IIE)**: In addition to Level II requirements, these hospitals provide services for both normal and selected high-risk obstetrical and neonatal patients. Level IIE hospitals may be located only in areas of the state which are no closer than 60 miles from a South Carolina Regional Perinatal Center. This level of neonatal care includes the management of neonates who are at least 30 weeks gestation with an anticipated birth weight of at least 1250 grams, as determined by estimations based upon best professional judgement, ultrasound, and/or other available medical technology and instruments. A board-eligible neonatologist shall be in the hospital or on site within 30 minutes, 24 hours a day. Neonates shall not be in need of ventilatory support for more than 24 cumulative hours. When it is anticipated or determined that any of the preceding criteria relating to gestation, weight, and length of ventilatory support will not be or have not been met, the neonate may remain at the Level IIE facility, pursuant to a plan of care developed in consultation with and agreement to by the RPC. Such plan of care shall be documented in the patient's medical record. Neonates shall not require high-frequency ventilation support. These hospitals shall manage no less than an average of 1200 deliveries annually, calculated over the previous three years. This calculation shall include the number of maternal transfers made prior to delivery to higher level perinatal hospitals. A Level IIE hospital shall not admit outborn neonates into its nursery without prior concurrence with the RPC. Hospitals at this level shall not provide care or services which are designated only for higher level hospitals. A Certificate of Need is required for a hospital to provide Enhanced Perinatal Center (Level IIE) services. Level IIE hospitals must have an adequate number of neonatal bassinets to provide care for these neonates and the number of bassinets will be justified by the hospital in the Certificate of Need application. Because these hospitals already have neonatal bassinets, the number of bassinets will not be counted against the needs projected in the following sections of this Plan. Once utilization information is obtained, the projections may be revised.

D. **Subspecialty Perinatal Center (Level III)**: In addition to Level IIE requirements, provides all aspects of perinatal care, including intensive care and a range of continuously available, sub-specialty consultation as recommended in the fourth edition of the *Guidelines for Perinatal Care* (GPC) by the American Academy of Pediatrics (AAP) and The American College of Obstetricians and Gynecologists. A board eligible neonatologist shall be in the hospital or on

site within 30 minutes, 24 hours a day. A board certified maternal-fetal medicine specialist (perinatologist) shall be available for supervision and consultation, 24 hours a day. In addition to the Level II and IIE capabilities, Level III hospitals shall have the staffing and technical capability to manage high-risk obstetric and complex neonatal patients, including neonates requiring prolonged ventilatory support, surgical intervention, or 24-hour availability of multispeciality management. Hospitals with Level III designation shall manage no less than an average of 1500 deliveries annually, calculated over the previous three years, or at least an average of 125 neonate admissions who weigh less than 1500 grams each, require ventilatory support, or require surgery. This calculation shall include the number of maternal transfers made prior to delivery to higher level perinatal hospitals. Hospitals at this level shall not provide additional care or services designated only for RPCs. The establishment of a Level III service requires Certificate of Need review.

E. **Regional Perinatal Center (RPC):** In addition to the Level III requirements for management of high-risk obstetric and complex neonatal conditions, the RPC shall provide consultative, outreach, and support services to Level I, II, IIE, and III hospitals in the region. The RPC shall manage no less than an average of 2000 deliveries annually, calculated over the previous three years, or at least an average of 250 neonate admissions who weigh less than 1500 grams each, require ventilatory support, or require surgery. Personnel qualified to manage obstetric or neonatal emergencies shall be in-house. A board-certified maternal-fetal medicine specialist (perinatologist) shall be in the hospital or on site within 30 minutes for supervision and consultation, 24 hours a day. The RPC shall participate in residency programs for obstetrics, pediatrics, and/or family practice. Continuing education and outreach education programs shall be available to all referring hospitals, and physician-to-physician consultation shall be available 24 hours a day. The RPC shall provide a perinatal transport system that operates 24 hours a day, seven days a week, and return transports neonates to lower level perinatal hospitals when the neonates' condition and care requirements are within the capability of those hospitals. No more than one Regional Perinatal Center will be approved in each perinatal region. Regional Perinatal Centers must meet the criteria and standards required in the hospital licensing regulations. The establishment of a Regional Perinatal Center requires Certificate of Need review.

The need for obstetrical beds will be evaluated based on information supplied by the Joint Annual Report of Hospitals and other sources. Existing facilities will be monitored to determine if expansion, reduction, or addition of obstetrical services is appropriate. Those facilities experiencing low utilization and in close proximity to one another should consider consolidating services where appropriate. Additional beds for obstetrical services will not be approved unless other hospital beds are converted to obstetrical beds or a need is indicated in the Plan for additional hospital beds.

Desired obstetrical occupancy rates are 65% for Level I and 75% for Levels II, IIE, III and RPCs.

Facilities providing obstetrical services must meet licensing requirements and either the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) or certification standards.

Relative Importance of Project Review Criteria

The following project review criteria are considered the most important in evaluating Certificate of Need applications for an obstetrical service:

a. Need;
b. Distribution (Accessibility);
c. Acceptability;
d. Financial Feasibility; and
e. Adverse Effects on Other Facilities.

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The benefits of improved accessibility will be equally weighted with the adverse affects of duplication in evaluating Certificate of Need applications for this service.

The following hospitals have requested a Perinatal Capability Review and been designated as a Level II, Level IIE, Level III or RPC facility:

REGIONAL PERINATAL CENTERS

Greenville Memorial Medical Center
McLeod Regional Medical Center of the Pee Dee
Medical University of South Carolina Medical Center
Palmetto Richland Memorial Hospital
Spartanburg Regional Medical Center

SUBSPECIALITY PERINATAL CENTER (LEVEL III HOSPITAL)

Palmetto Baptist Medical Center at Columbia
Self Memorial Hospital

ENHANCED PERINATAL CENTER (LEVEL II ENHANCED CARE HOSPITALS)

Piedmont Medical Center

SPECIALITY PERINATAL CENTERS (LEVEL II HOSPITALS)

Aiken Regional Medical Centers
Anderson Area Medical Center
Beaufort Memorial Hospital
Bon Secours-St. Francis Xavier Hospital
Carolina Pines Regional Medical Center
Conway Hospital, Inc.
East Cooper Regional Medical Center
Georgetown Memorial Hospital
Grand Strand Regional Medical Center
Lexington Medical Center
Marion County Medical Center
Mary Black Memorial Hospital, Inc.
Palmetto Baptist Medical Center - Easley
Regional Medical Center of Orangeburg/Calhoun Counties
Roper Hospital, Inc.
Saint Francis Women's and Family Hospital
Springs Memorial Hospital
Summerville Medical Center
Trident Medical Center
Tuomey
Women's Center of Carolinas Hospital System

FY03 OB UTILIZATION AND BIRTHS

FACILITY	BIRTHS	OB BEDS	OB ADM	OB PDS	OCC.%
GREENVILLE MEM. MED. CTR.	5208	65	6026	16382	69.0%
PALMETTO HEALTH BAPTIST	3705	61	5895	15224	68.4%
LEXINGTON MED. CTR.	2576	35	2769	6501	50.9%
SPARTANBURG REG. MED.CTR.	2506	43	3122	8738	55.7%
PIEDMONT MED. CTR.	2088	19	2239	5695	82.1%
MCLEOD REG. MED. CTR.	2058	20	2686	5777	79.1%
TRIDENT MED. CTR.	2035	25	2495	5947	65.2%
PALMETTO HEALTH RICHLAND	1967	59	5181	9980	46.3%
BEAUFORT MEMORIAL	1814	20	1968	4664	63.9%
MEDICAL UNIVERSITY HOSP.	1803	34			0.0%
ST. FRANCIS WOMEN'S & FAMILY HOSP	1780	24	1962	5113	58.4%
ANDERSON AREA MED CTR	1755	22	1447	3934	49.0%
EAST COOPER REG MED CTR	1539	27	1676	4839	49.1%
SELF MEM. HOSP.	1456	37	2569	6862	51.0%
BON SECOURS' ST. FRANCIS XAVIER	1429	12			0.0%
RMC ORANGEBURG-CALHOUN	1329	27	1885	4758	48.3%
TUOMEY	1153	20	813	4821	66.0%
CONWAY HOSP. INC.	1132	16	1481	3666	62.8%
MARY BLACK MEM.	1114	21	1377	3495	45.6%
WOMEN'S CTR /CAROLINAS	1072	20	1141	2984	40.9%
GRAND STRAND REG MED CTR	931	19	1311	3126	45.1%
ROPER HOSP.	875	11			0.0%
AIKEN REG.MED. CTR.	852	18	1584	4452	67.8%
SUMMERVILLE MED CTR	791	12	794	1684	38.4%
SPRINGS MEMORIAL HOSP	693	7	928	2145	84.0%
CAROLINA PINES REG MED CTR	625	11	712	2820	70.2%
CLARENDON MEM.	563	8	599	1282	43.9%
MARION CO. MEM.	563				
PALMETTO BAPTIST MED CTR EASLEY	547	14	920	2163	42.3%
GEORGETOWN CO. MEM.	527	14	840	2786	54.5%
PROVIDENCE HOSP NE	520	6	602	1347	61.5%
HILTON HEAD REG MED CTR	510	7	587	1385	54.2%
OCONEE MEM.	506	16	1092	3423	58.6%
COLLETON REG MED CTR	419	6	449	1066	48.7%
ALLEN BENNETT MEM	393	5	411	966	52.9%
LAURENS CO. HOSP.	391	8	391	778	26.6%
KERSHAW CO. MED CTR	383	10	597	1497	41.0%
LORIS COMM. HOSP.	382	8	580	1322	45.3%
UPSTATE CAROLINA MED CTR	352	15	546	1278	23.3%
NEWBERRY CO. MEM.	294	12	425	801	18.3%
WACCAMAW COMM HOSPITAL	271	5	379	1248	68.4%
SAINT EUGENE MEDICAL CTR	256	10	421	1078	29.5%
MARLBORO PARK	189				
WALLACE THOMSON	135	4	217	590	40.4%
ABBEVILLE CO. MEM.	131	8	170	499	17.1%
CHESTERFIELD GENERAL	120	7	153	559	21.9%
BAMBERG CO. MEM.	99				
ALLENDALE CO.	97				
WILLIAMSBURG REG HOSP	66	6	86	178	8.1%
CHESTER CO.	18	5	0	68	3.7%

Neonatal Services:

Neonatal services are highly specialized and only required by a very small percentage of infants. The need for these services is affected by the incidence of high-risk deliveries, the percentage of live births requiring neonatal services, and the average length of stay. The limited need for these services requires that they be planned for on a regionalized basis, fostering the location of these specialized units in medical centers, which have the necessary staff, equipment, and consultative services and facilities. Referral networks should be established to facilitate the transfer infants requiring this level of services from other facilities.

(a) Neonatal services should be planned on a regional basis with linkages with obstetrical services.
(b) Only Level III and RPCs neonatal units contain both intensive and intermediate care bassinets.

According to American Academy of Pediatrics and the American College of Obstetricians and Gynecologists, the following ratios are suggested for predicting the number and type of neonatal bassinets:

1 per 1,000 of the projected # births in year Z =
projected neonatal intensive care bassinets.

3-4 per 1,000 of the projected # births in year Z =
projected neonatal intermediate care bassinets.

The above ratios were based on 80 low-birth weight (LBW) {2500 grams} births per 1,000 births. As indicated below, in 2003 South Carolina had 100.7 LBW births per 1,000 births, with a white rate of 76.1 and a nonwhite rate of 146.3 per 1,000. Because South Carolina has a significant higher number of LBW infants per 1,000 births, an alternative method was selected for determining the need for intensive care bassinets in RPCs.

2003	TOTAL	WHITE	NONWHITE
All Births	55,452	36,001	19,451
<2,500 Grams	5,586	2,739	2,846
Rate/1,000	100.7	76.1	146.3

Based on the above information and adjusting for the incidence of LBW births, South Carolina would need the following ratio of intensive care bassinets:

$$\frac{100.7}{80} = 1.26 \text{ bassinets}$$

1.26 per 1,000 projected births in year Z =
projected neonatal intensive care bassinets

The intermediate care bassinets are derived by multiplying the intensive care factor by 4.

5.04 per 1,000 projected births in year Z =
projected neonatal intermediate care bassinets

When the race variance and incidence of LBW births are factored in the intensive care ratios are:

$$\text{White} = \frac{76.1}{80} = 0.95 \qquad \text{Nonwhite} = \frac{146.3}{80} = 1.83$$

The intermediate care ratios are:

White = 0.95 x 5.04 = 4.79
Non-white = 1.83 x 5.04 = 9.22

The actual births in South Carolina have been:

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
51,907	50,913	51,105	52,205	53,833	54,706	55,964	55,748	54,453	55,461

The projected births have been:

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
51,860	53,120	53,210	53,330	53,440	53,490	53,500	53,560	53,600	53,670

The following projected need for neonatal intensive care bassinets is based on the actual number of 2003 births by race and the need projected at 65% occupancy rate using the incidence of low-birth weight babies by Perinatal Center. The planning factor of 65% occupancy will allow for a potential increase in births and the small number of bassinets. There is no need for additional Level III hospitals or RPCs, and any facility not meeting the licensing criteria should not be categorized as such.

Perinatal Region With Facility	Bassinets Needed at 65% Occupancy	Existing Bassinets
Greenville & Self Memorial	27	19
Spartanburg Regional	13	10
Palmetto Richland & Baptist	39	31
McLeod Regional	24	12
MUSC Medical Center	25	16
TOTAL	128	88

Note: S.C. presently has 1.6 neonatal intensive care bassinets and 5.9 neonatal intermediate care bassinets per 1,000 births.

A neonatal unit should have an average annual occupancy rate of 65%. Facilities providing neonatal services must meet licensing requirements and either the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) or certification standards.

Perinatal Region	EXISTING BASSINETS Intensive	Intermediate
Anderson, Greenville, Oconee, Pickens, Abbeville, Edgefield, Greenwood, Laurens, McCormick, Saluda		
Palmetto Baptist Med Ctr Easley	0	2
Greenville Memorial Med Ctr	12	34
Anderson Area Medical Ctr	0	7
St. Francis Women's & Fam Hosp	0	10
Self Memorial Hospital	7	11
SUBTOTAL	19	64
Spartanburg, Cherokee, Union, Chester		
Spartanburg Regional Med Ctr	10	15
Mary Black Memorial Hospital	0	8
SUBTOTAL	10	23
Aiken, Allendale, Bamberg, Barnwell, Calhoun, Clarendon, Fairfield, Lee Kershaw, Lancaster, Orangeburg, York, Lexington, Newberry, Richland, Sumter		
Palmetto Richland Memorial	27	40
Palmetto Baptist Columbia	4	16
Lexington Medical Ctr.	0	20
Piedmont Medical Ctr. *	0	8
Springs Memorial Hospital	0	4
Aiken Regional Med. Ctr.	0	8
Reg Med Ctr Orangeburg-Calhoun	0	3
Tuomey	0	8
SUBTOTAL	31	107
Chesterfield, Darlington, Dillon, Florence, Horry, Marion, Marlboro, Williamsburg		
Carolina Pines Reg. Med. Ctr.	0	4
Marion County Medical Ctr	0	2
McLeod Regional Medical Ctr	12	28
Conway Hospital	0	6
Grand Strand Regional	0	3
Women's Ctr. of Carolinas	0	11
SUBTOTAL	12	54

* CON issued for Level IIE 9/18/2002; licensed 1/28/2003.

RECORD 006699

Perinatal Region	EXISTING BASSINETS Intensive	Intermediate
Beaufort, Berkeley, Charleston, Colleton, Dorchester, Hampton, Jasper, Georgetown		
Beaufort Memorial Hospital	0	3
Georgetown County Memorial	0	5
MUSC Medical Center	16	46
East Cooper Reg Med Ctr	0	6
Bon Secours-St. Francis Xavier	0	4
Summerville Medical Center	0	3
Trident Medical Center	0	5
Roper Hospital	0	5
SUBTOTAL	16	78
TOTAL	88	326

NOTE: The occupancy rate includes both intensive and intermediate care patient days. Some of the RPCs have a higher utilization in the intensive care bassinets than reflected by the total occupancy. Some Level II hospitals did not report any utilization for the intermediate care bassinets and the occupancy rate is reflected as zero.

The existing bassinets in the preceding table and the table below are based on the number stated on the hospital license or approved under the Certificate of Need program.

The following estimates of need for intermediate neonatal bassinets are derived from the preceding methodology:

Perinatal Region	INTERMEDIATE BASSINETS Existing	Need	To Be Added
Greenville	64	72	8
Spartanburg	23	30	7
Richland	107	123	16
Florence	54	52	(2)
Charleston	78	84	6
TOTAL	326	361	35

Based on the above information, it appears that the number of intermediate care bassinets should be added in some areas. The intermediate care bassinets should be better utilized in Level II and Level IIE facilities so babies could be transferred back closer to their home community potentially alleviating the high utilization of the current intensive/intermediate care bassinets in RPC facilities in some areas of the State. In order to improve the availability of the existing RPC neonatal intensive care bassinets, utilization of the back transport concept should be supported. This component of regionalized care involves the transfer of infants who no longer require neonatal intensive care to facilities with intermediate or continuing care bassinets appropriate to the individual baby's care needs. It appears that if more back transfers to the Level II and/or Level IIE facilities occurred, then some of the overcrowding problems of the existing RPC units would be alleviated.

RECORD 006700

It should be noted that some RPC and Level III facilities with intensive care bassinets may at times have intermediate type infants in intensive care bassinets and vice versa as the patient load changes within the unit. RPCs may use intermediate and intensive care bassinets interchangeably as the level of care required by the neonate varies. The Medical University may require additional bassinets since babies with congenital heart disease are referred there. The Medical University will document the need for any additional bassinets. The addition of neonatal intermediate care bassinets does not require Certificate of Need review.

Relative Importance of Project Review Criteria

The following criteria are considered the most important in evaluating certificate of need applications for a neonatal service:

a. Need;
b. Distribution (Accessibility);
c. Acceptability
d. Financial Feasibility; and
e. Adverse Effects on Other Facilities.

Because neonatal services are planned and located regionally due to the very small percentage of infants requiring neonatal services, this service is available within approximately 90 minutes for the majority of the population. In addition, most of the hospitals offering this service provide specialized transportation vehicles. Of more importance is the early identification of mothers who potentially will give birth to a baby needing this specialized service and directing them to the appropriate neonatal center. There is no justification for additional Level III hospitals or Regional Perinatal Centers; however; there may be a need for additional intensive care neonatal bassinets in the existing Regional Perinatal Centers providing the need is indicated in this Plan. A few additional Level II (intermediate) bassinets are needed; however, the existing intermediate care bassinets are not used in some hospitals. The benefits of improved accessibility will be equally weighted with the adverse affects of duplication in evaluating Certificate of Need applications for this service. The need for bassinets in Level IIE hospitals has not been determined, but will be justified by the individual hospital seeking this level of service.

The following chart indicates the utilization of neonatal special care units by facility. Some facilities are not using any of the intermediate care bassinets. This information is from the Joint Annual Reports of Hospitals-2003. This utilization information supports the projected need.

NEONATAL UTILIZATION FROM 2003 JARS

HOSPITAL	ICU Bassinets	ICU P.D.'s	ICU ADC	Intermediate Bassinets	Intermediate P.D.'s	Intermed ADC	Total Bassinets	Total P.D.'s	Total ADC	Total Occupancy
Anderson Area Med Ctr				7	794	2.2	7	794	2.2	31.1%
Greenville Memorial	12	5748	15.7	34	7878	21.6	46	13624	37.3	81.1%
St. Francis Women's				10	1215	3.3	10	1215	3.3	33.3%
Palmetto Baptist-Easley				2	0	0	2	0	0	0.0%
REGION SUBTOTAL	12	5748	15.7	53	9885	27.1	65	15633	42.8	65.9%
Spartanburg Regional	10	2864	7.8	15	5309	14.5	25	8173	22.4	89.6%
Mary Black Memorial				8	967	2.6	8	967	2.6	33.1%
REGION SUBTOTAL	10	2864	7.8	23	6276	17.2	33	9140	25.0	75.9%
Self Memorial	7	446	1.2	11	2015	5.5	18	2461	6.7	37.5%
REGION SUBTOTAL	7	446	1.2	11	2015	5.5	18	2461	6.7	37.5%
Palmetto Richland Mem	21	7661	21.0	40	9005	24.7	61	16666	45.7	74.9%
Lexington Medical Center				20	2209	6.1	20	2209	6.1	30.3%
Piedmont Medical Center				8	1070	2.9	8	1070	2.9	36.6%
Springs Memorial Hosp				4	0	0	4	0	0	0.0%
Palmetto Baptist Med Ctr	4 *	*		16 *	*		20	7013	19.2	96.1%
Tuomey Regional				8	0	0.0	8	0	0.0	0.0%
Reg Med Ctr Orangeburg				3	438	1.2	3	438	1.2	40.0%
Aiken Regional Med Ctr				8	541	1.5	8	541	1.5	18.5%
REGION SUBTOTAL	25	7661	21.0	107	13263	36.3	132	20924	57.3	43.4%
Women's Ctr of Carolinas				11	853	2.3	11	853	2.3	21.2%
McLeod Regional	12	5322	14.6	28	4935	13.5	40	10257	28.1	70.3%
Carolina Pines				4	0	0.0	4	0	0.0	0.0%
Marion Co Medical Ctr				2	0	0	2	0	0	0.0%
Grand Strand Regional				3	24	0.1	3	24	0.1	2.2%
Conway Hospital				6	621	1.7	6	621	1.7	28.4%
REGION SUBTOTAL	12	5322	14.6	54	6433	15.9	66	11755	32.2	48.8%
Georgetown Co Memorial				5	273	0.7	5	273	0.7	15.0%
MUSC Medical Center	16	5655	15.5	46	11654	31.9	62	17309	47.4	76.5%
Roper Hospital				5	259	0.7	5	259	0.7	14.2%
East Cooper Reg Med Ctr				6	0	0.0	6	0	0.0	0.0%
Trident Reg Med Center				5	745	2.0	5	745	2.0	40.8%
Bon Secours-St. Francis				4	222	0.6	4	222	0.6	15.2%
Summerville Med. Ctr.				3	0	0.0	3	0	0.0	0.0%
Beaufort Memorial Hosp				3	70	0.2	3	70	0.2	6.4%
SUBTOTAL	16	5655	15.5	77	13223	36.0	93	18878	51.7	55.6%
GRAND TOTAL	82	27696	75.9	325	51095	138.1	407	78791	215.9	53.0%

* Hospital did not separate data by Intensive and Intermediate care
Palmetto Richland added 6 ICU bassinets in 2002 which are not reflected above.

RECORD 006702

(C) Pediatric Inpatient Services:

A pediatric inpatient unit is a specific section, ward, wing or unit devoted primarily to the care of medical and surgical patients less than 18 years old, not including special care for infants.

It is recognized that children have special problems that need to be addressed by specialized facilities, equipment and personnel experienced in dealing with children, and understanding and sympathetic to the child's unique needs. It is also recognized that each hospital need not develop the capability to provide all types of pediatric care, but rather, beds for children should be consolidated and distributed in such a manner as to ensure accessibility throughout an area. The need for pediatric beds is calculated under general hospital beds.

Relative Importance of Project Review Criteria

The following criteria are considered the most important in evaluating certificate of need applications for this service:

a. Need;
b. Distribution (Accessibility);
c. Acceptability
d. Financial Feasibility; and
e. Adverse Effects on Other Facilities.

In many hospitals, pediatric beds/services are not physically separated from other general hospital beds. Only larger hospitals have distinct pediatric units. General hospital beds are located within approximately 30 minutes travel time for the majority of the residents of the State. There may be a need for additional pediatric beds in the existing general hospitals; however, additional beds for pediatric services will not be approved unless other beds are converted to pediatrics or a need is indicated in the Plan for additional hospital beds. The benefits of improved accessibility do not outweigh the adverse affects caused by the duplication of this existing service.

(D) Cardiovascular, Cerebrovascular and Associated Heart Disease

OVERVIEW

Cardiovascular diseases are the leading cause of death in the United States, accounting for more than 40% of all deaths. The total death rate for all cardiovascular diseases in South Carolina is the second highest in the country. The heart requires oxygen and nutrients supplied through the coronary arteries in order to function. If the blood supply becomes inadequate, it can result in infarction, or death of the heart muscle {myocardium}.

The usual cause of a heart attack is arteriosclerosis, the accumulation of fat-filled cells {plaque} on the inner walls of blood vessels. Plaque narrows the blood flow through the coronary arteries and reduces blood flow to the heart muscle. Should a plaque crack or rupture, a blood clot {thrombus} forms on top of the plaque in order to repair the damage. However, if the blood clot is big enough to block all blood flow through the artery, the myocardium will not receive the oxygen needed and the muscle cells die. If blood flow is not quickly restored to the dying heart muscle, the victim will die. The amount of heart muscle that is damaged during a heart attack is an important determinant of whether patients live or die - and what their quality of life will be if they survive. Approximately 1/3 of all heart attacks are fatal; survivors may develop congestive heart failure or other problems.

Ambulances and Emergency Rooms are better equipped to treat these victims. Doctors are now able to limit heart damage through medications such as aspirin, nitroglycerin, beta-adrenergic blocking agents (beta blockers), and heparin (blood thinner). Drugs such as t-PA and streptokinase, which can dissolve blood clots and stop heart attacks, are often successful if administered within 6 hours of the onset of heart attack symptoms, although they do have a risk of bleeding complications. In addition, restoring blood flow to the dying heart muscle (reperfusion) by breaking up the blood clot through angioplasty or by grafting blood vessels from other body parts to construct a detour around the blockage have greatly improved survival rates.

Electron Beam Computer Tomography (EBCT) is a promising technology for predicting the likelihood of a heart attack. It is a non-invasive scanner that produces cross-sectional pictures depicting the presence amount of calcium in the coronary arteries. Calcium is an indicator of atherosclerosis; plaque rupture is the major mechanism for sudden coronary death. EBCT may be used for examining emergency room patients reporting chest pain. If the scan shows no calcification, patients are at low risk of having a heart attack. It may also be used for early detection of coronary artery disease of asymptomatic persons. The scanners cost approximately $1.8 million. The test costs $425-475, but most insurance companies do not yet cover it.

CT Angiography is another promising tool that may eventually become a substitute for diagnostic cardiac catheterizations. The 16-slice CT, introduced in 2002, offers image resolution and speed that allows it to capture the small anatomy of a beating heart. The procedure takes approximately 15 minutes to perform. It costs about $3,000 but is rarely reimbursed at this point. A 32-slice machine is currently under development that will further enhance the available imaging. The machine costs $1.2 million. About 2,500 16-slice CTs have been sold worldwide, with approximately 600 dedicated to cardiac imaging.

Diagnostic and therapeutic cardiac catheterizations and open heart surgery are tools in the treatment of heart disease. Cardiac catheterization is the standard method for detecting and determining the severity of coronary artery disease. A thin, flexible tube is inserted into a blood vessel in the arm or leg. The physician manipulates the tube to the chambers or vessels of the heart so that pressure measurements, blood samples and photographs can be taken. Injections of radioactive dye allow blockages or area of weakness to appear on x-rays. In addition, other diagnostic and therapeutic procedures such as coronary angioplasty, myocardial biopsy, electrophysiology studies, thrombolytic therapy, and insertion of pacemakers may be performed. Diagnostic catheterizations take approximately 1-1/2 hours to perform while therapeutic catheterizations average 3 hours.

Percutaneous Coronary Intervention (PCI) is a therapeutic catheterization procedure used in treating occluded or partially occluded coronary arteries. Treatment of an occluded vessel is accomplished by inserting a catheter with a balloon or a stent into the blood vessel and guided to the site of the constriction in the vessel. Because of the risk of arterial damage and resulting need for immediate open heart surgery, elective PCI is contraindicated for institutions without an on-site open heart surgery program. Hospitals without an open heart surgery program shall be allowed to provide emergent PCIs ("Primary PCIs") only if they comply with all sections of Standard (8) of the Standards for Cardiac Catheterization.

Percutaneous Transluminal Coronary Angioplasty (PTCA) is the most common PCI. Percutaneous Transluminal Coronary Angioplasty (PTCA) is the most common therapeutic procedure. A balloon is inflated to flatten plaque against the artery wall and widen the narrowed artery. Although the success rate for single-lesion dilation is 90-95%, the mortality rate is about 1% and severe complications requiring open heart surgery occur in 1-4%. In addition, nearly 20% of patients initially successfully treated experience re-narrowing within 3-6 months, requiring open heart surgery.

Another common therapeutic intervention is the coronary stent, often used in conjunction with a PTCA. When using a stent, an expandable metal coil is implanted at the site of a narrowing in a coronary artery to keep the vessel open; the framework buttresses the wall of the coronary artery. Stenting is successful in 95-98% of patients, with emergency bypass surgery required for less than 1%. The re-stenosis rate for coronary stenting may be lower, although it occurs in approximately 16% of patients. In addition, there is a risk of blood clots, which form in 1-2% of patients, which can cause a heart attack. After coronary stenting, patients must use a combination of blood-thinning medicines.

In April 2003, the Centers for Medicare and Medicaid Services (CMS) began reimbursing hospitals for the Cypher drug-eluting stent that is coated with an anti-rejection drug. Clinical trials indicated that this stent reduces restenosis by 75% compared with conventional stents. However, there have also been reports of higher than expected complication rates, possibly due to inappropriate utilization. In March 2004, the Food and Drug Administration (FDA) approved the Taxus drug-eluting stent. It is anticipated that these stents will capture the majority of the stent market within the next few years, and may reduce the number of coronary bypass surgeries performed.

Open heart surgery refers to an operation performed on the heart or intrathoracic great vessels which

requires the temporary use of a heart-lung bypass machine to perform the normal functions of the heart and lungs during surgery. Coronary Artery Bypass Graft (CABG) accounts for 80-85% of all open heart surgery cases. The saphenous vein from the leg or the internal mammary artery from the chest is extracted from the patient and grafted to bypass a constricted section of 1 or more of the coronary arteries. The success rate for CABG surgery is high; the American Heart Association reports that 90% of bypass grafts still work 10 years after they are put into place. Mortality rates have declined significantly since its introduction, but CABG still carries significant risks. CABG surgery requires sawing through the breastbone and prying open the ribcage, resulting in a 1-week hospital stay and up to 2 months recuperation.

A new generation of open heart surgery techniques have been developed and are now in use. The Off-Bypass CABG with a smaller incision is performed on a beating heart and is designed to avoid a coronary artery bypass. Minimally Invasive Direct Coronary Artery Bypass (MIDCAB) surgery features a 3-4 inch incision and a stabilizer foot, allowing single- or double-artery bypass to be performed while the heart is still beating. The Port-Access method is video-assisted and relies on small incision ports to perform repairs on a stopped heart, while the heart-lung machine is attached through the groin. While these methods offer pluses such as smaller incisions, less bleeding and faster recovery, their long-term effectiveness is not yet known.

Both cardiac catheterization and open heart surgery programs require highly skilled staffs and expensive equipment. Appropriately equipped and staffed programs serving larger populations are preferable to multiple, minimum population programs. Underutilized programs are a less efficient use of an expensive resource and often reflect unnecessary duplication of services in an area. This may seriously compromise quality and safety of procedures and increase the cost of care. Optimal performance requires a caseload of adequate size to maintain the skills and efficiency of the staff. Cardiac catheterization laboratories should perform a minimum of 600 diagnostic equivalents per year {diagnostic catheterizations are weighted as 1.0 equivalents, therapeutic catheterizations as 2.0}. For pediatric catheterization laboratories, a minimum of 150 procedures per year is recommended; half of these should be on neonates or infants. There should be a minimum of 200 adult open heart surgery procedures performed annually per open heart surgery unit; improved results appear to appear in hospitals that perform a minimum of 350 cases annually. Pediatric open heart surgery units should perform 100 pediatric heart operations per year; at least 75 of which should be open heart surgery.

STATUS OF SOUTH CAROLINA PROVIDERS

1. CARDIAC CATHETERIZATIONS

The Certificate of Need standards for cardiac catheterization require a minimum of 600 cardiac equivalents per laboratory annually within 3 years of initiation of service. There are 32 hospitals approved to provide cardiac catheterization services in fixed laboratories in South Carolina. Of these, 24 programs exceeded the minimum of 600 equivalents per lab. Bon Secours St. Francis Xavier, Oconee Memorial Hospital, and Mary Black Memorial Hospital fell below the minimum. Carolina Pines Regional received a CON to replace their mobile lab with a fixed lab. Beaufort Memorial Hospital received a CON to establish a diagnostic lab on 6/6/02. Colleton Medical Center received a

CON on 4/15/03 to establish a mobile cardiac catheterization service 1 day per week. Loris Community Hospital received a CON on 6/2/04 and Kershaw County Medical Center received a CON on 6/11/04 to establish fixed cardiac catheterization labs.

There are currently 16 open heart surgery programs approved for the general public in South Carolina, as well as the Veterans Administration (VA) Hospital in Charleston. These are the only facilities approved to perform therapeutic catheterizations. They should be performing a minimum of 300 therapeutic caths annually within 3 years of initiation of service. All of the programs that had been operational for 3 full years performed the minimum number of therapeutic caths in 2003.

MUSC is the only facility providing pediatric cardiac catheterizations in South Carolina. The recommended standard requires a minimum of 600 cardiac equivalents per year {a pediatric catheterization is weighted as 2.0 equivalents}. MUSC has consistently exceeded this requirement.

There is a lack of available data to measure the quality of care provided by the facilities offering cardiac catheterization services in South Carolina. Comparing the utilization of these facilities with national and state standards can make an approximation of quality. In general, the providers of cardiac catheterization are in compliance with these standards. In 2003, 24 of the 27 facilities that have been offering cardiac caths for more than 3 years provided more than the minimum standard of 600 diagnostic equivalents per lab. Every established facility providing therapeutic catheterizations exceeded the minimum requirement of 300 procedures annually by the third year of operation.

2. OPEN HEART SURGERY

The number of open heart surgeries performed in South Carolina decreased from 6,279 in 2002 to 5,952 in 2003. There are 16 approved open heart surgery programs in South Carolina. Self Memorial and Anderson Area began in 2001, and Hilton Head Hospital began operation in 2002. Because these facilities had not completed 3 full years of operation, it is not possible to evaluate their performance compared to the Certificate of Need and literature standards.

The established programs had a total of 31 open heart surgery suites in operation in 2003. With a capacity of 500 surgeries per suite, the statewide capacity was 15,500 surgeries. A total of 5,486 open heart surgeries were performed in these suites, giving an average utilization rate of 35.4%. The state average was 177.0 surgeries per suite. Unused capacity remains in all programs in the state.

The Certificate of Need standard is for a facility to perform a minimum of 200 open heart surgeries per year per surgical suite within 3 years of initiation of service. It should be emphasized that this minimum volume for clinical proficiency should not be interpreted as an optimal level of operation. An annual caseload of 200 cases amounts to less than 5 procedures per week and clearly does not fully utilize the resources required to staff a cardiac surgery program.

Studies indicate that hospitals that perform a minimum of 350 cases annually tend to have better outcomes than those that perform fewer cases. In 2003, 8 of the 13 established programs performed more than 350 total surgeries; Trident Regional performed 304, Piedmont Regional performed 232, St. Francis performed 182, Aiken performed 128, and Carolinas Hospital System performed 87.

MUSC is the only facility performing pediatric open heart surgery in South Carolina. National and state standards recommend a minimum of 100 pediatric heart operations per open heart surgical suite. MUSC has consistently exceeded this standard; in 2003, 238 pediatric open heart surgeries were performed there.

The Certificate of Need standards for Cardiac Catheterization and Open Heart Surgery follow.

Certificate of Need Standards for Cardiac Catheterization

DEFINITIONS

"Capacity" means the number of cardiac catheterizations that can be accommodated in a cardiac catheterization laboratory in one year.

"Cardiac Catheterization" is an invasive medical procedure performed within a cardiac catheterization laboratory and used as a diagnostic or therapeutic tool for heart and circulatory conditions. A thin, flexible catheter is inserted into a blood vessel; subsequently, the free end of the catheter is manipulated by the physician to travel along the course of the blood vessel into the chambers or vessels of the heart. During a cardiac catheterization, blood pressure, oxygen content and flow measurements, injection of x-ray dyes, coronary angioplasty, myocardial biopsy, electrophysiology procedures, thrombolytic therapy, insertion of pacemakers, and other diagnostic and therapeutic techniques may be performed.

"Cardiac Catheterization Laboratory" refers to a room or suite of rooms in a hospital, a mobile unit on the campus of a hospital, or a freestanding cardiac catheterization facility which has the equipment, staff and support services to function as an integrated unit for the purposes of performing cardiac catheterization procedures for a single patient at a given time and which is used to perform cardiac catheterization procedures.

"Cardiac Catheterization Procedure" means an angiographic or physiologic study performed within a cardiac catheterization laboratory. All activities performed during one clinical session, including angiocardiography, coronary arteriography, pulmonary arteriography, coronary angioplasty and other diagnostic or therapeutic measures and physiologic studies shall be considered one procedure.

"Comprehensive Catheterization Laboratory" means a dedicated room or suite of rooms in which both diagnostic and therapeutic catheterizations are performed.

"Coronary stents" are metallic wire tubes that are implanted at the site of a narrowing in a coronary artery to keep the vessel open. They consist of an expandable metal coil or framework that buttresses the wall of the coronary artery.

"Diagnostic Catheterization" refers to a cardiac catheterization during which any or all of the following diagnostic procedures or measures are performed: Blood Pressure; Oxygen Content and Flow Measurements; Angiocardiography, Coronary Arteriography; and Pulmonary Arteriography. The following ICD-9-CM Codes refer to diagnostic catheterizations:

37.21 Right Heart Cardiac Catheterization
37.22 Left Heart Cardiac Catheterization
37.23 Combined Right and Left Heart Cardiac Catheterization

"Diagnostic Catheterization Laboratory" means a dedicated room or suite of rooms in which only diagnostic catheterizations are performed.

"Diagnostic Equivalents" are the measurements of capacity and utilization for cardiac catheterization laboratories. Diagnostic catheterizations are weighted as 1.0 equivalents, while therapeutic and pediatric catheterizations are weighted as 2.0 equivalents.

"Percutaneous Coronary Intervention (PCI)" refers to a therapeutic procedure to relieve coronary narrowing, such as Percutaneous Transluminal Coronary Angioplasty (PTCA) or Coronary Stent Implantation.

"Therapeutic catheterization" refers to a PCI or cardiac catheterization during which, in addition to any or all of the procedures listed above under Diagnostic Catheterizations, any or all of the following interventional procedures are performed: PTCA; Thrombolytic Agent Infusion; Directional Coronary Atherectomy; Rotational Atherectomy; Extraction Atherectomy; Coronary Stent Implants and Cardiac Valvuloplasty. The following ICD-9-CM Codes refer to therapeutic catheterizations:

35.96 Percutaneous Valvuloplasty
36.01 Atherectomy, Coronary, PTCA, Single Vessel, Without Mention of Thrombolytic Agent
36.02 Atherectomy, Coronary, PTCA, Single Vessel, With Thrombolytic Agent
36.05 Atherectomy, Coronary, PTCA, Multiple Vessel, With or Without Thrombolytic Agent
36.06 Insertion of Coronary Artery Stent(s)
36.07 Insertion of Drug Eluting Coronary Artery Stent(s)

"Thrombolytic agent infusion" refers to the administration of a drug, such as Streptokinase or Tissue Plasminogen Activator (TPA), to break up a blood clot that obstructs a blood vessel of the heart.

STANDARDS

(1) The capacity of a fixed cardiac catheterization laboratory shall be 1,200 diagnostic equivalents per year. Diagnostic catheterizations (ICD-9-CM Codes 37.21, 37.22 and 37.23) shall be weighted as 1.0 equivalents, while therapeutic catheterizations (ICD-9-CM Codes 35.96, 36.01, 36.02, 36.05, 36.06, and 36.07) and pediatric catheterizations shall be weighted as 2.0 equivalents. The capacity of mobile cardiac catheterization labs will be calculated based on the number of days of operation per week.

(2) The service area for a diagnostic catheterization laboratory is defined as all facilities within 45 minutes one way automobile travel time; for comprehensive cardiac catheterization laboratories the service area is all facilities within 60 minutes one way automobile travel time; a pediatric cardiac program should serve a population encompassing at least 30,000 births per year, or roughly two million people.

(3) New diagnostic cardiac catheterization services, including mobile, shall be approved only if all existing labs in the service area have performed at a combined use rate of 80% (960 equivalents per laboratory) for the most recent year;

(4) An applicant for a fixed diagnostic service must project that the proposed service will perform a minimum of 600 diagnostic equivalent procedures annually within three years of initiation of services, without reducing the utilization of the existing diagnostic catheterization services in the service area below 80% of capacity.

(5) An applicant for a mobile diagnostic catheterization laboratory must be able to project a minimum of 120 diagnostic equivalents annually for each day of the week that the mobile lab would be located at the applicant's facility by the end of the third year following initiation of the service, without reducing the utilization of the existing diagnostic catheterization services in the service area below 80% of capacity (i.e. an applicant wishing to have a mobile cath lab 2 days per week must project a minimum of 240 equivalents at the applicant's facility by the end of the third year of operation). In addition:

A. the applicant must document that the specific mobile unit utilized by the vendor will perform a combined minimum of 600 diagnostic equivalents per year;

B. the applicant must include vendor documentation of the complication rate of the mobile units operated by the vendor; and

C. if an application for a mobile lab is approved and the applicant subsequently desires to change vendors, the Department must approve such change in order to insure that appropriate minimum utilization can be documented.

(6) Expansion of an existing diagnostic cardiac catheterization service shall only be approved if the service has operated at a minimum use rate of 80% of capacity (i.e. 960 equivalents per laboratory) for each of the past two years and can project a minimum of 600 procedures per year on the additional equipment within three years of its implementation.

(7) Comprehensive cardiac catheterization laboratories, which perform diagnostic catheterizations, PCI and other therapeutic procedures, shall only be located in hospitals that provide open heart surgery. The lack of a formal cardiac surgical program within the institution is considered to be a contraindication for PCI, due to the risk of arterial damage and subsequent need for emergency bypass surgery. Diagnostic cardiac catheterization laboratories, which serve to detect and identify defects in the great arteries or veins of the heart, or abnormalities in the heart structure, shall not be allowed to perform PCI and other therapeutic procedures, unless they comply with all sections of standard 8.

(8) The provision of emergency PCI (Primary PCI) at a hospital without an on-site comprehensive catheterization laboratory and an open heart surgery program requires a Certificate of Need. This application shall be approved only if all of the following criteria are met:

A. Therapeutic catheterizations must be limited to Percutaneous Coronary Interventions (PCIs) performed only in emergent circumstances (Primary PCIs).

B. The applicant has a diagnostic catheterization laboratory that has performed a minimum of 600 diagnostic catheterizations for the most recent year of data.

C. The hospital must acquire an intra-aortic balloon pump (IABP) dedicated solely to this purpose.

D. The chief executive officer of the hospital must sign an affidavit assuring that the criteria listed below are and will continue to be met at all times.

E. An application shall be approved only if it is consistent with the criteria from the 2001 American College of Cardiology/American Heart Association Percutaneous Coronary Intervention Guidelines (Smith et al., ACC/AHA Guidelines for Percutaneous Coronary Intervention ((Revision of the 1993 PTCA Guidelines) JACC Vol. 37, No. 8, June 15, 2001:2239i-lxvi). The complete guidelines can be found at: www.acc.org/clinical/guidelines/percutaneous/percutaneous_IV.htm

1. Criteria for the Performance of Emergency (Primary) PCI

   a. The physicians must be experienced interventionalists who regularly perform elective intervention at a surgical center (75 cases/year). The institution must perform a minimum of 36 primary PCI procedures per year.

   b. The nursing and technical catheterization laboratory staff must be experienced in handling acutely ill patients and comfortable with interventional equipment. They must have acquired experience in dedicated interventional laboratories at a surgical center. They participate in a 24-hour, 365-day call schedule.

   c. The catheterization laboratory itself must be well-equipped, with optimal imaging systems, resuscitative equipment, intra-aortic balloon pump (IABP) support, and must be well-stocked with a broad array of interventional equipment.

   d. The cardiac care unit nurses must be adept in hemodynamic monitoring and IABP management.

   e. The hospital administration must fully support the program and enable the fulfillment of the above institutional requirements.

   f. There must be formalized written protocols in place for immediate (within 1 hour) and efficient transfer of patients to the nearest cardiac surgical facility which are reviewed/tested on a regular (quarterly) basis.

g. Primary (emergency) intervention must be performed routinely as the treatment of choice around the clock for a large proportion of patients with acute myocardial infarction (AMI), to ensure streamlined care paths and increased case volumes.

h. Case selection for the performance of primary (emergency) angioplasty must be rigorous. Criteria for the types of lesions appropriate for primary (emergency) angioplasty and for the selection for transfer for emergent aortocoronary bypass surgery are shown in Section E.2.

i. There must be an ongoing program of outcomes analysis and formalized periodic case review. Institutions should participate in a 3- to 6-month-period of implementation during which time development of a formalized primary PCI program is instituted that includes establishing standards, training staff, detailed logistic development, and creation of a quality assessment and error management system.

2. Patient Selection Guidelines

a. Avoid intervention in hemodynamically stable patients with:

1) Significant (60%) stenosis of an unprotected left main (LM) coronary artery upstream from an acute occlusion in the left coronary system that might be disrupted by the angioplasty catheter
2) Extremely long or angulated infarct-related lesions with TIMI grade 3 flow
3) Infarct-related lesions with TIMI grade 3 flow in stable patients with 3-vessel disease
4) Infarct-related lesions of small or secondary vessels
5) Lesions in other than the infarct artery

b. Transfer for emergent aortocoronary bypass surgery patients with:

1) High-grade residual left main or multivessel coronary disease and clinical or hemodynamic instability
2) After angioplasty or occluded vessels
3) Preferably with intra-aortic balloon pump support

(9) New comprehensive cardiac catheterization services shall be approved only if the following conditions are met:

A. all existing comprehensive cardiac catheterization facilities in the service area performed a minimum of 300 therapeutic catheterizations and performed at a combined use rate of 80 percent in the most recent year (i.e. 960 equivalents per laboratory); and

B. an applicant must project that the proposed service will perform a minimum of 300 therapeutic catheterization procedures annually within three years of initiation of services, without reducing the combined use rate of the existing comprehensive catheterization programs in the service area below 80%.

(10) Expansion of an existing comprehensive cardiac catheterization service shall only be approved if the service has operated at a minimum use rate of 80% of capacity (960 equivalents per lab) for each of the past two years and can project a minimum of 600 equivalents per year on the additional equipment within three years of its implementation. This figure of 600 equivalents may be comprised by a combination of diagnostic and therapeutic procedures.

(11) New pediatric cardiac catheterization services shall be approved only if the following conditions are met:

A. all existing facilities have performed at a combined use rate of 80% of capacity for the most recent year; and

B. an applicant must project that the proposed service will perform a minimum of 600 diagnostic equivalent procedures annually within three years of initiation of services.

(12) Expansion of an existing pediatric cardiac catheterization service shall only be approved if the service has operated at a minimum use rate of 80% of capacity (960 equivalents) for each of the past two years and can project a minimum of 600 equivalents per year on the additional equipment within three years of its implementation.

(13) Documentation of need for the proposed service:

A. the applicant shall provide epidemiologic evidence of the incidence and prevalence of conditions for which diagnostic, comprehensive or pediatric catheterization is appropriate within the proposed service area, to include the number of potential candidates for these procedures;

B. the applicant shall project the utilization of the service and the effect of its projected utilization on other cardiac catheterization services within its service area, to include:

1. the number of patients of the applicant hospital who were referred to other cardiac catheterization services in the preceding 3 years and the number of those patients who could have been served by the proposed service;

2. the number of additional patients, if any, who will be generated through changes in referral patterns, recruitment of specific physicians, or other changes in circumstances. The applicant shall document the services, if any, from which these patients will be drawn; and

3. existing and projected patient origin information and referral patterns for each cardiac catheterization service serving patients from the area proposed to be served shall be provided.

(14) Both fixed and mobile diagnostic cardiac catheterization laboratories must provide a written agreement with at least one hospital providing open heart surgery, which states specified arrangements for referral and transfer of patients, to include:

A. criteria for referral of patients on both a routine basis and an emergency back-up basis;

B. regular communications between cardiologists performing catheterizations and surgeons to whom patients are referred;

C. acceptability of diagnostic results from the cardiac catheterization service to the receiving surgical service to the greatest extent possible to prevent duplication of services; and

D. development of linkages with the receiving institution's peer review mechanism.

(15) The application shall include standards adopted or to be adopted by the service, consistent with current medical practice as published by clinical professional organizations, such as the American College of Cardiology or the American Heart Association, defining high-risk procedures and patients who, because of their conditions, are at high risk. For diagnostic catheterization laboratories, this description of patient selection criteria shall include referral arrangements for high-risk patients. For comprehensive laboratories, these high-risk procedures should only be performed with open heart surgery back-up. The cardiac team must be promptly available and capable of successfully operating on unstable acute ischemic patients in an emergency setting.

(16) Cardiac catheterization services should be staffed by a minimum of two physicians licensed by the State of South Carolina who possess the qualifications specified by the governing body of the facility. Protocols should be established that govern initial and continuing granting of clinical staff privileges to physicians to perform diagnostic, therapeutic and/or pediatric catheterizations. In addition, standards should be established to assure that each physician using the service would be involved in adequate numbers of applicable types of cardiac catheterization procedures to maintain proficiency.

SCOPE OF SERVICES

The following services should be available in both adult and pediatric catheterization laboratories:

(1) Each cardiac catheterization lab should be competent to provide a range of angiographic (angiocardiography, coronary arteriography, pulmonary arteriography), hemodynamic, and physiologic (cardiac output measurement, intracardiac pressure, etc.) studies. These facilities should be available in one laboratory so that the patient need not be moved during a procedure.

(2) The lab should have the capability of immediate endocardiac catheter pacemaking in cardiac arrest, a crash cart, and defibrillator.

(3) A full range of non-invasive cardiac/circulatory diagnostic support services, such as the following, should be available within the hospital:

a. Nuclear Cardiology
b. Echocardiography
c. Pulmonary Function Testing
d. Exercise Testing
e. Electrocardiography
f. Cardiac Chest X-ray and Cardiac Fluoroscopy
g. Clinical Pathology and Blood Chemistry Analysis
h. Phonocardiography
i. Coronary Care Units (CCUs)
j. Medical Telemetry/Progressive Care

(4) Each applicant shall document plans for providing cardiac rehabilitation services to its patients, or plans for establishing referral agreements with facilities offering cardiac rehabilitation services.

Cardiac catheterization studies for elective cases should be available at least 40 hours a week. All catheterization laboratories should have the capacity for rapid mobilization of the study team for emergency procedures 24 hours a day, 7 days a week.

All facilities offering cardiac catheterization services should meet full accreditation standards for the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), or if the facility is not JCAHO accredited, then they must meet certification and/or licensure standards.

RELATIVE IMPORTANCE OF PROJECT REVIEW CRITERIA

The following project review criteria are considered to be the most important in evaluating certificate of need applications for this service:

a. Compliance with the Need Outlined in this Section of the Plan;

b. Community Need Documentation;
c. Distribution (Accessibility);
d. Projected Revenues;
e. Projected Expenses;
f. Ability of the Applicant to Complete the Project;
g. Financial Feasibility;
h. Staff Resources; and
i. Adverse Effects on Other Facilities.

The Department finds that:

(1) Diagnostic catheterization services are available within forty-five (45) minutes and therapeutic catheterization services within ninety (90) minutes travel time for the majority of South Carolina residents;

(2) Significant cardiac catheterization capacity exists in most areas of the State; and

(3) The preponderance of the literature on the subject indicates that a minimum number of procedures are recommended per year in order to develop and maintain physician and staff competency in performing these procedures.

The benefits of improved accessibility will not outweigh the adverse affects of duplication in evaluating Certificate of Need applications for this service.

CARDIAC CATHETERIZATION PROCEDURES:

REGION/FACILITY	ADULT # CATH LABS	FY01 ADULTS: DIAG	FY01 ADULTS: THERP	FY01 PEDS TOTAL	FY02 ADULTS: DIAG	FY02 ADULTS: THERP	FY02 PEDS TOTAL	FY03 ADULTS: DIAG	FY03 ADULTS: THERP	FY03 PEDS TOTAL
I										
ANDERSON AREA MEDICAL CTR #1	3	2090	137	2227	2075	610	2685	1838	711	2549
GREENVILLE MEMORIAL MED CTR #2	7	4580	2225	6805	5374	1999	7373	5918	2137	8055
MARY BLACK MEMORIAL	1	305		305	226		226	128		128
OCONEE MEMORIAL HOSPITAL	1	786		786	764		764	572		572
PALMETTO BAPTIST MED CTR-EASLEY	1	418		418	656		656	672		572
SPARTANBURG REG MED CTR #3	4	3030	678	3708	2713	568	3281	2689	665	3354
ST FRANCIS COMMUNITY HOSPITAL	2	1167	438	1605	1166	327	1493	1435	483	1918
TOTAL AREA I		12376	3478	15854	12974	3504	16478	13252	3996	17248
II										
KERSHAW COUNTY MEDICAL CTR #4	1									
LEXINGTON MEDICAL CENTER #5	1				870		870	1114		1114
PALMETTO HEALTH BAPTIST	1	658		658	650		650	712		712
PALMETTO HEALTH RICHLAND MEMORIAL	4	1783	674	2457	1723	665	2388	1723	686	2409
PIEDMONT MEDICAL CENTER #6	3	2581	639	3220	3053	928	3981	2678	1007	3685
PROVIDENCE HOSPITAL #7	5	3846	2195	6041	3746	2306	6052	3798	2875	6673
SELF MEMORIAL HOSPITAL	2	600		600	1056	35	1091	1223	184	1407
SOUTH CAROLINA HEART CENTER #8	2			0			0			0
SPRINGS MEMORIAL HOSPITAL #9	1	585		585	755		755	891		891
TOTAL AREA II		10033	3508	12976	11883	3934	15042	12139	4752	16000
III										
CAROLINA PINES REGIONAL MED CTR #10	1	177		177	431		431	477		477
CAROLINAS HOSPITAL SYSTEM	2	1305		1305	956	156	1112	964	161	1125
CONWAY HOSPITAL	1	584		584	657		657	768		768
GEORGETOWN MEMORIAL HOSPITAL #11	1	610	19	629	804	29	833	672	33	705
GRAND STRAND REGIONAL MED CTR	2	1113	932	2045	1132	1078	2210	1029	1034	2063
LORIS COMMUNITY HOSPITAL #12	1									
MCLEOD REGIONAL MEDICAL CTR	4	3304	753	4057	3247	867	4114	3130	841	3971
TUOMEY HOSPITAL	1	727		727	754		754	686		686
TOTAL AREA III		7820	1704	9524	7981	2130	10111	7725	2069	9795

RECORD 006718

Joint Exhibit 003-0056

CARDIAC CATHETERIZATION PROCEDURES:

REGION/FACILITY	ADULT # CATH LABS	FY01 ADULTS: DIAG	FY01 ADULTS: THERP	FY01 ADULTS: TOTAL	FY01 PEDS	FY02 ADULTS: DIAG	FY02 ADULTS: THERP	FY02 ADULTS: TOTAL	FY02 PEDS	FY03 ADULTS: DIAG	FY03 ADULTS: THERP	FY03 ADULTS: TOTAL	FY03 PEDS
IV													
AIKEN REGIONAL MEDICAL CTR	1	860	506	1366		1233	375	1608		1147	323	1470	
BEAUFORT MEMORIAL HOSPITAL #13	1									82		82	
BON SECOURS ST. FRANCIS XAVIER	1	190		190		189		189		185		185	
COLLETON MEDICAL CENTER #14	MOBILE												
HILTON HEAD REGIONAL MED CTR #15	2	1044	128	1172		1015	123	1138		784	361	1145	
MEDICAL UNIVERSITY HOSPITAL #16	5	1551	583	2134	970	1517	610	2127	992	1962	610	2572	1349
RMC ORANGEBURG-CALHOUN	1	813		813		966		966		774		774	
ROPER HOSPITAL	3	2625	644	3269		2600	659	3259		2824	792	3616	
TRIDENT MEDICAL CENTER	2	1691	569	2260		1895	601	2466		1210	544	1754	
TOTAL AREA IV		6774	2430	9848		9385	2368	9958		8968	2630	9861	
TOTAL		39003	11120	48002		42203	11936	51587		42085	13447	52904	

#1 CON FOR 3RD CATH W/ THERAPEUTIC, 11/2/89.
#2 CON TO REPLACE AN EXISTING CATH LAB AND MAINTAINING 7 CATHS WITH 5 AT GMH AND 2 AT MEMORIAL MEDICAL OFFICE, 7/3/00.
#3 CON FOR 4TH CATH LAB, 11/13/01.
#4 CON ISSUED 6/11/19/04.
#5 CON ISSUED FOR FIXED CATH, 1/30/01 SC-01-05.
#6 CON FOR 3RD CATH AND REPLACEMENT OF THE 2 EXISTING CATHS 11/4/03 SC-03-64.
#7 CON FOR 6TH CATH, 03/19/02 SC-02-19.
#8 DOCTORS OFFICE, NOT A LICENSED ASF.
#9 CON TO REPLACE MOBILE W/ FIXED CATH, 07/12/01.
#10 CON FOR FIXED TO REPLACE MOBILE 6/20/01; BEGAN FIXED 4/12/02.
#11 FACILITY IS NOT APPROVED TO DO ANGIOPLASTY.
#12 CON ISSUED 6/2/04.
#13 CON FOR DIAGNOSTIC CATH LAB, 8/6/02.
#14 CON FOR MOBILE 1 DAY/WK, 4/15/03 SC-03-15.
#15 CON FOR 2ND CATH SC-01-66 11/13/01 AND CON ISSUED FOR THERAPEUTIC CATH PROGRAM 7/15/02 SC-02-41.
#16 CON ISSUED FOR 2 ADDITIONAL ADULT CATH LABS FOR A TOTAL OF 5 ADULT & 1 PED, SC-01-13 3/12/01.

RECORD 006719

Joint Exhibit 003-0057

Certificate of Need Standards for Open Heart Surgery

DEFINITIONS

"Capacity" means the number of open heart surgery procedures that can be accommodated in an open heart surgery unit in one year.

"Open Heart Surgery" refers to an operation performed on the heart or intrathoracic great vessels. It is identified by the following ICD-9-CM procedure codes:

35.10 Open heart valvuloplasty, without replacement, unspecified valve
35.11 Open heart valvuloplasty of aortic valve without replacement
35.12 Open heart valvuloplasty of mitral valve without replacement
35.13 Open heart valvuloplasty of pulmonary valve without replacement
35.14 Open heart valvuloplasty of tricuspid valve without replacement
35.20 Replacement of unspecified heart valve
35.21 Replacement of aortic valve with tissue graft
35.22 Other replacement of aortic valve
35.23 Replacement of mitral valve with tissue graft
35.24 Other replacement of mitral valve
35.25 Replacement of pulmonary valve with tissue graft
35.26 Other replacement of pulmonary valve
35.27 Replacement of tricuspid valve with tissue graft
35.28 Other replacement of tricuspid valve
35.31 Operations on papillary muscle
35.32 Operations on chordae tendineae
35.33 Annuloplasty
35.34 Infundibulectomy
35.35 Operations on trabeculae carnae cordis
35.39 Operations on other structures adjacent to valves of heart
35.41 Enlargement of existing atrial septal defect
35.42 Creation of septal defect in heart
35.50 Repair of unspecified septal defect of heart with prosthesis
35.51 Repair of atrial septal defect with prosthesis, open technique
35.53 Repair of ventricular septal defect with prosthesis
35.54 Repair of endocardial defect with prosthesis
35.60 Repair of unspecified septal defect with tissue graft
35.61 Repair of atrial septal defect with tissue graft
35.62 Repair of ventricular septal defect with tissue graft
35.63 Repair of endocardial cushion defect with tissue graft
35.70 Other and unspecified repair of unspecified septal defect of heart
35.71 Other and unspecified repair of atrial septal defect
35.72 Other and unspecified repair of ventricular septal defect
35.73 Other and unspecified repair of endocardial cushion defect
35.81 Total repair of tetralogy of Fallot

35.82 Total repair of total anomalous pulmonary venuos connection
35.83 Total repair of truncus arteriosus
35.84 Total repair of transposition of great vessels, not elsewhere classified
35.91 Interatrial transposition of venous return
35.92 Creation of conduit between right ventricle and pulmonary artery
35.93 Creation of conduit between left ventricle and aorta
35.94 Creation of conduit between atrium and pulmonary artery
35.95 Revision of corrective procedure on heart
35.98 Other operations on septa of heart
35.99 Other operations on valves of heart
36.03 Open chest coronary artery angioplasty
36.09 Other removal of coronary artery obstruction
36.10 Aortocoronary bypass for heart revascularization, not otherwise specified
36.11 Aortocoronary bypass of one coronary artery
36.12 Aortocoronary bypass of two coronary arteries
36.13 Aortocoronary bypass of three coronary arteries
36.14 Aortocoronary bypass of four or more coronary arteries
36.15 Single internal mammary-coronary artery bypass
36.16 Double internal mammary-coronary artery bypass
36.19 Other bypass anastomosis for heart revascularization
36.2 Heart revascularization by arterial implant
36.91 Repair of aneurysm of coronary vessel
36.99 Other operations on vessel of heart
37.10 Incision of heart, not otherwise specified
37.11 Cardiotomy
37.32 Excision of aneurysm of heart
37.33 Excision or destruction of other lesion or tissue of heart

An "Open Heart Surgery Unit" is an operating room or suite of rooms equipped and staffed to perform open heart surgery procedures; such designation does not preclude its use for other related surgeries, such as vascular surgical procedures. A hospital with an open heart surgery program may have one or more open heart surgery units.

"Open Heart Surgical Procedure" means an operation performed on the heart or intrathoracic great vessels within an open heart surgical unit. All activities performed during one clinical session shall be considered one procedure.

"Open Heart Surgical Program" means the combination of staff, equipment, physical space and support services which is used to perform open heart surgery. Adult open heart surgical programs should have the capacity to perform a full range of procedures, including:

(1) repair/replacement of heart valves
(2) repair of congenital defects
(3) cardiac revascularization
(4) repair/reconstruction of intrathoracic vessels

(5) treatment of cardiac traumas.

In addition, open heart programs must have the ability to implement and apply circulatory assist devices such as intra-aortic balloon and prolonged cardiopulmonary partial bypass.

STANDARDS

The standards for open heart surgery in South Carolina are as follows:

(1) The establishment or addition of an open heart surgery unit requires Certificate of Need review, as this is considered a substantial expansion of a health service.

(2) Comprehensive cardiac catheterization laboratories shall only be located in hospitals that provide open heart surgery. The lack of a formal cardiac surgical program within the institution is considered to be an absolute contraindication for therapeutic catheterizations, due to the risk of arterial damage and subsequent need for emergency bypass surgery.

(3) The capacity of an open heart surgery program is determined to be 500 open heart procedures per year for the initial open heart surgery unit and each additional dedicated open heart surgery unit (i.e. each operating room equipped and staffed to perform open heart surgery has a maximum capacity of 500 procedures annually).

(4) There should be a minimum of 200 adult open heart surgery procedures performed annually per open heart surgery unit, within three years after initiation in any institution in which open heart surgery is performed for adults. In institutions performing pediatric open heart surgery there should be a minimum of 100 pediatric heart operations per open heart surgery unit; at least 75 should be open heart surgery.

(5) New open heart surgery services shall be approved only if the following conditions are met:

A. Each existing unit in the service area (defined as all facilities within 60 minutes one way automobile travel, excluding any facilities located in either North Carolina or Georgia) is performing an annual minimum of 350 open heart surgery procedures per open heart surgery unit for adult services (70 percent of functional capacity). The standard for pediatric open heart cases in pediatric services is 130 procedures per unit. An exception to this requirement may be authorized should an applicant meet both of the following criteria:

1. There are no open heart surgery programs located in the same county as the applicant; and

2. The proposed facility currently offers cardiac catheterization services and provided a minimum of 1,200 diagnostic equivalents in the previous year of operation.

B. An applicant must project that the proposed service will perform a minimum of 200 adult open heart surgery procedures annually per open heart surgery unit, within three years after initiation (the standard for pediatric open heart surgery shall be 100 procedures annually per open heart surgery unit within three years after initiation):

1. using a standard of every four (4) diagnostic cardiac catheterizations performed generating one (1) open heart surgery, the applicant must demonstrate that the facility performs sufficient diagnostic cardiac catheterizations to generate the minimum volume of open heart surgeries.

2. the applicant shall provide epidemiological evidence of the incidence and prevalence of conditions for which open heart surgery is appropriate within the proposed service area, to include the number of potential candidates for these procedures;

3. the applicant shall provide an explanation of how the applicant projects the utilization of the service and the effect of its projected utilization on other open heart surgery services, including:

   a. the number of patients of the applicant hospital who were referred to other open heart surgery services in the preceding 3 years and the number of these patients who could have been served by the proposed service;

   b. the number of additional patients, if any, who will be generated through changes in referral patterns, recruitment of specific physicians, or other changes in circumstances. The applicant shall document the services, if any, from which these patients will be drawn; and

   c. the existing and projected patient origin information and referral patterns for each open heart surgery service serving patients from the area proposed to be served shall be provided.

(6) No new open heart surgery programs shall be approved if the new program will cause the annual caseload of other programs within the proposed service area to drop below 350 adult procedures or 130 pediatric procedures per open heart surgery unit.

(7) Expansion of an existing open heart surgery service shall only be approved if the service has operated at a minimum use rate of 70 percent of capacity for each of the past two years and can project a minimum of 200 procedures per year in the new open heart surgery unit. The applicant shall document the other service providers, if any, from which these additional patients will be drawn.

(8) The application shall include standards adopted or to be adopted by the service, consistent with current medical practice as published by clinical professional organizations, such as the American College of Cardiology or the American Heart Association, defining high-risk procedures and patients who, because of their conditions, are at high risk and shall state whether high-risk cases are or will be performed or high-risk patients will be served.

(9) Open heart surgery services should be staffed by a minimum of two physicians licensed by the State of South Carolina who possess the qualifications specified by the governing body of the facility. Protocols should be established that govern initial and continuing granting of clinical staff privileges to physicians to perform open heart surgery and therapeutic cardiac catheterizations. In addition, standards should be established to assure that each physician using the service will be involved in adequate numbers of applicable types of open heart surgery and therapeutic cardiac catheterizations to maintain proficiency.

(10) The open heart surgery service will have the capability for emergency coronary artery surgery, including:

A. sufficient personnel and facilities available to conduct the coronary artery surgery on an immediate, emergency basis, 24 hours a day, 7 days a week;

B. location of the cardiac catheterization laboratory(ies) in which therapeutic catheterizations will be performed near the open heart surgery operating rooms; and

C. a predetermined protocol adopted by the cardiac catheterization service governing the provision of PTCA and other therapeutic or high-risk cardiac catheterization procedures or the catheterization of patients at high risk and defining the plans for the patients' emergency care. These high-risk procedures should only be performed with open heart surgery backup. The cardiac team must be promptly available and capable of successfully operating on unstable acute ischemic patients in an emergency setting.

SCOPE OF SERVICES

Within the hospital, a range of non-invasive cardiac and circulatory diagnostic services, including the following, should be available:

(1) services for hematology and coagulation disorders;
(2) electrocardiography, including exercise stress testing;
(3) diagnostic radiology;
(4) clinical pathology services which include blood chemistry and blood gas analysis;
(5) nuclear medicine services which include nuclear cardiology;
(6) echocardiography;
(7) pulmonary function testing;
(8) microbiology studies;
(9) Coronary Care Units (CCU's);

(10) medical telemetry/progressive care; and
(11) perfusion.

Backup physician personnel in the following specialties should be available in emergency situations:

(1) Cardiology;
(2) Anesthesiology;
(3) Pathology;
(4) Thoracic Surgery; and
(5) Radiology.

Each applicant shall document plans for providing cardiac rehabilitation services to its patients, or plans for establishing referral agreements with facilities offering cardiac rehabilitation services.

Adult open heart surgery services should be available within 60 minutes one way automobile travel for 90% of the population. A pediatric cardiac surgical service should provide services for a minimum service area population with 30,000 live births, or roughly 2 million people. Open heart surgery for elective procedures should be available at least 40 hours per week, and elective open heart surgery should be accessible with a waiting time of no more than two weeks.

All facilities providing open heart surgery must conform with local, state, and federal regulatory requirements, and should meet the full accreditation standards for the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), if the facility is JCAHO accredited.

RELATIVE IMPORTANCE OF PROJECT REVIEW CRITERIA

The following project review criteria are considered to be the most important in evaluating Certificate of Need applications for this service:

a. Compliance with the Need Outlined in this Section of the Plan;
b. Community Need Documentation;
c. Distribution (Accessibility);
d. Projected Revenues;
e. Projected Expenses;
f. Ability of the Applicant to Complete the Project;
g. Financial Feasibility;
h. Cost Containment;
i. Staff Resources; and
j. Adverse Effects on Other Facilities.

The Department makes the following findings:

(1) Open heart surgery services are available within sixty (60) minutes travel time for the majority of residents of South Carolina;

(2) Based upon the standards cited above, most of the open heart surgery providers are currently utilizing less than the functional capability (i.e. 70% of maximum capacity) of their existing surgical suites;

(3) The preponderance of the literature on the subject indicates that a minimum number of procedures is recommended per year in order to develop and maintain physician and staff competency in performing these procedures; and

(4) Increasing geographic access may create lower volumes in existing programs causing a potential reduction in quality and efficiency, exacerbate existing problems regarding the availability of nursing staff and other personnel, and not necessarily reduce waiting time since other factors (such as the referring physician's preference) would still need to be addressed.

(5) Research has shown a positive relationship between the volume of open heart surgeries performed annually at a facility and patient outcomes. As components of the Certificate of Need program, the Department is charged with guiding the establishment of health facilities and services which will best serve public needs and ensure that high quality services are provided in health facilities in this State.

Thus, the Department establishes minimum standards that must be met by a hospital in order to provide open heart surgery. Specifically, a hospital is required to project a minimum of 200 open heart surgeries annually within three years of initiation of services. This is considered to be the minimum caseload required to operate a program that maintains the skill and efficiency of hospital staff and reflect an efficient use of an expensive resource. It is in the public's interest that facilities achieve their projected volumes.

Therefore, the Department staff is directed to evaluate low-volume open heart surgery providers to monitor their progress and recommend to the State Health Planning Committee any changes deemed necessary by staff.

(6) The State Health Planning Committee recognizes the important correlation between volume and proficiency. The Committee further recognizes that the number of open heart surgery cases is decreasing and that maintaining volume in programs is very important to the provision of quality care to the community.

The benefits of improved accessibility will not outweigh the adverse affects of duplication in evaluating Certificate of Need applications for this service.

REGION/FACILITY	FY00			FY01		FY02		FY03	
	# OPEN HEART UNITS	ADULTS	PEDS	ADULTS	PEDS	ADULTS	PEDS	ADULTS	PEDS
I									
ANDERSON AREA MED CTR	2			94		312		243	
GREENVILLE MEM MED CTR #1	4	1379		1147		936		844	
ST FRANCIS HOSPITAL	2	221		224		164		182	
SPARTANBURG REG MED CTR	2	599		626		587		546	
II									
PIEDMONT MEDICAL CTR	2	248		257		232		232	
PROVIDENCE HOSPITAL	4	1057		970		949		969	
PALMETTO HEALTH RICHLAND	2	486		443		499		425	
SELF MEMORIAL HOSPITAL	2					140		132	
III									
CAROLINAS HOSPITAL SYSTEM	2	86		122		139		87	
MCLEOD REGIONAL MED CTR	3	608		495		495		359	
GRAND STRAND REG MED CTR	2	278		358		401		432	
IV									
AIKEN REGIONAL MED CTR	1	113		125		128		142	
HILTON HEAD REG MED CTR #2	1							91	
MEDICAL UNIVERSITY HOSP	3	465	186	634	249	447	223	497	238
ROPER HOSPITAL	2	650		567		533		467	
TRIDENT REGIONAL MED CTR	1	283		310		317		304	
VA HOSP (CHARLESTON)	1								
				6372		6279		5952	

#1 # Labs decreased from 5 to 4, 2003.
#2 CON 7/15/02.

(E) Cancer

OVERVIEW

Cancer is a group of many related diseases. All forms of cancer involve out-of-control growth and spread of abnormal cells. Normal cells of most tissues only divide to replace dying cells or to repair injuries. However, cancer cells continue to grow and divide, and can spread to other parts of the body. These cells accumulate and form tumors that invade and destroy normal tissue. Cells can break away from tumors through the blood stream or lymph system and form tumors in other parts of the body, a process known as Ametastasis. Cancer is classified by the part of the body in which it began, and by its appearance under a microscope. Different types of cancer vary in their rates of growth, patterns of spread and responses to different types of treatment.

Cancer is the second leading cause of death, both nationally and South Carolina, accounting for approximately 22% of all deaths. It is estimated that there were 17,375 new cases of cancer diagnosed in South Carolina in 2002 and 7,730 cancer deaths. The most common types of cancer deaths are lung, colon/rectum, breast, and prostate.

Screening and self-examinations can result in the detection of cancers at earlier stages. The earlier the cancer is identified and treated, the greater the likelihood of successful treatment. The survival rate is much higher for cancers treated in situ (non-invasive earliest stage) than those that have metastasized to other locations. The overall relative 5-year survival rate, adjusted for normal life expectancy, is approximately 58%.

Radiation therapy is one of the most common treatments for cancer and is used in more than half of all cancer cases. It involves the use of a stream of high-energy particles or waves, such as x-rays, gamma rays, and alpha and beta particles, to destroy or damage cancer cells. The radiation causes breakdowns in one or both of the DNA strands, preventing cell division. Radiation treatments can be used alone or in combination with surgery or chemotherapy. For example, radiation may be used before surgery to shrink a tumor to make it easier to remove, or after surgery to stop the growth of any cancer cells that remain.

It is the primary treatment for many kinds of cancer in almost any part of the body. Internal radiation therapy uses a radioactive pellet that is sealed in an implant, which is placed directly into or near the tumor. Another form uses unsealed doses that are taken orally or by injection. External radiation requires a machine that directs high-energy rays at the cancer and some normal surrounding tissue.

There are 2 pieces of radiation therapy equipment reviewed under the Certificate of Need Program in South Carolina. They are:

1. LINEAR ACCELERATORS

The linear accelerator uses microwave technology to accelerate electrons and then allows these electrons to collide with a heavy metal target. As a result of these collisions, high energy x-rays are scattered from the target. The accelerator must sit in a room with lead and concrete walls to keep the rays from escaping. A portion of these x-rays is collected to form a beam that matches the size and

shape of the patient's tumor. The patient lies on a movable couch. Radiation is transmitted through the gantry, which rotates around the patient. Radiation can be delivered to the tumor from any angle by rotating the gantry and moving the couch.

Linear accelerator treatments are usually performed on an outpatient basis. The total prescribed tumor-lethal dosage is divided into smaller doses called fractions, which are administered 5 days a week for 2-8 weeks, with weekend rest breaks to allow normal cells to recover. These sessions generally last about 15 minutes.

Minimal equipment requirements for a linear accelerator include:

a. At least 1 teletherapy unit, with an energy exceeding 1 megavolt (MV); the distance from the source to the isocenter must be at least 80 cm;

b. Access to an electron beam source or a low energy X-ray unit;

c. appropriate brachytherapy equipment and sources for intracavitary and interstitial treatment;

d. adequate equipment to calibrate and measure dosimetric characteristics of all treatment units in the department;

e. capability to provide appropriate dose distribution information for external beam treatment and brachytherapy;

f. equipment for accurate simulation of the treatment units in the department (in general, one simulator can service 2-3 megavoltage treatment units);

g. field-shaping capability; and

h. access to CT scanning capability.

A realistic load for a megavoltage unit is 5,600 treatments per year. This measurement is based upon an average of 22 patients treated per day, 5 days per week, 51 weeks per year, allowing time for scheduled maintenance, portal filming, field checks, etc. The average treatment time for linear accelerator treatment can be longer because of highly specialized radiation therapy techniques such as total body irradiation, Intensity Modulated Radiation Therapy (IMRT), Stereotactic Radiosurgery, or for treating children. A facility providing such specialized treatment may not be able to average treating as many patients per day because of the longer treatment time per patient. Therefore, a lower measurement of functional capacity may be appropriate for such a facility.

2. GAMMA KNIFE

Stereotactic radiosurgery is an evolving technique of using radiant energy to treat brain tumors. The radiation damages the genetic code of the tumor, preventing it from replicating and causing it to slowly shrink. Patients routinely use only a local anesthesia with a mild sedative while undergoing

the procedure. The gamma knife consists of a large 20 ton shield surrounding a circular or hemispheric array of 201 cobalt-60 beam channels, resembling a giant hair dryer.

The entire procedure takes about 3-4 hours, depending on complexity. First, a rigid frame is attached to the patient's skull to provide a solid reference for both targeting and treatment. The patient is then sent for imaging, to accurately determine the position of the target. The computer system then develops a treatment plan to position the patient for treatment and the paths and doses of radiation. When the plan is ready, the patient is positioned for treatment with the head affixed to the couch, and the treatment is delivered.

The gamma knife has a high success rate for certain types of tumors and avoids the complication risks of traditional neurosurgery. However, not many tumors qualify for gamma knife radiosurgery; most are too large to be safely treated this way and require conventional surgery. The targets must be small and far enough away from vital structures to avoid damaging healthy tissue.

A gamma knife costs approximately $3.5 million with installation costs of another $0.5 million, plus a further $0.5 million every 4-5 years to replenish the cobalt-60. As a result of the high costs and limited uses of the machine, average charges exceed $20,000, excluding physician's fees. However, this must be balanced against the overall charges for conventional neurosurgery. Experts estimate that a minimum caseload of 150 cases per year is needed for the unit to be financially viable. A less expensive alternative is to modify a standard linear accelerator {at a cost of about $300,000 above the initial cost of the machine} to allow it to perform radiosurgery; similar results are reported for these two technologies.

STATUS OF SOUTH CAROLINA PROVIDERS

1. LINEAR ACCELERATORS

There are currently 24 facilities either operating or approved for a total of 45 linear accelerators in South Carolina. This analysis will focus on the 42 accelerators that were in operation during 2003. The capacity of a linear accelerator is stated as 7,000 treatments per year, and a realistic load is 5,600 treatments per year (80% of capacity). For 2003, the 42 existing accelerators averaged 5,713 treatments per unit (81.6% of overall capacity). The utilization for each provider per linear accelerator was:

Provider	# Accelerators	Treatments/ Accelerator
Cancer Ctr. Carolinas Eastside	1	9,687
Carolina Regional Radiation	2	8,813
Palmetto Baptist	2 (0)	8,595 *1*
Carolinas Hospital System	1	7,863
Lexington Medical Ctr.	2	7,513
Anderson Area Med. Ctr.	2	6,864
RMC-Orangeburg/Calhoun	1	6,849

Roper Hospital	2	6,119
Cancer Center Carolinas	1	6,092
Trident Regional	2	6,080
Spartanburg Regional	3	5,870
Rock Hill Radiation	2	5,784
Greenville Memorial Hospital	3	5,437
Beaufort-Hilton Head	1	5,410
Aiken Regional	1	5,044
MUSC	3	4,443
Tuomey Regional	2	4,432
McLeod Regional	4	4,281
Palmetto Richland Memorial	4	3,605
Self Memorial	2	3,499 *2*

1 CON issued 11/12/03 to replace and relocate the 2 Linear Accelerators at Palmetto Baptist to South Carolina Oncology Associates.
2 CON issued 2/11/02 for a 2nd Linear Accelerator.

2. GAMMA KNIFES

Palmetto Richland Memorial is the only hospital to operate a gamma knife in South Carolina. A total of 170 patients received gamma knife treatment in 2003.

The Certificate of Need standards for linear accelerators and gamma knifes follow.

MEGAVOLTAGE VISITS

REGION	# UNITS	FY2001	FY2002	FY2003
I				
ANDERSON CO:				
ANDERSON AREA MEDICAL CTR				
LINEAR ACCELERATOR #1	2	12880	12937	13728
GREENVILLE CO:				
CANCER CENTERS OF THE CAROLINAS EASTSIDE				
LINEAR ACCELERATOR	1	9863	8343	9887
GREENVILLE MEMORIAL MEDICAL CTR				
LINEAR ACCELERATORS	3	19058	13074	16312
CANCER CENTERS OF THE CAROLINAS				
LINEAR ACCELERATOR	1	9007	6245	6092
CHEROKEE CO:				
GIBBS REGIONAL CANCER CENTER	1			
SATELLITE #2				
OCONEE CO:				
CANCER CENTERS OF THE CAROLINAS	1			
OCONEE COUNTY				4790
SPARTANBURG CO:				
SPARTANBURG REGIONAL MED CTR				
LINEAR ACCELERATORS	3	16646	18552	17611
II				
LEXINGTON CO:				
LEXINGTON MEDICAL CENTER				
LINEAR ACCELERATOR	2	9278	11810	15026
RICHLAND CO:				
PALMETTO HEALTH BAPTIST #3				
LINEAR ACCELERATORS	(2)	14742	14886	17190
PALMETTO HEALTH RICHLAND				
LINEAR ACCELERATORS	4	16842	17937	14419
GAMMA KNIFE	1	128	102	170
NEWCO #3				
LINEAR ACCELERATORS	2			
GREENWOOD CO:				
SELF MEMORIAL #4				
LINEAR ACCELERATOR	2	5911	6344	6998

MEGAVOLTAGE VISITS

REGION	# UNITS	FY2001	FY2002	FY2003
YORK CO:				
ROCK HILL RADIATION THERAPY CENTER LINEAR ACCELERATOR	2	11682	11125	11668
III				
FLORENCE CO:				
CAROLINAS HOSPITAL SYSTEM	1	8519	7197	7863
MCLEOD REGIONAL LINEAR ACCELERATORS	4	18398	17601	17124
HORRY CO:				
CAROLINA REGIONAL RADIATION CENTER LINEAR ACCELERATORS	2	15037	15408	17626
SUMTER:				
TUOMEY LINEAR ACCELERATOR	2	8435	8402	8884
GEORGETOWN CO:				
GEORGETOWN MEMORIAL HOSP #5	1			
IV				
CHARLESTON CO:				
MEDICAL UNIVERSITY #6 LINEAR ACCELERATORS	3	12484	14949	13328
ROPER HOSPITAL LINEAR ACCELERATOR	2	15325	12545	12237
TRIDENT MEDICAL CENTER LINEAR ACCELERATOR	2	12063	13001	12160
ORANGEBURG CO:				
REG MED CTR ORANGEBURG/CALHOUN LINEAR ACCELERATOR	1	5522	7185	6849
BEAUFORT CO:				
BEAUFORT/HILTON HEAD RADIATION ONCOLOGY CENTER LINEAR ACCELERATOR	1	7049	6518	5410
BEAUFORT MEMORIAL HOSPITAL #7	1			

MEGAVOLTAGE VISITS

REGION	# UNITS	FY2001	FY2002	FY2003
AIKEN CO:				
AIKEN REGIONAL MEDICAL CTR	1	3921	4719	5044

#1 REPLACE ONE LA , 5/22/02: CON SC-03-07 TO MOVE THE 2 LAS FROM HOSP TO OP TREAMENT CTR ON CAMPUS & REPLACE 1 LA, 2/12/03.
#2 APPROVED FOR 1LA 3/31/03. APPEALED
#3 APPROVED TO TRANSFER & REPLACE 2 LAS FROM BAPTIST & TO TRANSFER OWNERSHIP OF 4 LAS FROM PAL RICHLAND 11/12/03 SC-03-68.
#4 CON FOR 2nd LA , 2/11/02 SC-02-14
#5 CON ISSUED 3/15/01
#6 CON TO MOVE & REPLACE EXISTING LA TO MT PLEASANT 7/08/03 SC-03-38
#7 CON SC-03-24 4/29/03

LINEAR ACCELERATORS — 2004 Plan

SERVICE AREAS	2003 POPULATION	# OF LIN. ACC.	POP/ LIN. ACC.	TOTAL AREA TREATMENTS	TREATMENTS/ LIN. ACC.	PLANNING AREA CAPACITY
ANDERSON,OCONEE	238,610	3	79,537	18,518	6,173	21,000
GREENVILLE,PICKENS	506,170	5	101,234	32,091	6,418	35,000
CHEROKEE,SPARTANBURG UNION	345,550	4	86,388	17,611	4,403	28,000
CHESTER,LANCASTER,YORK	268,410	2	134,205	11,568	5,784	14,000
ABBEVILLE,EDGEFIELD GREENWOOD,LAURENS MCCORMICK,SALUDA	220,490	2	110,245	6,998	3,499	14,000
FAIRFIELD,KERSHAW LEXINGTON,NEWBERRY RICHLAND	668,580	8	83,573	46,635	5,829	56,000
CHESTERFIELD, DARLINGTON DILLON, FLORENCE, MARION MARLBORO	333,570	5	66,714	24,987	4,997	35,000
CLARENDON,LEE,SUMTER	162,560	2	81,280	8,864	4,432	14,000
GEORGETOWN,HORRY WILLIAMSBURG	302,530	3	100,843	17,626	5,875	21,000
BAMBERG,CALHOUN ORANGEBURG	124,960	1	124,960	6,849	6,849	7,000
ALLENDALE,BEAUFORT COLLETON,HAMPTON,JASPER	221,690	2	110,845	5,410	2,705	14,000
BERKELEY,CHARLESTON DORCHESTER	569,560	7	81,366	37,725	5,389	49,000
AIKEN,BARNWELL	173,340	1	173,340	5,044	5,044	7,000
STATE TOTAL	4,136,020	45	91,912	239,926	5,332	315,000

Certificate of Need Standards for Linear Accelerators

STANDARDS

(1) The planning capacity of a megavoltage therapy unit shall be 7,000 treatments per year.

(2) There are 13 service areas established for megavoltage therapy units as shown on the preceding chart.

(3) New megavoltage therapy services shall only be approved if the following conditions are met:

A. all existing units in the service area have performed at a combined use rate of 80 percent of capacity {5,600 treatments per unit} for the year immediately preceding the filing of the applicant's CON application; and

B. an applicant must project that the proposed service will perform a minimum of 3,500 treatments annually within three years of initiation of services, without reducing the utilization of existing megavoltage therapy machines in the service area below the 80 percent threshold.

(4) Expansion of an existing megavoltage therapy service shall only be approved if the service has operated at a minimum use rate of 80 percent of capacity for the past two years {5,600 treatments per unit} and can project a minimum of 3,500 treatments per year on the additional equipment within three years of its implementation.

(5) The applicant shall project the utilization of the service and document referral sources for patients within its service area, including letters of support from physicians and health care facilities indicating a willingness to refer patients to the proposed service.

(6) The applicant must affirm the following:

A. that all treatments provided will be under the control of a board certified or board eligible radiation oncologist;

B. that the applicant will have access to a radiation physicist certified or eligible for certification by the American Board of Radiology or its equivalent;

C. that the applicant will have access to simulation equipment capable of precisely producing the geometric relationships of the equipment to be used for treatment of the patient;

D. that the applicant will have access to a custom block design and cutting system; and

E. that the institution shall operate its own tumor registry or actively participate in a central tumor registry.

The average treatment time for linear accelerator treatment at some facilities may be longer because of highly specialized radiation therapy techniques such as total body irradiation, Intensity Modulated Radiation Therapy (IMRT), Stereotactic Radiosurgery, and the treatment of children. Since the use of 7,000 treatments per machine may not accurately reflect the actual capacity of the service, a facility may require an additional linear accelerator to provide these specialized treatments. The facility must document the need for the additional equipment.

RELATIVE IMPORTANCE OF PROJECT REVIEW CRITERIA

The following project review criteria are considered to be the most important in evaluating certificate of need applications for these services:

a. Compliance with the Need Outlined in this Plan;
b. Community Need Documentation;
c. Distribution (Accessibility);
d. Projected Revenues;
e. Projected Expenses;
f. Financial Feasibility; and
g. Cost Containment.

The benefits of improved accessibility will not outweigh the adverse affects of duplication in evaluating Certificate of Need applications for this service.

RECORD 006737

Certificate of Need Standards for Gamma Knifes

STANDARDS

(1) The capacity of a gamma knife unit is 500 procedures annually. This is based on an average of two procedures per day times 250 days a year.

(2) Because of the limited number of eligible cases and necessary referrals in order to generate sufficient utilization of this technology, the entire State of South Carolina is designated as the appropriate service area.

(3) Any proposal to offer gamma knife services shall be required to demonstrate in detail why the gamma knife should be obtained, rather than make the less costly modifications necessary to enable the same procedures to be performed using a linear accelerator.

(4) New gamma knife services shall only be approved if the following conditions are met:

A. all existing units have performed at a combined use rate of 80 percent of capacity for the most recent year; and

B. an applicant must project that the proposed service will perform a minimum of 200 procedures annually within three years of initiation of services, without reducing the utilization of existing gamma knifes below the 80 percent threshold.

(5) Expansion of a existing gamma knife service shall only be approved if the service has operated at a minimum use rate of 80 percent of capacity for the past two years and can project a minimum of 200 procedures per year on the additional equipment within three years of its implementation.

(6) The applicant shall project the utilization of the service, to include:

A. the number of patients of the applicant who were referred to other gamma knife providers in the preceding three years and the number of those patients who could have been served by the proposed service;

B. current and projected patient origin information and referral patterns for the facility=s existing radiation therapy services. The applicant shall document the number of additional patients, if any, who will be generated through changes in referral patterns, recruitment of specific physicians or other changes in circumstances; and

C. documentation of the type and estimated number of procedures performed in the facility that the gamma knife will replace or complement.

(7) The applicant must document that protocols will be established to assure that all clinical gamma knife procedures performed are medically necessary and that alternative treatment modalities have been considered.

(8) The applicant must affirm the following:

A. that the operation of the gamma knife will be overseen by a board certified neurosurgeon trained in stereotactic and radiosurgery;

B. that all treatments provided will be under the control of a radiation oncologist with training in radiation surgery;

C. that the applicant will have access to a radiation physicist certified or eligible for certification by the American Board of Radiology or its equivalent;

D. that dosimetry and calibration equipment and a computer with the appropriate software for performing gamma knife surgical procedures will be available;

E. that the applicant has access to a full range of diagnostic technology, including CT, MRI and angiograpy; and

F. that the institution shall operate its own tumor registry or actively participate in a central tumor registry.

RELATIVE IMPORTANCE OF PROJECT REVIEW CRITERIA

The following project review criteria are considered to be the most important in evaluating certificate of need applications for these services:

a. Compliance with the Need Outlined in this Plan;
b. Community Need Documentation;
c. Distribution (Accessibility);
d. Projected Revenues;
e. Projected Expenses;
f. Financial Feasibility; and
g. Cost Containment.

The benefits of improved accessibility will not outweigh the adverse affects of duplication in evaluating Certificate of Need applications for this service.

(F) Diagnostic Imaging

1. Magnetic Resonance Imaging (MRI)

Magnetic Resonance Imaging (MRI) uses radio waves, high magnetic fields and a powerful computer to create diagnostic images useful for detecting disease states. MRI produces spatial resolution and tissue contrast without the use of ionizing radiation, such as X-rays, or iodinated compound injections.

Within a strong external magnetic field, protons align in either a low or high-energy state. Radio waves released from the body become the magnetic resonance image. Spatial information is obtained by superimposing small gradients within the external magnetic field. The result is a two-dimensional picture with great tissue contrast, clarity and potential to characterize tissue as diseased or not diseased.

Due to the high sensitivity of the images produced, and the relative safety of the procedure, MRI has supplemented CT and angiography as a diagnostic tool for many diagnoses and greatly enhances diagnosis in other cases. MRI may eliminate the need for other examinations, such as biopsies and exploratory surgery, in addition to reducing risk and discomfort to the patient.

Capital costs for a fixed MRI unit; depending upon the type of magnet, range from approximately $500,000 to $2,500,000. Special radiofrequency shielding may be required to prevent the magnet from interfering with other electrical equipment and/or to prevent radio frequency interference from outside sources. MRI is contraindicated for patients with metal surgical implants and pacemakers, or who are on life support equipment. A new generation of MRIs with an open design has been developed to alleviate the concerns of patients who physically do not fit into an MRI unit and those who experience a claustrophobic reaction to the confined space of a regular MRI.

Certificate of Need Standards for Magnetic Resonance Imaging (MRI)

STANDARDS

(1) Each hospital should have at least one MRI unit available for diagnosis of emergency patients, inpatients and outpatients.

(2) In order to promote cost-effectiveness, the use of shared mobile MRI units should be considered.

(3) The applicant agrees in writing to provide to the Department utilization data on the operation of the MRI service.

RELATIVE IMPORTANCE OF PROJECT REVIEW CRITERIA

The following project review criteria are considered to be the most important in evaluating certificate of need applications for this service:

a. Community Need Documentation;
b. Distribution (Accessibility);
c. Acceptability; and
d. Cost Containment.

The benefits of improved accessibility will be equally weighted with the adverse affects of duplication in evaluating Certificate of Need applications for this service.

MRI SCANS

COUNTY	FACILITY	TYPE	FY02 CON SCANS	FY03 CON SCANS
ABBEVILLE	ABBEVILLE CO MEM HOSP	MOBILE	507	563
AIKEN	AIKEN MEDICAL IMAGING, L.P.	FIXED	closed 1/02	
AIKEN	AIKEN NEUROSCIENCES, PC	FIXED	1516	1575
AIKEN	AIKEN REG MED CTR	FIXED	2240	2415
AIKEN	CAROLINA MUSCULOSKELETAL ASSOC	2 FIXED	1159	2082
AIKEN	IMAGING CTR OF AIKEN #2	FIXED	2138	0
ALLENDALE	ALLENDALE CO HOSPITAL	MOBILE		0
ANDERSON	ANDERSON AREA MED CTR	3 FIXED	8182	7951
ANDERSON	ANDERSON DIAGNOSTIC IMAGING	FIXED & MOBILE	3281	3093
ANDERSON	BLUE RIDGE ORTHOPEDIC ASSOC	FIXED		
BAMBERG	BAMBERG CO MEM HOSPITAL	MOBILE		0
BARNWELL	BARNWELL CO HOSPITAL	MOBILE		0
BEAUFORT	BEAUFORT MEM HOSP	FIXED & MOBILE	3699	2787
BEAUFORT	BEAUFORT IMAGING CENTER	FIXED	1130	1570
BEAUFORT	BEAUFORT ORTHOPEDIC &SPORTS MED	MOBILE	159	112
BEAUFORT	HEALTHSOUTH DIAG CTR HILTON HEAD	FIXED	2413	1240
BEAUFORT	HILTON HEAD REGIONAL MEDICAL CTR	FIXED	363	522
BEAUFORT	LOWCOUNTY MEDICAL GROUP PORT ROYAL	FIXED & TEMP MOBILE	1438	1684
BEAUFORT	MRI AT BELFAIR	FIXED	1256	2367
BEAUFORT	NEUROLOGICAL INSTITUTE HILTON HEAD	FIXED	357	350
BEAUFORT	SOUTHERN MRI -HILTON HEAD	FIXED	1698	1486
BEAUFORT	SOUTHERN MRI, LLC	2FIXED	2662	1177
CHARLESTON	BON SECOURS ST FRANCIS XAVIER	FIXED	1950	2655
CHARLESTON	CHARLESTON PHYSICIANS IMAGING CTR	FIXED	2410	1963
CHARLESTON	DISC RADIOLOGISTS	MOBILE		2635
CHARLESTON	EAST COOPER DIAGNOSTIC IMAGING	MOBILE	1639	507
CHARLESTON	FARMFIELD DIAGNOSTIC IMAGING	FIXED	2839	
CHARLESTON	MEDICAL RESOURCES, INC -EAST COAST	MOBILE		0
CHARLESTON	MEDICAL RESOURCES, INC -FAMILY CHIRO	MOBILE		0
CHARLESTON	MEDICAL UNIVERSITY HOSP	3 FIXED	7714	8826
CHARLESTON	ORTHOPAEDIC SPECIALISTS CHARLESTON	MOBILE		0
CHARLESTON	ROPER DIAGNOSTIC CTR-FARMFIELD #3	FIXED	2038	
CHARLESTON	ROPER HOSPITAL	FIXED	5814	6055
CHARLESTON	SOUTHEASTERN SPINE INSTITUTE	FIXED		0
CHARLESTON	TRICOM DIAGNOSTIC IMAGING	FIXED	2061	8813
CHARLESTON	TRIDENT MEDICAL ARTS MRI	2 FIXED		
CHARLESTON	TRIDENT MEDICAL CTR	FIXED	10193	10481
CHARLESTON	UMA AMBULATORY CARE FACILITY	FIXED		
CHARLESTON	UNIVERSITY MEDICAL ASSOCIATES	FIXED		
CHARLESTON	WEST ASHLEY DIAGNOSTIC IMAGING #1	FIXED	735 see note	
CHEROKEE	UPSTATE CAROLINA MED CTR	FIXED	1295	1322
CHESTER	CHESTER CO HOSP	MOBILE	344	359
CHESTERFIELD	CHESTERFIELD GEN HOSP	MOBILE	282	147
CLARENDON	CLARENDON MEM HOSP	MOBILE	988	897
CLARENDON	MANNING DIAGNOSTICS	MOBILE		0
COLLETON	COLLETON REG HOSP	FIXED	1955	2180
DARLINGTON	CAROLINA PINES REG MED CTR	FIXED	2036	2143
DARLINGTON	WILSON MED CTR	MOBILE	59	0
DILLON	ACCIDENT AND INJURY CLINIC	MOBILE		0
DILLON	ST. EUGENE MED CTR	FIXED	781	1123
DORCHESTER	SUMMERVILLE MEDICAL CENTER	2 FIXED	1845	1360
FLORENCE	ACCIDENT AND INJURY CLINIC	MOBILE		0
FLORENCE	CAROLINAS HSP SYS	FIXED	2709	3258
FLORENCE	CAROLINAS HSP SYS LAKE CITY	MOBILE	312	396
FLORENCE	COMPREHENSIVE NEUROLOGICAL IMAGING	MOBILE	106	284
FLORENCE	INMED DIAGNOSTIC SERVICES	FIXED	3025	2137
FLORENCE	MCLEOD REG MED CTR	3 FIXED	6812	7194
FLORENCE	OPEN MRI & IMAGING OF FLORENCE	FIXED	4395	4109
GEORGETOWN	GEORGETOWN MEM HOSP	FIXED	3330	2318
GEORGETOWN	WACCAMAW COMM HOSP	FIXED		640
GREENVILLE	ALLEN BENNETT HOSP	MOBILE	853	1122

MRI SCANS

COUNTY	FACILITY	TYPE	FY02 CON SCANS	FY03 CON SCANS
GREENVILLE	CAROLINA ORTHAPEDIC CTR	FIXED	31	437
GREENVILLE	DIAGNOSTIC CENTERS OF CAROLINAS	MOBILE		0
GREENVILLE	GHS/EASTSIDE ACS	MOBILE		
GREENVILLE	GREENVILLE MEM HOSP	3 FIXED &	6082	7343
GREENVILLE	GREENVILLE PHYSICIANS IMAGING CTR	2 FIXED	2252	1750
GREENVILLE	GREENVILLE RADIOLOGY, PA	FIXED	2722	3666
GREENVILLE	HEALTHSOUTH DIAG CTR GREENVILLE	FIXED	5532	5045
GREENVILLE	HILLCREST HOSP	MOBILE	937	917
GREENVILLE	NEUROLOGY ASSOC OF GREENVILLE	MOBILE	625	559
GREENVILLE	OAKWOOD ORTHOPEDIC CLINIC	MOBILE	425	507
GREENVILLE	OPEN MRI OF SIMPSONVILLE	FIXED	2017	2478
GREENVILLE	OPEN MRI SIMPSONVILLE, LLC	MOBILE		2478
GREENVILLE	PIEDMONT ORTHOPAEDICS	FIXED	1413	1338
GREENVILLE	SE NUEROSURGICAL & SPINE INSTITUTE #4	MOBILE	906 see note	
GREENVILLE	ST. FRANCIS HOSPITAL	2 FIXED	2135	2150
GREENVILLE	ST. FRANCIS WOMAN'S & FAMILY HOSP	FIXED	1073	1044
GREENVILLE	THE FAMILY PRACTICE	MOBILE		0
GREENWOOD	LAKELANDS ORTHOPAEDIC CLINIC	MOBILE	691	654
GREENWOOD	PIEDMONT NEUROLOGY ASSOCIATES	MOBILE		
GREENWOOD	SELF MEM HOSP	2 FIXED	4950	5193
HAMPTON	HAMPTON REG MED CTR	MOBILE	0	0
HORRY	COASTAL ORTHOPAEDIC ASSOC	FIXED	539	201
HORRY	CONWAY HOSP	FIXED	3190	3627
HORRY	GRAND STRAND REG MED CTR	FIXED	4136	3704
HORRY	INMED DIAGNOSTIC SERVICES	FIXED		738
HORRY	LORIS COMM HOSP	FIXED	2090	2517
HORRY	MYRTLE BEACH MRI	FIXED		closed 7/03
HORRY	LONG BAY DIAGNOSTIC IMAGING	FIXED	3084	3768
HORRY	LONG BAY DIAGNOSTIC IMAGING	MOBILE		
HORRY	SEACOAST MED CTR #5	FIXED	1231 see note	
HORRY	SOUTH STRAND AMB CARE CTR	FIXED	1649 closed 5/04	
HORRY	STRAND REG SPECIALTY ASSOC, LLC	FIXED	2763	2340
KERSHAW	KERSHAW CO MEM HOSP	FIXED	1299	1491
LANCASTER	LANCASTER IMAGING CTR	FIXED		
LANCASTER	SPRINGS MEMORIAL HOSP	FIXED	1988	1895
LAURENS	LAURENS CO HOSP	MOBILE	426	354
LAURENS	LAURENS CO ORTHOPEDIC ASSOC	FIXED	1650	1540
LEXINGTON	CAROLINA NEURO SPECIALISTS	MOBILE		0
LEXINGTON	LEXINGTON MED CTR	2 FIXED	4926	6796
LEXINGTON	LEXINGTON MED CTR-IRMO #6	FIXED	see note	
LEXINGTON	LEXINGTON MED CTR-LEXINGTON #6	FIXED	see note	
LEXINGTON	LEXINGTON OPEN MRI	FIXED	4327	4319
MARION	MARION CO MEDICAL CTR	MOBILE	1487	1575
MARLBORO	MARLBORO PARK	MOBILE	258	268
NEWBERRY	NEWBERRY CO MEM HOSP	MOBILE		504
OCONEE	BLUE RIDGE ORTHOPEDIC ASSOC	FIXED	122	678
OCONEE	MOUNTAINVIEW RADIOLOGY,PA	FIXED	2382	2097
OCONEE	OCONEE MEM HOSP	FIXED	2667	2815
ORANGEBURG	ADVANCED DIAGNOSTIC IMAGING	FIXED	1403	1254
ORANGEBURG	RMC ORANGEBURG/CALHOUN	FIXED	3370	3989
ORANGEBURG	SANTHILL DIAGNOSTICS	MOBILE		0
PICKENS	CANNON MEM HOSP	MOBILE	0	0
PICKENS	PALMETTO BAPTIST MED CTR-EASLEY	FIXED	2496	2712
RICHLAND	CAROLINA MED IMAGING	FIXED	1415	1267
RICHLAND	COLUMBIA NUEROSURGICAL ASSOC	FIXED		1297
RICHLAND	HEALTH SOUTH DIAGNOSTIC CTR	FIXED	854	111
RICHLAND	IMAGECARE	FIXED	275	1944
RICHLAND	INMED DIAGNOSTIC SERVICES	2 FIXED	4365	4019
RICHLAND	MIDLANDS ORTHOPAEDICS	FIXED	3085	428
RICHLAND	MRI OF THE CAROLINAS	2 FIXED		
RICHLAND	PALMETTO HEALTH BAPTIST	FIXED	3623	3657
RICHLAND	PALMETTO HEALTH RICHLAND	2 FIXED	5352	5768
(RICHLAND)	(PALMETTO HEALTH ALLIANCE DIAG CTR)	(FIXED)		
RICHLAND	PALMETTO IMAGING	FIXED	5175	4405

MRI SCANS

COUNTY	FACILITY	TYPE	FY02 CON SCANS	FY03 CON SCANS
RICHLAND	PROVIDENCE HOSPITAL	FIXED	1900	1840
SPARTANBURG	CAROLINA HEALTH IMAGING	FIXED		285
SPARTANBURG	MARY BLACK MEM HOSP	2 FIXED	3694	4469
SPARTANBURG	ORTHOPEDIC ASSOCIATES,PA	MOBILE	193	1570
SPARTANBURG	ORTHOPEDIC SPECIALTIES OF SPART	FIXED	1150	1035
SPARTANBURG	PIEDMONT IMAGING CENTER	FIXED		0
SPARTANBURG	PIEDMONT IMAGING, INC #1	FIXED	4985	3655
SPARTANBURG	SPARTANBURG REG MED CTR	3 FIXED	10243	10364
SUMTER	TUOMEY	FIXED	4582	5208
SUMTER	TUOMEY OUTPATIENT IMAGING CTR #7	FIXED		
UNION	WALLACE THOMSON HOSP	FIXED	1228	1208
WILLIAMSBURG	WILLIAMSBURG REGIONAL HOSP	MOBILE	138	165
YORK	CAROLINA ORTHOPEDIC SURG ASSOC	FIXED	492	2294
YORK	METROLINA NEURODIAGNOSTICS CENTER	FIXED	1164	816
YORK	CAROLINAS DIAGNOSTIC IMAGING	FIXED	2364	2591
YORK	PIEDMONT MED CTR	FIXED & MOBILE	6274	6097

#1 Tricounty Radiology Associates Includes West Ashley Diagnostic Imaging data.
#2 Purchased by Aiken Regional Medical Center
#3 Reported as part of Roper Hospital, formerly Farmfield Diagnostic Imaging
#4 Reported as part of Greenville Memorial
#5 Reported under Loris Hospital
#6 Reported under Lexington Medical Center
#7 Reported under Tuomey Hospital

2. Positron Emission Tomography (PET) and PET/CT

Positron Emission Tomography (PET) uses small concentrations of radioactive material injected into the blood to capture color images of cellular metabolism. It allows the study of metabolic processes such as oxygen consumption, and utilization of glucose and fatty acids. Cancer cells utilize more glucose than normal cells, so PET can be used to reveal the presence or track the spread of cancer. It is quantitative and very sensitive, so only tracer amounts of isotopes are needed.

PET was developed in the 1970's and was primarily used for research focusing on cerebral function and detection and assessment of coronary artery disease. Recent PET development has centered on oncology, and neurological applications such as epilepsy, Alzheimer's and Parkinson's Diseases. The Center for Medicare and Medicaid Services (CMS) has recently expanded the coverage of PET for Medicare patients with lung, breast, colorectal, head and neck and esophageal cancers; melanomas; certain thyroid diseases; neurological; and heart disease uses. The process takes around 45 minutes to an hour to perform.

Installing and operating a PET scanner typically costs around $1,600,000 in capital costs plus an additional $800,000 in yearly staff and operational costs. The average time to perform a PET scan is approximately one hour. The Medicare reimbursement rate is currently $1,450 for the PET scan and $325 for the isotopes, although CMS is considering reducing these rates. According to a study commissioned by the Academy of Molecular Imaging, a facility must perform approximately 3 scans/day to break-even. The current national average is 2.63 scans/day, although there are a number of new facilities offering PET services.

Computerized Tomography (CT) uses x-ray beams and digital processing to produce cross-sectional images of anatomical details of the body. These images are taken separately, and then fused with the PET images for interpretation. However, even a slight change in the patient's body position between the 2 scans can lead to a misinterpretation of the images. Several manufacturers have now developed combined PET/CT scanners that can acquire both image sets simultaneously, giving radiologists a more complete picture in about half the time. These new generation of machines currently cost anywhere from $2.0-2.7 million. It is expected that PET/CT imaging will eventually replace stand-alone PET imaging for most uses.

Because of the on-going development of this technology, it is anticipated that PET and PET/CT will become a standard diagnostic modality in the fields of cardiology, oncology and neurology. Due to the current cost of this technology and the uses approved for reimbursement, it is more appropriate that this technology be available for health care facilities providing specialized therapeutic services such as open heart surgery and radiation oncology. Note: in the Certificate of Need standards cited below, the terms PET and PET/CT are interchanged. The Department does not differentiate between these modalities in defining these standards. The addition of a CT component to an existing PET service is not considered to be a new service that would trigger CON review, although it could still be reviewable because of equipment cost.

The following PET scanners are operational or have been approved in South Carolina:

POSITRON EMISSION TOMOGRAPHY (PET) SCANNER

COUNTY	FACILITY	SCANNERS	FY01 SCANS	FY02 SCANS	FY03 SCANS	CON/DATE
ANDERSON	ANDERSON AREA MEDICAL CTR	MOBILE FOR 2 DAYS		13	171	CON 5/30/02
GREENVILLE	THE CAROLINAS CLINICAL PET INST	FIXED	255	1,058	1,464	CON 1/26/2001
SPARTANBURG	SPARTANBURG REG MED CTR	MOBILE FOR 3 DAYS		229	535	CON 5/30/02
LEXINGTON	LEXINGTON MEDICAL CENTER	MOBILE FOR 3 DAYS		25	407	CON 7/19/02
RICHLAND	PALMETTO BAPTIST MED CTR	FIXED	507	1,356	1,325	CON 3/30/2000
YORK	PIEDMONT MEDICAL CENTER	MOBILE FOR 2 DAYS			123	CON 7/19/02
FLORENCE	CAROLINAS HOSPITAL SYSTEM	MOBILE FOR 1/2 DAY				CON 3/5/04
FLORENCE	MCLEOD REGIONAL MEDICAL CTR	FIXED			45	CON 5/06/02
HORRY	GRAND STRAND REG MED CTR	MOBILE FOR 2 DAYS	4	357	571	CON 5/8/01
HORRY	CONWAY HOSPITAL	MOBILE FOR 2 DAYS				CON 7/11/03
SUMTER	TUOMEY	MOBILE FOR 1/2 DAY				CON 3/5/04
AIKEN	AIKEN REGIONAL	MOBILE FOR 1 DAY				CON 8/18/04
BEAUFORT	BEAUFORT IMAGING	MOBILE FOR 2 DAYS				APPROVAL APPEALED
CHARLESTON	ROPER HOSPITAL	FIXED	535	1,048	1,373	CON 7/12/2000
CHARLESTON	CHARLESTON RADIOLOGISTS	MOBILE FOR 1 DAY	125	236	263	NA 3/21/2001
ORANGEBURG	REGIONAL MEDICAL CENTER OF ORANGEBURG & CALHOUN COUNTIES	MOBILE FOR 2 DAYS				CON 8/25/03
TOTAL			1,426	4,352	6,277	

RECORD 006746

Joint Exhibit 003-0084

Certificate of Need Standards for Positron Emission Tomography (PET)

STANDARDS

(1) Hospitals that provide specialized therapeutic services (open heart surgery and/or radiation therapy) should have either fixed or mobile PET services for the diagnosis of both inpatients and outpatients. Other hospitals must document that they provide a sufficient range of comprehensive medical services that would justify the need for PET services. Applicants for a freestanding PET service not operated by a hospital must document referral agreements from health care providers that would justify the establishment of such services.

(2) Full-time PET scanner service is defined as having PET scanner services available 5 days per week. Fixed PET scanners are considered to be in operation 5 days per week. Capacity is considered to be 1,500 procedures annually. Capacity for shared mobile services will be calculated based on the number of days of operation per week at each participating facility.

(3) Applicants proposing new fixed PET services must project at a minimum 750 PET clinical procedures per year (3 clinical procedures/day x 250 working days) by the end of the third full year of service. The projection of need must include proposed utilization by both patient category and number of patients to be examined, and must consider demographic patterns, patient origin, market share information, and physician/patient referrals. An existing PET service provider must be performing at 1,250 clinical procedures (5 clinical procedures x 250 days) per PET unit annually prior to the approval of an additional PET machine.

(4) In order to promote cost-effectiveness, the use of shared mobile PET units should be considered. Applicants for a shared mobile scanner must project an annual minimum of 3 clinical procedures/day times the number of days/week the scanner is operational at the facility by the end of the third full year of service.

(5) The applicant must demonstrate through cooperative and sharing agreements and letters of support how it will accommodate physicians, other health care institutions and patients from its own region and beyond.

(6) The applicant agrees in writing to provide to the Department utilization data on the operation of the PET service.

RELATIVE IMPORTANCE OF PROJECT REVIEW CRITERIA

The following project review criteria are considered to be the most important in evaluating certificate of need applications for this service:

a. Compliance with the Need Outlined in this Plan;
b. Community Need Documentation;

c. Distribution (Accessibility);
d. Acceptability;
e. Financial Feasibility;
f. Ability of the Applicant to Complete the Project; and
g. Cost Containment.

The benefits of improved accessibility will be equally weighed with the adverse affects of duplication in evaluating Certificate of Need applications for this service.

RECORD 006748

(G) Outpatient Facilities

Outpatient facility means a facility located in or apart from a hospital, providing community service for the diagnosis and treatment of ambulatory patients: (1) which is operated in connection with a hospital; or (2) in which patient care is under the professional supervision of persons licensed to practice medicine or surgery (or dentistry in the case of dental diagnosis or treatment); or (3) which offers to patients not requiring hospitalization the services of licensed physicians and makes available a range of diagnostic and treatment services. Hospital-based outpatient departments vary in scope from a full range of services at the larger hospitals to the basic medical specialties of the smaller hospitals. All are expected to offer a minimum of diagnostic laboratory, radiology, and clinical referral services.

(1) Ambulatory Surgical Facility (ASF)

An Ambulatory Surgical Facility is a distinct entity that is equipped and operated exclusively for the purpose of performing surgical procedures for which patients are scheduled to arrive, receive surgery, and be discharged on the same day. The owner or operator makes the facility available to other providers who comprise an organized professional staff. This definition does not apply to any facility used as an office or clinic for the private practice of licensed health care providers. In addition to ambulatory surgical facilities, most hospitals provide surgical services on an ambulatory (outpatient) basis. Ambulatory surgery, often described as outpatient or same-day surgery, may be provided in either a hospital or a freestanding ambulatory surgery center.

In 2003, a total of 296,769 outpatient surgeries were performed in either an ASF or a hospital in South Carolina, amounting to 66.9% of all surgeries. Not all ambulatory surgical units perform all procedures, nor are every patient a suitable candidate for an outpatient procedure.

The Draft 2004 South Carolina Health Plan proposed a moratorium on the review of CON applications for both the expansion of existing ASF's and the establishment of new ASF's. After reviewing all of the public comments received on this issue, the Department has determined not to initiate a moratorium. The Department still intends to study the impact of ASF's on the health care delivery system in South Carolina in order to develop revised standards and criteria to be incorporated in the next edition of the Plan. The Department will accept studies from health care facilities, physicians, and other interested parties during the coming year and determine what criteria to incorporate for the CON review criteria.

Prior to the approval of additional Ambulatory Surgical Facilities or the addition of operating rooms/endoscopy suites to existing ASF's, the following criteria must be addressed:

1. The county in which the proposed facility is to be located is considered to be the service area for inventory purposes. The applicant may define a proposed service area that encompasses additional counties, but the largest percentage of the patients to be served must originate from the county in which the facility is to be constructed.

2. The applicant must identify the physicians who are affiliated or have an ownership interest in the proposed facility by medical specialty. These physicians must identify where they currently perform their surgeries and whether they anticipate making any changes in staff privileges or coverage should the application be approved.

3. For a new facility, the applicant must document where the potential patients for the facility will come from and where they are currently being served, to include the expected shift in patient volume from existing providers. For the expansion of an existing facility, the applicant must provide patient origin information on the current facility.

4. The applicant must document the need for the expansion of or the addition of an ASF, based on the most current utilization data available. This need documentation must include the projected number of surgeries to be performed by medical specialty. The existing resources must be considered and documentation presented as to why the existing resources are not adequate to meet the needs of the community.

5. An application for a new ASF must contain letters of support from physicians in the proposed service area other than those affiliated with the proposed facility. These letters should indicate their intent to utilize the facility and/or refer patients to the facility. They should state the number of surgeries they anticipate performing or the number of patients they anticipate referring to the facility per year. If the physicians do not intend to utilize or refer patients to the facility, they should state why they believe the existing resources are not adequate to meet the needs of the community and why a need exists for the project.

6. The applicant must document the potential impact that the proposed new ASF or expansion will have upon the existing service providers and referral patterns.

7. All new Certificate of Need approvals by the Department will not restrict the specialties of Ambulatory Surgery Facilities. However, it is the position of the Department that Ambulatory Surgery Facilities open to and equipped for all surgical specialties will better serve the community than those targeted towards a single specialty or group of practitioners. For an ASF approved to only perform endoscopic procedures, another CON would be required before the center could provide other surgical specialties. For an ASF approved for a single specialty, another CON is required before the facility can provide other surgical specialties.

8. All proposed Ambulatory Surgical Facilities, other than those restricted to endoscopic procedures only, must have a minimum of two operating rooms.

9. Before an application for a new Ambulatory Surgery Facility can be accepted for filing, all existing ASF's in the county where the proposed facility is to be located must have been licensed and operational for an entire year, and submitted data on the Department's annual questionnaire to allow for a determination of their utilization. The data will not be prorated or projected into the future but based on actual utilization. For purposes of this standard, endoscopy suites are considered separately

from other operating rooms. Endoscopy-only ASF's do not impact other ASF's. Before additional licensed endoscopy suites can be added in a county, all ASF's with licensed endoscopy suites must have had these suites licensed and operational for one year to allow for a determination of the utilization of the endoscopy providers.

10. In no case can more than one new ASF in a county be approved at a single time. The approval of a new ASF in a county does not preclude an existing facility from applying to expand its number of operating rooms and/or endoscopy suites.

Facilities providing ambulatory surgery services must conform to local, state, and federal regulatory requirements, and must commit to seek accreditation from a nationally recognized organization such as the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), the Accreditation Association for Ambulatory Health Care (AAAHC) or the American Association for Accreditation of Ambulatory Surgical Facilities (AAAASF). Ambulatory surgical services are generally available within 30 minutes one-way automobile travel time of most of the residents of South Carolina. Most ASF's operate five days a week, with elective surgery being scheduled several days in advance.

RELATIVE IMPORTANCE OF PROJECT REVIEW CRITERIA

The following project review criteria are considered to be the most important in evaluating certificate of need applications for this service:

a. Compliance with the Need Outlined in this Plan;
b. Adverse Effects on Other Facilities.
c. Community Need Documentation;
d. Distribution (Accessibility);
e. Financial Feasibility;
f. Cost Containment;
g. Projected Revenues;
h. Projected Expenses;
i. Ability of the Applicant to Complete the Project; and
j. Staff Resources.

There has been a substantial increase in the past decade in both the number and percentage of ambulatory surgeries performed and the number of ASF's approved and licensed. This trend has generally been encouraged because many surgical procedures can be safely performed on an outpatient basis at a lower cost. However, there is serious concern that ASF's are being proposed as a method of increasing reimbursement for procedures currently being performed in physician's offices, through the "facility fee" built into the reimbursement mechanisms, to the detriment of hospitals' ability to provide the range of services needed. The benefits of improved accessibility are to be balanced with the adverse effects of duplication in evaluating Certificate of Need applications for this service.

The following facilities have been approved or are licensed as ambulatory surgical facilities (utilization data, if applicable, are from 2003):

2003 ASF Utilization **Updated 12/14/04**

Name of Facility:	County	# of ORs	# of Endos	Total # of Suites	Total Operations	Total Endos	Combined Total	Operations per OR	Endos per Suite	Footnote
Region I:										
AnMed Health Outpatient Surgery Ctr.	Anderson	5	4	9	4,173	6,133	10,306	835	1,582	*1*
Bearwood Ambulatory Surgery Center	Anderson	1		1	159		159	159		
Medicus Surgery Center	Anderson	3		3	4,739		4,739	1,580		
Upstate Endoscopy Center	Anderson		2	2	—					*2*
Center for Special Surgery, The	Greenville	2		2	614		614	307		*3*
Cross Creek Surgery Center	Greenville	4		4	4,941		4,941	1,235		
Endoscopy Center of the Upstate	Greenville		3	3	—					*4*
Greenville Endoscopy Center	Greenville		3	3		6,148	6,148		2,049	
GHS Outpt. Surg. Ctr. – Patewood	Greenville	6	2	8	4,339	2,691	7,030	1,085	1,346	*5*
HealthSouth Surg Center - Greenville	Greenville	4		4	4,106		4,106	1,027		
Jervey Eye Center	Greenville	3		3	3,982		3,982	1,991		*6*
Patewood Surgery Center	Greenville	2		2	1,633		1,633	817		*7*
Physicians Surgery Ctr - St. Francis	Greenville	4			—					*8*
Blue Ridge Surgery Center	Oconee	2		2	1,133		1,133	567		*9*
Upstate Pain Mgt. & Surgery Center	Oconee	2		2	751		751	376		*10*
Ambulatory Surgery Ctr - Spartanburg	Spartanburg	7	2	9	7,384	515	7,899	1,055	258	*11*
Spartanburg Urology Surgicenter	Spartanburg	2		2	2,334		2,334	1,167		

RECORD 006752

Joint Exhibit 003-0090

Name of Facility:	County	# of ORs	# of Endos	Total # of Suites	Total Operations	Total Endos	Combined Total	Operations per OR	Endos per Suite	Footnote
Surgery Center at Pelham	Spartanburg	4	2	6	—					*12*
Westside Eye Center	Spartanburg	2		2	—					*13*
Region II:										
Greenwood Endoscopy Center	Greenwood		4	4		5,904	5,904		2,952	*14*
Surgery Ctr. of Self Memorial Hospital	Greenwood	5		5	4,616		4,616	923		
Columbia Ambulatory Surgery Center	Lexington	2		2	983		983	492		
Midlands Endoscopy Center	Lexington		2	2	—					*15*
Outpt Surg Ctr Lexington Med Ctr - Irmo	Lexington	4		4	2,052		2,052	513		
Outpt Surg Ctr Lex Med Ctr - Lexington	Lexington	3	1	4	1,493	1,566	3,059	498	1,566	
South Carolina Endoscopy Center	Lexington		4	4		9,668	9,668		2,417	
Urology Surgery Center	Lexington	2		2	1,204		1,204	602		
Columbia Eye Surgery Center (Eye Surgery Only)	Richland	4		4	4,404		4,404	1,101		*16*
Columbia GI Endoscopy Center	Richland		4	4		6,522	6,522		1,792	*17*
Huff and Milne Eye Surgery	Richland	(2)		(2)	—					*18*
Lake Murray Endoscopy Center	Richland		2	2		157	157		79	*19*
Palmetto Surgery Center	Richland	4		4	5,600		5,600	1,400		

RECORD 006753

Joint Exhibit 003-0091

Name of Facility:	County	# of ORs	# of Endos	Total # of Suites	Total Operations	Total Endos	Combined Total	Operations per OR	Endos per Suite	Footnote
Parkridge Surgery Center	Richland	4		4	12		12	3		*20*
Providence Hospital Surgery Center	Richland	4		4	1,874			469		
South Carolina Med Endoscopy Ctr.	Richland		4	4		3,500	3,500		1,750	*21*
South Carolina Endoscopy Ctr-NorthEast	Richland		5	5		1,605	1,605		521	*22*
Carolina Surgical Center	York	4		4	4,988			1,247		
Region III:										
Darlington Endoscopy Center	Darlington		2	2		836	836		418	
Florence Surgery & Laser Center	Florence	2		2	1,490		1,490	745		*23*
McLeod Ambulatory Surgery Center	Florence	2		2	1,320		1,320	660		
Physicians Surgical Center of Florence	Florence	4	2	6	—					*24*
Atlantic Surgery Center	Georgetown	2		2	—					*25*
Bay Microsurgical Unit	Georgetown	1		1	2,958		2,958	2,958		
Waccamaw Same Day Surgery Ctr.	Georgetown	(2)	(1)	(3)	59		59	30		*26*
Carolina Bone and Joint Surgery Ctr.	Horry	2		2	31		31	16		*27*
Community Medical Ctr - South Strand	Horry	(2)	(1)	(3)	2,355	954	3,309	1,178	954	*28*
Grande Dunes Surgery Center	Horry	2		2	4,578		4,578	2,289		*29*
Ocean Ambulatory Surgery Center	Horry	2		2	1,969		1,969	985		*30*
Parkway Surgery Center	Horry	2		2	1,687		1,687	844		*31*

RECORD 006754

Joint Exhibit 003-0092

Name of Facility:	County	# of ORs	# of Endos	Total # of Suites	Total Operations	Total Endos	Combined Total	Operations per OR	Endos per Suite	Footnote
Rivertown Surgery Center	Horry	2		2	544		544	283		32
Seacoast Med Ctr Ambulatory Surgery	Horry	3		3	2,590		2,590	1,295		33
Strand GI Endoscopy Center	Horry		2	2		3,136	3,136		1,568	
Tuomey Outpatient Surgery Center	Sumter	(4)		(4)	—					34
Wesmark Ambulatory Surgery Facility	Sumter	2		2	—					35
Region IV:										
Ambulatory Surgery Center of Aiken	Aiken	4	1	5	—					36
Carolina Ambulatory Surgery Center	Aiken	1		1	—					37
Bluffton-Okatie Outpatient Center	Beaufort	2	1	3	1,293	1,011	2,304	647	1,011	38
Laser and Skin Surgery Center	Beaufort	2		2	347		347	174		
Outpatient Surgery Ctr. Hilton Head	Beaufort	2	2	4	—					39
Surgery Center of Beaufort	Beaufort	3	2	5	3,327	864	4,191	1,109	432	
Roper Berkeley Ambulatory Surgery	Berkeley	3		3	457		457	152		
Charleston Endoscopy Center	Charleston		4	4	—					40
Charleston Plastic Surgery Center	Charleston	2		2	578		578	289		41
Health First	Charleston	2		2	—					42

RECORD 006755

Joint Exhibit 003-0093

Name of Facility:	County	# of ORs	# of Endos	Total # of Suites	Total Operations	Total Endos	Combined Total	Operations per OR	Endos per Suite	Footnote
HealthSouth Surgery Ctr Charleston	Charleston	4	1	5	4,638		4,638	1,160	0	
Palmetto Endoscopy Center	Charleston		2	2	—					*43*
Roper West Ashley Surgery Center	Charleston	4		4	5,642		5,642	1,411		
Surgery Center of Charleston	Charleston	1	1	2	1,198	461	1,659	1,198	461	*44*
Trident Eye Surgery Center	Charleston	2		2	2,237		2,237	1,119		*45*
Trident Surgery Center	Charleston	4		4	6,014		6,014	1,504		
Colleton Ambulatory Surgery Center	Colleton	2	1	3	1,094	937	2,031	547	937	
Lowcountry Outpatient Surgery Ctr.	Dorchester	2		2	—					*46*
Summerville Surgery Center	Dorchester	2		2	—					*47*
TOTALS		154	65	215	113,920	52,608	166,528	917	1,163	

RECORD 006756

Joint Exhibit 003-0094

2004 Plan ASF Footnotes

---	No data available for facility during reporting period.
1	CON issued 7/13/01 to add 4th Endoscopy suite; licensed 2/14/03; 3 ORs to be transferred to AnMed Women and Children's Center 10/5/04 with no change in license.
2	CON issued 7/8/03; licensed 6/4/04.
3	CON issued 9/19/01; licensed 9/4/02.
4	CON issued 2/12/03; licensed 7/26/04.
5	CON issued 5/13/02 to add 2 OR's for a total of 6 OR's and 2 Endo Suites; licensed 4/19/04.
6	CON issued 12/22/03 to add a 3rd OR; licensed for 3 OR's 8/30/04.
7	CON issued 11/12/03 to relocate facility; CON issued 3/12/04 to add 2 OR's for a total of 4. Both CONs voided 8/11/04.
8	CON issued 12/14/04.
9	CON issued 1/8/01; licensed 9/12/02.
10	CON issued 1/8/01; facility licensed 8/21/02.
11	CON issued 10/10/00; licensed 4/21/02.
12	CON issued 12/5/03; licensed 12/21/04.
13	CON issued 12/15/03. Licensed 8/3/04; formerly Eastside Eye Center West.
14	CON issued 8/25/03 to relocate the facility and add 2 Endo suites for a total of 4. Licensed for 4 Endo suites 8/5/04.
15	CON issued per ALJ Order 7/16/04.
16	CON issued 9/18/00 to add 2 OR's for a total of 4; 4 OR's licensed 7/24/02.
17	CON issued 1/18/02 to expand from 2 to 4 Endoscopy suites; licensed 10/24/03.
18	CON issued 9/25/01; licensed 3/12/03; closed 2/20/04.
19	CON issued 1/7/02; licensed 10/22/03.
20	CON issued 2/11/02; licensed 11/28/03; formerly Palmetto Health NorthWest ASC.
21	CON approved to expand from 2 to 4 Endoscopy suites 9/19/03; under appeal.
22	CON issued 1/7/02; licensed 5/20/03.
23	CON issued 2/20/01, licensed 3/6/03; formerly Carolina Eye Surgery & Laser Center.
24	CON issued 8/27/01; licensed 8/20/04; formerly Physicians Surgery Center.
25	CON issued 8/12/02; licensed 7/6/04.
26	Delicensed 7/31/03.
27	CON issued 3/26/02; licensed 11/26/03.
28	Facility closed 5/15/04.
29	CON issued 8/24/00 to relocate the facility; formerly Carolina Regional Surgery Center.
30	Temporarily closed due to fire, 7/21/04.
31	Formerly Grand Strand Urology Center.
32	Licensed 1/14/03. Formerly Coastal Carolina Ctr Urology & Surgery.
33	CON issued 1/13/04 to convert an endoscopy suite to a 3rd OR; licensed 3/22/04.
34	Not licensed; merged into hospital.
35	CON issued 9/11/02; licensed 3/21/04. Formerly Sumter Urological Surgery Center.
36	CON approved 11/10/03.
37	Surgery center acquired by CASC Acquisitions and licensed 3/30/04.
38	CON issued 6/8/04 to convert procedure room to an endoscopy suite; licensed 8/12/04.
39	CON issued 2/21/03.
40	CON issued 10/20/03; licensed 1/22/04.
41	CON issued for Roper Hospital to purchase the facility 11/5/04.
42	CON issued 1/16/04.
43	CON issued 9/25/03; licensed 6/8/04.
44	CON issued 3/8/00 for 1 OR and 1 Endo suite; licensed 12/18/02
45	License converted from eye surgery only to multi-specialty 11/20/02.
46	CON issued 6/28/04.
47	CON issued 6/28/04.

(2) Emergency Hospital Services

All hospital emergency departments are sub-categorized into four levels of service from I to IV, with I being the highest level of care. These categories are based on modified JCAHO standards and adopted by the State EMS Advisory Council. Each facility must comply with the following paragraphs corresponding to their designated level of care. These standards do not constitute Certificate of Need criteria. All segments of the population should have basic emergency services available within 30 minutes one-way travel time.

Level I offers comprehensive emergency care 24 hours a day, with at least one physician experienced in emergency care on duty in the emergency care area. There is in-hospital physician coverage by members of the medical staff or by senior-level residents for at least medical, surgical, orthopedic, obstetric/gynecologic, pediatric, and anesthesia services. Other specialty consultation is available within approximately 30 minutes; initial consultation through two-way voice communication is acceptable.

Level II offers emergency care 24 hours a day, with at least one physician experienced in emergency care on duty in the emergency care area, and with specialty consultation available within approximately 30 minutes by members of the medical staff or by senior-level residents. The hospital's scope of services includes in-house capabilities for managing physical and related emotional problems, with provision for patient transfer to another organization when needed.

Level III offers emergency care 24 hours a day, with at least one physician available to the emergency care area within approximately 30 minutes through a medical staff call roster. Specialty consultation is available by request of the attending medical staff member or by transfer to a designated hospital where definitive care can be provided.

Level IV offers reasonable care in determining whether an emergency exists, renders lifesaving first aid, and makes appropriate referral to the nearest organization that is capable of providing needed services. The mechanism for providing physician coverage at all times is defined by the medical staff.

A Certificate of Need is required to establish a freestanding emergency service {also referred to as an off-campus emergency service}. CON criteria for development of freestanding emergency services are as follows:

1. All off-campus emergency services must be an extension of an existing hospital's emergency service. The hospital must have a license that is in good standing and must be in operation to support the off-campus emergency services.

2. Regulation No. 61-16, Standards for Licensing Hospitals and Institutional General Infirmaries, Section 613, will be used to survey off-campus emergency services, specifically including 24 hour/7 day per week physician coverage on site.

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3. The proposed freestanding emergency service must be located no closer than 30 miles from an existing hospital emergency department or off-campus emergency service.

4. An off-campus emergency service must have written agreements with Emergency Medical Services providers and surrounding hospitals regarding serious medical problems, which the off-campus emergency service cannot handle.

5. The physical structure must meet Section 12-6 of the Life Safety Code, New Ambulatory Health Care Centers, and must specifically have an approved sprinkler system.

(3) Trauma Referral System

The Division of Emergency Medical Services, DHEC, has developed and implemented a trauma referral system throughout the state. This system allows any hospital desiring and qualifying as a trauma center to become designated. The summary definitions below were derived from the American College of Surgeons criteria. The following is a brief description of the criteria for each of the three levels of Trauma Centers. Emergency departments in all trauma centers are required to have adequate staff to include Emergency Department physicians in-house 24 hours per day.

Level I: The highest level of capability available. Generally speaking, this hospital has to have general surgery capability in-house at all times. Anesthesia capabilities are required to be in-house at all times, but this requirement may be met with CRNA's or anesthesiology chief residents. Orthopedic surgery, neurological surgery, and other surgical and medical specialties must be immediately available. Generally, these trauma centers will be attached to medical schools or will have residency programs because of the in-house requirements, since fourth year and senior trauma residents can help meet the requirements of the Level I criteria. The Level I Trauma Center also has the responsibility of providing education and outreach programs to other area hospitals and the public and must also conduct trauma-related research.

Level II: This trauma center has extensive capability and meets the needs of most trauma victims. It is required to have general, neurological and orthopedic surgery available when the patient arrives. Anesthesiology capabilities are required to be in-house at all times, but this requirement may be met with CRNA's. Other surgical and medical specialties are required to be on-call and promptly available. These hospitals may develop local procedures for the surgeons being available in the Emergency Department when the patient arrives. The major difference between Level I and II facilities is that the major surgical specialties are allowed to be on-call but with the clear commitment to be in the Emergency Department when the patient arrives. Level II hospitals do not have the research requirements of a Level I trauma center.

Level III: These hospitals are committed to caring for the trauma patient. Level III trauma centers can provide prompt assessment, resuscitation, emergency operations, and stabilization, and also arrange for possible transfer to a facility that can provide definitive trauma care. These hospitals are required to have general surgery, anesthesia, and radiology on-call and promptly available. The general surgeon is required to be on-call and promptly available in the Emergency Department as the trauma team leader.

2. Community Psychiatric Beds

OVERVIEW

Inpatient psychiatric services are those services provided to patients who are admitted to institutions for the evaluation, diagnosis, and treatment of mental, emotional, or behavioral disorders. Such services may be provided in either psychiatric units of general hospitals or freestanding psychiatric hospitals. Psychiatric services are provided on both a short-term (average length of stay of less than 30 days for adults and 60 days for children) and long-term (average length of stay greater than 30 days for adults and 60 days for children) basis. These lengths of stay should not be considered as rigid since different therapies and clientele may require different lengths of stay and still be considered acute care. Variations may occur in the individual's response to therapy, the reaction to medication, the therapeutic relationship, and emergent symptoms that were not evident upon admission. Therefore, it is important to allow flexibility in determining what constitutes short and long-term lengths of stay.

An occupancy factor of 65% was used to calculate short-term projected bed needs. A minimum use rate of 75% of the overall state use rate was used to project bed needs in areas not now having short-term psychiatric units and related utilization data. Need projections were developed based on psychiatric service areas, which were derived after analysis of patient origin data from the Hospital Discharge Data System. The following pages depict the calculations described above.

Special units for children and adolescents and geriatric patients have been developed throughout the state. If any additional beds are approved, they must come from the overall psychiatric bed component shown as needed. These specialty psychiatric services should be identifiable units with sufficient space to have available areas for sleeping, dining, education, recreation, occupational therapy and offices of evaluation and therapy. The unit should be staffed with an appropriate multi-disciplinary care team of psychiatrists, psychologists, social workers, nurses, occupation therapists, recreational therapists, and psychiatric technicians. Other consultants should be available as needed.

The policy for the allocation of short-term psychiatric beds will consider the service area the basic unit for planning and issuance of Certificates of Need. Priority should be given to excess general hospital beds that can be economically and cost effectively converted for use as a specialized psychiatric unit over the construction of new beds, if such beds will be accessible to the target population.

STATE MENTAL HEALTH FACILITIES

(A) Psychiatric Hospital Beds

The S.C. Department of Mental Health (DMH) operates a variety of psychiatric facilities. The Department has analyzed the patient population and plans to provide psychiatric services in the least restrictive environment, maintain patients in the community, and keep hospitalization to a minimum. Since DMH cannot refuse any patient assigned to them by a court, renovation, replacement, and

RECORD 006760

expansion of the component programs should be allowed as long as the overall psychiatric hospital compliment is maintained or reduced. As long as the Department of Mental Health does not add any additional beds over the 3,720 beds that were in existence on July 1, 1988, they are exempt from Certificate of Need review.

(B) Local Inpatient Crisis Stabilization Beds

These facilities provide short-term emergency stabilization of psychiatric patients. Such care may be provided in units of general hospitals, preferably under the care of the medical staff of the local community mental health center. However, the development of crisis residential services (therapeutic foster homes and crisis placement within community care homes) is intended to prevent unnecessary hospital admissions. Trained supervision is available on a one-to-one basis while the client is in the home.

Should the Department of Mental Health wish to contract with a hospital that proposes to provide crisis stabilization services, the following standards will apply. If the hospital proposes to provide this care in existing acute care or psychiatric beds, then this action will not require Certificate of Need review. However, an exemption request that includes a written memorandum of agreement with the local community mental health center must be filed. Should the hospital propose to license additional psychiatric beds in order to fulfill the contract, the applicant must follow the following procedure:

(1) The applicant for a Certificate of Need must negotiate a written memorandum of agreement with the local community mental health center, stating that these beds are specifically for local inpatient crisis stabilization beds. The memorandum will be submitted through the State Department of Mental Health and be included in the Certificate of Need application. This memorandum must address the following:

a. patient population;
b. financial strategy;
c. joint screening and discharge planning strategies.

(2) An applicant must specifically delineate these beds in the application and not mix them with other psychiatric beds.

(3) Should the memorandum of agreement with the Department of Mental Health be broken or fail to be renewed, the license for the designated psychiatric beds will be revoked.

Based upon on-going patient analysis by DMH, consideration should be given to converting psychiatric hospital beds to other levels of care in order to accommodate the level of functioning of the patients if alternative community-based resources are not available. DMH will justify any changes in bed or service categories. Patients appropriate for de-institutionalization should be discharged when the appropriate community support services are in place.

RECORD 006761

RELATIVE IMPORTANCE OF PROJECT REVIEW CRITERIA

The following project review criteria are considered to be the most important in evaluating certificate of need applications for this service:

a. Compliance with the Need Outlined in this Plan;
b. Community Need Documentation;
c. Distribution (Accessibility);
d. Acceptability;
e. Financial Feasibility;
f. Ability of the Applicant to Complete the Project;
g. Cost Containment; and
h. Staff Resources.

Psychiatric beds are planned for and located within sixty (60) minutes travel time for the majority of the residents of the State. In addition, current utilization and population growth are factored into the methodology for determining psychiatric bed need. The benefits of improved accessibility will be equally weighted with the adverse affects of duplication in evaluating Certificate of Need applications for these services.

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PSYCHIATRIC BED UTILIZATION

2004 PLAN

COUNTY	FACILITY	BEDS	2003 OCC. RATE	
AIKEN	AURORA PAVILION	29	67.9%	
ANDERSON	ANDERSON MEMORIAL	38	32.6%	
BEAUFORT	BEAUFORT MEMORIAL	20	41.5%	*1*
CHARLESTON	CHARLESTON MEMORIAL	0	0.0%	*2*
CHARLESTON	MEDICAL UNIVERSITY SC	82	69.9%	
CHARLESTON	PAL LOWCOUNTRY BEHAV HEALTH	70	67.0%	*3*
DARLINGTON	WILSON MED CENTER	23	0.0%	*4*
FLORENCE	MCLEOD REGIONAL	0	40.4%	*4*
GREENVILLE	CAROLINA CTR BEHAV. HEALTH	64	78.7%	*5*
GREENVILLE	GREENVILLE MEMORIAL	63	59.1%	*6*
GREENVILLE	SPRINGBROOK	15	30.2%	
GREENWOOD	SELF MEMORIAL	36	45.2%	
HORRY	LIGHTHOUSE - CONWAY	28	35.8%	*7*
LEXINGTON	THREE RIVERS BEHAV HEALTH	39	96.1%	*8*
MARLBORO	MARLBORO PARK HOSPITAL	8	50.9%	
ORANGEBURG	RMC-ORANGEBURG/CALHOUN	15	41.7%	
RICHLAND	PALMETTO BAPTIST - COLUMBIA	104	60.5%	
RICHLAND	PALMETTO RICHLAND MEMORIAL	60	46.0%	
SPARTANBURG	MARY BLACK MEMORIAL	15	72.5%	
SPARTANBURG	SPARTANBURG REGIONAL	56	35.6%	
YORK	PIEDMONT MEDICAL CENTER	20	32.3%	
	TOTAL	785	56.9%	

1 CON ISSUED 6/8/04 TO CONVERT 6 PSYCH BEDS TO GENERAL ACUTE FOR A TOTAL OF 14 PSYCH BEDS.

2 CON ISSUED 10/4/03 TO CONVERT 15 PSYCH BEDS TO GENERAL ACUTE & CLOSE PROGRAM.

3 CON ISSUED 10/18/04 TO ADD 10 PSYCH BEDS FOR A TOTAL OF 70.

4 CON ISSUED 1/20/04 TO CONVERT 12 PSYCH BEDS AT MCLEOD TO GENERAL ACUTE AND TRANSFER THE REMAINING 23 PSYCH BEDS TO WILSON MED CENTER.

5 CON ISSUED 10/11/04 TO ADD 11 PSYCH BEDS FOR A TOTAL OF 64.

6 CON ISSUED 8/25/03 TO CONVERT 17 PSYCH BEDS TO GENERAL ACUTE FOR A TOTAL OF 46.

7 CON ISSUED FOR 8 BEDS 11/25/02, LICENSED 6/3/03. CON ISSUED FOR 20 ADDITIONAL BEDS 12/31/03, LICENSED FOR 28 BEDS 1/22/04.

8 TOTAL REFLECTS UTILIZATION OF DUAL-DIAGNOSIS SWING BEDS.

PSYCHIATRIC BED NEED

SERVICE AREA	AGE CAT	2003 POP	2010 POP	2003 PAT. DAYS	PROJ ADC	% OCCU	BED NEED	EXIST BEDS	ADDITION (EXCESS)
ANDERSON,OCONEE	<65	204140	215390	3692	10.67				
	+65	34470	40350	833	2.67				
	TOTAL	238610	255740	4525	13.34	0.65	21	38	-17
GREENVILLE,PICKENS	<65	447930	483500	26901	79.55				
	+65	58240	64860	4122	12.58				
	TOTAL	506170	548360	31023	92.13	0.65	142	125	17
CHEROKEE,SPARTANBURG	<65	302130	320270	5826	16.92				
UNION	+65	43420	47610	5418	16.28				
	TOTAL	345550	367880	11244	33.20	0.65	51	71	-20
CHESTER,LANCASTER,YORK	<65	238900	258060	2058	6.09				
	+65	29510	33700	302	0.94				
	TOTAL	268410	291760	2360	7.04	0.65	11	20	-9
ABBEVILLE,EDGEFIELD	<65	190590	200730	3622	10.45				
GREENWOOD,LAURENS	+65	29900	34090	2316	7.23				
MCCORMICK,SALUDA	TOTAL	220490	234820	5938	17.69	0.65	27	36	-9
FAIRFIELD,KERSHAW	<65	597830	639470	42845	125.56				
LEXINGTON,NEWBERRY	+65	70750	81280	8574	26.99				
RICHLAND	TOTAL	668580	720750	51419	152.55	0.65	235	203	32
DARLINGTON,FLORENCE	<65	204240	209550	4830	13.58				
MARION	+65	27580	30540	332	1.01				
	TOTAL	231820	240090	5162	14.58	0.65	22	23	-1
CHESTERFIELD,DILLON	<65	89890	89510	330	0.90				
MARLBORO	+65	11860	12490	1155	3.33				
	TOTAL	101750	102000	1485	4.23	0.65	7	8	-1
CLARENDON,LEE,SUMTER	<65	142440	147940	75%	12.32				
	+65	20120	23870	STATE USE	3.37				
	TOTAL	162560	171810	RATE	15.69	0.65	24	0	24

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Joint Exhibit 003-0102

PSYCHIATRIC BED NEED

SERVICE AREA	AGE CAT	2003 POP	2010 POP	2003 PAT. DAYS	PROJ ADC	% OCCU	BED NEED	EXIST BEDS	ADDITION (EXCESS)
GEORGETOWN,HORRY	<65	255270	277050	75%	23.07				
WILLIAMSBURG	+65	47260	60620	STATE USE	8.55				
	TOTAL	302530	337670	RATE	31.62	0.65	49	28	21
BAMBERG,CALHOUN	<65	108120	110090	1612	4.50				
ORANGEBURG	+65	16840	18880	672	2.06				
	TOTAL	124960	128970	2284	6.56	0.65	10	15	-5
ALLENDALE,BEAUFORT	<65	188270	201300	2826	8.28				
COLLETON,HAMPTON,	+65	33420	44370	200	0.73				
JASPER	TOTAL	221690	245670	3026	9.01	0.65	14	14	0
BERKELEY,CHARLESTON	<65	507430	533240	30482	87.76				
DORCHESTER	+65	62130	78300	5120	17.68				
	TOTAL	569560	611540	35602	105.44	0.65	162	152	10
AIKEN,BARNWELL	<65	150820	162740	6006	17.76				
	+65	22520	26600	1186	3.84				
	TOTAL	173340	189340	7192	21.52	0.65	33	29	4
STATE TOTAL							808	762	46
STATE MIMIMUM USE RATE	<65	3230290	3423850	131030.75	0.0405632	0.03			
	+65	440640	513070	30230	0.0686048	0.05			
	TOTAL	3670930	3936920	161260.75	0.0439291	0.03			

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Joint Exhibit 003-0103

3. Residential Treatment Facilities for Children and Adolescents

OVERVIEW

"Residential treatment facilities for children and adolescents" means a facility operated for the assessment, diagnosis, treatment, and care by two or more persons of children and adolescents in need of mental health treatment. "Children and adolescents in need of mental health treatment in a residential treatment facility" means a child or adolescent up to age 21 who manifests a substantial disorder of cognitive or emotional process, which lessens or impairs to a marked degree that child's capacity either to develop or to exercise age-appropriate or age-adequate behavior. The behavior includes, but is not limited to, marked disorders of mood or thought processes, severe difficulties with self-control and judgement including behavior dangerous to self or others, and serious disturbances in the ability to care for and relate to others.

These facilities provide medium to long-term care (6 months or longer). Treatment modalities are both medical and behavioral in nature. Some facilities contract with the Continuum of Care for Emotionally Disturbed Children to provide these services. The following facilities are currently licensed or approved as Residential Treatment Facilities:

Facility	Beds	FY 2003 Occ. Rate	
Directions (DMH, Columbia)	37	53.7%	
Lighthouse Care Center (Conway)	16	69.0%	*1*
Marshall Pickens Hospital (Greenville)	22	98.2%	
New Hope-Charleston (Summerville)	60	92.1%	*2*
New Hope-Midlands (West Columbia)	59	83.3%	*3*
Palmetto Low Country Behavioral Health (Charleston)	32	5.0%	
Palmetto Pee Dee Behavioral Health (Florence)	59	68.8%	*4*
Springbrook Behavioral Ctr. (Travelers Rest)	68	81.0%	
Three Rivers Behavioral Care (West Columbia)	20	96.2%	*5*
York Place (York)	40	62.3%	
TOTAL	413		

1 CON issued 11/25/02; licensed 4/29/03.
2 CON issued 10/8/02 for 8 additional beds for a total of 60; additional beds licensed 9/9/04.
3 CON issued 11/13/01 to add 5 beds for a total of 59; licensed for 59 beds 1/22/03.
4 CON issued 4/19/01 to add 41 beds for a total of 59; additional beds licensed 1/30/03.
5 CON issued 5/13/02 to add 4 beds for a total of 18 beds; licensed 12/6/02; CON issued 4/12/04 to add 2 additional beds for a total of 20 beds; additional beds licensed 6/24/04.

RECORD 006766

Certificate of Need Standards for Residential Treatment Facilities

Services available at a minimum should include the following:

1. 24-hour, awake supervision in a secure facility;
2. Individual treatment plans to assess the problems and determine specific patient goals;
3. Psychiatric consultation and professional psychological services for treatment supervision and consultation;
4. Nursing services, as required;
5. Regularly scheduled individual, group, and/or family counseling in keeping with the needs of each client;
6. Recreational facilities with an organized youth development program;
7. A special education program with a minimum program defined by the South Carolina Department of Education; and
8. Discharge planning including a final assessment of the patient's condition and an aftercare plan indicating any referrals to follow-up treatment and self-help groups.

Each facility shall have a written plan for cooperation with other public and private organizations, such as schools, social service agencies, etc., to ensure that each child under its care will receive comprehensive treatment. In addition, each facility shall have a written transfer agreement with one or more hospitals for the transfer of emergency cases when such hospitalization becomes necessary.

A proposal for Residential Treatment Facilities for Children and Adolescents should have letters of support from the Continuum of Care for Emotionally Disturbed Children, the SC Department of Social Services and the SC Department of Mental Health. Priority consideration will be given to those facilities that propose to serve highly aggressive and sexual offending youths and other needs as determined by these State agencies. In addition, smaller facilities may be given greater consideration than large facilities based on recommendations from the agencies mentioned above.

The bed need methodology to be used in South Carolina is based upon a standard of 41.4 beds per 100,000 children. Since few, if any, children under 6 years of age would be candidates for this type of care, the bed need will be based on the population age 6-21. The projected bed needs by service area are as follows:

Inventory Region I Anderson, Cherokee, Greenville, Oconee, Pickens, Spartanburg, Union.

Facilities:		
	Marshall Pickens	22 beds
	Springbrook Behavioral	68 beds
	Total	90 beds

2010 Population Age 6-21:	260,640	
41.4 Beds/100,000 Population:	x .000414	
	108	beds
	- 90	beds
Need Shown:	18	beds

Inventory Region II Abbeville, Chester, Edgefield, Fairfield, Greenwood, Kershaw, Lancaster, Laurens, Lexington, McCormick, Newberry, Richland, Saluda, York.

Facilities:		
	Three Rivers	20 beds
	New Hope Midlands	59 beds
	York Place	40 beds
	Total	119 beds

2010 Population Age 6-21:	284,070	
41.4 Beds/100,000 Population:	x .000414	
	118	beds
	- 119	beds
Need Shown:	(1)	bed

Inventory Region III Chesterfield, Clarendon, Darlington, Dillon, Florence, Georgetown, Horry, Lee, Marion, Marlboro, Sumter, Williamsburg.

Facilities:		
	Lighthouse Care Center	16 beds
	Pal. Pee Dee Behav. Hlth.	59 beds
	Total	75 beds

2010 Population Age 6-21:	178,120	
41.4 Beds/100,000 Population:	x .000414	
	74	beds
	- 75	beds
Need Shown:	(1)	bed

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Inventory Region IV Aiken, Allendale, Bamberg, Barnwell, Beaufort, Berkeley, Calhoun, Charleston, Colleton, Dorchester, Hampton, Jasper, Orangeburg.

Facilities:	New Hope Charleston	60 beds
	Pal. Low Cnty Behav. Hlth.	32 beds
	Total	92 beds

2010 Population Age 6-21:	249,580	
41.4 Beds/100,000 Population:	x .000414	
	103	beds
	- 92	beds
Need Shown:	11	beds

The projected need for additional RTF beds is based upon the number of clients of the Department of Mental Health (DMH), Department of Social Services (DSS), and the Continuum of Care for Emotionally Disturbed Children who are currently being served, waiting for service, and/or who could be appropriately placed in these facilities. Additionally, it allows for sufficient beds to be available to meet the needs of private pay and other non-governmental clients. Applicants must document sources for patient referral. The Directions program primarily serves court-ordered patients from the Department of Juvenile Justice (DJJ). As a statewide facility serving a restricted population, it is not included in the regional inventories for bed need calculations.

RELATIVE IMPORTANCE OF PROJECT REVIEW CRITERIA

The following project review criteria are considered to be the most important in evaluating certificate of need applications for this service:

a. Compliance with the Need Outlined in this Plan;
b. Distribution (Accessibility);
c. Projected Revenues;
d. Projected Expenses;
e. Record of the Applicant;
f. Ability of the Applicant to Complete the Project;
g. Cost Containment; and
h. Staff Resources.

Residential treatment facility beds for children and adolescents are distributed statewide and are located within seventy-five (75) minutes travel time for the majority of residents of the State. The benefits of improved accessibility will be equally weighted with the adverse affects of duplication in evaluating Certificate of Need applications for this service.

RECORD 006769

4. Alcohol and Drug Abuse Facilities

There are six distinct providers of substance abuse treatment in South Carolina. These are: outpatient facilities; social detoxification centers; freestanding medical detoxification facilities; residential treatment programs; inpatient treatment services, and narcotic treatment programs. These are defined as follows:

(1) Outpatient Facilities

Outpatient facilities provide treatment/care/services to individuals dependent upon or addicted to psychoactive substances and their families based on an individual treatment plan in a nonresidential setting. Outpatient treatment/care/services include assessment and referral, individual and group counseling, family counseling, case management and crisis management services. Outpatient services are designed to treat the individual's level of problem severity and to achieve permanent changes in his or her behavior relative to the alcohol/drug abuse. These services address major lifestyle, attitudinal and behavioral issues that have the potential to undermine the goals of treatment or the individual's ability to cope with major life tasks without the non-medical use of alcohol or other drugs. The length and intensity of outpatient treatment varies according to the severity of the individual's illness and response to treatment. There are currently 63 licensed outpatient facilities for chemically dependent or addicted persons in South Carolina, with a total of 85 locations.

CERTIFICATE OF NEED REQUIREMENTS

Certificate of Need is not required for outpatient facilities described above.

(2) Social Detoxification Facilities

A service providing supervised withdrawal from alcohol or other drugs in which neither the client's level of intoxification nor physical condition is severe enough to warrant direct medical supervision or the use of medications to assist in withdrawal, but which maintains medical backup and provides education and referral. A social detoxification facility provides 24-hour-a-day observation of the client until discharge. Appropriate admission to a social detoxification facility shall be determined by a licensed or certified counselor and subsequently shall be authorized by a physician or other authorized medical provider. The services provided by Social detoxification facilities are described in Section 3102 of Regulation 61-93, Standards for Licensing Facilities That Treat Individuals for Psychoactive Substance Abuse or Dependence.

CERTIFICATE OF NEED REQUIREMENTS

A Certificate of Need is not required for a social detoxification center.

(3) Freestanding Medical Detoxification Facilities

A short-term residential facility, separated from an inpatient treatment facility, providing for

medically supervised withdrawal from psychoactive substance-induced intoxification, with the capacity to provide screening for medical complications of alcoholism and/or drug abuse and referral. Appropriate admission to a medical detoxification facility shall be determined by a licensed or certified counselor and subsequently should be authorized by a physician or other authorized medical provider. The services provided by these facilities are described in Section 3101 of Regulation 61-93, Standards for Licensing Facilities That Treat Individuals for Psychoactive Substance Abuse or Dependence.

INVENTORY

Facility	Beds
Carolinas Hospital System (Florence County)	4
Charleston Center Subactute Detoxification Program	16
Greenville Detoxification Center	27
Lexington/Richland A.D.A.C. Detoxification Unit	16
Keystone Detoxification Center (York County)	10
TOTAL	73

CERTIFICATE OF NEED REQUIREMENTS

A utilization-based methodology is used to project the demand for freestanding medical detoxification beds. The 2003 utilization rates are used to project the need for services in 2010. An occupancy factor of 70% was used in the calculations. The greater of the service areas' actual utilization or 100% of the statewide minimum use rate was used to project bed needs. The calculations described above are depicted on the following pages.

For planning purposes, substance abuse services are allocated and developed according to the same service areas used for psychiatric services. Freestanding detoxification centers should be available within 60 minutes one-way automobile travel time for 90% of the service area's population. Morris Village, Patrick Harris, Byrnes Clinical, Holmesview and Palmetto Center are classified as statewide facilities with restricted admissions procedures and are not included in the inventories of facilities or the service area allocations.

Detoxification facilities are envisioned as being physically distinct from inpatient treatment facilities. Applicants may not combine the bed need for freestanding detoxification with the bed need for inpatient treatment in order to generate a higher bed need for an inpatient facility. There are no prohibitions against an inpatient facility providing detoxification services to their clients as needed: however, the bed need projections refer to two distinct treatment modes which cannot be commingled.

Since 1987, courts in South Carolina have had the authority to order individuals involuntarily into addiction treatment. Because of this law, the number of detoxification beds shown as needed in this Plan may need to be increased. If an applicant can document an increased need and if either the

DETOXIFICATION BED NEED — 2004 PLAN

SERVICE AREA	2003 POP	2010 POP	PAT. DAYS	PROJ ADC	% OCCUP.	BED NEED	EXIST BEDS	ADDITION (EXCESS)
ANDERSON,OCONEE	191,190	207,420	0	4.00	0.70	6	0	6
GREENVILLE,PICKENS	405,400	444,340	4,841	14.54	0.70	21	27	-6
CHEROKEE,SPARTANBURG UNION	273,970	295,300	0	5.70	0.70	8	0	8
CHESTER,LANCASTER,YORK	211,570	235,160	3,152	9.60	0.70	14	10	4
ABBEVILLE,EDGEFIELD GREENWOOD,LAURENS MCCORMICK,SALUDA	176,150	191,030	0	3.68	0.70	5	0	5
FAIRFIELD,KERSHAW LEXINGTON,NEWBERRY RICHLAND	532,870	583,620	5,101	11.26	0.70	16	16	0
DARLINGTON,FLORENCE MARION	182,180	191,720	425	3.70	0.70	5	4	1
CHESTERFIELD,DILLON MARLBORO	79,130	80,530	0	1.55	0.70	2	0	2
CLARENDON,LEE,SUMTER	126,680	135,590	0	2.62	0.70	4	0	4
GEORGETOWN,HORRY WILLIAMSBURG	247,910	283,950	0	5.48	0.70	8	0	8
BAMBERG,CALHOUN ORANGEBURG	99,370	104,130	0	2.01	0.70	3	0	3
ALLENDALE,BEAUFORT COLLETON,HAMPTON,JASPER	177,920	203,370	0	3.92	0.70	6	0	6
BERKELEY,CHARLESTON DORCHESTER	452,960	495,230	3,237	9.55	0.70	14	16	-2
AIKEN,BARNWELL	137,130	153,940	0	2.97	0.70	4	0	4
STATE TOTAL	3,294,430	3,605,330	16,756	80.58		116	73	43

South Carolina Department of Alcohol and Other Drug Abuse Services (DAODAS) or the South Carolina Department of Mental Health (DMH) submits a letter of support for additional detoxification beds beyond those shown as needed in the Plan, then additional detoxification beds could be approved.

RELATIVE IMPORTANCE OF PROJECT REVIEW CRITERIA

The following Project Review Criteria are considered to be the most important in evaluating Certificate of Need applications for this service:

1. Compliance with the Need Outlined in this Plan;
2. Distribution (Accessibility);
3. Projected Revenues;
4. Projected Expenses;
5. Ability of the Applicant to Complete the Project;
6. Cost Containment; and
7. Staff Resources.

There are currently 5 freestanding medical detoxification facilities in the state operated by local County Alcohol and Drug Abuse Agencies. There is a projected need for beds in almost every service area. Services are accessible within sixty (60) minutes travel time for the majority of state residents. Current utilization and population growth are factored into the methodology for determining the need for additional beds. The benefits of improved accessibility will be equally weighted with the adverse affects of duplication in evaluating Certificate of Need applications for this service.

(4) Residential Treatment Program Facilities

A 24-hour facility offering an organized service in a residential setting which is designed to improve the client's ability to structure and organize the tasks of daily living and recovery through planned clinical activities, counseling, and clinical monitoring in order to promote successful involvement or re-involvement in regular, productive, daily activity, and, as indicated, successful reintegration into family living. Residential treatment programs utilize a multi-disciplinary staff whose biomedical and emotional/behavioral problems are severe enough to require residential services and who are in need of a stable and supportive environment to aid in their recovery and transition back into the community. Twenty-four hour observation, monitoring, and treatment shall be available.

Residential treatment programs provide the services described in Section 3000 of Regulation 61-93, Standards for Licensing Facilities That Treat Individuals for Psychoactive Substance Abuse or Dependence.

CERTIFICATE OF NEED REQUIREMENTS

A Certificate of Need is not required for a Residential Treatment Program. However, an exemption request is required prior to the establishment of such a program.

(5) Inpatient Treatment Facilities

This is a short-term treatment service for persons who are in need of an organized intensive program of alcohol and/or drug rehabilitation, but who are without serious debilitating medical complications. These facilities may provide detoxification for their patients, as needed in the inpatient treatment beds. These facilities are licensed either as a specialized hospital or as part of a hospital. Inpatient treatment facilities must comply with either Regulation 61-93, Standards for Licensing Facilities That Treat Individuals for Psychoactive Substance Abuse or Dependence or Regulation 61-16, Standards for Licensing Hospitals and Institutional General Infirmaries; contact the Division of Health Licensing at (803) 545-4370 for further information.

Facility	Beds	2003 Occupancy	
Aiken Regional Medical Center	18	12.1%	
AnMed-Wellspring (Anderson County)	27	8.5%	
Carolina Center Behavioral Health (Greenville County)	13	52.3%	
Carolinas Hospital System (Florence County)	18	29.1%	
Fairfield Memorial Hospital	0	0.0%	*1*
Holmesview Center (Greenville County)	40	64.9%	*2*
McCord Adolescent (Orangeburg County)	15	56.9%	*2*
Medical University (Charleston County)	23	50.1%	
Morris Village (Richland County)	173	82.3%	*2*
Palmetto Center (Florence County)	48	71.5%	*2*
Palmetto Lowcountry Behav. Health (Charleston County)	10	41.5%	
Palmetto Richland Springs (Richland County)	10	97.4%	
Self Memorial (Greenwood County)	24	0.0%	
Springs Memorial (Lancaster County)	12	25.5%	*3*
Three Rivers Behavioral Health (Lexington County)	27	20.1%	
TOTAL (DOES NOT INCLUDE STATEWIDE BEDS)	182	23.2%	

1 CON issued 11/12/03 to convert the 17 substance abuse beds to general acute.

2 Statewide Facility, Not Included in Bed Need Calculations.

3 Facility was licensed for 45 substance abuse beds. CON issued 4/15/03 to convert 10 substance abuse beds to general acute; CON issued 11/20/03 to convert 23 substance abuse beds to general acute, for a total of 12 beds; licensed for 12 beds 7/19/04.

CERTIFICATE OF NEED REQUIREMENTS

A utilization-based methodology is used to project the demand for inpatient treatment beds. The 2003 utilization rates are used to project the need for services in 2010. A 70% occupancy factor was used in the calculations. The greater of the service areas' actual utilization or 75% of the statewide minimum use rate was used to project bed needs. The calculations described above are depicted on the following pages.

For planning purposes, substance abuse services are allocated and developed according to the same service areas used for psychiatric services. Inpatient treatment centers should be available within 60 minutes one-way automobile travel time for 90% of the service areas' population. Morris Village, Holmesview, McCord Adolescent and Palmetto Center are classified as statewide facilities with restricted admissions procedures and are not included in the inventories of facilities or the service area allocations.

Inpatient treatment facilities are physically distinct from freestanding detoxification centers. Applicants may not combine the bed need for freestanding detoxification with the bed need for inpatient treatment in order to generate a higher bed need for an inpatient facility. There are no prohibitions against an inpatient facility providing detoxification services to their clients as needed, but the bed need projections refer to two distinct treatment modes that cannot be commingled.

Additional inpatient treatment beds could be considered for the service area only if the following criteria are met:

(a) The service area shows a need for additional beds;

(b) The applicant demonstrates an un-served demand for the proposed service area; and

(c) The utilization of treatment facilities in the contiguous service areas should be considered prior to approval of additional beds. This should include occupancy rates, patient origin, scope of services offered, and patient mix.

It is frequently impossible for a facility to totally predict or control short-term deviation in the number of patients with mixed psychiatric/addictive etiology to their illnesses. Therefore, in the case of facilities with licensed beds for both psychiatric and substance abuse treatment, the Department will allow deviations of up to 25% of the total number of licensed beds as swing beds to accommodate patients having diagnoses of both psychiatric and substance abuse disorders.

RELATIVE IMPORTANCE OF PROJECT REVIEW CRITERIA

The following Project Review Criteria are considered to be the most important in evaluating Certificate of Need applications for this service:

1. Compliance with the Need Outlined in this Plan;
2. Distribution (Accessibility);
3. Projected Revenues;
4. Projected Expenses;
5. Ability of the Applicant to Complete the Project;
6. Cost Containment; and
7. Staff Resources.

There are currently 11 inpatient treatment facilities in the state, not including state-operated facilties. There is a projected need for additional beds in some service areas. Services are accessible within

INPATIENT BED NEED

2004 PLAN

SERVICE AREA	2003 POP	2010 POP	PAT DAYS	PROJ ADC	% OCCUP	BED NEED	EXIST BEDS	ADDITION (EXCESS)
ANDERSON,OCONEE	191,190	207,420	1,207	3.59	0.70	5	27	-22
GREENVILLE,PICKENS	405,400	444,340	889	2.67	0.70	4	13	-9
CHEROKEE,SPARTANBURG UNION	273,970	295,300	0	6.01	0.70	9	0	9
CHESTER,LANCASTER,YORK	211,570	235,160	1,977	6.02	0.70	9	12	-3
ABBEVILLE,EDGEFIELD GREENWOOD,LAURENS MCCORMICK,SALUDA	176,150	191,030	0	3.89	0.70	6	24	-18
FAIRFIELD,KERSHAW LEXINGTON,NEWBERRY RICHLAND	532,870	583,620	6,338	19.02	0.70	27	37	-10
DARLINGTON,FLORENCE MARION	182,180	191,720	2,198	6.34	0.70	9	18	-9
CHESTERFIELD,DILLON MARLBORO	79,130	80,530	0	1.64	0.70	2	0	2
CLARENDON,LEE,SUMTER	126,680	135,590	0	2.76	0.70	4	0	4
GEORGETOWN,HORRY WILLIAMSBURG	247,910	283,950	0	5.78	0.70	8	0	8
BAMBERG,CALHOUN ORANGEBURG	99,370	104,130	0	2.12	0.70	3	0	3
ALLENDALE,BEAUFORT COLLETON,HAMPTON,JASPER	177,920	203,370	0	4.14	0.70	6	0	6
BERKELEY,CHARLESTON DORCHESTER	452,960	495,230	7,204	21.58	0.70	31	33	-2
AIKEN,BARNWELL	137,130	153,940	1,128	3.47	0.70	5	18	-13
STATE TOTAL	3,294,430	3,605,330	20,941	89.02		128	182	-54
MINIMUM USE RATE	0.0074319							

(6) NARCOTIC TREATMENT PROGRAMS

Narcotic treatment programs provide medications for the rehabilitation of persons dependent on opium, morphine, heroin or any derivative or synthetic drug of that group. Opioid maintenance therapy (OMT) is an umbrella term that encompasses a variety of pharmacologic and nonpharmacologic treatment modalities, including the therapeutic use of specialized opioid compounds such as methadone and LAAM (levo-alpha-acetylmethadol) to psychopharmacologically occupy opiate receptors in the brain, extinguish drug craving and thus establish a maintenance state. OMT is a separate service that can be provided in any level of care, as determined by the client's needs. Adjunctive nonpharmacologic interventions are essential and may be provided in the OMT clinic or through coordination with another addiction treatment provider.

Narcotic treatment programs are described in Section 3200 of Regulation Number 61-93, Standards for Licensing Facilities That Treat Individuals for Psychoactive Substance Abuse or Dependence.

INVENTORY	COUNTY	2003 CLIENTS during year
Center for Behavioral Health South Carolina	Charleston	290
Center of Hope of Myrtle Beach, LLC	Horry	Licensed 12/10/03
Columbia Metro Treatment Center, Inc.	Lexington	222
Charleston Center	Charleston	349
Gaffney Treatment Associates	Cherokee	CON issued 1/12/05
Greenville Metro Treatment Center, Inc.	Greenville	332
Piedmont Treatment Center, Inc.	Greenville	485
Recovery Concepts	Jasper	Approved 8/31/04
Southwest Carolina Treatment Center	Anderson	224
Spartanburg Treatment Associates	Spartanburg	437
Starting Point, LLC	Richland	358
Starting Point of Florence	Florence	CON issued 1/19/05
York County Treatment Center, Inc.	York	239

A **Certificate of Need is required for a methadone treatment facility.** The licensure standards include standards for the location of these facilities within the community. A narcotic treatment program shall not operate within 500 feet of: a church, a public or private of elementary or secondary school, a boundary of any residential district, a public park adjacent to any residential district or the property line of a lot devoted to residential use.

Because clients must usually attend a Methadone Treatment Center 6 days per week to receive their dose of methadone, these centers should be located throughout the state. Until these clinics are developed throughout the state, additional Methadone Treatment Centers are not needed in counties where an existing clinic exists, but should be developed in counties where none exists to improve accessibility.

The following table indicates that there were 2,219 clients being served at Methadone Treatment Centers as of December 31, 2003. In addition, there were 2,936 clients served by Methadone Treatment Centers during the year 2003 and there were 1,136 visits to Emergency Rooms for opioid dependent patients for calendar year 2003. There were an additional 2,718 patients seen in emergency departments for other drug dependency.

RELATIVE IMPORTANCE OF PROJECT REVIEW CRITERIA

The following project review criteria are considered to be the most important in evaluating certificate of need applications for this service:

a. Compliance with this Plan;
b. Distribution (Accessibility);
c. Record of the Applicant;
d. Ability of the Applicant to Complete the Project.

The benefits of improved accessibility may outweigh the adverse effects of the duplication of this existing service.

METHADONE CLIENTS AT CENTERS AND USE OF EMERGENCY ROOMS

COUNTY	Clients at Methadone Centers 12/31/2003	2003 Opioid Dependent Emergency Room Visits	2003 Other Drug Dependent ER Visits
Abbeville	3	7	26
Aiken		19	48
Allendale		0	1
Anderson	109	63	158
Bamberg		2	7
Barnwell		4	8
Beaufort	4	29	75
Berkeley	33	29	78
Calhoun	1	1	7
Charleston	340	133	314
Cherokee	35	21	62
Chester	7	1	21
Chesterfield	3	4	23
Clarendon	2	1	5
Colleton	22	9	9
Darlington	14	38	68
Dillon		7	10
Dorchester	25	25	53
Edgefield		1	0
Fairfield	11	0	22
Florence	76	81	132
Georgetown	21	19	34
Greenville	355	58	179
Greenwood	4	22	113
Hampton		3	14
Horry	25	80	139
Jasper		7	9
Kershaw	21	16	36
Lancaster	41	9	57
Laurens	40	13	30
Lee		1	10
Lexington	104	44	108
McCormick		0	9
Marion	3	7	11
Marlboro		2	6
Newberry	7	7	14
Oconee	24	36	80
Orangeburg	11	17	38
Pickens	49	30	48
Richland	176	71	219
Saluda		1	4
Spartanburg	439	122	188
Sumter	5	14	47
Union	8	7	35
Williamsburg	2	4	19
York	74	19	45
NC	88		
GA	31		
Other states	6	52	99
Unknown			
TOTAL	2219	1136	2718

Clients at Methadone Centers denote the number of clients as of December 31, 2003.
Opiod dependent emergency room visits are patients seen in emergency departments by county of residence for 2003.
Other drug dependent emergency room visits are patients seen in emergency departments by county of residence that had a diagnosis of drugs other than opioids or were not specified.

5. Rehabilitation Facilities

OVERVIEW

A rehabilitation facility is operated for the primary purpose of assisting in the rehabilitation of disabled persons through an integrated program under competent professional supervision of (1) medical evaluation and services and (2) psychological, social, and/or vocational evaluation and services. The current concept of a rehabilitation facility is one in which the disabled person is assisted through an integrated program conducted by a team of specialized personnel representing several professional disciplines, under the direction of a person licensed to practice medicine or surgery in the State.

According to the American Medical Association (AMA), rehabilitation services are most effective when delivered in comprehensive medical rehabilitation units or centers located in either short-stay hospitals or freestanding facilities, where inpatients with severe disabilities receive medical, nursing, restorative and personal adjustment services in an integrated rehabilitation program. A comprehensive physical rehabilitation service provides an intensive, coordinated team approach to care for patients with severe physical ailments. These beds are viewed as being comprehensive in nature and not limited only to a particular service or specialty. Patients with such physical impairments as stroke, spinal cord injury, head injury, multiple sclerosis and other neuromuscular diseases, arthritis, chronic pain, amputations, hip and pelvis fractures, and childhood birth defects and injuries are typical clients.

Patients requiring this level of care should be able based on interdisciplinary evaluation, to participate fully in the therapies, practice sessions, and other activities provided and to benefit from such therapies. Along with the capacity to endure the intensity of service offered, the individual must be emotionally ready to participate in and accept the treatment plan developed for his/her rehabilitation.

Rehabilitation facilities should be located where an extensive variety of professionals representing medical, psychological, social, and vocational rehabilitation evaluation and services are available. It may be beneficial to utilize the services of, or affect a cooperative plan with, present medical and vocational centers when establishing a rehabilitation facility. Where separate freestanding facilities are established, the employees representing the professional fields mentioned above should be provided on a full-time basis.

Physical rehabilitation services which involve a single service such as physical therapy, occupational therapy, speech therapy, or recreation therapy, and outpatient rehabilitation services without the involvement of a formal interdisciplinary program, are provided by most general hospitals, nursing homes, home health agencies, and outpatient rehabilitation centers.

In addition, several hospitals have received approval to consolidate their therapy services into a single unit to improve the coordination of rehabilitative care for acute patients in their facilities. While these facilities provide a more coordinated and possible higher degree of care than in hospitals with indecent single services, these hospitals are not considered to be providing comprehensive

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physical rehabilitation services as defined in this section of the Plan. The consolidation of rehabilitative therapies is intended to improve the quality of care for patients currently being treated in the facility; it is not intended to allow hospitals to market themselves or advertise as offering comprehensive rehabilitation. Hospitals which have received permission to consolidate their rehabilitation services into a distinct unit include Colleton Regional and Toumey Hospital.

The following rehabilitation programs are currently available:

Region	Facility	County	Beds	2003 Occupancy
I	HealthSouth	Anderson	30	79.0% *1*
I	Roger C. Peace	Greenville	53	82.6%
I	St. Francis	Greenville	19	83.6%
I	Mary Black	Spartanburg	18	88.2%
II	HealthSouth Columbia	Richland	96	76.6% *2*
II	HealthSouth Rock Hill	York	34	90.7% *3*
III	HealthSouth Florence	Florence	88	79.8%
III	Carolinas Hospital	Florence	42	99.5% *4*
III	Waccamaw Community	Georgetown	24	67.5% *5*
III	Georgetown Memorial	Georgetown	10	--- *5*
IV	Beaufort Memorial	Beaufort	0	86.4% *6*
IV	HealthSouth Charleston	Charleston	46	94.5% *7*
IV	Medical University	Charleston	0	--- *8*
IV	Roper Hospital	Charleston	39	78.3%
IV	RMC-Orangeburg/Calhoun	Orangeburg	24	84.0%
IV	Low Country General	Jasper	10	--- *9*
		Total	533	

1 CON issued 1/25/02 to build a rehabilitation hospital with 28 beds; licensed 12/20/02. CON issued 2/18/04 to convert 2 nursing home beds to rehab beds, for a total of 30 rehab beds; licensed for 30 beds 7/2/04.

2 CON issued 10/10/02 to add 15 beds for a total of 111 rehabilitation beds, voided 10/8/04.

3 CON issued 12/3/03 to convert 2 nursing home beds to rehab for a total of 34 rehab beds; licensed for 34 beds 4/1/04.

4 CON issued 4/15/03 to add 18 beds for a total of 42 beds; licensed for 42 beds 6/27/03.

5 CON issued 5/26/00 to create a 19-bed rehabilitation unit at Waccamaw; CON issued 2/11/02 for an additional 10 beds; 29 rehab beds licensed 10/21/02. CON issued 8/19/04 to create a 10 bed unit at Georgetown by adding 5 new beds and transferring 5 licensed beds from Waccamaw.

6 CON issued 6/8/04 to convert the 14 rehabilitation beds to general acute.

7 CON issued 12/15/03 to add 4 additional beds for a total of 46; licensed for 46 beds 6/3/04.

8 CON issued 10/14/03 to convert the 25 rehabilitation beds to general acute beds.

9 CON issued 3/28/02 for a 10 bed rehabilitation unit.

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STATEWIDE PROGRAMS

S.C. Vocational Rehabilitation Center, in West Columbia, has 30 beds. This facility is operated by the S.C. Vocational Rehabilitation Department to serve the vocational training needs of the disabled, and should be expanded to 44 beds to better enable VRD to served their statewide client caseload.

CERTIFICATE OF NEED STANDARDS FOR REHABILITATION

DEFINITIONS

"Disabled person" is an individual who has a physical or mental condition which, to a material degree, limits, or if not corrected, will probably result in limiting, the individual's performance or activities to the extent of constituting a substantial physical, mental, or vocational handicap.

"Medical service" means a service under the direct personal supervision of a medical director, varied and extensive availability of specialized medical consultants, and other evaluation and therapy services suitable to the needs of the disabled persons to be served.

"Psychological service" means evaluation and services by a qualified psychologist in amounts and variety appropriate to the needs of the disabled persons to be served.

"Social service" means evaluation and services by a qualified social worker in amounts and variety appropriate to the needs of the patients to be served.

"Vocational service" means a variety of vocational services appropriate to the program and persons to be served, such as pre-vocational exploration, work evaluation, and vocational training.

STANDARDS

The need for rehabilitation beds is calculated based on 12 service areas as defined on the following page. An occupancy factor of 70% was used to calculate projected bed needs. For service areas without existing licensed beds, the statewide average use rate was used to project bed needs.

Due to the low utilization of existing hospital beds, consideration should be given to the conversion of existing beds to rehabilitation beds rather than to the construction of new facilities and/or beds.

RELATIVE IMPORTANCE OF PROJECT REVIEW CRITERIA

The following project review criteria are considered to be the most important in evaluating Certificate of Need applications for this service:

a. Compliance with the Need Outlined in this Plan;
b. Community Need Documentation;
c. Distribution (Accessibility);

d. Projected Revenues;
e. Projected Expenses;
f. Cost Containment; and
g. Resource Availability.

Rehabilitation facilities are now located throughout the state and are available within approximately ninety (90) minutes travel time for the majority of residents. Such facilities should be located where an extensive variety of health care professionals are available. The benefits of improved accessibility will be equally weighted with the adverse affects of duplication in evaluating Certificate of Need applications for this service.

REHABILITATION BED NEED

2004 PLAN

SERVICE AREA	2003 POP	2010 POP	PAT. DAYS	PROJ ADC	% OCCUP.	BED NEED	EXIST BEDS	ADDITION (EXCESS)
ANDERSON, OCONEE	238,610	255,740	8,070	25.84	0.70	37	30	7
GREENVILLE, PICKENS	506,170	548,360	22,549	66.93	0.70	96	72	24
CHEROKEE, SPARTANBURG, UNION	345,550	367,880	5,804	37.17	0.70	53	18	35
CHESTER, LANCASTER, YORK	268,410	291,760	10,588	31.53	0.70	45	34	11
ABBEVILLE, EDGEFIELD, GREENWOOD, LAURENS, MCCORMICK, SALUDA	220,490	234,820	0	23.73	0.70	34	0	34
FAIRFIELD, LEXINGTON, NEWBERRY, RICHLAND	614,350	661,840	26,824	79.17	0.70	113	96	17
CHESTERFIELD,DARLINGTON, DILLON, FLORENCE, MARION, MARLBORO, WILLIAMSBURG	370,620	378,950	34,352	96.23	0.70	137	130	7
CLARENDON, KERSHAW, LEE, SUMTER	216,790	230,720	0	23.31	0.70	33	0	
GEORGETOWN, HORRY	265,480	300,810	6,923	30.39	0.70	43	34	9
AIKEN,ALLENDALE,BAMBERG, BARNWELL, CALHOUN, ORANGEBURG	309,880	330,260	7,360	33.37	0.70	48	24	24
BEAUFORT, COLLETON, HAMPTON, JASPER	210,110	233,720	4,417	23.61	0.70	34	10	24
BERKELEY, CHARLESTON, DORCHESTER	569,560	611,540	25,644	75.44	0.70	108	85	23
STATE TOTAL	4,136,020	4,446,400	152,531	546.72		781	533	248
STATE USE RATE	0.0368787							

6. Long Term Care Facilities and Services

A. Nursing Homes:

Nursing homes provide inpatient care for convalescent or chronic disease patients who require nursing care and related medical services, in which such nursing care and medical services are prescribed by, or are performed under the general direction, of persons licensed to practice medicine or surgery in the State. Facilities furnishing primarily domiciliary care are not included. Under www.scdhec.gov the licensing list of nursing homes also denotes the facilities that have Alzheimer's units. For more specific detail about nursing homes, refer to the Department's Standards for Licensing Nursing Homes.

For existing licensed nursing homes, bed capacity is considered to be the number of licensed beds or the number of beds approved under the Certificate of Need program regardless of oversize room construction. The number of beds counted in any patient room is the maximum number for which adequate square footage is available. These minimums are: 100 square feet in single rooms; and 80 square feet per bed in multi-bed rooms. Only the net usable space in the room is considered. Space in the toilet rooms, washrooms, closets, vestibules, and corridors is not counted.

The following items should be noted regarding the inventory of long-term care facilities:

(1) Restricted usage facilities (federal and institutional) are counted as statewide facilities and not counted in the region located.

(2) Patient days and admissions are as reported by the nursing home.

(3) Existing beds are counted based upon the greater of licensed or survey capacity. Survey beds refer to the capacity; the survey beds do not exceed the licensed beds unless a Certificate of Need has been issued for an increase in the number of beds. The footnotes in the inventory explain any changes.

(4) The beds included in the inventory have been classified for planning purposes as conforming or nonconforming. This classification is based on U.S. Public Health Service standards of plant evaluation and an actual on-site survey of each facility and updated as changed by construction and/or modernization.

(5) The standards used in this survey are basically the same for general hospitals and nursing homes. Such standards include:

(a) Fire-resistivity of each building;
(b) Fire and other safety factors of each building;
(c) Bed capacity and evaluation of nursing units, including:

(1) Availability of nurses' call system;
(2) Adequacy of bed space;
(3) Patient rooms; grade level or above;
(4) Availability of outside windows in patient rooms;
(5) Availability of direct access to a corridor for each patient room;
(6) A minimum corridor width of eight (8) feet;
(7) Availability of a nurses' station within 120 feet of each patient room unless the alternative standard of 150 feet has been approved;
(8) Adequate toilet, bedpan, bath or handwashing facilities in each patient unit; and
(9) Maximum capacity of four (4) beds per patient room.

(d) Design and structural factors affecting the function of service departments, including:

(1) Dietary department;
(2) Dining, recreation and day room space;
(3) Rehabilitation services (for facilities in excess of 100 beds only)
(4) Laundry and linen department.

The nursing home bed need methodology developed and used in the Plan is derived from a factor of 39.33 beds per thousand population age 65 and over by county. This factor was selected after detailed analysis of the method outlined in the Public Health Service health grants manual 23-2 as amended; the South Carolina Projected Use Rate method, previously approved by the Department of Health, Education, and Welfare (HEW); and several other methodologies. These beds are generally used by the non-institutional population age 65+. In an effort to give more equitable distribution of beds throughout the State, these needs are developed by county.

This methodology factored in the utilization from the South Carolina Community Long Term Care Project (CLTC) regarding client utilization of nursing homes. This project provides mandatory pre-admission screening and case management for Medicaid-eligible individuals who are applying for nursing home placement under the Medicaid program.

Therefore, the ratio of 39 beds/1000 population age 65 and over was selected as the appropriate number of nursing home beds for 2007.

A two-year projection, through 2007, of the nursing home bed need for the general (non-institutional) population is used for the following reasons:

(1) There is a shortage of Title XIX (Medicaid) funding in the state. Approximately 70% of all patients in nursing homes are financed by Medicaid.

(2) The state has limited resources to invest in meeting the long-term care needs of its population. The Long Term Care Committee of the Human Services Coordinating Council recommends that services toward home and community care should be stressed as an alternative to institutionalization.

(3) The CLTC program is operational with both Medicaid and Medicare waivers for a client assessment program to help people with disabilities find the right type of long-term care by expanding community-based services. These services include:

a. Medical Day Care
b. Personal Care
c. Respite Care
d. Home Delivered Meals
e. Transportation
f. Medical Social Services
g. Expanded Therapies
h. Mental Health Counseling

(4) Nursing homes can be developed and constructed in two years. A shorter planning horizon may lessen the potential for an over built situation in nursing home beds as alternatives are developed and funded.

There are no longer separate Federal and State standards for skilled nursing and intermediate care beds; therefore, the beds have been combined under nursing home beds.

The long-term care analyses and factor development was accomplished with the assistance of representatives of various agencies and organizations associated with long-term care.

Since the vast majority of patients utilizing nursing homes are 65 years of age or older, only this segment of the population is used in the projection of need for the general public. However, all patient days, including the under 65 population, were used to develop the bed need factor used in these methodologies.

The number of beds needed to be constructed is obtained by subtracting the number of existing beds (greater of license or survey capacity) from the bed need. In order to provide a more equitable distribution of nursing home beds throughout the State, the following policies will apply:

(1) Additional beds may be approved in counties with a positive bed need up to the need indicated.

(2) When a county has more beds than the projected need (i.e. excess beds), additional beds will not be approved.

(3) An exception to numbers (1) and (2) above can be made for an individual nursing home to add some additional nursing home beds in order to make more economical nursing units. These additions are envisioned as small increments in order to increase the efficiency of the nursing home. This exception for additional beds will not be approved if it results in three and/or four bed wards. A nursing home may add up to 16 additional beds to create either 44 or 60 bed nursing units, regardless of the projected bed need for the county. The nursing home must document how these additional beds will make a more economical unit(s). In no case will more than 16 additional beds be approved for a specific facility unless there is a need in the particular county.

The following pages depict the calculation of long-term care bed need and the current ratio of beds per thousand age 65 and over by county. The following map depicts the number of additional beds needed or the number of excess beds (circled) by county.

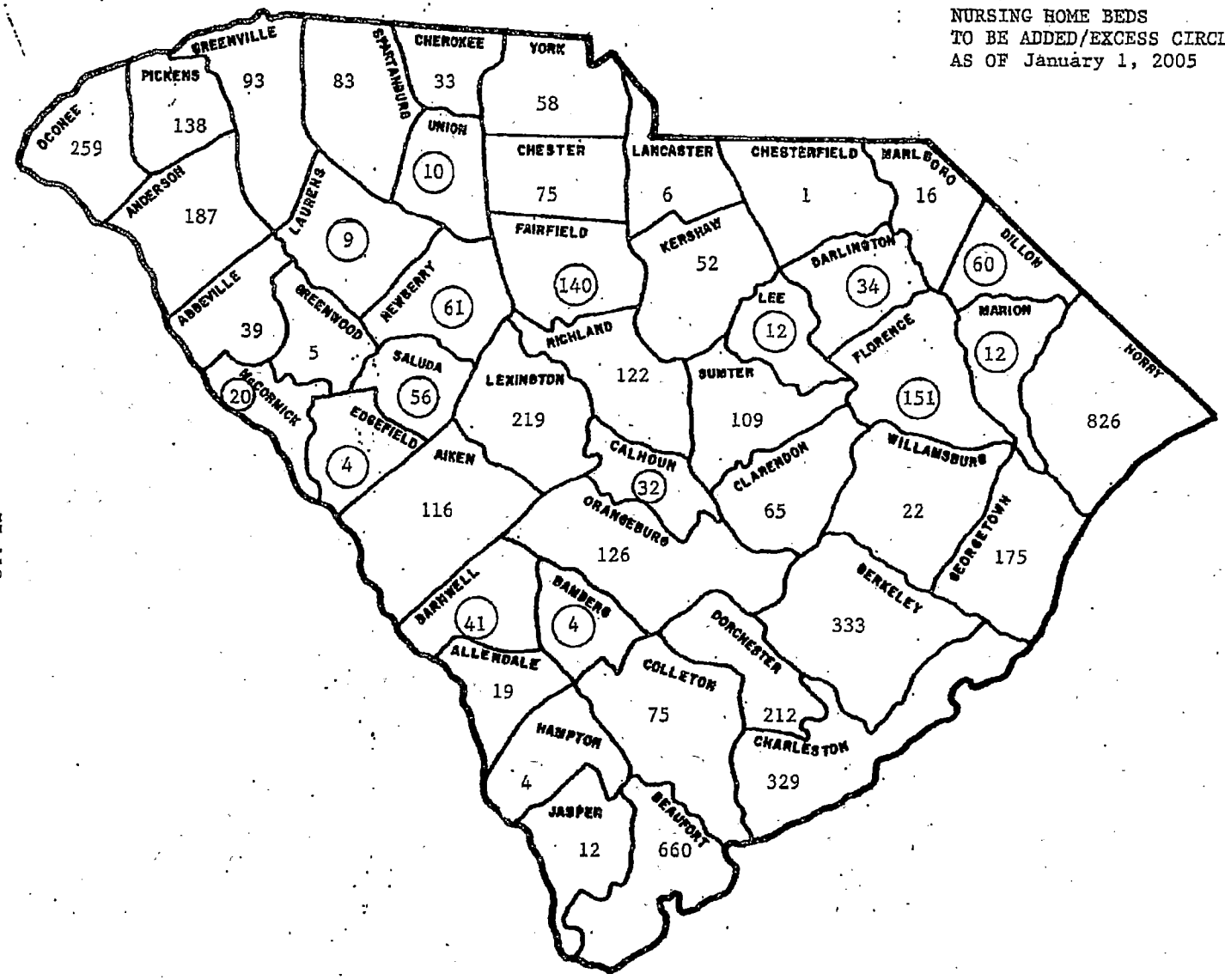
Relative Importance of Project Review Criteria

The following project review criteria as outlined in Chapter 8 of Regulation No. 61-15 are considered the most important in evaluating certificate of need applications for these beds or facilities:

a. Need;
b. Projected Revenues;
c. Projected Expenses;
d. Net Income;
e. Methods of Financing;
f. Financial Feasibility;
g. Record of the Applicant; and
h. Distribution (Accessibility).

Because nursing homes are located within approximately thirty (30) minutes travel time for the majority of the residents of the State and at least one nursing home is located in every county, there is no justification for approving additional nursing homes or beds which are not indicated as needed in this Plan. The major accessibility problem is caused by the lack of Medicaid funding since approximately 70% of all nursing home patients are paid for by the Medicaid Program. This Plan projects the need for nursing home beds by county. The benefits of improved accessibility do not outweigh the adverse affects caused by the duplication of any existing beds or the placement of Medicaid funds for the beds.

LONG TERM CARE BED NEED		2007 POP. 65+(000)	BED NEED (POP.X 39)	EXISTING BEDS	TO BE ADDED/OR EXCESS
	ANDERSON	24.320	948	761	187
	CHEROKEE	6.730	262	229	33
	GREENVILLE	47.250	1843	1750	93
	OCONEE	13.100	511	252	259
	PICKENS	14.070	549	411	138
	SPARTANBURG	33.600	1310	1227	83
	UNION	4.910	191	201	-10
REGION I	TOTAL	143.980	5614	4831	793
	ABBEVILLE	3.980	155	116	39
	CHESTER	4.480	175	100	75
	EDGEFIELD	2.970	116	120	-4
	FAIRFIELD	3.130	122	262	-140
	GREENWOOD	9.280	362	357	5
	KERSHAW	7.380	288	236	52
	LANCASTER	7.540	294	288	6
	LAURENS	10.070	393	402	-9
	LEXINGTON	26.750	1043	824	219
	MCCORMICK	2.560	100	120	-20
	NEWBERRY	5.510	215	276	-61
	RICHLAND	33.040	1289	1167	122
	SALUDA	3.070	120	176	-56
	YORK	19.420	757	699	58
REGION II	TOTAL	139.180	5429	5143	576
	CHESTERFIELD	5.250	205	204	1
	CLARENDON	5.570	217	152	65
	DARLINGTON	8.510	332	366	-34
	DILLON	3.470	135	195	-60
	FLORENCE	16.040	626	777	-151
	GEORGETOWN	10.870	424	249	175
	HORRY	38.520	1502	676	826
	LEE	2.770	108	120	-12
	MARION	4.320	168	180	-12
	MARLBORO	3.230	126	110	16
	SUMTER	13.780	537	428	109
	WILLIAMSBURG	5.080	198	176	22
REGION III	TOTAL	117.410	4578	3633	1214
	AIKEN	21.390	834	718	116
	ALLENDALE	1.620	63	44	19
	BAMBERG	2.160	84	88	-4
	BARNWELL	3.280	128	169	-41
	BEAUFORT	26.930	1050	390	660
	BERKELEY	16.860	658	325	333
	CALHOUN	2.260	88	120	-32
	CHARLESTON	41.280	1610	1281	329
	COLLETON	5.320	207	132	75
	DORCHESTER	12.560	490	278	212
	HAMPTON	2.760	108	104	4
	JASPER	2.570	100	88	12
	ORANGEBURG	13.320	519	393	126
REGION IV	TOTAL	152.310	5939	4130	1886
GRAND TOTAL		552.880	21560	17737	4469



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COUNTY	2007 POP	NURSING BEDS	BEDS/M	RANK
BEAUFORT	26.930	390	14.48	1
HORRY	38.520	676	17.55	2
OCONEE	13.100	252	19.24	3
BERKELEY	16.860	325	19.28	4
DORCHESTER	12.560	278	22.13	5
CHESTER	4.480	100	22.32	6
GEORGETOWN	10.870	249	22.91	7
COLLETON	5.320	132	24.81	8
ALLENDALE	1.620	44	27.16	9
CLARENDON	5.570	152	27.29	10
ABBEVILLE	3.980	116	29.15	11
PICKENS	14.070	411	29.21	12
ORANGEBURG	13.320	393	29.50	13
LEXINGTON	26.750	824	30.80	14
CHARLESTON	41.280	1281	31.03	15
SUMTER	13.780	428	31.06	16
ANDERSON	24.320	761	31.29	17
KERSHAW	7.380	236	31.98	18
AIKEN	21.390	718	33.57	19
CHEROKEE	6.730	229	34.03	20
MARLBORO	3.230	110	34.06	21
JASPER	2.570	88	34.24	22
WILLIAMSBURG	5.080	176	34.65	23
RICHLAND	33.040	1167	35.32	24
YORK	19.420	699	35.99	25
SPARTANBURG	33.600	1227	36.52	26
GREENVILLE	47.250	1750	37.04	27
HAMPTON	2.760	104	37.68	28
LANCASTER	7.540	288	38.20	29
GREENWOOD	9.280	357	38.47	30
CHESTERFIELD	5.250	204	38.86	31
LAURENS	10.070	402	39.92	32
EDGEFIELD	2.970	120	40.40	33
BAMBERG	2.160	88	40.74	34
UNION	4.910	201	40.94	35
MARION	4.320	180	41.67	36
DARLINGTON	8.510	366	43.01	37
LEE	2.770	120	43.32	38
MCCORMICK	2.560	120	46.88	39
FLORENCE	16.040	777	48.44	40
NEWBERRY	5.510	276	50.09	41
BARNWELL	3.280	169	51.52	42
CALHOUN	2.260	120	53.10	43
DILLON	3.470	195	56.20	44
SALUDA	3.070	176	57.33	45
FAIRFIELD	3.130	262	83.71	46
	552.880	17737	32.08	

Medicaid Nursing Home Permits

Beginning July 1, 1988, nursing homes which wish to continue to serve Medicaid patients must apply to the Department for a Medicaid nursing home permit. The permit will state how many Medicaid patient days the nursing home may provide, and the nursing home must provide within 10 percent of this number of days of care. As mandated by the Nursing Home Licensing Act of 1987, as amended, the Department will allocate permits up to the number of Medicaid patient days authorized by the General Assembly.

MEDICAID PATIENT DAYS AND MEDICAID BEDS REQUESTED AND AUTHORIZED

YEAR	# DAYS REQUESTED	BEDS	# DAYS AUTHORIZED	BEDS	# DAYS DIFFERENCE
1988-1989	3,032,839	8309	2,971,811	8142	61,028
1989-1990	3,644,248	9984	3,644,248	9984	0
1990-1991	3,709,814	10163	3,659,965	10028	49,849
1991-1992	3,856,833	10567	3,659,965	10028	196,868
1992-1993	3,976,576	10895	3,806,382	10429	170,194
1993-1994	4,012,359	10993	3,856,382	10566	155,977
1994-1995	4,023,690	11024	3,892,882	10665	130,808
1995-1996	3,969,681	10876	3,892,882	10665	76,799
1996-1997	4,072,519	11158	4,002,382	10965	70,137
1997-1998	4,119,753	11287	4,097,282	11225	22,471
1998-1999	4,265,182	11685	4,265,182	11685	0
1999-2000	4,367,134	11965	4,341,832	11895	25,302
2000-2001	4,420,522	12111	4,378,332	11995	42,190
2001-2002	4,473,170	12255	4,275,998	11715	197,172
2002-2003	4,340,158	11891	4,205,553	11522	134,605
2003-2004	4,304,160	11792	4,205,553	11522	98,607
2004-2005	4,294,977	11767	4,205,553	11522	89,424

NOTES: 36,500 patient days = 100 beds

Mental Retardation Facilities

According to national estimates, three percent of the population is considered to be mentally retarded and one percent is retarded to the extent that special support services and programs are needed. Based on the known numbers of individuals in service systems as well as improved public awareness and acceptance of issues associated with mental retardation, it is believed that there are no significant numbers of citizens with mental retardation or related disabilities currently unrecognized.

The South Carolina Department of Disabilities and Special Needs is reducing the bed capacity of its four regional centers (Whitten, Coastal, Midlands, and Pee Dee). Community residential beds are being developed for those persons from the regional centers and those on the residential services waiting list. Community beds will be distributed over the continuum of programs, which includes community residences, supervised living programs, and community training homes. These programs will enable persons with mental retardation to be served in their own communities in the settings they choose to live and receive supports in.

Any certificate of need for mental retardation beds should not be approved unless it is supported by the South Carolina Department of Disabilities and Special Needs.

B. Institutional Nursing Home (Retirement Community Nursing Home)

An institutional nursing home means a nursing home (established within the jurisdiction of a larger non-medical institution) which maintains and operates organized facilities and services to accommodate only students, residents or inmates of the institution. A bed need for this category has been established in order to provide necessary services for retirement communities as established by church, fraternal, or other organizations. Such beds must serve only the residents of the housing complex and either be developed after the housing has been established or be developed as a part of a total housing construction program which has documented that the entire complex is one inseparable project.

To be considered under this special bed category, the following criteria must be met:

(1) The nursing home must be a part of and located on the campus of the retirement community.

(2) It must restrict admissions to campus residents.

(3) The facility may not participate in the Medicaid program.

There is no projection of need for this bed category. The applicant must demonstrate that the proposed number of beds is justified and that the facility meets the above qualifications. If approved by the Department, such a facility would be licensed as an "Institutional Nursing Home" and the beds generated by such a project will be placed in the statewide inventory in Chapter III. These beds are not counted against the projected need of the county where the facility is located. For established retirement communities, the generally accepted ratio of nursing home beds to retirement beds is 1:4. This ratio appears to be high for newly established retirement centers as the new residents are not in need of nursing home care until several years later.

Relative Importance of Project Review Criteria

The following project review criteria as outlined in Chapter 8 of Regulation No. 61-15 are considered the most important in evaluating Certificate of Need applications for these beds or facilities:

a. Need for the Proposed Project;
b. Economic Consideration; and
c. Health System Resources.

Because Institutional Nursing Home Beds (restricted beds) are used solely by the residents of the retirement community, there is no justification for approving these types of nursing homes unless the need can be documented by the retirement center. The benefits of improved accessibility do not outweigh the adverse affects caused by the duplication of any existing beds or facilities.

C. Hospice Facilities and Hospice Programs

Hospice means a centrally administered, interdisciplinary health care program, which provides a continuum of medically supervised palliative and supportive care for the terminally ill patient and the family or responsible party, including but not limited to home, outpatient and inpatient services provided directly or through written agreement. Inpatient services include, but are not limited to, services provided by a hospice in a licensed hospice facility.

A Hospice Facility means an institution, place or building licensed by the Department to provide room, board and appropriate hospice care on a 24-hour basis to individuals requiring such services pursuant to the orders of a physician.

A Hospice Program means an entity licensed by the Department that provides appropriate hospice care to individuals as described in the first paragraph above, exclusive of the services provided by a hospice facility.

CERTIFICATE OF NEED REQUIREMENTS

A Certificate of Need is required for an Inpatient Hospice Facility. A Certificate of Need is not required for the establishment of a Hospice Program; an inpatient Hospice Facility must be owned or operated either directly or through contractual agreement with a licensed hospice program. An inpatient Hospice Facility must document the need for the facility and justify the number of inpatient beds that are being requested. The proposed facility must consider the impact on other existing inpatient hospice facilities.

RELATIVE IMPORTANCE OF PROJECT REVIEW CRITERIA

The following Project Review Criteria are considered to be the most important in evaluating Certificate of Need applications for this service.

1. State Health Plan standards;
2. Distribution (Accessibility);
3. Community Need Documentation;
4. Acceptability;
5. Financial feasibility, and
6. Staff Resources

The only existing licensed inpatient hospice facility is:
Callie and John Rainey Hospice House in Anderson with 32 beds.

The following hospices have been issued a CON or are appealed:

Hospice House of Charleston, Mt. Pleasant, SC; CON for 20 beds issued 9/12/03.
Hospice and Community Care, Rock Hill, SC; 16 beds approved 1/8/04, appealed.
Hospice of Marlboro County, Bennettsville, SC; CON for 10 beds approved 1/20/04.
McLeod Regional Center Hospice House, Florence, SC; CON for 12 beds issued 1/27/04.
Hospice House of HospiceCare, Greenwood, SC; CON for 15 beds issued 3/9/04.
The Hospice Home of Grace, Duncan, SC; CON for 12 beds issued 10/11/04.
Portsbridge Inpatient Hospice, Columbia, SC; CON for 12 beds issued 1/19/05.

There are fifty (56) licensed Hospice Programs with at least one licensed hospice serving every county in the state. Additional information may be found at www.scdhec.gov under health regulations.

D. Swing Beds:

To participate in the Swing Bed Program, a Certificate of Need is not required in South Carolina. However, the hospital must be certified. The swing beds concept refers to beds in a hospital that alternate between hospital and long-term care and are occupied by long-term care patients for periods of a few days to several weeks. This concept does not refer to hospital beds being designated as nursing home beds and does not necessarily involve moving beds or patients into separate areas of the hospital.

Swing beds can be the link between inpatient acute care and home and community-based services, in a continuum of care for those patients requiring long-term care. Although the goal is to return patients to the community, this is not always possible. Should a return to the community not be possible, the swing bed hospital assists the patient and family with nursing home placement. The swing bed program improves the coordination of long-term care services within the community.

Section 1883 of the Omnibus Budget Reconciliation Act of 1987 amendments permit payment under Medicaid or Medicare for extended care services to any hospital that meet the following requirements:

-- Has a Medicare provider agreement;
-- Has fewer than 100 certified beds, excluding newborn, ICU/CCU beds, beds in certified Adistinct part≅ SNFs and NFs, and beds in PPS-excluded distinct part psychiatric and rehabilitation units;
-- Is located in a rural (non-urbanized) region;
-- Has been granted a Certificate of Need for the provision of extended care services, if required by the State;
-- Does not have in effect a 24-hour nursing waiver;
-- Has not had a swing-bed approval that was terminated within the last two years; and
-- Meets the Skilled Nursing Facility (SNF) Conditions of Participation on resident rights, specialized rehabilitation services, dental services, social services, resident activities, discharge planning, admission, transfer and discharge rights and resident behavior and facility practices. The Code of Federal Regulations (CFR) section 42 Subpart A, section 482.66 details other specific requirements.

In addition, hospitals that have 50-99 beds and meet the above criteria must also meet the following criteria for approval:

1. The hospital must identify and enter into a transfer agreement with all of the Medicare SNFs in the geographic region. The SNF will notify the hospital when a post-hospital SNF care bed becomes available and the date it becomes available;

2. The hospital agrees to transfer the patient to the SNF within 5 work days (excluding weekends and holidays) of the availability date unless the patient's physician certifies that the transfer is not medically appropriate;

3. If beds are available in more than one SNF, the patient will choose the SNF to which he or she will transfer. The transfer must occur, however, within 5 work days from the day the first bed becomes available.

The following hospitals in South Carolina either meet the swing bed eligibility requirements or participate in the swing bed program:

Hospital	Swing Beds	Admissions	Patient Days	Average Census
Abbeville Co. Mem. **	18	36	307	0.8
Allendale Co. **	18	63	2829	7.8
Bamberg Co. Mem. **	24	71	633	1.7
Barnwell Co. **	24			
Beaufort Co. Mem.	--			
B.J. Workman **	21	227	6814	18.7
Cannon Memorial 1/	--			
Carolinas-Lake City **	23	39	989	2.7
Chester County	--			
Chesterfield Gen. **	29	52	518	1.4
Clarendon Memorial	--			
Edgefield Co. **	19	67	3130	8.6
Fairfield Memorial **	15			
Hampton Regional **	10			
Hilton Head	--			
Laurens County	--			
Loris Comm.	--			
Marlboro Park 3/ **	49	15	94	0.3
Newberry Co. Mem.	--			
Saint Eugene Med. Ctr.	--			
Wallace Thompson 2/	--			
Williamsburg Reg. **	39			
Wilson Medical Ctr **	24	217	6447	17.7
TOTALS	313	787	21,761	59.6

** Participates in the swing bed program.
1/ Discontinued swing bed program 10/1/2002.
2/ Discontinued swing bed program 1/1/2003.
3/ Approved for swing bed program 5/1/2002.

The number of swing beds listed above is the number that the hospital reported. In 2003, there were 9 hospitals participating in the swing bed program with 787 admissions and 21,761 patient days for an average length of stay of 27.7 days. The average number of patients per day in swing beds was 60.

E. Home Health Agencies

Home Health Agency means a public, nonprofit, or proprietary organization, whether owned or operated by one or more persons or legal entities, which furnishes or offers to furnish home health services. Home health services means those items and services furnished to an individual by a home health agency, or by others under arrangement with the home health agency, on a visiting basis and except for (f) below, in a place of temporary or permanent residence used as the individual's home as follows:

Part-time or intermittent skilled nursing care as ordered by a physician or podiatrist and provided by or under the supervision of a registered nurse and at least one other therapeutic service listed below: (a) physical, occupational, or speech therapy; (b) medical social services; (c) home health aide services; (d) other therapeutic services; (e) medical supplies as indicated in the treatment plan, and the use of medical appliances, to include durable medical equipment and (f) any of the above items and services provided on an outpatient basis under arrangements made by the home health agency with a hospital, nursing home or rehabilitation center and the furnishing of which involves the use of equipment of such a nature that the items/services cannot readily be made available to the individual in his/her home, or which are furnished at one of the above facilities while the patient is there to receive such items or services. Transportation of the individual in connection with any such items or services is not included.

The average mix of home health visits by type of service during FY 2003 for the home health agencies in South Carolina were:

Total Visits	1,235,335
Nursing visits	45.8%
Home health aide visits	12.3%
Physical therapy visits	32.2%
Medical social worker visits	1.7%
Speech therapy visits	1.9%
Occupational therapy visits	6.0%
Other	0.1%

Nursing visits includes all visits provided by a nurse including IV therapy and chemotherapy.

Some of the reasons for the increased demand through 1997 for home health services include: the Prospective Payment System, which encourages hospitals to reduce the average length of stay for most Medicare patients; changes in employee benefit plans which include economic incentives for home care; a greater awareness of community-based services such as home health, home-delivered meals, and adult day care; managed care and increased physician acceptance. The utilization of home health services has decreased since 1997 primarily due to the Balanced Budget Act

of 1997, which cut reimbursement and the number of allowable visits.

Of the current patients receiving home health services, approximately 38% are less than age 65 and 62% are age 65 and over. Some agencies are licensed to serve broad geographic areas, yet provide services to less than 50 patients annually in some counties in their licensed service area. Unless a need for another agency is indicated, the existing agencies should be able to expand their staff to meet any additional need.

STANDARDS:

Applications for home health agencies must comply with the following standards:

1. An applicant must propose home health services to cover the geographic area of an entire county and agree to serve residents throughout the entire county.

2. A separate application is required for each county in which services are to be provided.

3. There should be documentation from physicians and discharge planners in the proposed service area substantiating the need and support for an additional home health agency. These need and support letters must be on letterhead and define which practice and specialty or facility the physician/discharge planner represents as well as the county from which their patient base will be drawn. They must clearly state the number of additional patients that will be referred to a new home health agency and why another home health agency is needed. The physician or discharge planner must also personally sign these letters. If there are problems with the existing agencies serving the area, the physicians and discharge planners should state the reasons.

4. The attached table indicates the counties where one additional home health agency could be approved or an existing home health agency expanded. This table is based on the number of persons served per thousand population and the projected maximum number of agencies needed per county based on the projected population (see following table). Counties that are below 75% of the state average of patients served per thousand population and have less than the maximum number of agencies based on the projected population could accommodate one additional agency in order to assist the residents of the county in receiving services. Only these counties will be approved for an additional service. NO ADDITIONAL AGENCY WILL BE APPROVED IN THESE COUNTIES UNTIL THE APPROVED AGENCIES HAVE BEEN LICENSED AND A YEAR OF UTILIZATION DATA ARE AVAILABLE AND HAS BEEN INCORPORATED INTO THE METHODOLOGY.

MAXIMUM AGENCIES PER THOUSAND POPULATION

<30k pop. = 2 HHA's
30-50k pop. = 3 HHA's
50-75k pop. = 4 HHA's
75-125k pop. = 5 HHA's
125-175k pop. = 6 HHA's
175-225k pop. = 7 HHA's
225-275k pop. = 8 HHA's
275-325k pop. = 9 HHA's
>325k pop. = 10 HHA's

5. The applicant should have a track record of providing indigent care or a documented proposed plan for serving these patients. The applicant must provide for the past three years, the number of indigent people served, the number of indigent visits provided, the dollar amount of these services and the percentage of gross revenue devoted to indigent care. This does not include bad debt or contractual adjustments. The application must also include a pro-forma budget that contains both the dollar amount and percentage of gross revenue proposed for indigent care for the first three years of operation.

6. The applicant should have a track record that demonstrates a commitment to quality services. There should be no history of prosecution, loss of license, consent order, or abandonment of patients in other business operations. The applicant must provide a list of all licensed home health agencies it operates and the state where it operates. If licensed in another state, the name, address, and telephone number of the licensing agency and a contact person at the State Agency must be provided.

7. The applicant must document that they can serve at least 50 patients annually in each county for which they are licensed within two years of initiation of services. The applicant must assure the Department that, should they fail to provide home health services to less than 50 patients annually for a county two years after initiation of services, they will voluntarily relinquish the license for that county.

8. Because of the limited number of patients that would require Home Uterine Activity Monitoring and administration of tocolytic therapy that requires obstetrical staff expertise and 24 hour fetal monitoring, an exception to the above criteria may be made for a Certificate of Need for only this restricted service. Only one Certificate of Need application will be required for a home health agency that proposes to provide this specialized service for the 25 counties that currently do not have this service. The applicant must document that no other provider offers this service in the counties and that the agency will only provide services to obstetrical patients. The license for the agency will be restricted to serving obstetrical patients only.

If the license is terminated, another agency will be approved only if the methodology indicates a need for another agency.

Continuing Care Retirement Community Home Health Agencies

A licensed continuing care retirement community which also incorporates a skilled nursing facility may provide home health services and is exempt from Certificate of Need provided:

a. The continuing care retirement furnishes or offers to furnish home health services only to residents who reside in living units provided by the continuing care retirement community pursuant to a continuing care contract;
b. The continuing care retirement community maintains a current license and meets applicable home health agency licensing standards;
c. Residents of the continuing care retirement community may choose to obtain home health services from other licensed home health agencies.

Staff from other areas of the continuing care retirement community may deliver the home health services, but at no time may staffing levels in any area of the continuing care retirement community fall below minimum licensing standards or impair the services provided. If the continuing care retirement community includes charges for home health services in its base contract, it is prohibited from billing additional fees for those services. Continuing care retirement communities certified for Medicare or Medicaid, or both, must comply with government reimbursement requirements concerning charges for home health services. The continuing care retirement community shall not bill in excess of its costs. These costs will be determined on nonfacility-based Medicare and/or Medicaid standards. Because these continuing care retirement community home health agencies serve only residents of the retirement community, the utilization is not counted as serving the community.

Relative Importance of Project Review Criteria

The following project review criteria as outlined in Chapter 8 of Regulation No. 61-15 are considered the most important in evaluating Certificate of Need applications for this service:

a. Need;
b. Acceptability;
c. Distribution (Accessibility);
d. Medically Underserved Groups;
e. Record of the Applicant; and
f. Financial Feasibility.

Because home health agencies provide services in every county and there are at least two providers per county, there is no justification for approving additional agencies beyond those shown as needed in this Plan. The benefits of improved accessibility do not outweigh the

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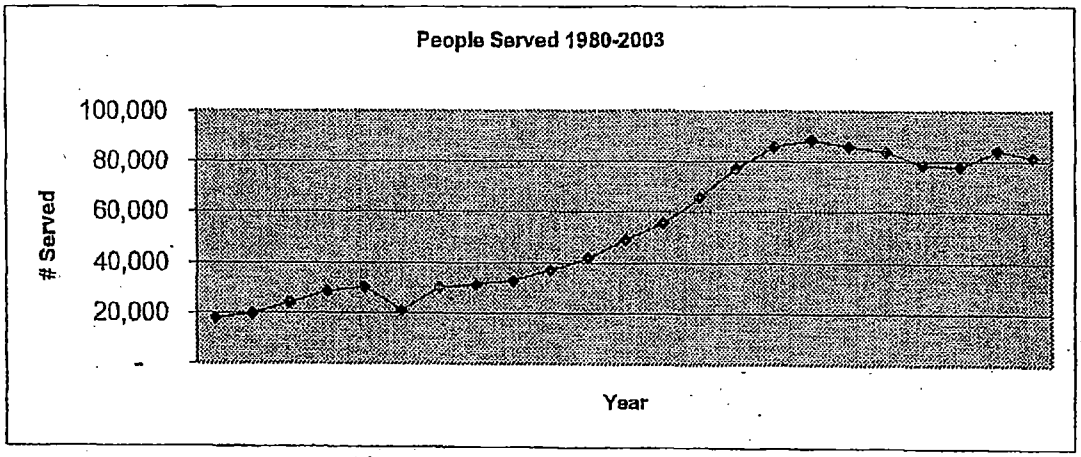
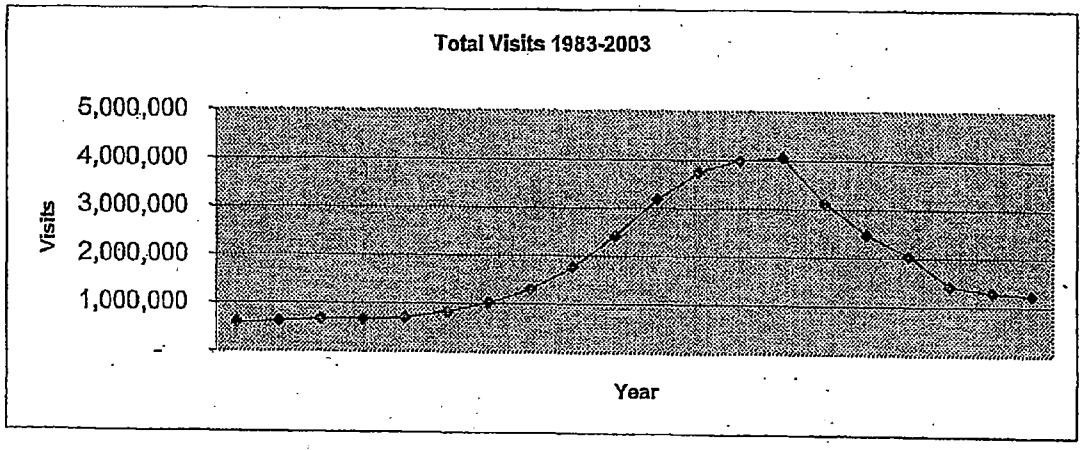
adverse affects caused by the duplication of any existing service.

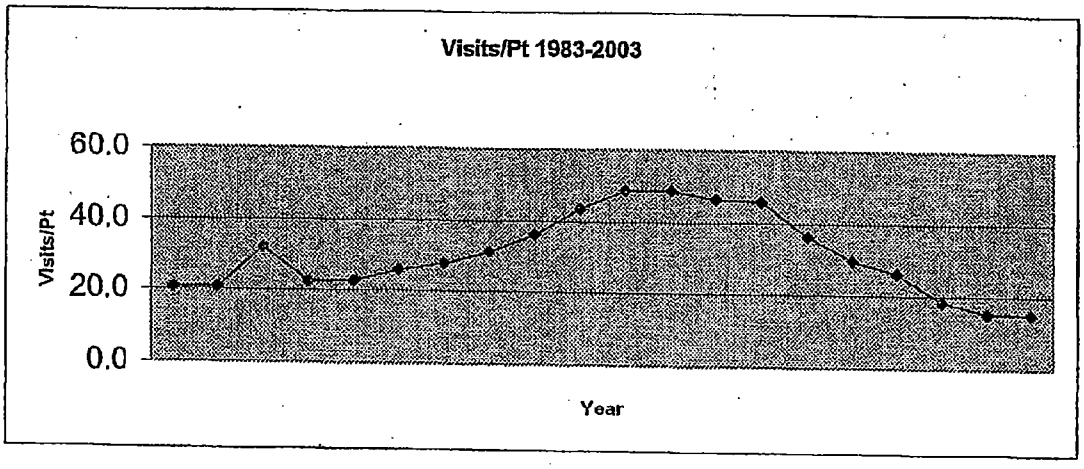
The home health agency inventory follows. The persons served and visits are based on Home Health Agency Reports. The "cut-off" date for inclusion in the inventory was January 14, 2005.

HOME HEALTH UTILIZATION, 1980-2003

YEAR	PEOPLE SERVED	TOTAL VISITS	VISITS/ PATIENT
1980	17,120	----------	-------
1981	18,021	----------	-------
1982	19,751	----------	-------
1983	24,013	427,759	17.8
1984	28,511	590,657	20.7
1985	30,360	631,498	20.8
1986	21,012	672,361	32.0
1987	30,004	673,346	22.4
1988	31,230	710,756	22.8
1989	32,727	843,514	25.8
1990	36,827	1,024,177	27.8
1991	41,912	1,307,371	31.2
1992	49,035	1,767,825	36.1
1993	55,551	2,417,241	43.5
1994	65,754	3,192,689	48.6
1995	77,214	3,755,027	48.6
1996	86,070	3,995,110	46.4
1997	88,711	4,055,843	45.7
1998	86,123	3,131,997	36.4
1999	83,969	2,472,078	29.4
2000	78,542	2,041,754	26.0
2001	77,869	1,427,436	18.3
2002	84,192	1,290,991	15.3
2003	81,708	1,235,335	15.1


People Served 1980-2003
100,000
80,000
60,000
40,000
20,000
-
Served
Year


Total Visits 1983-2003
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
-
Visits
Year


Visits/Pt 1983-2003
60.0
40.0
20.0
0.0
Visits/Pt
Year

HOME HEALTH AGENCIES

2004 PLAN

COUNTY OF RESIDENCE	2003 TOTAL PATIENTS	2003 POP. (000s)	PATIENTS SERVED/ 1000 POP	BELOW STATE AVG.	NEW AGENCY /P 1/1/03	# OF EXIST. HHAs	NEW HHA CAN BE APPROVED
Abbeville	588	26.48	22.21	---	---	4	---
Aiken	2,284	149.35	15.29	YES	---	5	YES
Allendale	287	11.58	24.78	---	---	3	---
Anderson	3,214	169.58	18.95	---	---	6	---
Bamberg	395	16.32	24.20	---	---	2	---
Barnwell	431	23.99	17.97	---	---	3	---
Beaufort	2,486	128.08	19.41	---	---	5	---
Berkeley	1,659	151.00	10.99	YES	---	7	---
Calhoun	218	15.43	14.13	YES	---	5	---
Charleston	6,799	316.03	21.51	---	---	9	---
Cherokee	1,431	53.89	26.55	---	---	4	---
Chester	675	34.43	19.60	---	---	3	---
Chesterfield	1,452	42.94	33.81	---	---	2	---
Clarendon	850	33.02	25.74	---	---	2	---
Colleton	946	39.27	24.09	---	---	5	---
Darlington	1,120	67.73	16.54	---	---	4	---
Dillon	981	30.44	32.23	---	---	4	---
Dorchester	1,367	102.53	13.33	YES	---	7	---
Edgefield	340	25.12	13.54	YES	---	4	---
Fairfield	517	23.92	21.61	---	---	3	---
Florence	2,658	128.37	20.71	---	---	4	---
Georgetown	1,322	57.32	23.06	---	---	6	---
Greenville	6,722	390.42	17.22	---	---	7	---
Greenwood	1,388	67.66	20.51	---	---	5	---
Hampton	522	21.67	24.09	---	---	4	---
Horry	5,059	208.16	24.30	---	---	6	---
Jasper	315	21.09	14.94	YES	---	4	---
Kershaw	1,056	54.23	19.47	---	---	3	---
Lancaster	1,223	61.69	19.82	---	---	2	---
Laurens	1,301	71.54	18.19	---	---	6	---
Lee	441	20.42	21.60	---	---	4	---
Lexington	3,799	226.22	16.79	---	---	7	---
McCormick	202	10.40	19.42	---	---	3	---
Marion	1,222	35.72	34.21	---	---	3	---
Marlboro	628	28.37	22.14	---	---	4	---
Newberry	834	36.85	22.63	---	---	3	---
Oconee	1,726	69.03	25.00	---	---	4	---
Orangeburg	2,049	93.21	21.98	---	---	5	---
Pickens	2,267	115.75	19.59	---	---	6	---
Richland	5,198	327.36	15.88	---	---	8	---
Saluda	468	19.29	24.26	---		4	---
Spartanburg	5,074	261.91	19.37	---	---	5	---
Sumter	2,162	109.12	19.81	---	YES	5	---
Union	1,129	29.75	37.95	---	---	2	---
Williamsburg	1,033	37.05	27.88	---	---	4	---
York	2,991	172.29	17.36	---	---	4	---
TOTALS	80,829	4,136.02	19.54			205	
			14.657025				

HOME HEALTH AGENCIES INVENTORY-2003 DATA

Facility	Counties Served	Number of Persons Served	Visits	Visits per Patient
Alliance Home Care	Horry	1275	16901	13.3
Amedisys Home Health Inc. of S.C.	Berkeley, Charleston & Dorchester	1086	20459	18.8
ANMED Home Health Agency	Anderson	1058	20623	19.5
Appalachia I Home Health Care Services	Anderson & Oconee	1212	9772	8.1
Appalachia II Home Health Services	Greenville & Pickens	1475	12245	8.3
Appalachia III Home Health Services	Spartanburg, Union & Cherokee	3295	29537	9.0
Beaufort-Jasper Home Health Agency	Beaufort & Jasper	120	774	6.5
Bethea Home Health	Darlington (may serve retirement community only)	31	16091	519.1
Care One Home Health Services	Beaufort, Hampton, & Jasper	604	9781	16.2
CarePro Home Health 1/	Richland & Sumter	497	11094	22.3
Caring Neighbors Home Health 3/	Fairfield	276	5272	19.1
Carolina Home Health Care	Richland & Lexington	955	14485	15.2
Carolina Home Health Care-Greenville 2/	Anderson, Oconee, Greenville, Pickens, Cherokee, Spartanburg Laurens & Union (may only serve patients in Union County whose initial diagnosis requires IV therapy services and/or home uterine activity monitoring)	535	9819	18.4
Catawba Home Health Services	Chester, York & Lancaster	1094	8667	7.9
Chesterfield Visiting Nurses Services	Darlington, Marlboro & Chesterfield	510	14731	28.9

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Facility	Counties Served	Number of Persons Served	Visits	Visits per Patient
(Choice Health Care Services) 11/	Colleton	0	0	---
Clarendon Memorial Home Health	Clarendon	167	2658	15.9
Clemson Area Retirement Center HHA	Pickens (may serve retirement community only)	18	1527	84.8
Cypress Club Home Health Agency	Beaufort (may serve retirement community only)	46	1785	38.8
(Edisto Health District Home Health) 10/	Bamberg, Calhoun & Orangeburg	1336	16049	12.0
Edisto Savannah Home Health Agency 10/	Aiken, Allendale, Bamberg, Barnwell, Calhoun & Orangeburg	--	---	---
Florence Visiting Nurses Services	Florence, Lee, Dillon & Marion	359	16671	46.4
(Franke Home Health) 4/	Charleston (may serve retirement center residents only)	0	0	---
Franklin C. Fetter Home Health Agency	Charleston	102	4574	44.8
Greenville Hospital System HHA	Greenville & Pickens	2369	39466	16.7
Health Related Home Care, Inc.	Abbeville, Laurens, Greenwood, Saluda & McCormick	838	27982	33.4
Hitchcock Healthcare, Inc	Aiken	882	13952	15.8
HomeCare of HospiceCare of the Piedmont	Abbeville, Greenwood, Laurens, McCormick, & Saluda (may serve terminally ill patients only)	24	375	15.6
Home Care of Lancaster	Lancaster	503	8261	16.4
Home Care of the Regional Medical Center	Calhoun & Orangeburg	356	7028	19.7
Home Health of S.C., Inc. - Lowcountry	Berkeley & Dorchester	484	5526	11.4

Facility	Counties Served	Number of Persons Served	Visits	Visits per Patient
Home Health of S.C., Inc. - Midlands	Lexington & Richland	899	12197	13.6
Home Health of South Carolina, Inc.	York	1007	15075	15.0
Home Health Services of Carolinas Hospital System	Darlington, Dillon, Florence, Marlboro & Williamsburg	1272	27736 (may serve terminally ill patients only in Williamsburg County)	21.8
Home Health Services of Self Regional Healthcare	Abbeville, Laurens, Greenwood, Saluda Mccormick	1182	19946	16.8
Hospice Care of the Low Country Home Health	Beaufort & Jasper	69	2521 (may serve terminally ill patients only)	36.5
Hospice of Charleston HHA	Charleston, Berkeley & Dorchester	83	1413	17.0
Incare Home Health, Inc.	Horry & Georgetown	1541	34202	22.2
Interim HealthCare of Greenville	Anderson, Pickens, Spartanburg, Oconee, Greenville & Cherokee	6600	112888	17.1
Interim HealthCare, Rock Hill	York	965	17057	17.7
Intrepid USA Healthcare Services 8/	Allendale, Berkeley Charleston, Colleton, Dorchester, Georgetown	823	14116	17.2
Island Health Care, Inc.	Beaufort	1338	16542	12.4
Kershaw County Medical Center Home Health	Kershaw	718	13849	19.3
Liberty Home Care-Bennettsville	Marlboro	193	3440	17.8
Liberty Home Care-Myrtle Beach	Horry	294	4096	13.9
Low Country Home Health Services	Beaufort, Jasper, Colleton & Hampton	1034	8209	7.9

Facility	Counties Served	Number of Persons Served	Visits	Visits per Patient
(Lower Savannah Home Health Services) 10/	Aiken, Allendale & Barnwell	936	7809	8.3
(Lowman Home Health) 5/	Richland (may serve retirement community only)	--	---	---
Matria Healthcare-Midlands	Aiken, Beaufort, Berkeley, Charleston, Colleton, Dorchester, Fairfield, Georgetown, Kershaw, Lancaster, Lexington, Newberry, & Richland	393	1020 (may serve obstetrical patients only)	2.6
Matria Healthcare-Piedmont 6/	Anderson, Cherokee, Chesterfield, Greenville, Oconee, Pickens, Spartanburg, York	263	685 (may serve obstetrical patients only)	2.6
	Abbeville, Allendale, Bamberg, Barnwell, Calhoun, Chester, Clarendon, Darlington, Dillon, Edgefield, Florence, Greenwood, Hampton, Horry, Jasper, Laurens, Lee, Marion, Marlboro, McCormick, Orangeburg, Saluda, Sumter, Union & Williamsburg			
McLeod Home Health	Florence, Dillon Darlington, Marion, & Lee	2211	31924	14.4
NHC HomeCare - Aiken	Aiken	304	7796	25.6
NHC HomeCare-Greenwood	Greenwood	183	5920	32.3
NHC HomeCare-Laurens	Laurens and Greenville	643	15576	24.2
Neighbors Care Home Health Agency	Chester	415	7879	19.0
Oconee Memorial Hospital HHA	Anderson, Oconee & Pickens	660	11804	17.9
Palmetto Health HomeCare	Richland, Lexington Bamberg	2441	48544 (may serve terminally ill patients only in Bamberg County)	19.9
Palmetto Home Health Services	Fairfield, Richland Lexington & Newberry	1278	9653	7.6

Facility	Counties Served	Number of Persons Served	Visits	Visits per Patient
Pee Dee District Home Health Services	Dillon, Florence, Marion, Darlington, Marlboro, Chesterfield	3649	34397	9.4
PHC Home Health	Charleston	641	9536	14.9
Roper-St. Francis Home Health Care	Charleston, Berkeley, & Dorchester	2644	52356	19.8
Sea Island Home Health	Charleston & Colleton	79	2609	33.0
Spartanburg Regional Med. Center Home Health Services	Spartanburg	1861	29601	15.9
St. Francis Hospital HomeCare	Anderson, Pickens, Greenville, & Spartanburg	1884	21838	11.6
St. Joseph Home Health Care Services	Aiken, Edgefield & Barnwell	368	5167	14.0
The Seabrook Wellness and Home Health Care	Beaufort (may only serve residents of The Seabrook of Hilton Head)	38	2193	57.7
Total Care of North 7/ Carolina-Rock Hill	York, Cherokee, Chester, & Union	1428	18024	12.6
Total Care, Inc.- Coastal	Georgetown, Horry, Williamsburg	1237	17140	13.9
Tri-County Home Health Care & Services	Saluda, Richland, Lexington, & Sumter	2734	47227	17.3
Trident Home Health Services	Charleston, Berkeley, & Dorchester	1184	14171	12.0
Tuomey Home Health	Lee, Clarendon & Sumter	804 (may serve terminally ill patients only in Lee and Clarendon Counties)	13063	16.2
University Home Health -North Augusta	Aiken & Edgefield	716	13694	19.1
Upper Savannah Home Health Services	Abbeville, Laurens, Edgefield, Saluda, Greenwood & McCormick	1067	6767	6.3

Facility	Counties Served	Number of Persons Served	Visits	Visits per Patient
VNA of Greater Bamberg	Allendale, Bamberg, Barnwell, Calhoun, Orangeburg, Hampton, & Colleton	489	21707	44.4
Waccamaw Home Health Services	Georgetown, Horry & Williamsburg	1799	18453	10.3
Wateree District Home Health Services	Clarendon, Lee, Kershaw & Sumter	1787	15875	8.9
Winyah Home HealthCare Coastal Carolina 9/	Berkeley, Charleston, Colleton, Dorchester, & Hampton	3365	31457	9.3
Winyah Home Health Care of Beaufort	Beaufort and Jasper 14/	489	6118	12.5
Winyah Home Health Care of the Grand Strand	Horry 15/	388	5334	13.7
Winyah Home Health Care Midlands 13/	Lexington, Richland, Orangeburg, Calhoun, Newberry, Lee, Sumter & Edgefield	2639	36910	14.(
Winyah Home Health Care Piedmont,LLC	Fairfield, Kershaw, Richland, Newberry, Lexington, Calhoun, & Orangeburg	199	2933	14.7
Winyah Home Health Care	Georgetown, Williamsburg,	847	10421	12.3
Winyah Home Health 12/ Care-Georgetown	Georgetown, Williamsburg	33	436	13.2
Winyah Home Health Care-Upper State	Abbeville, Greenwood, Greenville and Laurens	94	906	9.6

NOTES:

1/ Name changed 3/12/98, formerly Health Force Home Health Care. CON approved 2/7/02 for Sumter County; licensed 1/23/04.

2/ CON issued 9/22/94, to Caremark, Inc., to serve Anderson, Cherokee, Pickens, Oconee, Greenville, Spartanburg, and Union counties for patients whose initial diagnosis requires intravenous therapy services and/or home uterine activity monitoring. Licensed 1/19/95. Name changed 4/1/95, from Caremark, Inc. to Coram Alternate Site Services, Inc. Professional Home Nursing, Inc.

merged with Coram, 1/17/96, and name changed to Coram Home Health Care of South Carolina, Inc. The service to Union County is now restricted to serving patients whose initial diagnosis requires intravenous therapy services and/or home uterine activity monitoring. Other counties are full service. Change in ownership and name, formerly Coram Home Care of South Carolina, Inc., 1/15/99.

3/ Name changed 10/16/02, formerly Fairfield Home Health Services.

4/ Agency closed, 8/5/03.

5/ Agency closed, 4/16/03.

6/ CON issued 2/14/03 to expand services for OB patients only to Abbeville, Allendale, Bamberg, Barnwell, Calhoun, Chester, Clarendon, Darlington, Dillon, Edgefield, Florence, Greenwood, Hampton, Horry, Jasper, Laurens, Lee, Marion, Marlboro, McCormick, Orangeburg, Saluda, Sumter, Union and Williamsburg Counties. Licensed 3/28/03.

7/ Name changed 2/3/04, formerly Total Care, Inc.

8/ Name changed 7/1/03, formerly Medshares Home Care of Southeastern South Carolina, Inc.

9/ Name changed 9/1/04, formerly Interim of Coastal Carolina.

10/ Name changed when Lower Savannah Home Health Services and Edisto Health District Home Health Services merged, 9/20/04.

11/ Facility closed 10/1/04.

12/ Name changed 11/1/04, formerly CareSouth HomeCare Professionals, A Winyah Company-Georgetown.

13/ Name changed 11/1/04, formerly CareSouth HomeCare Professionals, A Winyah Company-Columbia.

14/ Name changed 12/1/04, formerly Interim Health Care of the Low Country.

15/ Name changed 11/4/04, formerly Interim Health Care of the Grand Strand, LLC A Winyah Company.

HOME HEALTH AGENCIES INVENTORY 2003 DATA

COUNTY	AGENCY	PERSONS SERVED	VISITS	VISITS PER PT.
Abbeville	Health Related Home Care, Inc.	386	13875	35.9
Abbeville	HomeCare of HospiceCare of Piedmont (te	6	79	13.2
Abbeville	Home Health Services of Self Regional He:	94	1369	14.6
Abbeville	Matria Healthcare-Piedmont	1	1	1.0
Abbeville	Upper Savannah Home Health	108	749	6.9
Abbeville	Winyah Home Health Care-Upper State	0	0	0.0
Aiken	Hitchcock Healthcare, Inc.	882	13952	15.8
Aiken	Edisto Savannah Home Health Agency	298	2509	8.4
Aiken	Matria Healthcare-Midlands	21	56	2.7
Aiken	NHC Home Care - Aiken	304	7796	25.6
Aiken	St. Joseph Home Health Care	299	4377	14.6
Aiken	University Home Health-North Augusta	501	8535	17.0
Allendale	Edisto Savannah Home Health Agency	276	2345	8.5
Allendale	Matria Healthcare-Piedmont	0	0	0.0
Allendale	Intrepid USA Healthcare Services	3	23	7.7
Allendale	VNA of Greater Bamberg, Inc.	8	298	37.3
Anderson	AnMed Home Health Agency	1058	20623	19.5
Anderson	Appalachia I Home Health	737	5472	7.4
Anderson	Carolina Home Health Care-Greenville	69	1293	18.7
Anderson	Interim Healthcare of Greenville	1060	16536	15.6
Anderson	Matria Healthcare-Piedmont	20	40	2.0
Anderson	Oconee Memorial Hospital HHA	39	542	13.9
Anderson	St. Francis Hospital Home Care	251	2676	10.7
Bamberg	Edisto Savannah Home Health Agency	294	3560	12.1
Bamberg	Matria Healthcare-Piedmont	1	1	1.0
Bamberg	Palmetto Health HomeCare (terminal)	2	9	4.5
Bamberg	VNA of Greater Bamberg, Inc.	101	3648	36.1
Barnwell	Edisto Savannah Home Health Agency	362	2995	8.3
Barnwell	Matria Healthcare-Piedmont	3	3	1.0
Barnwell	St. Joseph Home Health Care	43	456	10.6
Barnwell	VNA of Greater Bamberg, Inc.	26	1297	49.9
Beaufort	Beaufort-Jasper Home Health Agency	87	594	6.8
Beaufort	CareOne Home Health Services	385	6258	16.3
Beaufort	Hospice Care of Low Country (term)	61	2130	34.9
Beaufort	Winyah Home Health Care of Beaufort	428	5130	12.0
Beaufort	Island Health Care, Inc.	1338	16542	12.4
Beaufort	Low Country Home Health Services	248	1839	7.4
Beaufort	Matria Healthcare-Midlands	3	4	1.3
Beaufort	The Cypress Club Home Health Agency (r	46	1785	38.8

HOME HEALTH AGENCIES INVENTORY 2003 DATA

COUNTY	AGENCY	PERSONS SERVED	VISITS	VISITS PER PT.
Beaufort	The Seabrook Wellness and Home Health (	38	2193	57.7
Berkeley	Amedisys Home Health Inc. of SC	277	4558	16.5
Berkeley	Home Health of S. C., Inc.-Lowcountry	240	2559	10.7
Berkeley	Hospice of Charleston HHA	14	144	10.3
Berkeley	Winyah Home HealthCare Coastal Carolin	505	4469	8.8
Berkeley	Matria Healthcare-Midlands	12	25	2.1
Berkeley	Intrepid USA Healthcare Services	144	2885	20.0
Berkeley	Roper-St. Francis Home Health Care	386	6290	16.3
Berkeley	Trident Home Health Services	93	996	10.7
Calhoun	Winyah Home Health Care - Midlands	0	0	0.0
Calhoun	Edisto Savannah Home Health Agency	162	1566	9.7
Calhoun	Home Care of Regional Medical Center	21	562	26.8
Calhoun	Matria Healthcare-Piedmont	3	6	2.0
Calhoun	VNA of Greater Bamberg, Inc.	33	1448	43.9
Calhoun	Winyah Home Health Care-Piedmont	2	20	10.0
Charleston	Amedisys Home Health Inc. of SC	622	11953	19.2
Charleston	(Franke Home Health (retirement only))	0	0	0.0
Charleston	Franklin C. Fetter Home Health	102	4574	44.8
Charleston	Hospice of Charleston HHA	54	991	18.4
Charleston	Winyah Home HealthCare Coastal Carolin	2028	18189	9.0
Charleston	Matria Healthcare-Midlands	34	73	2.1
Charleston	Intrepid USA Healthcare Services	252	3545	14.1
Charleston	PHC Home Health	641	9536	14.9
Charleston	Roper-St. Francis Home Health Care	2076	43478	20.9
Charleston	Sea Island Home Health	79	2609	33.0
Charleston	Trident Home Health Services	945	11293	12.0
Cherokee	Appalachia III Home Health	792	8134	10.3
Cherokee	Carolina Home Health Care-Greenville	1	3	3.0
Cherokee	Interim Healthcare of Greenville	481	10913	22.7
Cherokee	Matria Healthcare-Piedmont	19	35	1.8
Cherokee	Total Care of North Carolina-Rock Hill	157	2478	15.8
Chester	Catawba Home Health	88	669	7.6
Chester	Matria Healthcare-Piedmont	1	2	2.0
Chester	Neighbors Care Home Health Agency	415	7879	19.0
Chester	Total Care of North Carolina-Rock Hill	172	1800	10.5
Chesterfield	Chesterfield VNS	400	11069	27.7
Chesterfield	Matria Healthcare-Piedmont	11	19	1.7
Chesterfield	Pee Dee District Home Health Services	1052	7519	7.1
Clarendon	Clarendon Memorial Home Health	167	2658	15.9
Clarendon	Matria Healthcare-Piedmont	1	1	1.0

HOME HEALTH AGENCIES INVENTORY 2003 DATA

COUNTY	AGENCY	PERSONS SERVED	VISITS	VISITS PER PT.
Clarendon	Tuomey Regional Home Health (term)	0	0	0.0
Clarendon	Wateree Home Health Services	683	6353	9.3
Colleton	(Choice Healthcare Services)	0	0	0.0
Colleton	Winyah Home HealthCare Coastal Carolin	335	3953	11.8
Colleton	Low Country Home Health Services	366	3161	8.6
Colleton	Matria Healthcare-Midlands	4	5	1.3
Colleton	Intrepid USA Healthcare Services	231	4090	17.7
Colleton	Sea Island Home Health	0	0	0.0
Colleton	VNA of Greater Bamberg, Inc.	14	616	44.0
Darlington	Bethea Home Health (retirement area)	31	16091	519.1
Darlington	Chesterfield VNS	49	1261	25.7
Darlington	Home Health Services of Carolinas Hospit	193	4160	21.6
Darlington	Matria Healthcare-Piedmont	23	45	2.0
Darlington	McLeod Home Health	724	9835	13.6
Darlington	Pee Dee District Home Health Services	154	1088	7.1
Dillon	Florence VNS	47	1857	39.5
Dillon	Home Health Services of Carolinas Hospit	54	1109	20.5
Dillon	Matria Healthcare-Piedmont	7	13	1.9
Dillon	McLeod Home Health	182	2459	13.5
Dillon	Pee Dee District Home Health Services	698	6815	9.8
Dorchester	Amedisys Home Health Inc. of SC	187	2939	15.7
Dorchester	Home Health of S. C., Inc.-Lowcountry	244	2967	12.2
Dorchester	Hospice of Charleston HHA	15	278	18.5
Dorchester	Winyah Home HealthCare Coastal Carolin	400	3915	9.8
Dorchester	Matria Healthcare-Midlands	18	153	8.5
Dorchester	Intrepid USA Healthcare Services	193	3573	18.5
Dorchester	Roper-St. Francis Home Health Care	182	2588	14.2
Dorchester	Trident Home Health Services	146	1882	12.9
Edgefield	Winyah Home Health Care - Midlands	19	285	15.0
Edgefield	Matria Healthcare-Piedmont	2	2	1.0
Edgefield	St. Joseph Home Health Care	26	334	12.8
Edgefield	University Home Health-North Augusta	215	5159	24.0
Edgefield	Upper Savannah Home Health	80	470	5.9
Fairfield	Caring Neighbors Home Health	276	5272	19.1
Fairfield	Matria Healthcare-Midlands	3	4	1.3
Fairfield	Palmetto Home Health Services	215	2011	9.4
Fairfield	Winyah Home Health Care-Piedmont	26	443	17.0
Florence	Florence VNS	168	7614	45.3
Florence	Home Health Services of Carolinas Hospit	978	21635	22.1
Florence	Matria Healthcare-Piedmont	72	145	2.0

HOME HEALTH AGENCIES INVENTORY 2003 DATA

COUNTY	AGENCY	PERSONS SERVED	VISITS	VISITS PER PT.
Florence	McLeod Home Health	977	14708	15.1
Florence	Pee Dee District Home Health Services	535	5917	11.1
Georgetown	Winyah Home Health Care - Georgetown	28	415	14.8
Georgetown	Incare Home Health	291	7379	25.4
Georgetown	Matria Healthcare-Midlands	3	4	1.3
Georgetown	Intrepid USA Healthcare Services	0	0	0.0
Georgetown	Total Care, Inc - Coastal	135	1941	14.4
Georgetown	Waccamaw Home Care Services	337	3115	9.2
Georgetown	Winyah Home Health Care	531	6389	12.0
Greenville	Appalachia II Home Health	423	2609	6.2
Greenville	Carolina Home Health Care-Greenville	305	5848	19.2
Greenville	Greenville Hospital System HHA	2142	35406	16.5
Greenville	Interim Healthcare of Greenville	2389	37998	15.9
Greenville	Matria Healthcare-Piedmont	70	179	2.6
Greenville	NHC HomeCare-Laurens	151	2484	16.5
Greenville	St. Francis Hospital Home Care	1312	15940	12.1
Greenville	Winyah Home Health Care-Upper State	0	0	0.0
Greenwood	Health Related Home Care, Inc.	227	7311	32.2
Greenwood	HomeCare of HospiceCare of Piedmont (te	12	177	14.8
Greenwood	Home Health Services of Self Regional He:	809	14107	17.4
Greenwood	Matria Healthcare-Piedmont	13	23	1.8
Greenwood	NHC Homecare-Greenwood	183	5920	32.3
Greenwood	Upper Savannah Home Health	169	1198	7.1
Greenwood	Winyah Home Health Care-Upper State	0	0	0.0
Hampton	CareOne Home Health Services	69	1031	14.9
Hampton	Winyah Home HealthCare Coastal Carolin:	97	931	9.6
Hampton	Low Country Home Health Services	349	2665	7.6
Hampton	Matria Healthcare-Piedmont	1	1	1.0
Hampton	VNA of Greater Bamberg, Inc.	7	170	24.3
Horry	Alliance Home Care	1275	16901	13.3
Horry	Incare Home Health	1250	26823	21.5
Horry	Winyah Home Health Care of Grand Stran	388	5334	13.7
Horry	Liberty Home Care-Myrtle Beach	294	4096	13.9
Horry	Matria Healthcare-Piedmont	12	19	1.6
Horry	Total Care, Inc - Coastal	866	11508	13.3
Horry	Waccamaw Home Care Services	986	10332	10.5
Jasper	Beaufort-Jasper Home Health Agency	33	180	5.5
Jasper	CareOne Home Health Services	150	2492	16.6
Jasper	Hospice Care of Low Country (term)	8	391	48.9
Jasper	Winyah Home Health Care of Beaufort	61	988	16.2

HOME HEALTH AGENCIES INVENTORY 2003 DATA

COUNTY	AGENCY	PERSONS SERVED	VISITS	VISITS PER PT.
Jasper	Low Country Home Health Services	71	544	7.7
Jasper	Matria Healthcare-Piedmont	0	0	0.0
Kershaw	Kershaw Co. Medical Center Home Health	718	13849	19.3
Kershaw	Matria Healthcare-Midlands	0	0	0.0
Kershaw	Wateree Home Health Services	284	2241	7.9
Kershaw	Winyah Home Health Care-Piedmont	54	784	14.5
Lancaster	Catawba Home Health	720	5840	8.1
Lancaster	Home Care of Lancaster	503	8261	16.4
Lancaster	Matria Healthcare-Midlands	18	42	2.3
Laurens	Carolina Home Health Care-Greenville	60	838	14.0
Laurens	Health Related Home Care, Inc.	154	4343	28.2
Laurens	HomeCare of HospiceCare of Piedmont (te	2	58	29.0
Laurens	Matria Healthcare-Piedmont	9	20	2.2
Laurens	NHC HomeCare-Laurens	492	13092	26.6
Laurens	Home Health Services of Self Regional Hea	169	2838	16.8
Laurens	Upper Savannah Home Health	332	1760	5.3
Laurens	Winyah Home Health Care-Upper State	94	906	9.6
Lee	Winyah Home Health Care - Midlands	10	200	20.0
Lee	Florence VNS	25	962	38.5
Lee	Matria Healthcare-Piedmont	2	6	3.0
Lee	McLeod Home Health	106	1568	14.8
Lee	Tuomey Regional Home Health (term)	0	0	0.0
Lee	Wateree Home Health Services	300	2446	8.2
Lexington	Winyah Home Health Care - Midlands	862	10522	12.2
Lexington	Carolina Home Health Care, Inc.	485	7203	14.9
Lexington	Home Health of South Carolina, Inc.-Midla	432	6209	14.4
Lexington	Matria Healthcare-Midlands	40	77	1.9
Lexington	Palmetto Health HomeCare	690	12879	18.7
Lexington	Palmetto Home Health Services	139	776	5.6
Lexington	Tri-County Home Health Care	1165	21985	18.9
Lexington	Winyah Home Health Care-Piedmont	26	448	17.2
Marion	Florence VNS	119	6238	52.4
Marion	Matria Healthcare-Piedmont	8	21	2.6
Marion	McLeod Home Health	220	3335	15.2
Marion	Pee Dee District Home Health Services	883	10842	12.3
Marlboro	Chesterfield VNS	61	2401	39.4
Marlboro	Home Health Services of Carolinas Hospita	47	832	17.7
Marlboro	Liberty Home Care-Bennettsville	193	3440	17.8
Marlboro	Matria Healthcare-Piedmont	5	5	1.0
Marlboro	Pee Dee District Home Health Services	327	2216	6.8

HOME HEALTH AGENCIES INVENTORY 2003 DATA

COUNTY	AGENCY	PERSONS SERVED	VISITS	VISITS PER PT.
McCormick	Health Related Home Care	37	1379	37.3
McCormick	HomeCare of HospiceCare of Piedmont (te	1	17	17.0
McCormick	Home Health Services of Self Regional Hea	68	1126	16.6
McCormick	Matria Healthcare-Piedmont	0	0	0.0
McCormick	Upper Savannah Home Health	97	698	7.2
Newberry	Winyah Home Health Care-Midlands	212	2669	12.6
Newberry	Matria Healthcare-Midlands	8	19	2.4
Newberry	Palmetto Home Health Services	583	4554	7.8
Newberry	Winyah Home Health Care-Piedmont	39	546	14.0
Oconee	Appalachia I Home Health	475	4300	9.1
Oconee	Carolina Home Health Care-Greenville	8	69	8.6
Oconee	Interim Healthcare of Greenville	733	14508	19.8
Oconee	Matria Healthcare-Piedmont	11	34	3.1
Oconee	Oconee Memorial Hospital HHA	510	9878	19.4
Orangeburg	Winyah Home Health Care - Midlands	515	9517	18.5
Orangeburg	Edisto Savannah Home Health Agency	880	10923	12.4
Orangeburg	Home Care of Regional Medical Center	335	6466	19.3
Orangeburg	Matria Healthcare-Piedmont	7	12	1.7
Orangeburg	VNA of Greater Bamberg, Inc.	300	14230	47.4
Orangeburg	Winyah Home Health Care-Piedmont	19	255	13.4
Pickens	Appalachia II Home Health	1052	9636	9.2
Pickens	Carolina Home Health Care-Greenville	53	1188	22.4
Pickens	Clemson Area Retirement Center HHA (re	18	1527	84.8
Pickens	Greenville Hospital System HHA	227	4060	17.9
Pickens	Interim Healthcare of Greenville	627	11806	18.8
Pickens	Matria Healthcare-Piedmont	9	18	2.0
Pickens	Oconee Memorial Hospital HHA	111	1384	12.5
Pickens	St. Francis Hospital Home Care	197	1863	9.5
Richland	CarePro Home Health	497	11094	22.3
Richland	Winyah Home Health Care - Midlands	845	10979	13.0
Richland	Carolina Home Health Care, Inc.	470	7282	15.5
Richland	Home Health of South Carolina, Inc.-Midla	467	5988	12.8
Richland	(Lowman Home Health (restricted))	0	0	0.0
Richland	Matria Healthcare-Midlands	94	211	2.2
Richland	Palmetto Health HomeCare	1749	35656	20.4
Richland	Palmetto Home Health Services	341	2312	6.8
Richland	Tri-County Home Health Care	796	13542	17.0
Richland	Winyah Home Health Care-Piedmont	33	437	13.2
Saluda	Health Related Home Care, Inc.	34	1074	31.6
Saluda	HomeCare of HospiceCare of Piedmont (te	3	44	14.7

HOME HEALTH AGENCIES INVENTORY 2003 DATA

COUNTY	AGENCY	PERSONS SERVED	VISITS	VISITS PER PT.
Saluda	Home Health Services of Self Regional He:	42	506	12.0
Saluda	Matria Healthcare-Piedmont	1	3	3.0
Saluda	Tri-County Home Health Care	111	1828	16.5
Saluda	Upper Savannah Home Health	281	1892	6.7
Spartanburg	Appalachia III Home Health	1740	13603	7.8
Spartanburg	Carolina Home Health Care-Greenville	39	580	14.9
Spartanburg	Interim Healthcare of Greenville	1310	21127	16.1
Spartanburg	Matria Healthcare-Piedmont	28	125	4.5
Spartanburg	Spartanburg Reg Med Ctr Home Care	1861	29601	15.9
Spartanburg	St. Francis Hospital Home Care	124	1359	11.0
Sumter	CarePro Home Health	Licensed 1/23/04		
Sumter	Winyah Home Health Care - Midlands	176	2738	15.6
Sumter	Matria Healthcare-Piedmont	15	29	1.9
Sumter	Tri-County Home Health Care	662	9872	14.9
Sumter	Tuomey Regional Home Health	804	13063	16.2
Sumter	Wateree Home Health Services	520	4835	9.3
Union	Appalachia III Home Health	763	7800	10.2
Union	Carolina Home Health Care-Greenville	0	0	0.0
Union	Matria Healthcare-Piedmont	4	11	2.8
Union	Total Care of North Carolina-Rock Hill	366	4018	11.0
Williamsburg	Winyah Home Health Care - Georgetown	5	21	4.2
Williamsburg	Home Health Services of Carolinas Hosp (1	0	0	0.0
Williamsburg	Matria Healthcare-Piedmont	7	15	2.1
Williamsburg	Total Care, Inc-Coastal	236	3691	15.6
Williamsburg	Waccamaw Home Care Services	476	5006	10.5
Williamsburg	Winyah Home Health Care	316	4032	12.8
York	Catawba Home Health	286	2158	7.5
York	Home Health of South Carolina, Inc.	1007	15075	15.0
York	Interim Healthcare/Rock Hill	965	17057	17.7
York	Matria Healthcare-Piedmont	27	186	6.9
York	Total Care of North Carolina-Rock Hill	733	9728	13.3
TOTAL		81708	1235335	15.1

RECORD 006820

F. Other Services For The Elderly

1. Day Care Facilities for Adults

A Day Care Facility for Adults means a facility, for adults eighteen (18) years of age or older, which offers in a group setting a program of individual and group activities and therapies. The program is directed toward providing community-based day care services for those adults in need of a supportive setting, thereby preventing unnecessary institutionalization. The program shall provide a minimum of four (4) and a maximum of fourteen (14) hours of operation a day. A Certificate of Need is **not** required for the establishment of a Day Care Facility for Adults; however, they must be licensed by the Division of Health Licensing.

As of January 1, 2005, there were 99 licensed Day Care Facilities for Adults with 3,414 participants. Additional information may be found at www.scdhec.gov under health regulations.

2. Community Residential Care Facilities

A Community Residential Care Facility is a facility which offers room and board and which provides a degree of personal assistance for a period of time in excess of twenty-four consecutive hours for two or more persons, eighteen years old or older, unrelated to the operator within the third degree of consanguinity. Included in this definition is any facility (other than a health care facility), which offers or represents to the public that it offers a beneficial or protected environment specifically for the mentally ill or drug addicted or alcoholic, or provides or purports to provide any specific procedure or process for the cure or improvement of that disease or condition. A Certificate of Need is not required for the construction of a Community Residential Care Facility; however, they must be licensed by the Division of Health Licensing.

As of January 1, 2005, there were 500 licensed Community Residential Care Facilities with 16,474 beds. Additional information may be found at www.scdhec.gov under health regulations.

7. Critical Access Hospitals

South Carolina is a small state, with only 16 of its 46 counties classified as urban. A greater percentage of rural residents are employed in agriculture, forestry and fishing, which tend to be low-paying professions without health insurance. Due to the lack of employment opportunities in rural areas, the younger population immigrates to the urban areas in search of employment. As a result, rural counties tend to have a higher percentage of elderly residents, who use approximately 3 times as many health services per illness than the younger population.

Rural hospitals tend to be smaller than urban hospitals and diagnostic and therapeutic technology is generally less available than at urban hospitals. Rural counties generally have fewer physicians and other health care professionals. Recruitment of staff is often difficult because of the limited availability of resources and lower reimbursements. Rural hospitals typically have a high Medicare and Medicaid case mix, but receive lower reimbursement from Medicare than urban facilities, because of smaller wage allowances.

Overall, rural hospitals have smaller markets from which to attract patients, a limited local tax base, their utilization of inpatient services continues to decrease, while their patient mix is increasingly composed of the elderly, who are covered by Medicare. The lack of specialized personnel and the inability to obtain new technologies prevent rural hospitals from providing specialized services that might increase their revenue. At the same time, many rural hospitals are the sole community provider and one of the major employers in the community. The loss of a rural hospital has a major impact on the delivery of health services for the citizens of a community.

The federal Balanced Budget Act of 1997 created the AMedicare Rural Hospital Flexibility Program, which allows states the option of designating Critical Access Hospitals (CAHs). The program has been modified by subsequent legislation. Participating facilities are allowed to function as facilities eligible for Medicare Part A, cost-based reimbursement, without having to meet all of the staffing criteria for full-service acute care hospitals. These rural hospitals provide outpatient and short-term inpatient hospital care on an urgent or emergency basis, then release patients or transfer them to a full-service hospital. These limited service hospitals are intended to provide essential health services to rural communities; because of the special allowances for staffing and reimbursement, converting a struggling rural hospital to a CAH can allow a community to maintain local health access that would otherwise be lost.

There are a number of criteria that must be met in order for a facility to qualify as a CAH:

1) It must be located in a rural county. It may be either an existing facility or a hospital that closed or downsized to a health center or clinic after November 29, 1989.

2) The facility must be part of a rural health network with at least 1 full-service hospital, with agreements regarding patient referral and transfer, communications, and patient transportation;

3) The facility must be located more than 35 miles from any other hospital or CAH (15 miles

for areas with only secondary roads) or be certified by the State as being a necessary provider of health care services to residents of the area;

4) The maximum number of licensed beds is 25, which can be operated as any combination of acute or Swing-Beds;

5) Required services include: inpatient care, emergency care, laboratory and pharmacy;

6) Emergency services must be available 24 hours a day, with on-call personnel available within 30 minutes;

7) The medical staff must consist of at least 1 physician. Staffing must include nursing on a 24-hour basis; other staffing can be flexible. Nurse Practitioners, Physician Assistants and Clinical Nurse Specialists can provide inpatient care without their supervising physician(s) being on-site.

8) The annual average length of stay must be less than 96 hours (4 days).

The state legislature approved an amendment to Article 7, Chapter 6, Title 44, amending the definition of "rural" for hospitals located in Metropolitan Statistical Area (MSA) Counties. Specifically, a hospital located in an urban area (MSA county) can still be considered "rural" for the purposes of the CAH program if it meets the following criteria:

1) It is enrolled as both a Medicaid and Medicare provider and accepts assignment for all Medicaid and Medicare patients;

2) It provides emergency health care services to indigent patients;

3) It maintains a 24-hour emergency room;

4) It staffs 50 or fewer acute care beds; and

5) It is located in a county with 25% or more rural residents, as defined by the most recent Census.

As of May 2004, 893 hospitals nationwide had been approved for CAH status. The impact of the Critical Access Hospital Program in South Carolina would be a financial one, allowing cost-based reimbursement from Medicare for a facility choosing to participate. The designation as a CAH would not require a change in the licensing of an existing hospital. However, a hospital may be required to de-license a number of beds in order to meet the 25 bed requirement.

The following facilities in South Carolina have either been approved as a CAH or have received exemptions to de-license beds to reach the 25 bed maximum allowed under the CAH program:

Abbeville Memorial Hospital	Exemption 6/28/04.
Allendale County Hospital	Approved 4/02.
Edgefield County Hospital	Exemption 8/20/04; licensed for 25 beds 8/31/04.
Fairfield Memorial Hospital	Exemption 5/14/04; licensed for 25 beds 8/23/04.
Williamsburg Regional Hospital	Exemption 8/2/04; licensed for 25 beds 9/20/04.

Based on their 2003 Average Daily Census (ADC), the following hospitals in South Carolina could potentially participate in the CAH program: Cannon Memorial (15.9), B.J. Workman (7.2), Chesterfield General (20.3), Wilson Medical Center (8.5), Carolinas Lake City (10.4), Marlboro Park (16.5), Bamberg County Memorial (15.8), Barnwell Hospital (14.6), Hampton Regional (9.9), and Low Country General.

The designation of a hospital as a Critical Access Hospital does not require Certificate of Need review, because it does not change the licensing category of the facility. However, an exemption from Certificate of Need review is required for a hospital to reduce the number of licensed beds in order to meet the criteria for a CAH. Should a hospital later desire to revert back to a general acute hospital, a Certificate of Need is required, but the facility may be permitted to increase the number of licensed hospital beds up to the prior number of beds.

8. Long-Term Care Hospitals

Long Term Care (LTC) hospitals provide diagnostic and medical treatment or rehabilitation to patients with chronic diseases or complex medical conditions with an average stay of 25 days or longer. Although these patients are no longer in need of general acute care, they still require extensive lengths of stay in a setting, which can provide highly skilled nursing, therapy, and medical treatment. The LTC hospital provides a level of care designed to minimize secondary medical conditions prior to discharge to nursing facilities, outpatient rehabilitation, or home health services. Long-term care hospitals are exempt from the Prospective Payment System (PPS) and are reimbursed based on allowable costs. They must have a Medicare provider agreement to participate as a hospital and must maintain a minimum 25-day average length of stay. As of May 2004, there were 318 long-term care hospitals nationwide.

Examples of the type of conditions that fall into this category are strokes, cardiac care, HIV, ventilator dependency, general debilitation, wound care, respiratory infections, and post-surgical care. These patients are medically complex, often requiring life support and/or extended ICU care. Required intensive support services may include invasive monitoring, cardiac telemetry, transfusion therapy, dialysis, central line placement, nutritional support, and hemodynamic monitoring.

A LTC hospital may either be a freestanding facility, or may occupy space in a building also being used by another hospital or in one or more buildings located on the same campus as buildings being used by another hospital {"the host facility"}. By locating within an existing hospital, they avoid the construction costs of a new facility while optimizing use of underutilized space in the host facility. Hospitals must meet additional Federal criteria in order to qualify as a LTC Hospital located in a building used by another hospital {"hospital-within-a-hospital"}:

1) The new hospital must have a governing board, which is distinct and separate from the governing body of the host hospital. In addition, the new board cannot be under the control of the host hospital or any entity that controls the host hospital.

2) The LTC hospital must have a separate CEO and administrative structure with no contract or affiliation with the host facility.

3) The hospital must have a separate Chief of Staff who reports directly to the governing board and is responsible for all medical staff activities. The Chief of Staff cannot be under contract with the host hospital or an affiliated organization.

4) There must be a separate and distinct medical staff directly to the governing board.

In addition, the LTC Hospital must demonstrate that it is organizationally and functionally separate from the host facility. This can be met in any of three ways;

1) The Basic Hospital Services Rule – The LTC hospital performs basic hospital functions such as Quality Assurance, Medical Staff, Nursing Services, Medical Records, Pharmacy, Radiology, Lab, Utilization Review, and Infection Control through its own employees or

via contracts with entities other than the host hospital or a third entity controlling both facilities. The LTC hospital can only contract with the host hospital for food and dietary services, maintenance, housekeeping, and other services necessary to maintain a clean and safe physical environment.

2) The 15 % Rule – The cost of the services provided by the host hospital or controlling entity do not exceed 15% of the LTC hospital's total inpatient operating costs {as defined in the federal regulations}.

3) The 75% Rule – At least 75% of the inpatient population of the LTC hospital were referred there from a source other than another hospital occupying space in the same building or on the same campus.

There are currently 6 LTC hospitals in South Carolina:

1) Spartanburg Hospital for Restorative Care, a freestanding facility affiliated with Spartanburg Regional Medical Center, has 97 beds with a 2003 occupancy rate of 63.8%.

2) Greenville Hospital System received a CON on 4/15/03 to convert North Greenville Hospital into North Greenville Long Term Acute Care Hospital, with 45 beds; the facility was licensed on 8/21/03.

3) A CON was issued on 5/12/04 to establish 32-bed Regency Hospital of Greenville within St. Francis Hospital.

4) InterMedical Hospital of South Carolina, located within Palmetto Baptist Medical Center in Columbia, is licensed for 35 beds with a 2003 occupancy rate of 70.7%.

5) Regency Hospital of Florence, a 28-bed facility affiliated with Carolinas Hospital System in Florence, had a 90.5% occupancy rate in 2003.

6) Kindred Hospital-Charleston, formerly Specialty Hospital of South Carolina, a 59-bed facility within Charleston Memorial Hospital, had a 2003 occupancy rate of 55.6%

STANDARDS

1) An application for a Long Term Care Hospital must be in compliance with the relevant standards in Regulation No. 61-16, Licensing Standards for Hospital and Institutional General Infirmaries.

2) Long Term Care Hospital beds will not be considered as a separate category for licensing or planning purposes. All LTC beds remain part of the inventory of general acute care hospital beds.

3) Long Term Acute Care hospital beds will only be approved if an existing hospital converts existing general acute care beds to LTC beds or if there is a specific need for additional general acute care beds indicated in the Plan.

CHAPTER III

STATE SUMMARY

PROGRAM OF EACH REGION

Regional Need and Narrative
Regional Summary and Program
Inventory of Inpatient Facilities
Inventory of Emergency Facilities and Trauma Centers

This chapter inventories all facilities by either statewide region or inventory region and includes the utilization data of the facilities. All changes which occurred since the previous plan are explained by a footnote. The number of beds existing and needed are summarized by region. The inventory of beds and facilities was current as of January 14, 2005.

DETERMINATION OF REGION NEED AND NARRATIVE

REGION: STATEWIDE

FISCAL YEAR: 2004

1. Statewide Health Facilities: The medical facilities serving the entire state are included in this section. These facilities tend to serve restricted use population groups as well as populations with unique needs. Due to fluctuations in the population groups served by these facilities, these types of facilities will be evaluated on an individual basis should an expansion of services or creation of new services or facilities be requested. This Plan recognizes that the needs of the Department of Mental Health and Department of Disabilities and Special Needs may change as the client population changes, since they cannot refuse any client assigned to them by the courts. Therefore, renovation, replacement, and expansion of component programs should be allowed. Because of special conditions placed on the Department of Juvenile Justice by the courts, their patients/clients must be placed in the appropriate alternative setting. Since these patients/clients are to be placed elsewhere within the State system, the State agency responsible for their care should be allowed to develop these alternative programs by contracting with a private provider, by allowing a private provider to construct a facility for these patients/clients or by the conversion/ construction of their own facilities. Facilities that have a contract with the State to serve such individuals will be approved and counted in the statewide category. Facilities owned and operated by the Department of Mental Health and the Department of Disabilities and Special Needs are exempt from Certificate of Need review except an addition of one or more beds to the total number of beds existing as of July 1, 1988. The Department of Mental Health had 3,720 and the Department of Disabilities and Special Needs had 3,100 beds.

2. All changes affecting the Statewide Health Facilities have been fully annotated in the inventory.

RECORD 006828

Joint Exhibit 003-0166

REGION: STATEWIDE — INPATIENT INVENTORY — OCT.1,2002-SEPT.30,2003

ACC	NAME OF FACILITY	FN	COUNTY	CITY	CON-TROL	LICENSED BEDS	SURVEY BEDS	NONCON FORMING	ADMIS SIONS	PATIENT DAYS
	HOSPITALS:									
	THE CITADEL INFIRMARY		CHARLESTON	CHARLESTON	ST	38	38			
	LIEBER CORRECTIONAL INST INFIRMARY		DORCHESTER	RIDGEVILLE	ST	10	10			
X	SHRINERS HOSPITAL FOR CHILDREN		GREENVILLE	GREENVILLE	NPA	50	50		959	5849
	LEE CORRECTIONAL INSTITUTE INF		LEE	BISHOPVILLE	ST	20	20			
	SC VOC REHAB EVALUATION CTR		LEXINGTON	W COLUMBIA	ST	30	30			
	COLUMBIA CARE CENTER		RICHLAND	COLUMBIA	PROP	140	140		170	25508
	KIRKLAND CORRECTIONAL INFIRMARY		RICHLAND	COLUMBIA	ST	24	24			
	WILLOW LANE INFIRMARY		RICHLAND	COLUMBIA	ST	8	8			
	CHILDREN'S HABILITATION CENTER		SPARTANBURG	SPARTANBURG	ST	22	22		174	199
	TOTAL					304	304		1303	31556
	MENTAL HOSPITALS:									
XYZ	PATRICK B HARRIS PSYCHIATRIC HOSP		ANDERSON	ANDERSON	ST	206	206		1806	47189
XYZ	COLUMBIA CARE CENTER		RICHLAND	COLUMBIA	PROP	178	178		353	52621
	GILLIAM PSYCHIATRIC HOSPITAL		RICHLAND	COLUMBIA	ST	87	87			
XYZ	SC STATE HOSPITAL	1	RICHLAND	COLUMBIA	ST	150	501	264 abc	107	25614
XYZ	G WERBER BRYAN PSYCHIATRIC HOSP		RICHLAND	COLUMBIA	ST	288	305		1821	72641
XYZ	WILLIAM S HALL PSYCHIATRIC INSTITI	2	RICHLAND	COLUMBIA	ST	89	89		389	22525
	TOTAL					998	1366	264	4476	220590
	RESIDENTAL TREATMENT FACILITIES FOR CHILDREN & ADOLESCENTS:									
XYZ	DIRECTIONS - WILLIAM S HALL		RICHLAND	COLUMBIA	ST	37	37		37	7258
	TOTAL					37	37		37	7258

RECORD 006829

Joint Exhibit 003-0167

REGION: STATEWIDE

					INPATIENT INVENTORY			OCT.1,2002-SEPT.30,2003	
				CON-	LICENSED	SURVEY	NONCON	ADMIS	PATIENT
	DRUG AND ALCOHOL INPT TREATMENT								
	PALMETTO CENTER	FLORENCE	FLORENCE	ST	48	48		521	11650
	HOMESVIEW ALCOHOLIC CTR	GREENVILLE	GREENVILLE	ST	36	36		489	11691
XYZ	WM J MCCORD ADOLESCENT TREAT	ORANGEBURG	ORANGEBURG	ST	15	15		127	5303
XYZ	EARL E MORRIS ADA TREATMENT CTR	RICHLAND	COLUMBIA	ST	174	174		1772	38612
	TOTAL				273	273	0	2909	67256
	LONG TERM FACILITIES:								
Y	RICHARD M CAMPBELL VA NURS HOM	3 ANDERSON	ANDERSON	ST	219	219		122	73394
YN	PRESTON HEALTH CENTER	BEAUFORT	HILTON HEAD	PROP	8	8		16	1636
Y	FRASER HEALTH CENTER	BEAUFORT	HILTON HEAD	PROP	14	14		31	3742
Y	BISHOP GADSDEN EPISCOPAL HC CTR	CHARLESTON	CHARLESTON	NPA	9	9			
N	THE FRANKE HEALTH CARE CTR	CHARLESTON	MT PLEASANT	NPA	20	20		50	7067
N	BETHEA BAPTIST HOME	DARLINGTON	DARLINGTON	NPA	52	52		57	9450
N	PRESBYTERIAN HM OF SC SUMMERVILLE	DORCHESTER	SUMMERVILLE	NPA	90	90		98	18360
N	PRESBYTERIAN HOME OF SC FLORENCE	FLORENCE	FLORENCE	NPA	44	44		24	10999
N	METHODIST MANOR OF THE PEE DEE	FLORENCE	FLORENCE	NPA	32	32		33	9985
CON	LAKES AT LITCHFIELD SKILLED NSG C	4 GEORGETOWN	PAWLEYS ISLAND	PROP	7	7		18	691
N	ROLLING GREEN VILLAGE HC FACILIT	5 GREENVILLE	GREENVILLE	NPA	34	34		59	10829
N	PRESBYTERIAN HOME OF SC CLINTON	LAURENS	CLINTON	NPA	66	66		45	20943
N	MARTHA FRANK BAPTIST HOME	LAURENS	LAURENS	NPA	7	7			
N	SC EPISCOPAL HOME STILL HOPES	LEXINGTON	W COLUMBIA	NPA	42	42		28	14590
N	LAUREL CREST RETIREMENT CENTER	LEXINGTON	W COLUMBIA	NPA	12	12		9	3701
N	PRESBYTERIAN HOME OF SC COLUMBIA	LEXINGTON	W COLUMBIA	NPA	44	44		79	14304
N	CLEMSON AREA RETIREMENT CENTER	PICKENS	CLEMSON	PROP	22	22		27	5882
N	PRESBYTERIAN HOME OF SC-FOOTHILLS	PICKENS	EASLEY	NPA	18	18		16	5522
YZN	CM TUCKER JR NURS CTR-FEWELL/STON	RICHLAND	COLUMBIA	ST	252	252	126 d	15	65470

RECORD 006830

Joint Exhibit 003-0168

REGION: STATEWIDE — INPATIENT INVENTORY — OCT.1,2002-SEPT.30,2003

				CON-	LICENSED	SURVEY	NONCON	ADMIS	PATIENT
YZN	CM TUCKER JR NURS CTR-RODDEY	RICHLAND	COLUMBIA	ST	308	308	154 d	18	80818
N	LOWMAN HOME - WC BOLICK	RICHLAND	WHITEROCK	NPA	47	47		40	16508
N	WJB DORN VETERANS NURSING	RICHLAND	COLUMBIA	FED	94	150		248	33307
N	SKYLYN HEALTH CENTER	SPARTANBURG	SPARTANBURG	PROP	11	11		22	3043
N	CARTER NURSING CENTER	SUMTER	SUMTER	NPA	44	44		33	14964
	TOTAL				1496	1552		1088	425205

INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED

Z	DR DON LESTER PEOPLES COMM RES	ABBEVILLE	WARE SHOALS	ST	8	8
Z	WARE SHOALS HAB CTR I	ABBEVILLE	WARE SHOALS	ST	8	8
	ABBEVILLE CO	TOTAL			16	16
Z	DUPONT I HABILITATION CTR	AIKEN	AIKEN	ST	8	8
Z	DUPONT II HABILITATION CTR	AIKEN	AIKEN	ST	8	8
Z	LAURENS STREET ICF/MR	AIKEN	AIKEN	ST	8	8
Z	LINDEN STREET ICR/MR	AIKEN	AIKEN	ST	8	8
Z	RUDNICK HABILITATION CTR	AIKEN	AIKEN	ST	8	8
Z	SANDERS HABILITATION CTR	AIKEN	AIKEN	ST	8	8
	AIKEN CO	TOTAL			48	48
Z	ANDERSON HABILITATION CTR	ANDERSON	ANDERSON	ST	8	8
Z	BELTON HABILITATION CTR	ANDERSON	BELTON	ST	8	8
Z	HONEA PATH HABILITATION CTR	ANDERSON	HONEA PATH	ST	8	8
	ANDERSON CO	TOTAL			24	24
Z	ACADEMY STREET COMMUNITY RES	BARNWELL	WILLISTON	NPA	8	8
Z	BLACK'S DRIVE COMMUNITY RES	BARNWELL	WILLISTON	NPA	8	8
Z	HARLEY RD COMMUNITY RES	BARNWELL	WILLISTON	NPA	8	8
Z	LEMON PARK COMMUNITY RES	BARNWELL	BARNWELL	NPA	8	8
	BARNWELL CO	TOTAL			32	32
Z	CONIFER I COMMUNITY RESIDENCE	BERKELEY	MONCKS CORNER	ST	8	8
Z	CONIFER II COMMUNITY RESIDENCE	BERKELEY	MONCKS CORNER	ST	8	8
	BERKELEY CO	TOTAL			16	16
Z	FLORENCE GRESSETTE RESIDENCE	CALHOUN	ST MATTHEWS	NPA	8	8
Z	WYLIE-BRUNSON RESIDENCE	CALHOUN	ST MATTHEWS	NPA	8	8
	CALHOUN CO	TOTAL		0	16	16

RECORD 006831

Joint Exhibit 003-0169

REGION: STATEWIDE — INPATIENT INVENTORY — OCT.1,2002-SEPT.30,2003

				CON-	LICENSED	SURVEY	NONCON	ADMIS	PATIENT
Z	CAMP ROAD COMMUNITY RESIDENCE	CHARLESTON	CHARLESTON	NPA	8	8			
Z	DILLS BLUFF COMMUNITY RESIDENCE	CHARLESTON	CHARLESTON	NPA	8	8			
Z	FARMINGTON COMMUNITY RESIDENCE	CHARLESTON	CHARLESTON	NPA	8	8			
	CHARLESTON CO	TOTAL			24	24			
Z	J. CLAUDE FORT COMMUNITY RES #1	CHEROKEE	GAFFNEY	ST	8	8			
Z	J. CLAUDE FORT COMMUNITY RES #2	CHEROKEE	GAFFNEY	ST	8	8			
	CHEROKEE CO	TOTAL			16	16			
Z	CHARLES M. INGRAM, SR COMM RES	CHESTERFIELD	CHERAW	ST	8	8			
Z	CHESTERFIELD COMMUNITY RES	CHESTERFIELD	CHESTERFIELD	ST	8	8			
	CHESTERFIELD CO	TOTAL			16	16			
Z	JOSIE DRIVE COMMUNITY RESIDENCE	COLLETON	WALTERBORO	ST	8	8			
Z	FOREST CIRCLE COMMUNITY RES	COLLETON	WALTERBORO	ST	8	8			
	COLLETON CO	TOTAL			16	16			
Z	JOHN A REAGAN COMMUNITY RES	DARLINGTON	HARTSVILLE	NPA	8	8			
Z	THAD E SALEEBY DEVELOPMENT CTR	DARLINGTON	HARTSVILLE	ST	96	96			
Z	WILLIAM W BOWEN RESIDENCE	DARLINGTON	HARTSVILLE	NPA	8	8			
	DARLINGTON CO	TOTAL			112	112			
Z	DILLON COMMUNITY RESIDENCE	DILLON	DILLON	ST	8	8			
	DILLON CO	TOTAL			8	8			
Z	COASTAL CTR -HIGHLANDS & HILLSIDE	DORCHESTER	SUMMERVILLE	ST	192	192			
Z	COASTAL CENTER- HIGHLANDS 510	DORCHESTER	SUMMERVILLE	ST	18	18			
Z	PARSONS I GROUP HOME	DORCHESTER	SUMMERVILLE	NPA	8	8			
Z	PARSONS II GROUP HOME	DORCHESTER	SUMMERVILLE	NPA	8	8			
	DORCHESTER CO	TOTAL			226	226			
Z	EDGEFIELD COMMUNITY RESIDENCE	EDGEFIELD	EDGEFIELD	ST	8	8			
	EDGEFIELD CO	TOTAL			8	8			
Z	RUBY C BLAIR COMMUNITY RESIDENCE	FAIRFIELD	BLAIR	NPA	8	8			
Z	STUART L BLAIR COMMUNITY RES	FAIRFIELD	BLAIR	NPA	8	8			
	FAIRFIELD CO	TOTAL			16	16			
Z	COIT STREET COMMUNITY RESIDENCE	FLORENCE	FLORENCE	ST	8	8			
Z	CEDARS, THE	FLORENCE	PAMPLICO	ST	8	8			
Z	FLORENCE COMMUNITY RESIDENCE	FLORENCE	FLORENCE	ST	8	8			
Z	JOHNSONVILLE HAMPTON PLACE COM	FLORENCE	JOHNSONVILLE	ST	8	8			
Z	MAGNOLIA PLACE	FLORENCE	OLANTA	ST	8	8			
Z	MULBERRY PARK, UNITS 301-306	FLORENCE	FLORENCE	ST	85	85			
Z	THE OAKS	FLORENCE	TIMMONSVILLE	ST	8	8			
Z	PECAN LA[illegible]UILDINGS 201-205	FLORENCE	FLORENCE	ST	120	120			

RECORD 006832

Joint Exhibit 003-0170

REGION: STATEWIDE — INPATIENT INVENTORY — OCT.1,2002-SEPT.30,2003

				CON-	LICENSED	SURVEY	NONCON	ADMIS	PATIENT
	FLORENCE CO TOTAL				253	253			
Z	JESSAMINE COMMUNITY RESIDENCE	GEORGETOWN	GEORGETOWN	ST	8	8			
Z	MARYVILLE COMMUNITY RESIDENCE	GEORGETOWN	GEORGETOWN	ST	8	8			
	GEORGETOWN CO				16	16			
Z	CIVITAN COMMUNITY RESIDENCE	GREENVILLE	GREENVILLE	ST	8	8			
Z	FOUNTAIN INN COMMUNITY RESIDENCE	GREENVILLE	FOUNTAIN INN	NPA	12	12			
Z	HUGHES STREET COMMUNITY RES	GREENVILLE	FOUNTAIN INN	NPA	8	8			
Z	MARIAN PARKINS COMMUNITY RES I	GREENVILLE	GREENVILLE	ST	8	8			
Z	MARIAN PARKINS COMMUNITY RES II	GREENVILLE	GREENVILLE	ST	8	8			
Z	RIDGE ROAD RESIDENCE	GREENVILLE	GREENVILLE	ST	12	12			
Z	TRAVELERS REST COMMUNITY RES	GREENVILLE	TRAVELERS REST	NPA	8	8			
	GREENVILLE CO TOTAL				64	64			
Z	HENRY & FREIDA BONDS HAB CTR	GREENWOOD	GREENWOOD	ST	8	8			
Z	MARION P CARNELL HAB CTR	GREENWOOD	WARE SHOALS	ST	8	8			
Z	J. FELTON BURTON COMMUNITY RES	GREENWOOD	GREENWOOD	ST	8	8			
	GREENWOOD CO TOTAL				24	24			
Z	HORRY CO LADIES COMMUNITY RES	HORRY	CONWAY	ST	8	8			
Z	THE LOIS EARGLE HOME	HORRY	CONWAY	ST	8	8			
	HORRY CO TOTAL				16	16			
Z	CAMDEN I GROUP HOME	KERSHAW	CAMDEN	NPA	8	8			
Z	CAMDEN II GROUP HOME	KERSHAW	CAMDEN	NPA	8	8			
	KERSHAW CO TOTAL				16	16			
Z	NANCY J MCCONNELL COMMUNITY RES	LANCASTER	LANCASTER	ST	8	8			
Z	TOM MANGUM COMMUNITY RESIDENCE	LANCASTER	LANCASTER	ST	8	8			
	LANCASTER CO TOTAL				16	16			
Z	CLINTON MANOR COMMUNITY RES	LAURENS	CLINTON	NPA	8	8			
Z	DAVIDSON STREET COMMUNITY RES	LAURENS	CLINTON	CO	8	8			
Z	MILL STREET COMMUNITY RESIDENCE	LAURENS	CLINTON	CO	8	8			
Z	SOUTH HARPER ST HABILITATION CTR	LAURENS	CLINTON	ST	8	8			
Z	SULLIVAN STREET COMMUNITY RES	LAURENS	LAURENS	NPA	8	8			
Z	OAK GROVE COMMUNITY RESIDENCE	LAURENS	LAURENS	ST	8	8			
YZ	WHITTEN CTR CTL SQ 201,204,205,207,209	LAURENS	CLINTON	ST	143	143			
Z	WHITTEN CENTER CAMPUS AREA 101-110	LAURENS	CLINTON	ST	152	152			
Z	WHITTEN CENTER WEBB UNIT 403	LAURENS	CLINTON	ST	60	60			
Z	WHITTEN CENTER SUBER UNITS 301-303	LAURENS	CLINTON	ST	68	68			
	LAURENS CO TOTAL				471	471			
Z	MCLEOD I GROUP HOME	LEE	BISHOPVILLE	NPA	8	8			
Z	MCLEOD II GROUP HOME	LEE	BISHOPVILLE	NPA	8	8			

RECORD 006833

Joint Exhibit 003-0171

REGION: STATEWIDE — INPATIENT INVENTORY — OCT.1,2002-SEPT.30,2003

					CON-	LICENSED	SURVEY	NONCON	ADMIS	PATIENT
	LEE CO	TOTAL				16	16			
Z	BRUTON SMITH ROAD GROUP HOME	LEXINGTON	LEXINGTON		NPA	8	8			
Z	BATESBURG GROUP HOME	LEXINGTON	BATESBURG		NPA	8	8			
Z	CLUSTERS OF LEXINGTON BUILDING A	LEXINGTON	LEXINGTON		NPA	8	8			
Z	CLUSTERS OF LEXINGTON BUILDING B	LEXINGTON	LEXINGTON		NPA	8	8			
Z	CLUSTERS OF LEXINGTON BUILDING C	LEXINGTON	LEXINGTON		NPA	8	8			
Z	CLUSTERS OF LEXINGTON BUILDING D	LEXINGTON	LEXINGTON		NPA	8	8			
Z	CLUSTERS OF LEXINGTON BUILDING E	LEXINGTON	LEXINGTON		NPA	8	8			
Z	CLUSTERS OF LEXINGTON BUILDING F	LEXINGTON	LEXINGTON		NPA	8	8			
Z	EAST HARTLEY STREET ICF/MR	LEXINGTON	BATESBURG		NPA	4	4			
Z	HENDRIX STREET GROUP HOME	LEXINGTON	LEXINGTON		NPA	8	8			
Z	KITTI WAKE DRIVE ICF/MR	LEXINGTON	LEXINGTON		NPA	4	4			
Z	LEANING PINES TRAIL ICF/MR	LEXINGTON	LEXINGTON		NPA	4	4			
Z	NAZARETH ROAD COMMUNITY RES	LEXINGTON	LEXINGTON		NPA	8	8			
Z	WIRE ROAD COMMUNITY RESIDENCE I	LEXINGTON	GILBERT		NPA	8	8			
Z	WIRE ROAD COMMUNITY RESIDENCE II	LEXINGTON	GILBERT		NPA	8	8			
	LEXINGTON CO	TOTAL				108	108			
Z	JENNINGS MCABEE HABILITATION CTR	MCCORMICK	MCCORMICK		ST	8	8			
	MCCORMICK CO	TOTAL				8	8			
Z	ELIZABETH S HUNTER COMMUNITY RES	NEWBERRY	NEWBERRY		ST	8	8			
Z	H.A. MCCULLOUGH COMMUNITY RES	NEWBERRY	NEWBERRY		ST	12	12			
	NEWBERRY CO	TOTAL				20	20			
Z	OCONEE COMMUNITY RESIDENCE I	OCONEE	SENECA		ST	8	8			
	OCONEE CO	TOTAL				8	8			
Z	NANCE COMMUNITY RESIDENCE	ORANGEBURG	ORANGEBURG		ST	8	8			
Z	KINGS COMMUNITY RESIDENCE	ORANGEBURG	ORANGEBURG		ST	8	8			
Z	SIFLY COMMUNITY RESIDENCE	ORANGEBURG	ORANGEBURG		NPA	8	8			
Z	WANNAMAKER ST COMMUNITY RES	ORANGEBURG	ORANGEBURG		NPA	8	8			
	ORANGEBURG CO	TOTAL				32	32			
Z	EASLEY COMMUNITY RESIDENCE #2	PICKENS	EASLEY		ST	8	8			
	PICKENS CO	TOTAL				8	8			
Z	ARCHIE DRIVE GROUP HOME	RICHLAND	COLUMBIA		NPA	8	8			
Z	CARTER STREET GROUP HOME	RICHLAND	COLUMBIA		NPA	8	8			
Z	FIRST MIDLANDS ICF-MR	6 RICHLAND	COLUMBIA		ST	344	344			
Z	HORRELL HILL COMMUNITY RESIDENCE	RICHLAND	HOPKINS		NPA	8	8			
Z	IDA I COMMUNITY RESIDENCE	RICHLAND	COLUMBIA		NPA	8	8			
Z	IDA II COMMUNITY RESIDENCE	RICHLAND	COLUMBIA		NPA	8	8			
Z	KENSINGTON I GROUP HOME	RICHLAND	COLUMBIA		NPA	8	8			
Z	KENSINGTON II GROUP HOME	RICHLAND	COLUMBIA		NPA	8	8			
Z	NORTH PINE COMMUNITY RESIDENCE	RICHLAND	HOPKINS		NPA	8	8			

RECORD 006834

Joint Exhibit 003-0172

REGION: STATEWIDE — INPATIENT INVENTORY — OCT.1,2002-SEPT.30,2003

				CON-	LICENSED	SURVEY	NONCON	ADMIS	PATIENT
Z	RABBIT RUN COMMUNITY RESIDENCE	RICHLAND	HOPKINS	NPA	8	8			
Z	WOODLAWN GROUP HOME	RICHLAND	COLUMBIA	NPA	8	8			
	RICHLAND CO	TOTAL			424	424			
Z	BENCHMARK HOMES-SPARTANBURG	SPARTANBURG	SPARTANBURG	ST	12	12			
Z	BENCHMARK HOMES-COWPENS	SPARTANBURG	COWPENS	ST	12	12			
Z	LANDRUM COMMUNITY RESIDENCE I	SPARTANBURG	LANDRUM	ST	8	8			
Z	LANDRUM COMMUNITY RESIDENCE II	SPARTANBURG	LANDRUM	ST	8	8			
	SPARTANBURG CO	TOTAL			40	40			
Z	ATKINSON EAST COMMUNITY RESIDENCE	SUMTER	SUMTER	NPA	9	9			
Z	ATKINSON WEST COMMUNITY RESIDENCE	SUMTER	SUMTER	NPA	9	9			
Z	THOMAS DRIVE COMMUNITY RESIDENCE	SUMTER	SUMTER	ST	8	8			
	SUMTER CO	TOTAL			26	26			
Z	WEST MAIN STREET COMMUNITY RES	UNION	UNION	ST	8	8			
	UNION CO	TOTAL			8	8			
Z	BIRD STREET HABILITATION CENTER 7	YORK	ROCK HILL	ST	8	8			
Z	BIRD STREET HABILITATION CENTER 7	YORK	ROCK HILL	ST	8	8			
	YORK CO	TOTAL			16	16			
	TOTAL				2184	2184			

RECORD 006835

Joint Exhibit 003-0173

FOOTNOTES

2004 PLAN

STATEWIDE

CON - Certificate of Need
UC - Under Construction
X - JCAH Accredited
Y - Medicare
Z - Medicaid
APP - Approved

NPA - Non Profit
ST - State
CO - County
PROP- Proprietary
N - Nursing Home
SW - Statewide Facility

1. Licensed beds reduced from 346 to 316, 12/5/01. Licensed beds reduced to 166 (144 psych and 22 infirmary beds at Byrnes) 3/1/04.

2. Licensed beds increased from 235 to 272, 11/22/00. Licensed beds increased from 272 to 285, 8/14/01. Beds decreased from 285 to 89 3/1/02.

3. Licensed beds reduced by 1 to 219, 8/5/03.

4. CON approved to construct a 24 bed nursing home with 17 community beds and 7 institutional beds, 10/30/01.

5. Approval to convert 10 institutional beds to 10 community beds for 34 inst & 10 comm. 10/29/01.

6. Transfer of 20 beds from 2nd Midlands to 1st Midlands with a bed increase from 344 to 364 and closure of 2nd Midlands 10/31/00 E-00-67. 2nd Midlands closed 5/16/01, but did not transfer the 20 beds.

7. Permanent license reduction, 7/26/04 E-04-44.

REGION NARRATIVE

REGION: I

FISCAL YEAR: 2004

1. Unusual Characteristics: There are no unusual characteristics such as military bases with associated dependents, nor barriers to transportation and communications in this region.

2. General Hospitals: W.J. Barge Hospital is a restricted use facility.

3. Nursing Homes: There is a need for additional nursing home beds in this area.

4. Psychiatric Facilities: These needs are determined by psychiatric service areas. See Chapter II for discussion and calculation of needs. There are acute psychiatric beds in six facilities in this region and long term psychiatric beds available at Springbrook Behavioral Healthcare System in Greenville County. There is a need for additional psychiatric beds in this region.

5. Alcohol and Drug Abuse Facilities: These needs were developed in conjunction with the S.C. Department of Alcohol and Other Drug Abuse Services. See Chapter II for discussion and calculations. There is a need for inpatient treatment beds in the Spartanburg, Cherokee, and Union Counties area.

6. Rehabilitation Facilities: There is a need for additional rehabilitation beds in this region.

RECORD 006837

Joint Exhibit 003-0175