

**From:** [DoNotReply@michigan.gov](mailto:DoNotReply@michigan.gov)  
**To:** [MDCH-ConWebTeam](#)  
**Subject:** October 9, 2013 Public Hearing Written Testimony (ContentID - 147062)  
**Date:** Tuesday, October 22, 2013 5:11:59 PM

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1. Name: Patrick O'Donovan
2. Organization: Beaumont Health System
3. Phone: 248 551 6406
4. Email: [podonovan@beaumont.edu](mailto:podonovan@beaumont.edu)
5. Standards: HB
6. Testimony: The Hospital Beds C.O.N. Review Standards went through a comprehensive review, including a SAC, during the last time these standards came up for review in 2011. During the last review, the standards were updated to ensure they were responsive to cost, quality and access as it relates to hospital beds. Beaumont Health System supports the current standards and does not recommend any substantive changes at this time. If there are technical changes, or if formulas need to be updated as provided for in the standards, Beaumont would be in support.
7. Testimony:

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**Subject:** October 9, 2013 Public Hearing Written Testimony (ContentID - 147062)  
**Date:** Monday, October 21, 2013 10:42:47 AM

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1. Name: Dennis McCafferty
2. Organization: The Economic Alliance for Michigan
3. Phone: 248-596-1006
4. Email: [DennisMccafferty@EAMOnline.org](mailto:DennisMccafferty@EAMOnline.org)
5. Standards: HB
6. Testimony: This Standard underwent extensive review in 2011 and didn't become effective until September of 2012. This last review involved a detailed analysis by Michigan State University's Department of Geography on how the Standard determines both the need for inpatient bed capacity and how the distribution of the existing inpatient bed inventory addresses the access needs of the citizens of Michigan. This process provided a more realistic projection of demand for in-patient beds and the volume and location of current excess capacity. For the first time, this last revision of the Standards also addressed ways of taking some of this excess licensed bed capacity off-line at the hospitals with the very lowest occupancy rates. While our members supported the outcome of this process, there were others in the state that took exception to how the revised standards projected in-patient bed need and waited until the eleventh hour of the review process to present an alternative method for projecting need.  
We would support the need for a SAC to again review this standard and how it projects community need for inpatient hospital beds and would request that those with alternative ideas to bring these ideas to the SAC at the beginning of the review process and not at the end.
7. Testimony:



CATHOLIC HEALTH EAST

October 22, 2013

James B. Falahee, Jr., J.D., Chairperson  
Certificate of Need Commission  
Capital View Building  
201 Capital View Building  
Michigan Department of Community Health  
Lansing, MI 48913

**RE: Hospital Beds**

Dear Chairman Falahee:

CHE-Trinity Health Michigan would like to thank the Certificate of Need Commission for the opportunity to comment on what, if any, changes need to be made to the Certificate of Need Standards.

CHE-Trinity Health Michigan supports the continued regulation of Surgical Services under Certificate of Need. CHE-Trinity Health Michigan believes the changes made to these standards in 2012 were important improvements that will assure ongoing appropriate geographic access for Michigan residents. CHE-Trinity Health Michigan supports the high occupancy provisions as a mechanism to secure additional beds when hospitals demonstrate a need for additional capacity. Similarly, CHE-Trinity Health Michigan supports the low occupancy requirements which address the issues of excess capacity.

CHE-Trinity Health Michigan believes Michigan is well-served by the existing Hospital Beds standards and does not believe specific changes to these standards are necessary at this time.

Respectfully,

A handwritten signature in black ink, appearing to read "Garry C. Faja".

Garry C. Faja  
President and CEO  
Saint Joseph Mercy Health System  
Southeast Michigan Region

A handwritten signature in blue ink, appearing to read "Roger W. Spoelman".

Roger W. Spoelman  
Regional President and CEO  
Mercy Health West Michigan



October 22, 2013

**Corporate Planning**

1 Ford Place, 3B  
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(313) 874-5000 Office  
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James B. Falahee, Jr, J.D.  
CoN Commission Chairperson  
Capital View Building  
201 Townsend Street  
Lansing, MI 48913

Dear Commissioner Falahee:

Henry Ford Health System (HFHS) would like to offer comments on the proposed Certificate of Need (CoN) review standards for Hospital Beds.

HFHS strongly supports continued regulation of Hospital Beds. HFHS recommends that a Workgroup or Standard Advisory Committee (SAC) be formed to clarify and standardize some items in the Standards.

One suggested change would be to add a definition in Section 2 of "Contiguous site" meaning a site within 750 yards of the existing licensed site. Currently, if a licensed site is bordered by large urban boulevards and highways it is extremely cost prohibitive to add a skywalk or tunnel which ultimately will add no value overall to the project.

A second suggested change in Section 2 would be to revise the definition of long term acute care hospital (LTACH) with "PPS exempt" hospital meaning a hospital that has been approved to participate in the Title XVIII (Medicare) program as a prospective payment system (PPS) exempt long-term acute care hospital or inpatient rehabilitation facility in accordance with 42 CFR Part 412. This suggestion would require the replacement of LTACH with PPS Exempt throughout the Hospital Bed Standards.

We look forward to working with the Commission and the Department to discuss these issues further and appreciate the opportunity to offer input.

Respectfully,

A handwritten signature in blue ink that reads "Karen E. Kippen".

Karen E. Kippen  
Director, Planning & CON Strategy

Spectrum Health System  
100 Michigan Street NE  
Grand Rapids, MI 49503-2560

October 21, 2013

James Falahee, Chair  
Certificate of Need Commission  
C/o Michigan Department of Community Health  
Certificate of Need Policy Section  
Capitol View Building, 201 Townsend Street  
Lansing, Michigan 48913

RE: Hospital Beds CON Standards

Dear Mr. Falahee,

Spectrum Health would like to thank the Certificate of Need Commission for the opportunity to comment on the CON Review Standards for Hospital Beds. Spectrum Health is supportive of the Hospital Bed Standards that were reviewed and revised in 2011 and put into effect September 28, 2012.

The hospital bed standards underwent an extensive review during 2011. Spectrum Health was involved in that process by our participation in both of the SAC workgroups that were authorized to closely study, among other issues, the methodology by which hospital beds were governed. The workgroups met multiple times to complete their tasks and there was broad participation in the deliberations of the SAC and the workgroups. All viewpoints were given due attention and consideration. This last review involved a very detailed analysis by the Geography Department at Michigan State University to help determine the need for inpatient bed capacity and the distribution of the existing inpatient bed inventory. This most recent revision provides a more realistic projection of demand for the inpatient beds as well as volume and location of the current excess capacity.

The revised Hospital Beds Standards recommended by the SAC and endorsed by the CON Commission represent the most thorough revision of these standards in over a decade. Spectrum Health supports the work of the SAC and the endorsement of the CON Commission and therefore we recommend that the Hospital Beds Standards not be open for further review in 2014. Spectrum Health appreciates the opportunity to provide you with our comments on the CON Review Standards for Hospital Beds.

Sincerely,  
  
Meg Tipton  
System Regulatory Consulting Specialist  
Spectrum Health



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October 23, 2013

James B. Falahee, J.D. - CoN Commission Chairperson  
Certificate of Need Policy  
Capitol View Building  
201 Townsend Street  
Lansing, MI 48913

RE: Hospital Beds – Certificate of Need Standards Review

Dear Commissioner Falahee:

This letter is written as formal testimony pertaining to the Certificate of Need (CoN) Review Standards for Hospital Beds. The University of Michigan Health System supports the overall regulations for this service; however, there is one technical attribute that should be addressed:

*Section 6 (4)(f): Applicants proposing to add new hospital beds under this subsection [High Occupancy] shall demonstrate to the Department that they have pursued a good faith effort to relocate acute care beds from other licensed acute care hospitals within the HSA. At the time an application is submitted to the Department, the applicant shall demonstrate that contact was made by one certified mail return receipt for each organization contacted.*

This requirement should be eliminated as it adds an unnecessary administrative step to the process for acquiring incremental hospital bed licenses under the High Occupancy provision. Applicants applying for additional beds under High Occupancy have quantitatively demonstrated their need for beds using the bed expansion formula within the CoN Standards and should not be required to contact other providers within their Health Service Area in an effort to relocate existing acute care beds.

The item identified could be appropriately addressed with an informal workgroup rather than a Standards Advisory Committee. Thank you for allowing the University of Michigan Health System to provide these comments for consideration.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Szelag'.

Steven E. Szelag

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**To:** [MDCH-ConWebTeam](#)  
**Subject:** October 9, 2013 Public Hearing Written Testimony (ContentID - 147062)  
**Date:** Thursday, October 24, 2013 2:18:27 PM

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1. Name: Sean Gehle
2. Organization: Ascension Health - Michigan
3. Phone: 517-482-1422
4. Email: sean.gehle@stjohn.org
5. Standards: HB
6. Testimony: Ascension Health - Michigan supports continued regulation of Hospital Beds and recommends no changes to the Hospital Bed Standard.
7. Testimony: