

# Beaumont

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October 15, 2020

Certificate of Need Commission  
c/o Michigan Department of Health and Human Services  
Certificate of Need Policy Section  
South Grand Building  
333 S. Grand Avenue  
Lansing, MI 48933

Dear Certificate of Need Commission:

Thank you for the opportunity to provide comment on the C.O.N. Review Standards for Bone Marrow Transplantation (BMT) Services that are scheduled for their 3-year review in 2021.

On behalf of Beaumont Health (Michigan's largest health system based on annual admissions) and the patients we serve, we recommend that BMT services be de-regulated for the following reasons:

- The current standards place a cap on the number of BMT services allowed in the State, without any need methodology or any data to support a cap. Only seven states regulate BMT at all, and none have a cap.
- The Division of Policy, Planning and Legislative Services of the Michigan Department of Health and Human Services has repeatedly recommended de-regulation for many years; the rationale being that sufficient regulations are already in place to assure quality and access- and that regulation under C.O.N. is unnecessary.
- In 2017, at the Commission's request, the Department developed revised BMT Review Standards that removed the cap and established additional quality related requirements that would have limited the number of new programs that could be approved. After opposition from existing BMT providers, the Commission took no action and left the cap in place.
- In 2019, existing BMT providers recommended that new cellular therapy services (Immune Effector Cellular therapy (IECT)) be restricted to existing BMT centers, even though this was not a requirement from the Foundation for the Accreditation of Cellular Therapy (FACT), the accrediting body for cellular therapy. The Commission seated a SAC who recommended that IECT be covered under CON but not restricted to BMT centers, with the only CON requirement being FACT accreditation. The Commission approved the SAC's recommendation and sent the proposed standards to the legislature, who rejected them on the basis they would restrict patient access to cancer treatments and that federal safety requirements are already in place, thus making additional CON regulation unnecessary. Beaumont believes the same is true for BMT services, which have their own CMS requirements and are also accredited by FACT.

# Beaumont

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- Need for BMT in Michigan continues to rise. According to the Department's CON website, between 2016 and 2019, BMTs increased each year and increased 13.2% during that time period.

In summary, Beaumont recommends de-regulation of BMT services in Michigan, as the CON barrier blocks any additional access and provides no demonstrated benefit from a cost or quality standpoint. De-regulation will not result in a significant number of new programs in Michigan (because of external requirements already in place), but will allow for increased access for patients in need of BMT. Patients will benefit from increased access because studies have shown that BMT as a cancer treatment is significantly underutilized.

Sincerely,



Carolyn Wilson

Executive Vice President and Chief Operating Officer  
Beaumont Health



**Henry Ford Health System**  
One Ford Place – Suite 4A  
Detroit, MI 48202

October 5, 2020

Mr. James Falahee, JD  
CON Commission Chairperson  
South Grand Building, 4th Floor  
333 S. Grand Avenue  
Lansing MI 48933

Dear Commissioner Falahee,

Henry Ford Health System (HFHS) would like to offer comments on Certificate of Need review standards for Bone Marrow Transplantation services:

Henry Ford Health System (HFHS) supports the continued regulation of Bone Marrow Transplant (BMT). The 2018/2019 Standard Advisory Committee was not charged with addressing methodology for new programs because access was not identified as an issue and demand has not changed since that time. In fact, demand for BMT services may potentially decrease with the addition of Car-T and other emerging technologies. Current hospital programs can meet the needs of the residents of Michigan. The existing standards are effectively working to control costs, quality and access throughout the state, therefore there is not cause to revisit the standards in 2021.

**Cost:** Adding a new BMT program is expensive and puts existing programs at risk.

**Quality:** Each program offers high quality care measured by all current programs meeting or exceeding the CIMBTR expected outcomes. Spreading a low volume service over more programs could compromise quality.

**Access:** The existing BMT programs throughout Michigan all have capacity to see more patients and there are programs on both the east and west sides of the state providing geographical access. Studies have proven that Michigan has as good or better access than most states.

While historically other health systems have expressed a desire to have a BMT program, there is not evidence that there is unmet need in Michigan. This demonstrates the standards, as written, are effectively achieving CON's intention of a balance of cost, quality and access and ensuring only needed services and facilities are developed throughout Michigan.


Respectfully,

A handwritten signature in cursive script, appearing to read "Robert G. Riney".

Robert G. Riney  
President, Health Care Operations  
Chief Operating Officer

A handwritten signature in cursive script, appearing to read "Benjamin Movsas".

Benjamin Movsas  
Interim Medical Director, HFCI and Chair, Radiation Oncology

**SPECTRUM HEALTH**   
Lemmen-Holton Cancer Center  
145 Michigan St. NE Suite 5120  
Grand Rapids, MI 49503  
616.486.6184 fax 616.486.6182

October 5, 2020

Chairperson James Falahee  
Certificate of Need Commission  
c/o Michigan Department of Health and Human Services  
Certificate of Need Policy Section  
South Grand Building, 5th Floor  
333 S. Grand Ave  
Lansing, Michigan 48933

Dear Chairperson Falahee,

Spectrum Health thanks the CON Commission for the opportunity to provide written testimony on the CON Review Standards for Bone Marrow Transplantation (BMT) Services.

Spectrum Health believes that continued regulation of BMT Services will serve the citizens of Michigan well. We do not believe that any changes are necessary to the current standards.

We appreciate the Commission's consideration of our comments.

Sincerely,



Mary Kay VanDriel, FACHE



October 16, 2020

James Falahee - CoN Commission Chairperson  
Department of Health and Human Services - Certificate of Need Policy Section  
5<sup>th</sup> Floor South Grand Building  
333 S. Grand Ave.  
Lansing, MI 48933

**RE: Bone Marrow Transplant - Certificate of Need Standards Review**

Dear Commissioner Falahee:

This letter is provided as formal testimony pertaining to the Certificate of Need (CoN) Review Standards for Bone Marrow Transplant (BMT). The University of Michigan Health System (UMHS) supports the continued regulation of this covered service and does not believe any specific revisions to these standards are necessary at this time.

Based on data from the Michigan Department of Health and Human Services (MDHHS) BMT Annual Survey Reports, in four of the past five years (2015, 2016, 2017, and 2018), the number of transplants performed in Southeast Michigan was less than performed in 2014, with only one year (2019) having an increased volume (3% increase) over 2014 (Table below).

Annual no. of transplants performed in Southeast Michigan:

Year	Autologous	Allogenic	Total
2014	366	263	629
2015	334	279	613
2016	347	245	592
2017	316	285	601
2018	271	344	615
2019	382	264	646

Source: MDHHS Annual Survey, 2014-2019

At UMHS, our adult and pediatric transplant units have available capacity for potential future programmatic growth. Current access for transplant beds both at our center and in Southeast Michigan are not impeded, with the demand not growing at a rate that would justify incremental capacity.

Annual no. of transplants performed in West Michigan:

Year	Autologous	Allogenic	Total
2014	44	33	77
2015	67	44	111
2016	52	47	99
2017	68	54	122
2018	81	52	133
2019	89	47	136

Source: MDHHS Annual Survey, 2014-2019

Based on the table above, West Michigan has experienced a more substantive increase in the number BMT transplants over the past six years, but not enough to imply that there may be an access to care issues.

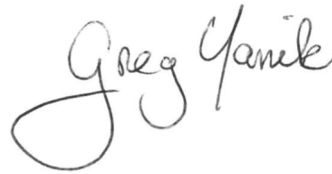
State of Michigan BMT cases grew 11% between 2014 and 2019. Additional BMT centers in the state would dilute existing services while negatively impacting overall cost and quality. It is for these reasons we do not believe the CoN Standards for BMT should be opened during this review cycle.

Thank you for allowing the University of Michigan Health System to provide these comments for consideration.

Respectfully submitted,



T. Anthony Denton, JD, MHA  
Senior Vice-President and  
Chief Operating Officer  
University of Michigan Health System  
Michigan Medicine



Gregory Yanik, MD  
Leland and Elaine Blatt Family Professor of Pediatric  
Hematology/Oncology  
University of Michigan Health System  
Michigan Medicine



October 14, 2020

James Falahee  
Chair, CON Commission  
Department of Health and Human Services - Certificate of Need Policy Section  
5th Floor South Grand Building  
333 S. Grand Ave.  
Lansing, MI 48933

**RE: Public Comment for Certificate of Need Standards for Heart/Lung/Liver Transplant and Bone Marrow Transplant**

Dear Chairman Falahee:

Saint Joseph Mercy Health System and Mercy Health would like to thank the Certificate of Need (CON) Commission for the opportunity to comment on what, if any, changes need to be made to the Certificate of Need Standards for Heart/Lung/Liver Transplant and for Bone Marrow Transplant.

Saint Joseph Mercy Health System and Mercy Health believes the current CON process and recent updates to these CON Standards have ensured Michigan's citizens have appropriate access to affordable, high quality transplantation resources. As such, Saint Joseph Mercy Health System and Mercy Health supports the continued regulation of these transplantation Services without any further modification to the existing Certificate of Need Standards.

We appreciate the CON Commission's consideration of our comments.

Sincerely,

A handwritten signature in black ink that reads "Rob Casalou".

Rob Casalou  
President and CEO  
Saint Joseph Mercy and Mercy Health System



Chairman James Falahee  
Michigan Certificate of Need Commission  
333 S. Grand Ave.  
P.O. Box 30195  
Lansing, MI 48909

CC: Members of the CON Commission, MDHHS Director Robert Gordon

Re: Public Comment, 2021 CON Standards on Bone Marrow Transplantation, Heart/Lung and Liver Transplantation, MRI Services, and Psychiatric Beds and Services

Dear Chairman Falahee:

From Metro Detroit to Iron Mountain, Americans for Prosperity citizen activists are united by a shared vision of our state's medical system. It's a vision in which qualified professionals are empowered to provide quality services, close to home, at affordable rates, in the ways that make sense for their patients and the communities they serve.

Decades ago, when Certificate-of-Need laws were developed, the policy makers who worked to implement them genuinely believed they would contribute to making that vision a reality across our nation. Unfortunately, we now know that is not the case.

Today, organizations as ideologically diverse as The Brookings Institute<sup>[1]</sup> and The Mercatus Center at George Mason University<sup>[2]</sup> have demonstrated through scholarly research that CON laws negatively impact not just medical systems as a whole, but the individual patients who rely on them for care. The federal government, meanwhile, repealed its requirement for medical CONs in 1986, less than a decade after they were implemented, and both the Federal Trade Commission and Department of Justice Anti-Trust Division have since publicly encouraged state-level policymakers to eliminate CON laws because of the ways they, "increase prices, limit consumer choice, and stifle innovation."<sup>[3]</sup>

Here at the state level, the barriers erected by our CON laws are unfortunately top of mind as we continue to grapple with a global pandemic that threatened to overwhelm our hospitals and debilitated our nursing homes – both of which are restricted by CON laws right down to the number of beds they have in any given region of the state.

I have no doubt that your distinguished career in health care is an indication that you too, believe in an accessible, affordable, high-quality network of care for Michiganders. I also trust that your engagement

*Americans for Prosperity (AFP) exists to recruit, educate, and mobilize citizens in support of the policies and goals of a free society at the local, state, and federal level, helping every American live their dream – especially the least fortunate. AFP has more than 3.2 million activists across the nation, a local infrastructure that includes 36 state chapters, and has received financial support from more than 100,000 Americans in all 50 states. For more information, visit [www.AmericansForProsperity.org](http://www.AmericansForProsperity.org).*





in the CON Commission thus far has been in good faith. That said, when we know better, we must do better. The scheduled re-assessment of CON Standards on Bone Marrow Transplantation, Heart/Lung and Liver Transplantation, MRI Services, and Psychiatric Beds and Services is an opportunity to do better in 2021 – and to demonstrate in real, tangible ways your commitment to the betterment of Michigan’s health care market.

We encourage you to take seriously the overwhelming evidence that the Commission on which you sit has long out-lived its usefulness, and that it is not an effective means by which to accomplish its stated goals. Bone Marrow Transplantation, Heart/Lung and Liver Transplantation, MRI Services, and Psychiatric Beds and Services should be de-regulated in the state of Michigan. We urge you to use your position of leadership to remove CON restrictions on these services and ensure you our citizen activists across the state would stand behind you in full force as you did so.

Sincerely,

Diana Prichard  
Community Engagement Director  
Americans for Prosperity-Michigan

1. Gaynor, M. (2020). *What to Do about Health-Care Markets? Policies to Make Health-Care Markets Work* (Rep.). Retrieved 2020, from [https://www.brookings.edu/wp-content/uploads/2020/03/Gaynor\\_PP\\_FINAL.pdf](https://www.brookings.edu/wp-content/uploads/2020/03/Gaynor_PP_FINAL.pdf)
2. Mitchell, M. (2017). *Certificate-of-Need Laws: Are They Achieving Their Goals?* (Rep.). Retrieved 2020, from <https://www.mercatus.org/system/files/mitchell-con-qa-mop-mercatus-v2.pdf>
3. Gilman, D., & Schmidt, D. (2018). Statement of the Federal Trade Commission to the Alaska Senate Committee on Labor & Commerce on Certificate-of-Need Laws and SB 62 [Letter]. Retrieved 2020, from [https://www.ftc.gov/system/files/documents/advocacy\\_documents/statement-federal-trade-commission-alaska-senate-committee-labor-commerce-certificate-need-laws/p859900\\_ftc\\_testimony\\_before\\_alaska\\_senate\\_re\\_con\\_laws.pdf](https://www.ftc.gov/system/files/documents/advocacy_documents/statement-federal-trade-commission-alaska-senate-committee-labor-commerce-certificate-need-laws/p859900_ftc_testimony_before_alaska_senate_re_con_laws.pdf)

*Americans for Prosperity (AFP) exists to recruit, educate, and mobilize citizens in support of the policies and goals of a free society at the local, state, and federal level, helping every American live their dream – especially the least fortunate. AFP has more than 3.2 million activists across the nation, a local infrastructure that includes 36 state chapters, and has received financial support from more than 100,000 Americans in all 50 states. For more information, visit [www.AmericansForProsperity.org](http://www.AmericansForProsperity.org).*



# Ascension

October 16, 2020

Chairman James Falahee  
Certificate of Need Commission  
c/o Michigan Department of Community Health  
Certificate of Need Policy Section  
South Grand Building  
333 S. Grand Avenue  
Lansing, MI 48933

Via E-Mail: [MDHHS-ConWebTeam@michigan.gov](mailto:MDHHS-ConWebTeam@michigan.gov)

Dear Chairman Falahee, and Commission Members:

On behalf of Ascension Michigan please accept this correspondence as written testimony regarding Ascension Michigan's recommendations on the following CON standards scheduled for review in 2021: Bone Marrow Transplantation Services, Heart/Lung and Liver Transplantation Services, Magnetic Resonance Imaging (MRI) Services, and Psychiatric Beds and Services.

### **Bone Marrow Transplantation Services**

Ascension Michigan supports the continued regulation of Bone Marrow Transplantation Service and has no recommended changes at this time.

### **Heart/Lung and Liver Transplantation Services**

Ascension Michigan supports the continued regulation of Heart/Lung and Liver Transplantation Services and has no recommended changes at this time.

### **Magnetic Resonance Imaging (MRI) Services**

The Commission already approved the formation of a workgroup at your January 2020 meeting, which has not yet been formed. We ask that the Commission continue to support the formation of the workgroup and ask that the workgroup also discuss access to fixed MRI for hospitals with 24/7 emergency departments.

**Ascension Michigan**  
28000 Dequindre Rd  
Warren, MI 48092

586-753-0717  
[ascension.org/michigan](http://ascension.org/michigan)

**Psychiatric Beds and Services**

Ascension Michigan supports the continued regulation of Psychiatric Beds and Services and has no recommended changes at this time.

Sincerely,

A handwritten signature in black ink on a light green rectangular background. The signature reads "Alisha Cottrell" in a cursive script.

Alisha Cottrell  
VP, Advocacy  
Ascension Michigan

# Beaumont

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October 15, 2020

Certificate of Need Commission  
c/o Michigan Department of Community Health  
Certificate of Need Policy Section  
South Grand Building  
333 S. Grand Avenue  
Lansing, MI 48933

**Re: Heart/Lung and Liver Transplantation Services**

Dear Certificate of Need Commission:

Thank you for the opportunity to provide comment on the CON Review Standards up for review in 2021. Beaumont Health supports the continued regulation of Heart/Lung and Liver Transplantation Services. Beaumont has no recommended changes to these standards at this time.

Sincerely,

A handwritten signature in blue ink that reads "Patrick O'Donovan". The signature is written in a cursive style and is contained within a light blue rectangular box.

Patrick O'Donovan  
Director, Strategy & Business Development  
947-522-1173



**Henry Ford Health System**

One Ford Place – Suite 4A  
Detroit, MI 48202

October 5, 2020

Mr. James Falahee, JD  
CON Commission Chairperson  
South Grand Building, 4th Floor  
333 S. Grand Avenue  
Lansing MI 48933

Dear Commissioner Falahee,

Henry Ford Health System (HFHS) would like to offer comments on Certificate of Need review standards for Heart/Lung and Liver Transplant Services:

Henry Ford Health System (HFHS) supports the continued regulation of Heart/Lung and Liver Transplant Services and we do not believe there are any necessary changes to the standards as they are currently written. The existing standards are effectively working to control costs, quality and access throughout the state.

- **Cost:** Adding a new Transplant program is expensive and puts existing programs at risk.
- **Quality:** Each program offers high quality care measured by all current programs meeting or exceeding the OPTN expected outcomes and operational measures. Spreading a low volume service over more programs could compromise quality.
- **Access:** Demand for transplants has increased marginally over the last 3 years. The existing Transplant programs throughout Michigan all have capacity to see more patients and there are programs on both the east and west sides of the state providing geographical access. Michigan has as good or better access than most states.

Thank you for the opportunity to share our comments.

Respectfully,

A handwritten signature in black ink, appearing to read "Marwan Abouljoud".

Marwan Abouljoud, MD, FACS, CPE, MMM  
Director, Transplant Institute and Hepatobiliary Surgery  
Benson Ford Chair in Transplantation  
Henry Ford Health System  
Professor, Clinician-Educator; Wayne State University School of Medicine  
One Ford Place, 4A  
Detroit, MI 48202

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October 5, 2020

Acute and Cardiovascular Health  
100 Michigan St NE  
Grand Rapids, MI 49503  
616.391.2849  
[Nancy.schwallier@SpectrumHealth.org](mailto:Nancy.schwallier@SpectrumHealth.org)

Chairperson James Falahee  
Certificate of Need Commission  
c/o Michigan Department of Health and Human Services  
Certificate of Need Policy Section  
South Grand Building, 5th Floor  
333 S. Grand Ave  
Lansing, Michigan 48933

Dear Chairperson Falahee,

Spectrum Health thanks the CON Commission for the opportunity to provide written testimony on the CON Review Standards for Heart/Lung and Liver (HLL) Services.  
Spectrum Health believes that continued regulation of HLL Services will serve the citizens of Michigan well.  
We do not believe that any changes are necessary to the current standards.  
We appreciate the Commission's consideration of our comments.

Sincerely,

A handwritten signature in black ink, appearing to read "N. Schwallier", with a horizontal line extending to the right.

Nancy P. Schwallier, MPAS, PA-C  
VP Operations, Acute and Cardiovascular Health  
Spectrum Health



HEALTH SYSTEM  
UNIVERSITY OF MICHIGAN

**T. Anthony Denton, MHA, JD**  
Senior Vice-President and Chief  
Operating Officer

**University of Michigan Health System**

300 N. Ingalls St, SPC 5474  
Ann Arbor MI 48109-5474

T: (734) 764-1505  
F: (734) 763-5311

tadpole@med.umich.edu

October 16, 2020

James Falahee - CoN Commission Chairperson  
Department of Health and Human Services - Certificate of Need Policy Section  
5<sup>th</sup> Floor South Grand Building  
333 S. Grand Ave.  
Lansing, MI 48933

**RE: Heart, Lung and Liver Transplant - Certificate of Need Standards Review**

Dear Commissioner Falahee:

This letter is provided as formal testimony pertaining to the Certificate of Need Review Standards for Heart, Lung and Liver Transplant. The University of Michigan Health System supports the continued regulation of this covered service and does not believe any specific revisions to these standards are necessary at this time.

Thank you for allowing the University of Michigan Health System to provide these comments for consideration.

Respectfully submitted,

T. Anthony Denton, JD, MHA  
Senior Vice-President and  
Chief Operating Officer  
University of Michigan Health System  
Michigan Medicine

John C. Magee, M.D.  
Jeremiah & Claire Turcotte Professor of Surgery  
Professor of Internal Medicine and Pediatrics  
Section Head, Transplant Surgery  
Director, University of Michigan Transplant Center

October 16, 2020

Chairperson James Falahee  
Certificate of Need Commission  
c/o Michigan Department of Health and Human Services  
Certificate of Need Policy Section  
South Grand Building, 5th Floor  
333 S. Grand Ave  
Lansing, Michigan 48933

Dear Chairperson Falahee,

Alliance HNI, L.L.C. thanks the CON Commission for the opportunity to provide written testimony on the CON Review Standards for Magnetic Resonance Imaging (MRI) Services.

Alliance HNI supports the continued CON regulation of this covered service; however, we would like to offer a suggestion for the commission to consider regarding these standards. Currently MRI service providers operating an approved Mobile MRI Network are subject to minimum volume requirements of 5,500 adjusted procedures as outlined in the project delivery requirements. Applicants agree to the project delivery requirements as a condition of CON approval on a date specific.

Subsequent to the approval facts and circumstances change. Additional providers come into the market, technology improves and population migrates. However, the project delivery requirements remain the same. Further, central service coordinators provide access to the host sites, but don't schedule patients or bill for the scans. Consequently, the central service coordinator will only ever have as much volume as the host sites generate.

This predicament is best evidenced by reviewing historical MRI service utilization lists. Previous reports demonstrate that less than 25% of mobile routes are in compliance with minimum volume requirements.

The problem will be further amplified due to the Covid-19 pandemic which has significantly reduced volume in many services including, but not limited to MRI. Even the most efficient and effective providers will not be able to meet minimum



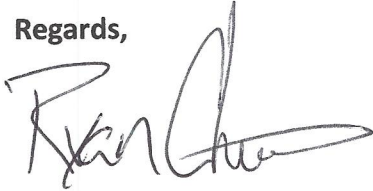


volume requirements when patient procedures were not performed for several months.

Both long term and short term consideration will be necessary to address the overall issue of MRI patient volume.

Thank you for this opportunity to share feedback and suggestions relative to the CON Review Standards of Magnetic Resonance Imaging (MRI) Services.

Regards,

A handwritten signature in black ink, appearing to read "Ryan Chow". The signature is fluid and cursive, with a long horizontal stroke at the end.

**CEO**

**Hospital Network Healthcare Services, LLC**

**Hospital Network Support Service, LLC**

**Hospital Network Ventures, LLC**

**President, Alliance HNI, LLC**

**6212 American Ave., Portage, Michigan 49002**

**PH: 269-329-3200 Fax: 269-329-8200 Cell: (989) 413-0948**

# Beaumont

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October 15, 2020

Certificate of Need Commission  
c/o Michigan Department of Community Health  
Certificate of Need Policy Section  
South Grand Building  
333 S. Grand Avenue  
Lansing, MI 48933

**Re: MRI Services**

Dear Certificate of Need Commission:

Thank you for the opportunity to provide comment on the CON Review Standards up for review in 2021. Beaumont Health supports the continued regulation of MRI Services. Beaumont recommends that the Commission review the maintenance volumes for mobile MRI services. We note that based on the May 1, 2020 MRI Utilization List, 36 of 51 mobile MRI services are not meeting maintenance volumes (71%).

Sincerely,

A handwritten signature in blue ink that reads "Patrick O'Donovan". The signature is written in a cursive style and is contained within a light blue rectangular box.

Patrick O'Donovan  
Director, Strategy & Business Development  
947-522-1173



**Henry Ford Health System**  
One Ford Place – Suite 4A  
Detroit, MI 48202

October 5, 2020

Mr. James Falahee, JD  
CON Commission Chairperson  
South Grand Building, 4th Floor  
333 S. Grand Avenue  
Lansing MI 48933

Dear Commissioner Falahee,

Henry Ford Health System (HFHS) would like to offer comments on Certificate of Need review standards for Magnetic Resonance Imaging (MRI) Services:

Henry Ford Health System (HFHS) supports the continued regulation of MRI Services. Additionally, based on evolving clinical practice, we see opportunity in revising the following sections of the standards to best support the operations of our hospitals and delivery of high-quality care to our patients. Recommendations include:

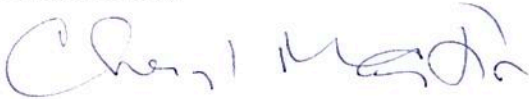
- Section 4(1) financial cap for equipment changes: HFHS recommends that the definition of “Replace an existing MRI unit” be modified and updated to remove the capital expenditure threshold for an equipment change that does not require CON approval. The current threshold is outdated, and we believe it would be more effective to allow for any equipment changes and/or upgrade to a MRI machine that does not lead to a change in the machine’s serial number without CON approval. This is consistent with similar provisions in the CT standards.
  - Section 5(b) volumes for expansion: HFHS recommends the minimum volume requirement of 11,000 adjusted procedures per unit be reduced. HFHS MRI services are operational 16 hours a day, 7 days a week at some of our facilities, and patient services are being delayed due to lack of availability of machines. Even with these extended service times, HFHS is challenged to meet the 11,000 adjusted procedure requirement for expansion at these sites.
  - Section 15(1)(a): HFHS recommends that procedures requiring general Anesthesia be considered for an increase in weighting. The current weighting does not take into consideration the extended time the patient is in the MRI during pre and post procedure care due to the Anesthesia requirements. HFHS
-

recommends adding procedures under general anesthesia to (a) with a base value weight of 2.0.

- Section 18- Physician Pledge forms: HFHS recommends there be a formal Q&A document included with physician pledge forms clearly outlining what pledging volumes means for a physician when signing a pledge form. We have seen slightly misleading Q&A documents distributed to HFHS physicians in the past. A standard Q&A would help physicians understand what commitment of volumes means to them and their patients and protect both the physician and institutions involved in the process.

Thank you for the opportunity to share our comments.

Respectfully,

A handwritten signature in blue ink that reads "Cheryl Martin". The signature is written in a cursive, flowing style.

Cheryl Martin  
Henry Ford Health System  
Vice President-Product Line, Radiology  
2799 W. Brand Blvd  
Detroit, MI 48202

October 16, 2020

Chairperson James Falahee  
Certificate of Need Commission  
c/o Michigan Department of Health and Human Services  
Certificate of Need Policy Section  
South Grand Building, 5th Floor  
333 S. Grand Ave  
Lansing, Michigan 48933

Dear Chairperson Falahee:

Thank you for this opportunity to submit written comments regarding the Certificate of Need Review Standards for Magnetic Resonance Imaging (MRI) Services, scheduled for review in 2021. We support the continued regulation of MRI services as we believe CON helps to ensure access to high quality diagnostic imaging services while maintaining lower costs for these services as compared to our neighboring states. With that said, we would like to suggest a review of these standards by an informal workgroup or SAC to review issues raised during last year's public comments, which the Commission already approved for a workgroup to discuss.

We would also ask that this group review the current requirements to add mobile services to a site with an already existing fixed MRI service as a means of expanding access incrementally without the full financial commitment to another fixed unit. The current standards require collection of physician commitments, which is at best extremely time consuming, and at worst an impediment to using this efficient option for expanding service. Perhaps the standards could be updated in a similar fashion to recent changes to the CON Standards for Surgical Services, allowing for facility level commitments of available adjusted MRI procedures when they come from the same facility as the applicant.

In the alternative, perhaps the stark distinction fixed MRI service and mobile MRI host sites could be viewed differently so that the addition of a mobile MRI host site at an existing fixed MRI service could be considered an expansion based on existing volume, rather than an initiation requiring physician commitments.

We would appreciate an opportunity to work with the Commission, Department, and a workgroup or SAC to explore these and other potential improvements to the MRI standards in the coming year. We believe these changes will have a positive impact on access to MRI services in the rural areas of our State.

Respectfully,



Dana Thering,  
Director of Strategic Planning & Business Development



October 14, 2020

James Falahee  
Chair, CON Commission  
Department of Health and Human Services - Certificate of Need Policy Section  
5th Floor South Grand Building  
333 S. Grand Ave.  
Lansing, MI 48933

**RE: Public Comment for Certificate of Need Standards for Magnetic Resonance Imaging (MRI)**

Dear Chairman Falahee:

Saint Joseph Mercy Health System and Mercy Health would like to thank the Certificate of Need (CON) Commission for the opportunity to comment on what, if any, changes need to be made to the Certificate of Need Standards for Magnetic Resonance Imaging (MRI). Saint Joseph Mercy Health System and Mercy Health supports the continued regulation of Magnetic Resonance Imaging (MRI) and believes the current CON requirements ensure Michigan's citizens have appropriate access to affordable, high quality MRI resources.

Saint Joseph Mercy Health System and Mercy Health would encourage the CON Commission to consider whether the current CON requirements to convert a mobile MRI host site to a fixed MRI are reasonable. The current volume required for this is quite high, and in working to meet this volume, some host sites incur mobile MRI contractual costs that far exceed the actual costs of a fixed MRI.

Secondly, if the CON Commission chooses to open the CON standards for potential change, Saint Joseph Mercy Health System and Mercy Health would encourage the CON Commission to consider whether the current equivalent weighting for patient sedation adequately reflects the amount of time this adds to a study. We would also encourage the Commission to consider whether the current limit of \$750,000 for upgrades within 24 months reflects current providers' experience. We do not believe these items have been reviewed for a few years.

Should the CON Commission choose to review any of these topics, Saint Joseph Mercy Health System and Mercy Health would be pleased to support and participate in a workgroup process. We appreciate the CON Commission's consideration of our comments.

Sincerely,

A handwritten signature in black ink that reads "Rob Casalou".

Rob Casalou  
President and CEO  
Saint Joseph Mercy and Mercy Health System





Improving the health of the people in our communities by  
providing quality, compassionate care to everyone, every time

October 16, 2020

Mr. James B. Falahee, Jr., JD  
Chairman  
Certificate of Need Commission  
Michigan Department of Health and Human Services  
333 S. Grand Building, 5<sup>th</sup> Floor  
Lansing, Michigan 48909

Re: CON Standards for MRI Services

Dear Chairman Falahee,

On behalf of Sparrow Health System, I am writing to provide comments on the Certificate of Need Review Standards for MRI Services. We understand these standards were approved for a workgroup at the January planning meeting and want to reiterate our standing on these standards and the need for additional review.

Sparrow Health System's mission includes an emphasis on providing access to critical health services in underserved areas in Michigan. In fulfilling this mission we operate three Critical Access Hospitals (Sparrow Clinton, Sparrow Ionia and Sparrow Eaton).

Sparrow Carson Hospital operates 61 licensed acute care hospital beds and operates a Level IV Trauma Emergency Department. The hospital serves as a critical access point for healthcare services in the area, providing surgical services and diagnostic imaging services, including MRI. The hospital is located in Montcalm County, which was designated as a rural county until the 2010 census when the federal Department of Transportation reclassified it as a metropolitan county due to a change in traffic patterns in the County. When the county designation changed to metropolitan, without any significant change to county population, patient population, or demographic of the county, the adjusted volume for the service was immediately reduced by the 40% factor. The facility now faces a situation where they cannot come into compliance with current CON project delivery requirements for volume, but feels they have a duty to the community to continue to provide access to this critical diagnostic tool.

We applaud the Commission for acknowledging the need for a workgroup and look forward to working with you on this change.

Respectfully,

A handwritten signature in black ink, appearing to read "Marlina Hendershot", written over a circular stamp.

Marlina Hendershot  
Director of Strategic Planning  
Sparrow Health System

CC: Brenda Rogers, Michigan Department of Health and Human Services

1200 E. Michigan Avenue  
P.O. Box 30480  
Lansing, Michigan 48909-7980

T 517.364.1000  
T 1.800.SPARROW  
F 517.364.5050  
[sparrow.org](http://sparrow.org)



October 12, 2020

Chairperson James Falahee  
Certificate of Need Commission  
c/o Michigan Department of Health and Human Services  
Certificate of Need Policy Section  
South Grand Building, 5th Floor  
333 S. Grand Ave  
Lansing, Michigan 48933

Dear Chairperson Falahee,

Spectrum Health thanks the CON Commission for the opportunity to provide written testimony on the CON Review Standards for Magnetic Resonance Imaging (MRI) Services.

Spectrum Health supports continued regulation of MRI services, but believes the workgroup previously approved by the CON Commission on January 30, 2020 should be formed to review the previously approved recommendations.

Additionally, we request that the Commission add to the workgroup's charge to review adding language related to portable MRI units. Portable MRI units are different from mobile MRI in that they can be moved around a hospital to bring the MRI to the patient, rather than the patient to the MRI. This promises to be valuable technology for patients that are not stable enough to go to radiology for an MRI scan. There are provisions for this type of CT scanner in our current CT standards and we would request the workgroup consider adding similar provisions to the MRI standards. As this technology becomes increasingly available, Michigan has the opportunity to be a leader in understanding of the use, strengths, limitations, and appropriate deployment of portable MRIs by paving the way through changes in the CON standards.

We appreciate the Commission's consideration of our comments.

Sincerely,



Myron (Ron) Lewis, MSW, MBA, FACHE  
SHZCH President | SW Regional Market Leader | SHWM Radiology VP



HEALTH SYSTEM  
UNIVERSITY OF MICHIGAN

**T. Anthony Denton, MHA, JD**  
Senior Vice-President and Chief  
Operating Officer

**University of Michigan Health System**

300 N. Ingalls St, SPC 5474  
Ann Arbor MI 48109-5474

T: (734) 764-1505  
F: (734) 763-5311

tadpole@med.umich.edu

October 16, 2020

James Falahee - CoN Commission Chairperson  
Department of Health and Human Services - Certificate of Need Policy Section  
5<sup>th</sup> Floor South Grand Building  
333 S. Grand Ave.  
Lansing, MI 48933

**RE: Magnetic Resonance Imaging - Certificate of Need Standards Review**

Dear Commissioner Falahee:

This letter is provided as formal testimony pertaining to the Certificate of Need (CoN) Review Standards for Magnetic Resonance Imaging. The University of Michigan Health System supports the continued regulation of this covered service; however, we believe the following topics should be considered for further study by a Standards Advisory Committee:

**System View**

Investigate a “system view” of imaging asset deployment. Healthcare delivery systems with multiple licensed medical facilities, under common ownership, require flexibility to improve “point-of-service” care based on changing demographics and demand. The existing CoN Standards for Replacement and Relocation are somewhat restrictive and may not adequately meet the specific needs of the applicant. Regulations currently exist for the movement of licensed medical/surgical beds between multiple licensed facilities under common ownership. Similar regulations which aggregates “system activity” to determine incremental qualification for other CoN Covered Services would significantly improve provider flexibility to place services where needed to improve access to healthcare.

**Pediatric Age Definition**

Currently, the CON Standards define a "pediatric patient" as a patient who is 12 years of age or less, with the exception of Dedicated Pediatric MRI where at least 80% of the MRI procedures are performed on patients under 18 years of age.

To redefine pediatric patients as 0-20 (younger than 21 years of age), state guidelines would be modernized to reflect the current practice of pediatric medicine at Michigan Medicine and likely for other providers. This proposed change would ensure that pediatric patients can obtain imaging with MRI proximate within their health care environment, facilitating timely, efficient and high quality health care in patients 18-20 years old.

This proposed redefinition aligns with the American Academy of Pediatrics, the leading professional society in pediatric medicine, as this respected organization also defines the upper limit of age for pediatrics through 20 years of age (up to a patient's 21st birthday).

### **Dedicated Research Scanner**

Under current standards, a dedicated research MRI unit is to be used primarily (70% or more of the procedures) for research purposes only. This means that a dedicated research unit could be used clinically, up to 30%. More flexibility is needed as research in MRI technology development, translation and utilization relies on magnets with different capabilities, and which are useful in different ways depending on application.

For example, neurological research has gone to higher and higher field strengths – 3T is common and 7T is now clinically available as a major tool. Pelvic MRI research could also go to 3T primarily. However, for some areas, lower field strengths are actually preferred - cardiac MRI research really is best at 1.5 T, due to image quality issues in this part of the body, at high field strengths. Greater flexibility in being able to choose the right scanner for the right clinical need and right research application would be good for patients, and for Michigan's competitiveness for NIH grant funding.

While we do not assume to have the research MRI solution, we have suggestions for further in-depth investigation by a SAC:

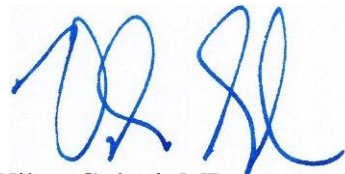
1. For example, adjusting the dedicated research MRI ratio to 50% research and 50% clinical would provide the needed flexibility to enable more cost-effective acquisition and utilization of the necessary MRI technology to perform cutting-edge research, while improving clinical access simultaneously.
2. Creating a new clinical/research hybrid category for MRI. This model would also utilize a 50% research and 50% clinical ratio, but would require applicants to meet certain volume requirements for initiation, expansion and replacement.
3. The ability to share the research designation across multiple MRI scanners, so that a given scanner could be partially research and partially clinical, changing according to need.

Thank you for allowing the University of Michigan Health System to provide these comments for consideration.

Respectfully submitted,



T. Anthony Denton, JD, MHA  
Senior Vice-President and  
Chief Operating Officer  
University of Michigan Health System  
Michigan Medicine



Vikas Gulani, MD  
Fred Jenner Hodges Professor of Radiology  
Chair, Department of Radiology  
University of Michigan Medical School  
Michigan Medicine

# Beaumont

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October 15, 2020

Certificate of Need Commission  
c/o Michigan Department of Community Health  
Certificate of Need Policy Section  
South Grand Building  
333 S. Grand Avenue  
Lansing, MI 48933

**Re: Psychiatric Beds and Services**

Dear Certificate of Need Commission:

Thank you for the opportunity to provide comment on the CON Review Standards up for review in 2021. Beaumont Health supports the continued regulation of Psychiatric Services and Beds. Mental health needs are increasing across the country and in Michigan, for both children and adults. In recognition of this, in late 2019 the Commission made significant changes to these standards to increase access to psychiatric beds. These changes included a new bed need methodology to increase the standard bed need, an increase in the statewide "special pool" of beds, a new category of special pool beds ("high acuity"), and new language to allow the potential for new child/adolescent units even if the planning area is overbedded. Given this recent and comprehensive review, Beaumont has no further recommended changes to these standards at this time.

Sincerely,



Patrick O'Donovan  
Director, Strategy & Business Development  
947-522-1173



October 14, 2020

James Falahee  
Chair, CON Commission  
Department of Health and Human Services - Certificate of Need Policy Section  
5th Floor South Grand Building  
333 S. Grand Ave.  
Lansing, MI 48933

**RE: Public Comment for Certificate of Need Standards for Psychiatric Beds**

Dear Chairman Falahee:

Saint Joseph Mercy Health System and Mercy Health would like to thank the Certificate of Need (CON) Commission for the opportunity to comment on what, if any, changes need to be made to the Certificate of Need Standards for Psychiatric Beds. Saint Joseph Mercy Health System and Mercy Health supports the continued regulation of Psychiatric Beds and believes the ongoing CON requirements ensure Michigan's citizens have appropriate access to affordable, high quality inpatient psychiatric resources.

We know that ensuring access to psychiatric services is a complex issue involving not just the number of beds, but reimbursement, availability of licensed professionals to provide these services and other factors. In order to assure psychiatric beds are achieving their highest possible use, we would encourage the CON Commission to consider whether the current project delivery requirement of 60% occupancy is adequate, particularly for projects that are adding beds through initiation or by adding beds from the inventory to an existing facility. Existing facilities that add beds from the bed inventory are required to be at 70% occupancy before they may apply. Upon adding those new beds, however, the project delivery requirements allow that facility to remain at just 60% occupancy. To ensure beds are maximally utilized, we would encourage a conversation regarding whether the current requirements are adequate, particularly for facilities that add beds.

Additionally, we would encourage the CON Commission to review whether the standards should include special provisions for facilities to care for bariatric patients. It has been our experience that psychiatric hospitals are denying admission based on a patient's weight, stating they do not have beds to accommodate these individuals. Similarly, we would encourage the CON Commission to evaluate whether the current special populations bed inventories are appropriately sized given the willingness of providers to support these unique populations' needs.

Should the CON Commission choose to review any of these topics, Saint Joseph Mercy Health System and Mercy Health would be pleased to support and participate in a workgroup process. We appreciate the CON Commission's consideration of our comments.

Sincerely,

A handwritten signature in black ink that reads "Rob Casalou". The signature is written in a cursive style with a large, prominent initial "R".

Rob Casalou  
President and CEO  
Saint Joseph Mercy and Mercy Health System



HEALTH SYSTEM  
UNIVERSITY OF MICHIGAN

**T. Anthony Denton, MHA, JD**  
Senior Vice-President and Chief  
Operating Officer

**University of Michigan Health System**

300 N. Ingalls St, SPC 5474  
Ann Arbor MI 48109-5474

T: (734) 764-1505  
F: (734) 763-5311

tadpole@med.umich.edu

October 16, 2020

James Falahee - CoN Commission Chairperson  
Department of Health and Human Services - Certificate of Need Policy Section  
5<sup>th</sup> Floor South Grand Building  
333 S. Grand Ave.  
Lansing, MI 48933

**RE: Psychiatric Beds & Services - Certificate of Need Standards Review**

Dear Commissioner Falahee:

This letter is provided as formal testimony pertaining to the Certificate of Need Review Standards for Psychiatric Beds & Services. The University of Michigan Health System supports the continued regulation of this covered service. With substantive revisions recently adopted by the CoN Commission in November, 2019, we believe it is too early to objectively evaluate the effects these changes are having on cost, quality and access. UMHS recommends not reopening these standards until the next review cycle.

Thank you for allowing the University of Michigan Health System to provide these comments for consideration.

Respectfully submitted,

T. Anthony Denton, JD, MHA  
Senior Vice-President and  
Chief Operating Officer  
University of Michigan Health System  
Michigan Medicine

Gregory W. Dalack, M.D.  
Professor and Chair

Laura Hirshbein, M.D., Ph.D.  
Professor