



June 1, 2021

Interim Joint Committee on Health, Welfare, & Family Services
702 Capital Avenue
Frankfort, KY 40601

Re: Letter of support for 900 KAR 6:055 & 900 KAR 6:110

Dear Members of the Interim Joint Committee on Health, Welfare, & Family Services:

On behalf of UofL Health, Inc. (hereinafter "UofL Health"), we would like to extend our support of 900 KAR 6:055 and 900 KAR 6:110. UofL Health supports the Cabinet for Health and Family Services' (hereinafter the "Cabinet") efforts to modernize the Certificate of Need program and allow a hospital the flexibility to relocate and redistribute beds by licensure category without the necessity to apply for and obtain a Certificate of Need.

Background

UofL Health owns and operates Medical Center South ("Med Center South"), the state's only "outpatient health care clinic," under its acute care hospital license. The 21-acre Med Center South comprehensive campus located in Bullitt County includes an outpatient and primary care center, a freestanding 24-hour emergency center, diagnostic imaging, wound care, cardiovascular services, women's s health, outpatient rehabilitation services, and specialized outpatient surgical services. Med Center South is currently limited to "outpatient care" and is not being utilized to its full potential. Currently, the demand for inpatient care within Bullitt County remains unmet; however, UofL Health is committed to addressing this unmet need.

Bullitt County is one of the fastest-growing counties and now the 10th largest county in Kentucky, with 81,676 residents based upon 2019 population estimates. Bullitt County is also the largest county in the Commonwealth without acute care hospital beds. Each of the thirty (30) most populous counties in the Commonwealth, with the exception of Bullitt County and Jessamine County, have at least one acute care hospital. This is especially concerning for Bullitt County residents because it has long been designated as a Medically Underserved Area by the federal government. "Medically Underserved Areas" are areas or populations having too few primary care providers, high infant mortality, high poverty, or a high elderly population. As the population continues to increase, UofL Health has experienced an increase in the demand for medical services at Med Center South. Unfortunately, Med Center South is not currently authorized to provide inpatient care, so patients who present to the Med Center South Emergency Department requiring inpatient admission must be transferred to a hospital outside the county, most frequently Jefferson County. It is more costly and less efficient for patients to travel outside their county for inpatient care, not to mention the potential consequences for every minute that appropriate health care attention is delayed.

As an academic health care system, it is UofL Health's mission to transform the health of the communities it serves through compassionate, innovative, and patient-centered care. UofL Health believes there is an opportunity to address current unmet inpatient health care needs within Bullitt County and increase access to acute care services by relocating a maximum of sixty (60) existing licensed acute care beds from its hospitals in Jefferson County to Med Center South. This relocation would not result in the addition of any new acute care beds, and all such beds will remain within the Kentuckiana Regional Planning and Development Agency Area Development District. Therefore, UofL Health has been authorized by its Board of Directors to relocate the acute care beds to Med Center South and respectfully requests consideration of its proposed revisions to 900 KAR 6:055 and 900 KAR 6:110 to accomplish this objective.

900 KAR 6:110. CERTIFICATE OF NEED NOTIFICATION REQUIREMENTS.

On March 31, 2021, UofL Health submitted public comments on 900 KAR 6:110. We proposed that in 900 KAR 6:110, Section 5 of the regulation, the notice authorized in this section also applies to the relocation of acute care beds to "an outpatient health care clinic listed on the hospital's license" within the same area development district. In the Cabinet's response to our public comments, they agreed to add the proposed language.

At the May 2021 meeting of the Administrative Regulation Review Subcommittee, members approved 900 KAR 6:110 as amended by the Cabinet for Health and Family Services. As approved by the Administrative Regulation Review Subcommittee, the regulation will now go before the Interim Joint Committee on Health and Family Services.

CONCLUSION

UofL Health submits that these regulations will improve quality and increase access to health care services and providers within Bullitt County while merely relocating underused acute care beds from Jefferson County, which has substantial excess capacity. We believe that these regulations align with the legislative purpose of the Certificate of Need program as stated in KRS 216B.010, which is "to improve the quality and increase access to health-care facilities, services, and providers, and to create a cost-efficient health-care delivery system for the citizens of the Commonwealth."

UofL Health respectfully requests that members of the Interim Joint Committee on Health, Welfare, & Family Services Subcommittee approve 900 KAR 6:055 & 900 KAR 6:110. Certificate of Need forms at the June 16, 2021 meeting.

On behalf of UofL Health, Inc., we appreciate the opportunity to offer our support of 900 KAR 6:055 and 900 KAR 6:110.

Sincerely,



Thomas D. Miller
Chief Executive Officer