

Discontinuance of Obstetrical Services

Certificate of Need Standards and Criteria



STATE OF TENNESSEE

**STATE HEALTH PLAN
CERTIFICATE OF NEED STANDARDS AND CRITERIA**

FOR

DISCONTINUANCE OF OBSTETRICAL SERVICES

The Health Services and Development Agency (HSDA) may consider the following standards and criteria for applications seeking to discontinue obstetrical services. Existing providers of obstetrical services are not affected by these standards and criteria unless they take an action that requires a new certificate of need (CON) for the Discontinuance of Obstetrical Services.

These standards and criteria are effective immediately upon approval and adoption by the Governor of the State Health Plan updates for 2014. Applications to discontinue obstetrical services that were deemed complete by the HSDA prior to this date shall be considered under the Guidelines for Growth.

Definitions

1. **"Obstetrical Services"** shall mean those services provided by a hospital pertaining to the care and treatment of women in childbirth during the period before and after delivery of their babies (including labor, delivery, and recovery) and the care of their newborns.
2. **"Service Area"** shall mean the county or contiguous counties from which the applicant's hospital draws its obstetrical patients.
3. **"Level I, Level II, Level III, and Level IV hospital"** shall mean those hospitals that provide the specific level of perinatal services set forth in Tennessee Code Annotated 68-1-802 regarding perinatal care. The Department of Health *Guidelines for Regionalization, Hospital Care Levels, Staffing and Facilities* may be found in the Reports and Publications section of the Perinatal Regionalization Program webpage at: <http://health.state.tn.us/MCH/PRP.shtml>

Standards and Criteria

1. Applicants should provide the following information based on final and available Tennessee Department of Health (TDH) data:
 - a. The number of women by county who used obstetrical services at the applicant's hospital as well as the number of live births at the hospital during each 12 month period of the previous 36 months. Also, an estimate of the number, by county, of obstetrical patients projected for the next 12 months who will be affected by the proposed discontinuance based on births and obstetrical patient volume trends in the Service Area, including the estimated number of such obstetrical patients who are beneficiaries of TennCare.
 - b. An assessment of the characteristics of the women who used obstetrical services at the applicant's hospital during each 12 month period of the previous 36 months, including their age and county of residence and including the number of obstetrical patients who were beneficiaries of TennCare by age group, as well as a list of existing obstetrical and other providers' practices in the Service Area that would be impacted should the application be approved.
 - c. In each county of the Service Area, the number of females aged 15-44 and the fertility rate for each 12 month period of the previous 36 months.
 - d. Information on the number of practicing obstetricians and other providers, listed separately, who performed deliveries at the applicant's hospital and in the Service Area for each 12 month period of the past 36 months; the sufficiency of the obstetrical staff at the hospital for the same time period; and whether, in the applicant's opinion, the number of deliveries at the hospital currently allows for maintenance of competent staff.
 - e. The distance in miles and approximate travel time from the applicant's hospital to alternate sites to establish how far patients in need of obstetrical services would have to travel to obtain these services should the service be discontinued at the applicant's hospital, as well as an assessment of whether these alternate sites have sufficient capacity to absorb these patients.
 - f. The modes of transportation that obstetrical patients would use to travel to alternate sites to obtain obstetrical services should the service be discontinued at the applicant's hospital.
 - g. Data on patients' average labor and delivery costs at the applicants' hospital versus patients' average labor and delivery costs at the alternate sites and a financial analysis of the applicant's hospital based on the impact of discontinuance of obstetrical services. The applicant should also address how the continuance of obstetrical services would impact the financial viability of the hospital.

- h. Information for the hospital for each 12 month period of the previous 36 months regarding the following statistics: (1) percentage per live births of premature births; and (2) percentage per live births of low birth weight births.
- i. Documentation of the recruitment and retention plan that was initially put into place as well as a discussion of why it failed, including duration and costs of these efforts. If shortage or instability of professional workforce is cited as justification for discontinuance of obstetrical services, the applicant should provide a five year history of counts and composition of physicians and obstetrical service hospital staff and document the recruitment and retention plan(s) in place for the service.

Rationale: The decision to permit the discontinuance of obstetrical services can have serious far-ranging patient impact, and determining the implications of discontinuance necessarily requires the consideration of a broad range of issues. The provision of obstetrical services is critically important to the population health of a community as well as to that community's ability to attract and retain women of child-bearing age. Therefore, the Division believes an applicant should document historical trends in demand (e.g., a decline in the number of women who have used obstetrical services at its hospital) and consider the impact discontinuance of the service would have on women in the Service Area who can be expected in the future to require these services.

The State Health Plan's Principles for Achieving Better Health must all be balanced in the consideration of an application to discontinue obstetrical services. In particular, Principle No. 2, "Access," informs the requirement that the preceding information be provided to help the HSDA better assess the current Need for obstetrical services in the Service Area and how discontinuing them would impact the community's future access to these services. The State Health Plan's Principle No. 3, "Economic Efficiencies," informs the need to include data on patients' costs as well as impact on obstetrical providers' practices and hospital finances as measures to meet HSDA's statutory charge to ensure the Financial Feasibility of an application. For example: How might patient costs increase? What is the likely financial impact on local providers? Can the hospital financially continue to provide obstetrical services? To assess the State Health Plan's Principle No. 4, "Quality of Care," data should be presented that documents the hospital's contributions to perinatal outcomes and outlines how quality and outcomes would be improved by the proposal to discontinue obstetrical services. Proposals to discontinue services should address the State Health Plan's Principle No. 5, "Workforce," by documenting and describing efforts to maintain adequate hospital staffing and whether the proposal would impact existing obstetrical service providers currently using the hospital.

2. Applicants should present a plan for obstetrical care for the Service Area to be shared with the local health department, local emergency services, the local Board of Health or Advisory Committee, and the local health council that includes:
 - a. Information based on final and available TDH data for each county in the Service Area for each 12 month period of the previous 36 months regarding the following statistics: (1) rate per live births of neonatal mortality during the first 28 days of life; (2) rate per live births of maternal mortality*; (3) percentage of live births of women receiving adequate prenatal care; and (4) percentage of live births of women receiving prenatal care by trimester (1, 2, 3, or no prenatal care).
 - b. Documentation of consultation with the regional neonatal and/or obstetrical director and/or outreach educator/coordinator for the regional perinatal center. The list of and contact information for these coordinators may be obtained by calling the TDH Director of Perinatal, Infant, and Pediatric Care at 615-741-0377; the information may also be found at: <http://health.tn.gov/MCH/PRP.shtml#2>.
 - c. For the Service Area, a community linkage plan that assures that adequate, accessible, and quality services are available through orderly pathways to and/or agreements with other hospitals for the provision of appropriate obstetrical and neonatal services (based on the Department of Health *Guidelines for Regionalization, Hospital Care Levels, Staffing and Facilities*). This plan should include documentation that TennCare and/or Medicare patients can receive obstetrical services at the Alternate Delivery Sites. An applicant may find additional information from TDH at <http://health.tn.gov/MCH/PRP.shtml#3>.
 - d. Information based on final and available TDH data on the charges at Alternate Delivery Sites as compared to those of the applicant's hospital for:
 - i. obstetrical services and infant care, and
 - ii. C-sections and episiotomies
 - e. Documentation of discussions with each local health department in the Service Area to assure awareness of the proposal to discontinue services. The health departments and hospital should develop a plan for provision of important non-clinical supplementary services that contribute positively to good pregnancy and infant outcomes (e.g., WIC, breastfeeding counseling, referrals for home-based intervention programs, etc.) to women in the Service Area who are planning to use the hospital's obstetrical services. A list by county of the local health departments and their contact information can be found at: <http://health.state.tn.us/localdepartments.htm>

* These data will only reflect those mothers who die at the hospital immediately after giving birth.

- f. Planned communications to inform the community as a whole and women of child-bearing age of the proposed discontinuance to ensure that the Service Area residents are aware of the proposal to discontinue obstetrical services, should the application be approved. Such communications may include public meetings in conjunction with the local health department, Public Service Announcements on the radio and/or television, ads in local newspapers, etc., as well as having information available on Alternate Delivery Sites.
- g. A plan that documents the hospital's continuance and training to be prepared for emergency deliveries, as well as availability of emergency department equipment and services at the hospital, that ensures the ability to provide obstetrical and neonatal patients and infants less than one year of age with appropriate emergent care.
- h. Documentation of communication with emergency transportation agencies.
- i. Documentation of communication with TennCare MCOs (including the applicant's responses to any concerns expressed by TennCare) regarding the discontinuance of obstetrical services and alternate sites.

Rationale: Approval for withdrawal of hospital obstetrical services from a CON-granted Service Area was deemed of such significance that the General Assembly requires a Certificate of Need for the action. The hospital has a responsibility to prepare a plan for action that assures that the health of the Service Area's women and infants will not be compromised by the action. The plan includes multiple components. Through development of the plan, the hospital affirms its responsibility to the health of its Service Area's population as part of its license to operate and original Certificate of Need. A plan should require consultation with regional perinatal coordinators, local health departments, emergency service organizations, and TennCare MCOs. The impact on providers who practice obstetrical and neonatal care in the Service Area should be considered. The public (particularly women of child-bearing age) who expect to use the hospital should be engaged and any opinions reported prior to HSDA review of an application for discontinuance of obstetrical services. The objective of an overall plan should focus on protecting the health of the Service Area through a community linkage plan that is guided by the Department of Health's *Guidelines for Regionalization, Hospital Care Levels, Staffing and Facilities*.