

**WAC 246-310-745 Need forecasting methodology.** For the purposes of the need forecasting method in this section, the following terms have the following specific meanings:

(1) "Base year" means the most recent calendar year for which December 31 data is available as of the first day of the application submission period from the department's CHARS reports or successor reports.

(2) "Current capacity" means the sum of all PCIs performed on people (aged fifteen years of age and older) by all certificate of need approved adult elective PCI programs, or department grandfathered programs within the planning area. To determine the current capacity for those planning areas where a new program has operated less than three years, the department will measure the volume of that hospital as the greater of:

(a) The actual volume; or

(b) The minimum volume standard for an elective PCI program established in WAC 246-310-720.

(3) "Forecast year" means the fifth year after the base year.

(4) "Percutaneous coronary interventions" means cases as defined by diagnosis related groups (DRGs) as developed under the Centers for Medicare and Medicaid Services (CMS) contract that describe catheter-based interventions involving the coronary arteries and great arteries of the chest. The department will exclude all pediatric catheter-based therapeutic and diagnostic interventions performed on persons fourteen years of age and younger are excluded. The department will update the list of DRGs administratively to reflect future revisions made by CMS to the DRG to be considered in certificate of need definitions, analyses, and decisions. The DRGs for calendar year 2008 applications will be DRGs reported in 2007, which include DRGs 518, 555, 556, 557 and 558.

(5) "Use rate" or "PCI use rate," equals the number of PCIs performed on the residents of a planning area (aged fifteen years of age and older), per one thousand persons.

(6) "Grandfathered programs" means those hospitals operating a certificate of need approved interventional cardiac catheterization program or heart surgery program prior to the effective date of these rules, that continue to operate a heart surgery program. For hospitals with jointly operated programs, only the hospital where the program's procedures were approved to be performed may be grandfathered.

(7) The data sources for adult elective PCI case volumes include:

(a) The comprehensive hospital abstract reporting system (CHARS) data from the department, office of hospital and patient data;

(b) The department's office of certificate of need survey data as compiled, by planning area, from hospital providers of PCIs to state residents (including patient origin information, i.e., patients' zip codes and a delineation of whether the PCI was performed on an inpatient or outpatient basis); and

(c) Clinical outcomes assessment program (COAP) data from the foundation for health care quality, as provided by the department.

(8) The data source for population estimates and forecasts is the office of financial management medium growth series population trend reports or if not available for the planning area, other population data published by well-recognized demographic firms.

(9) The data used for evaluating applications submitted during the concurrent review cycle must be the most recent year end data as reported by CHARS or the most recent survey data available through the department or COAP data for the appropriate application year. The

forecasts for demand and supply will be for five years following the base year. The base year is the latest year that full calendar year data is available from CHARS. In recognition that CHARS does not currently provide outpatient volume statistics but is patient origin-specific and COAP does provide outpatient PCI case volumes by hospitals but is not currently patient origin-specific, the department will make available PCI statistics from its hospital survey data, as necessary, to bridge the current outpatient patient origin-specific data shortfall with CHARS and COAP.

(10) Numeric methodology:

Step 1. Compute each planning area's PCI use rate calculated for persons fifteen years of age and older, including inpatient and outpatient PCI case counts.

(a) Take the total planning area's base year population residents fifteen years of age and older and divide by one thousand.

(b) Divide the total number of PCIs performed on the planning area residents over fifteen years of age by the result of Step 1 (a). This number represents the base year PCI use rate per thousand.

Step 2. Forecasting the demand for PCIs to be performed on the residents of the planning area.

(a) Take the planning area's use rate calculated in Step 1 (b) and multiply by the planning area's corresponding forecast year population of residents over fifteen years of age.

Step 3. Compute the planning area's current capacity.

(a) Identify all inpatient procedures at certificate of need approved hospitals within the planning area using CHARS data;

(b) Identify all outpatient procedures at certificate of need approved hospitals within the planning area using department survey data; or

(c) Calculate the difference between total PCI procedures by certificate of need approved hospitals within the planning area reported to COAP and CHARS. The difference represents outpatient procedures.

(d) Sum the results of (a) and (b) or sum the results of (a) and (c). This total is the planning area's current capacity which is assumed to remain constant over the forecast period.

Step 4. Calculate the net need for additional adult elective PCI procedures by subtracting the calculated capacity in Step 3 from the forecasted demand in Step 2. If the net need for procedures is less than two hundred, the department will not approve a new program.

Step 5. If Step 4 is greater than two hundred, calculate the need for additional programs.

(a) Divide the number of projected procedures from Step 4 by two hundred.

(b) Round the results down to identify the number of needed programs. (For example:  $375/200 = 1.875$  or 1 program.)

[Statutory Authority: RCW 70.38.135 and 70.38.115. WSR 18-07-102, § 246-310-745, filed 3/20/18, effective 4/20/18. Statutory Authority: RCW 70.38.128. WSR 09-01-113, § 246-310-745, filed 12/19/08, effective 12/19/08.]