



CERTIFICATE OF NEED APPLICATION

**PROJECT #6100 HS
ACQUIRE SECOND DAVINCI XI ROBOTIC SYSTEM**

**Mercy Hospital Joplin
Joplin, MO**

**SUBMITTED TO
MISSOURI HEALTH FACILITIES REVIEW COMMITTEE**

May 1, 2024



Certificate of Need Program
NEW OR ADDITIONAL EQUIPMENT APPLICATION
 Applicant's Completeness Checklist and Table of Contents

Project Name: _____ Project No: _____

Project Description: _____

Done Page N/A Description

Divider I. Application Summary:

1. Applicant Identification and Certification (Form MO 580-1861)
2. Representative Registration (From MO 580-1869)
3. Proposed Project Budget (Form MO 580-1863) and detail sheet with documentation of costs.

Divider II. Proposal Description:

1. Provide a complete detailed project description and include equipment bid quotes.
2. Provide a timeline of events for the project, from CON issuance through project completion.
3. Provide a legible city or county map showing the exact location of the project.
4. Define the community to be served and provide the geographic service area for the equipment.
5. Provide other statistics to document the size and validity of any user-defined geographic service area.
6. Identify specific community problems or unmet needs the proposal would address.
7. Provide the historical utilization for each of the past three years and utilization projections through the first three (3) **FULL** years of operation of the new equipment.
8. Provide the methods and assumptions used to project utilization.
9. Document that consumer needs and preferences have been included in planning this project and describe how consumers had an opportunity to provide input.
10. Provide copies of any petitions, letters of support or opposition received.
11. Document that providers of similar health services in the proposed service area have been notified of the application by a public notice in the local newspaper.
12. Document that providers of all affected facilities in the proposed service area were addressed letters regarding the application.

Divider III. Service Specific Criteria and Standards:

1. For new units, address the minimum annual utilization standard for the proposed geographic service area.
2. For any new unit where specific utilization standards are not listed, provide documentation to justify the new unit.
3. For additional units, document compliance with the optimal utilization standard, and if not achieved, provide documentation to justify the additional unit.
4. For evolving technology address the following:
 - Medical effects as described and documented in published scientific literature;
 - The degree to which the objectives of the technology have been met in practice;
 - Any side effects, contraindications or environmental exposures;
 - The relationships, if any, to existing preventive, diagnostic, therapeutic or management technologies and the effects on the existing technologies;
 - Food and Drug Administration approval;
 - The need methodology used by this proposal in order to assess efficacy and cost impact of the proposal;
 - The degree of partnership, if any, with other institutions for joint use and financing.

Divider IV. Financial Feasibility Review Criteria and Standards:

1. Document that sufficient financing is available by providing a letter from a financial institution or an auditor's statement indicating that sufficient funds are available.
2. Provide Service-Specific Revenues and Expenses (Form MO 580-1865) projected through three (3) **FULL** years beyond project completion.
3. Document how patient charges are derived.
4. Document responsiveness to the needs of the medically indigent.

DIVIDER I

APPLICATION SUMMARY

DIVIDER I. APPLICATION SUMMARY:

**1. APPLICATION IDENTIFICATION AND CERTIFICATION FORM
(FORM MO 580-1861)**

See Attached Form.

2. REPRESENTATIVE REGISTRATION (FORM MO 580-1869)

See Attached Form.

**3. PROPOSED PROJECT BUDGET (FORM MO 580-1863) AND DETAIL
SHEET**

See Attached Form.



Certificate of Need Program

APPLICANT IDENTIFICATION AND CERTIFICATION

The information provided must match the **Letter of Intent** for this project, without exception.

1. Project Location (Attach additional pages as necessary to identify multiple project sites.)

Title of Proposed Project Add Second da Vinci Xi System	Project Number 6100 HS
Project Address (Street/ City/ State/ Zip Code) 100 Mercy Way / Joplin / MO / 64804	County Newton

2. Applicant Identification (Information must agree with previously submitted Letter of Intent.)

List All Owner(s): (List corporate entity.)	Address (Street/ City/ State/ Zip Code)	Telephone Number
Mercy Health	14528 Outer Forty Road / Suite 100 / Chesterfield / MO / 63017	314-579-6100
(List entity to be licensed or certified.)		
List All Operator(s):	Address (Street/ City/ State/ Zip Code)	Telephone Number
Mercy Hospital Joplin	100 Mercy Way / Joplin / MO / 64804	417-556-3729

3. Ownership (Check applicable category.)

- Nonprofit Corporation
 Individual
 City
 District
 Partnership
 Corporation
 County
 Other _____

4. Certification

In submitting this project application, the applicant understands that:

- (A) The review will be made as to the community need for the proposed beds or equipment in this application;
- (B) In determining community need, the Missouri Health Facilities Review Committee (Committee) will consider all similar beds or equipment within the service area;
- (C) The issuance of a Certificate of Need (CON) by the Committee depends on conformance with its Rules and CON statute;
- (D) A CON shall be subject to forfeiture for failure to incur an expenditure on any approved project six (6) months after the date of issuance, unless obligated or extended by the Committee for an additional six (6) months;
- (E) Notification will be provided to the CON Program staff if and when the project is abandoned; and
- (F) A CON, if issued, may not be transferred, relocated, or modified except with the consent of the Committee.

We certify the information and date in this application as accurate to the best of our knowledge and belief by our representative's signature below:

5. Authorized Contact Person (Attach a Contact Person Correction Form if different from the Letter of Intent.)

Name of Contact Person Michael Herr	Title Chief Operating Officer - Mercy Hospital Joplin
Telephone Number 417-556-2444	Fax Number 417-556-2807
Signature of Contact Person 	E-mail Address michael.herr@mercy.net
	Date of Signature 4/29/24



Certificate of Need Program

REPRESENTATIVE REGISTRATION

(A registration form must be completed for each project presented.)

Project Name Mercy Hospital Joplin - Add Second da Vinci Xi System	Number 6100 HS
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(Please type or print legibly.)

Name of Representative Jeremy S. Drinkwitz	Title President - Mercy Hospital Joplin
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Firm/Corporation/Association of Representative (may be different from below, e.g., law firm, consultant, other) Mercy Hospital Joplin	Telephone Number 417-556-2177
--	----------------------------------

Address (Street/City/State/Zip Code)
100 Mercy Way / Joplin / MO / 64804

Who's interests are being represented?
(If more than one, submit a separate Representative Registration Form for each.)

Name of Individual/Agency/Corporation/Organization being Represented	Telephone Number
--	------------------

Address (Street/City/State/Zip Code)

Check one. Do you:

- Support
- Oppose
- Neutral

Relationship to Project:

- None
- Employee
- Legal Counsel
- Consultant
- Lobbyist
- Other (explain):

Other Information:

I attest that to the best of my belief and knowledge the testimony and information presented by me is truthful, represents factual information, and is in compliance with §197.326.1 RSMo which says: *Any person who is paid either as part of his normal employment or as a lobbyist to support or oppose any project before the health facilities review committee shall register as a lobbyist pursuant to chapter 105 RSMo, and shall also register with the staff of the health facilities review committee for every project in which such person has an interest and indicate whether such person supports or opposes the named project. The registration shall also include the names and addresses of any person, firm, corporation or association that the person registering represents in relation to the named project. Any person violating the provisions of this subsection shall be subject to the penalties specified in §105.478, RSMo.*

Original Signature 	Date C/29/2021
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Certificate of Need Program

PROPOSED PROJECT BUDGET

Description

Dollars

COSTS:*

(Fill in every line, even if the amount is "\$0".)

1. New Construction Costs ***	\$0
2. Renovation Costs ***	\$0
3. Subtotal Construction Costs (#1 plus #2)	\$0
4. Architectural/Engineering Fees	\$0
5. Other Equipment (not in construction contract)	\$0
6. Major Medical Equipment	\$2,150,750
7. Land Acquisition Costs ***	\$0
8. Consultants' Fees/Legal Fees ***	\$0
9. Interest During Construction (net of interest earned) ***	\$0
10. Other Costs ***	\$0
11. Subtotal Non-Construction Costs (sum of #4 through #10)	\$2,150,750
12. Total Project Development Costs (#3 plus #11)	\$2,150,750 **

FINANCING:

13. Unrestricted Funds	\$2,150,750
14. Bonds	\$0
15. Loans	\$0
16. Other Methods (specify)	\$0
17. Total Project Financing (sum of #13 through #16)	\$2,150,750 **

18. New Construction Total Square Footage	0
19. New Construction Costs Per Square Foot *****	\$0
20. Renovated Space Total Square Footage	0
21. Renovated Space Costs Per Square Foot *****	\$0

* Attach additional page(s) detailing how each line item was determined, including all methods and assumptions used. Provide documentation of all major costs.

** These amounts should be the same.

*** Capitalizable items to be recognized as capital expenditures after project completion.

**** Include as Other Costs the following: other costs of financing; the value of existing lands, buildings and equipment not previously used for health care services, such as a renovated house converted to residential care, determined by original cost, fair market value, or appraised value; or the fair market value of any leased equipment or building, or the cost of beds to be purchased.

***** Divide new construction costs by total new construction square footage.

***** Divide renovation costs by total renovation square footage.

DIVIDER II

PROPOSAL DESCRIPTION

DIVIDER II. PROPOSAL DESCRIPTION:

1. PROVIDE A COMPLETE DETAILED PROJECT DESCRIPTION AND INCLUDE EQUIPMENT BID QUOTES.

Project includes acquisition of a second *daVinci Xi* Robotic System to support our robotic platform in surgical and cancer care at Mercy Joplin. This equipment acquisition will also serve as a bridge in accomplishing increased access of current robotic equipment to support robotic surgical care in the specialties of General Surgery, OB/GYN Surgery, Urological Surgery and Cardiothoracic Surgery. The cost for acquisition of all associated medical equipment is \$2,150,750 and total cost for the proposed acquisition is \$2,150,750.

New equipment is needed to support the Ministry's initiative of expanding minimally invasive surgery for patients. Minimally invasive surgery reduces length of stay, improves patient outcomes and recovery, and reduces potential for surgical site infections. The Xi platform uses a magnified 3D HD vision, endowrist instrumentation and intuitive motion with enhanced ergonomics to deliver the best and most advanced patient care. Energy sources are integrated into the platform eliminating the need for additional equipment in the room. The addition of this equipment will increase access to robotic care for patients as well as improve efficiency for better patient flow and outcomes.

See attached quotes. The Intuitive Surgical daVinci Xi System equipment cost is \$2,150,750.

2. PROVIDE A LEGIBLE CITY OR COUNTY MAP SHOWING THE EXACT LOCATION OF THE PROJECT.

The new unit will be located within the operating suites at Mercy Hospital Joplin, 100 Mercy Way, Joplin, Missouri. A map of Mercy's service areas is attached.

3. DEFINE THE COMMUNITY TO BE SERVED.

Below is a summary table that outlines projected 2022 population for each of Mercy Hospital Joplin’s primary service area counties. The majority of patients originate from these counties, along with our 17 county regional service area. Total projected population for 2022 in Mercy’s primary service area totals 366,910. The data source for this information is Missouri Hospital Data Institute – census data is broken down by counties.

COUNTY	2022 PROJECTED POPULATION
Barton	11,404
Cherokee	18,402
Crawford	40,214
Delaware	43,292
Jasper	142,685
McDonald	23,033
Newton	40,423
OTTAWA	28,917
VERNON	18,540
PSA TOTAL	366,910

4. PROVIDE 2022 POPULATION PROJECTIONS FOR THE PROPOSED GEOGRAPHIC SERVICE AREA.

Projected population data for Mercy’s primary service area counties is listed above for 2022, which is the data that is available at the time of this application.

5. PROVIDE OTHER STATISTICS TO DOCUMENT THE SIZE AND VALIDITY OF ANY USER-DEFINED GEOGRAPHIC SERVICE AREA.

Missouri Hospital Institute reports 11,993 inpatient discharges for federal fiscal year 2022 for Mercy Hospital Joplin and a total of 174,464 outpatient discharges. Outpatient discharges include emergency department visits, observation patients, surgeries, and clinical outpatient visits. The majority of these discharges is derived from the primary service area that has been presented. This defined service area has been consistently accepted by the CON committee with previous CON applications.

6. IDENTIFY SPECIFIC COMMUNITY PROBLEMS OR UNMET NEEDS THE PROPOSAL WOULD ADDRESS.

This addition of this second da Vinci Xi system will enhance the level of technology and availability to patients that reside in Mercy Joplin’s Service area. It will support the increase in minimally invasive surgeries and decrease delays in access to the advanced technology for the patients we serve.

7. PROVIDE HISTORICAL UTILIZATION FOR EACH OF THE PAST THREE YEARS AND UTILIZATION PROJECTIONS THROUGH THE FIRST THREE FULL YEARS OF OPERATION OF THE NEW EQUIPMENT.

FY2021	321
FY2022	365
FY2023	457

Projected:	
FY2024	761
FY2025	837
FY2026	920

8. PROVIDE THE METHODS AND ASSUMPTIONS USED TO PROJECT UTILIZATION.

Mercy Hospital Joplin uses a fiscal year reporting period that runs from July 1 – June 30. All utilization quantities and projections are based on this reporting method.

In order to project utilization, historical procedure trends were reviewed. Also, these projections take into consideration the upward trend in cancer care surgical specialty. Numbers projected are considered conservative as it does not include expansion into other surgical specialties such as Colorectal, OB/GYN and Bariatrics, which is planned as a future expansion opportunity. However, with current equipment, expansion opportunities do not exist with access restraints. Projected growth also includes additional payor contracts that have gone into effect recently for Mercy Joplin.

9. DOCUMENT THAT CONSUMER NEEDS AND PREFERENCES HAVE BEEN INCLUDED IN PLANNING THIS PROJECT AND DESCRIBE HOW CONSUMERS HAD AN OPPORTUNITY TO PROVIDE INPUT.

There has not been any direct new releases to patients, however minimally invasive surgery is on the rise. It reduces length of stay, improves patient outcomes and recovery and reduces potential for surgical site infections. Data supports these statements and gives reasoning behind this request in our strategic planning as a Ministry. Also, the movement of robotic services to an outpatient setting when possible will increase patient satisfaction and efficiency for better patient flow.

Increasing access within the facility will allow new physician recruitment and expansion of surgical service lines.

10. PROVIDE COPIES OF ANY PETITIONS, LETTERS OF SUPPORT OR OPPOSITION RECEIVED.

There is no known opposition to the proposed request. Letters of support to move forward with this technology are attached.



Intuitive Surgical, Inc.
 1020 Kifer Road
 Sunnyvale, CA 94086
 800-876-1310

Quote Details

Quote ID	Q-00043756
Quote Date	2/21/2024
Valid Until	03/31/2024
Sales Rep	Kevin Mitchell
Phone Number	+1-956-451-8317
Email	kevin.mitchell@intusurg.com

Company Information

Hospital Name	Mercy Hospital Joplin
SF ID/IDN Affiliation	13338/Mercy
Address	100 Mercy Way
City, State, Zip	Joplin, Missouri, 64804
Contact Name	
Telephone	

Please submit orders electronically via GHX or fax to 408-523-2377

Part Number	Qty	Item	Price	Subtotal
Systems				
	1	da Vinci Xi® Single Console System One (1): da Vinci Xi System Surgeon Console One (1): da Vinci Xi System Patient Cart One (1): da Vinci Xi System Vision Cart da Vinci Xi System Documentation da Vinci Xi System Software Training Instrument Starter Kit Accessory Starter Kit Drapes Vision Equipment (All Kits subject to change without notice)	\$ 1,900,000.00	\$ 1,900,000.00
Simulators				
	1	Da Vinci SimNow Simulator Includes items*377773 Simulator, SimNow600092 First year of SimNow Service & Benefits (included with new placement. Not included for trades)	\$ 100,000.00	\$ 100,000.00
Upgrades				
	1	E-100 Generator	\$ 25,000.00	\$ 25,000.00
	1	Da Vinci Xi Table Motion Upgrade	\$ 75,000.00	\$ 75,000.00
	1	Intuitive Hub (Orpheus System) containing: - Media Manager - Telepresence	\$ 40,000.00	\$ 40,000.00
Freight				
	1	System Freight - Central (AR, IA, IL, KS, LA, MN, MO, ND, NE, OK, SD, TX, WI)	\$ 10,750.00	\$ 10,750.00
Total				\$ 2,150,750.00

Part Number	Qty	Item	Price	Subtotal
Service				
	1	da Vinci Xi-Single Console-Human Use (Systems)-SERVICE PLAN : DVCOMPLETE CARE-Warranty (Included)	\$ 0.00	\$ 0.00
	1	da Vinci Xi-Single Console-Human Use (Systems)-SERVICE PLAN : DVCOMPLETE CARE-After Warranty Service (Annual)	\$ 154,000.00	\$ 154,000.00

	1	SIMULATOR,ANNUAL SERVICE,IS3000,IS4000,I-Subscription (Included)	\$ 0.00	\$ 0.00
	1	SIMULATOR,ANNUAL SERVICE,IS3000,IS4000,I-Subscription Fee	\$ 20,000.00	\$ 20,000.00
Service Total				\$ 174,000.00

Terms and Conditions

1) System Terms and Conditions:

1.1 A signed Sales, License, and Service Agreement ("SLSA") or equivalent is required prior to shipment of the System(s). All site modifications and preparation are the Customer's responsibility and are to be completed to the specification given by Intuitive Surgical prior to the installation date. Delivery is subject to credit approval. Payment terms are Net 30 days from Intuitive Surgical's invoice date. Each System includes the patient side cart, vision cart, and surgeon console(s). System enhancements required to support new features may be purchased at Intuitive Surgical's then current list price. The price of the da Vinci® Surgical System includes the initial installation of the System at Customer's facility and a one (1) year warranty for manufacture defect. All taxes and shipping charges are the responsibility of the Customer and will be added to the invoice, as appropriate.

1.2 Intuitive makes no representation with regard to Certificate of Need requirements for this purchase. It is your (the Customer's) responsibility to determine whether this purchase complies with your State's Certificate of Need laws and what Certificate of Need filing, if any, needs to be made with regard to this purchase.

1.3 Customer acknowledges that the cleaning and sterilization equipment, not provided by Intuitive, is required to appropriately reprocess da Vinci instruments and endoscopes. Please refer to the Intuitive Surgical Reprocessing website: <https://reprocessing.intuitivesurgical.com>. Customer is responsible for ensuring that its' cleaning and sterilization program comply with all health and safety requirements.

2) System Upgrade Terms and Conditions:

2.1 A signed Purchase Order and/or an addendum to the existing Sales, License, and Service Agreement ("SLSA") is required prior to shipment of the System upgrade. All site modifications and preparation are the Customer's responsibility and are to be completed with the specification given by Intuitive Surgical prior to the installation date.

2.2 Payment terms are Net 30 days from Intuitive Surgical's invoice date. The price includes: the System upgrade, the initial installation at Customer's facility and a one (1) year warranty for manufacture defect. All taxes and shipping charges are the responsibility of the Customer and will be added to the invoice, as appropriate. Delivery is subject to credit approval and inventory availability. Standard shipping terms are FCA from Intuitive Surgical™ warehouse. A \$9.95 handling charge will be applied for any shipments using a customer designated carrier.

3) I&A Terms and Conditions:

3.1 To place an order, please fax Purchase Order to Intuitive Surgical Customer Service at 408-523-2377 or submit through the Global Health Exchange (GHX). Payment Terms Net 30 days from invoice date. Delivery is subject to credit approval by Intuitive Surgical. Estimated 2-Day standard delivery. Standard shipping terms are FCA from Intuitive Surgical™ warehouse and are subject to inventory availability. All taxes and shipping charges are the responsibility of the Customer and will be added to the invoice, as appropriate. Pricing is subject to change without notice. A \$9.95 handling charge will be applied for any shipments using a customer designated carrier.

4) Return Goods Policy :

4.1 All returns must be authorized through Intuitive Surgical Customer Service, please call 800-876-1310 to obtain a Return Material Authorization Number (RMA#). All items must be accompanied with valid RMA# for processing and are requested to be received within 14 days of issuance or the RMA could be subject to cancellation. Intuitive Surgical will prepay for the return of the defective instruments. Upon identification of a defective instrument, please call Intuitive Surgical Customer Service within 5 business days. Prior to returning to Intuitive Surgical, items must be cleaned and decontaminated in accordance with the then current local environmental and safety laws and standards. For all excess inventory returns, items are required to be in the original packaging with no markings, seals intact, and to have been purchased within the last 12 months. Package excess returned inventory in a separate shipping container to prevent damage to original product packaging.

5) Exchange Goods Policy :

5.1 Repairs to Endoscope, Camera Head and Skills Simulators may qualify for Intuitive Surgical advanced exchange program. Please contact Customer Service or send email to CustomerSupport-ServiceSupport@intusurg.com to obtain information on our current exchange program.

6) Credit Policy :

6.1 Intuitive Surgical will issue credit against original purchase order after full inspection is complete. Credit for defective returns: Intuitive

Surgical will issue credit on products based on failure analysis performed and individual warranty terms. For instruments, credit will be issued for the remaining lives, plus one additional life to compensate for usage at the time the issue was identified. Evidence of negligence, misuse and mishandling will not qualify for credit. Credit for excess inventory returns: Excess Inventory returns will be valued at the invoice price. Original packaging must be unmarked, undamaged and seals intact to qualify for credit. Credit will be issued if the products were shipped less than 12 months prior to return request, the original package is intact and the product is within expiration date. Intuitive Surgical will retain all returned product.

7) Miscellaneous :

7.1 Warranty: Warranties are applied for manufacturing defects. Endoscope, Camera, Simulator, and System upgrades – 1 year warranty. Accessories – 90 day warranty. Instruments: see above for credit.

7.2 Any term or condition contained in your purchase order or similar forms which is different from, inconsistent with, or in addition to these terms shall be void and of no effect unless agreed to in writing and signed by your authorized representative and authorized representative of Intuitive Surgical. The terms and conditions of this quote, including pricing, are confidential and proprietary information of Intuitive Surgical and shall not be disclosed to any third party without the consent of Intuitive Surgical.

For questions please contact Customer Service at 800-876-1310

EXHIBIT A
Deliverables, Price and Delivery

da Vinci® Xi™ Single Console System (Firefly™ Fluorescence Imaging Enabled)

One (1): da Vinci® Xi™ System Surgeon Console
One (1): da Vinci® Xi™ System Patient Cart
One (1) da Vinci® Xi™ System Vision Cart
Warranty period: One (1) year from the Acceptance.

da Vinci® Xi™ System Documentation including:
User's Manual For System
Warranty period: n/a

User's Manual for Instruments and Accessories
Warranty period: n/a

One (1) da Vinci® Xi™ Cleaning & Sterilization Kit
Warranty period: 90 days from Acceptance
Two (2) da Vinci® Xi™ Instrument Release Kit (IRK)
Warranty period: 90 days from Acceptance

da Vinci® Xi™ System Software
Warranty period: One (1) year from the Acceptance.

Instrument and Accessories including:

Accessory Starter Kit
Two (2): Box of 6: 8 mm Bladeless Obturator
One (1): 8 mm Blunt Obturator
Four (4): Box of 10: 5 mm - 8 mm Universal Seal
Four (4): 8 mm Cannula
Three (3): Monopolar Energy Instrument Cord
Three (3): Bipolar Energy Instrument Cord
One (1): Box of 3: da Vinci® Xi™ Gage Pin
Three (3): Instrument Introducer
One (1): Box of 10: Tip Cover for Hot Shears™ (MCS)
One (1): Pmed Cable, Covidien ForceTraid ESU
Warranty period: 90 days from Acceptance

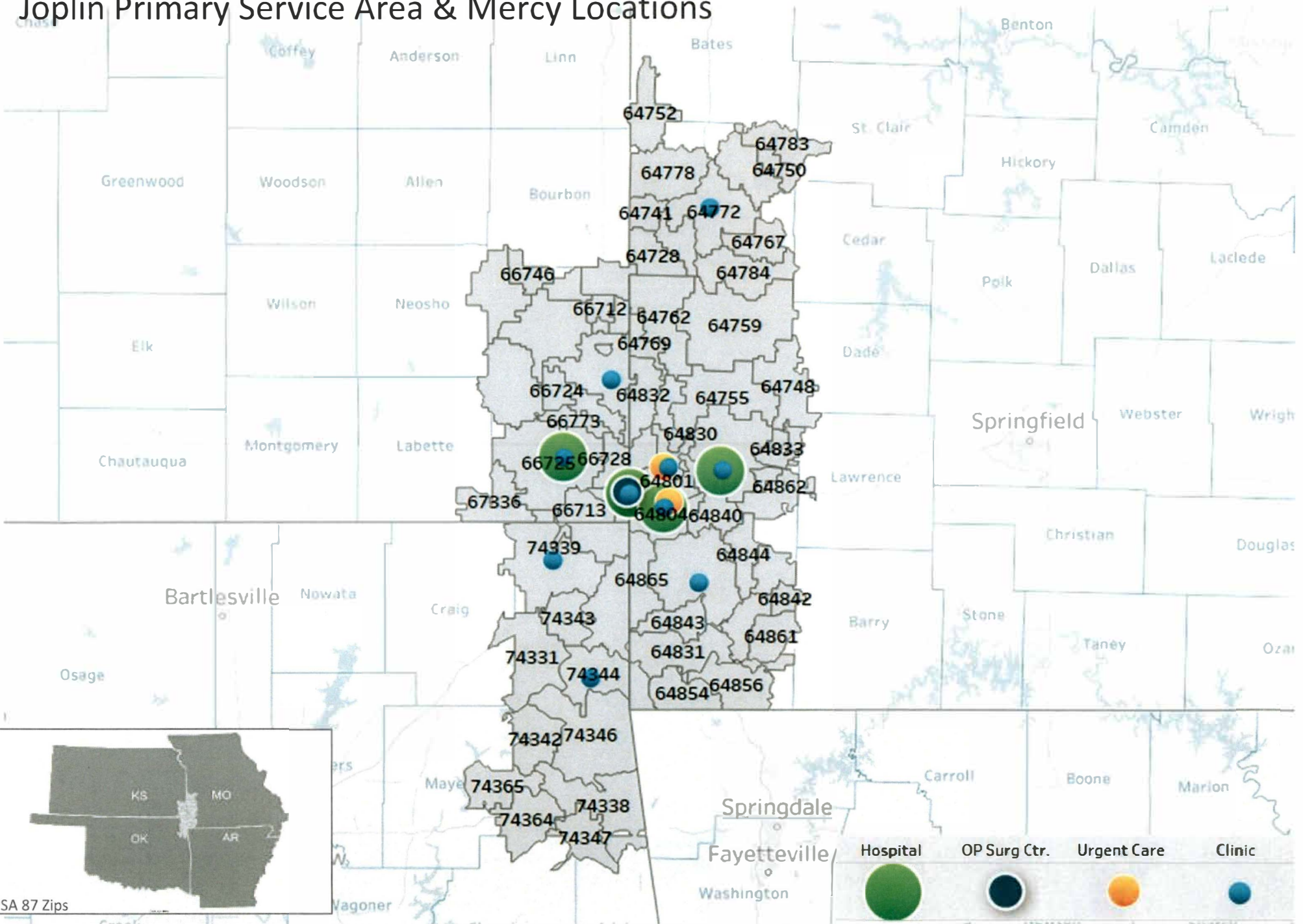
Drapes
Two (2): Pack of 20 da Vinci® Xi™ Arm Drape
One (1): Pack of 20 da Vinci® Xi™ Column Drape
Warranty period: 90 days from Acceptance

Vision Equipment:
Two (2): da Vinci® Xi™ Endoscope with Camera, 8 mm 0 degree
Two (2): da Vinci® Xi™ Endoscope with Camera, 8 mm 30 degree
Four (4): da Vinci® Xi™ Endoscope Sterilization Trays
Warranty period: One (1) year from the Acceptance.

Training Instrument Starter Kit
One (1): Large Needle Driver
One (1): ProGrasp™ Forceps
One (1): Maryland Bipolar Forceps
One (1): Hot Shears™ (Monopolar Curved Scissors)
One (1): Tip-Up Fenestrated Grasper
One (1): Mega™ SutureCut™ Needle Driver
Warranty period: 90 days from Acceptance

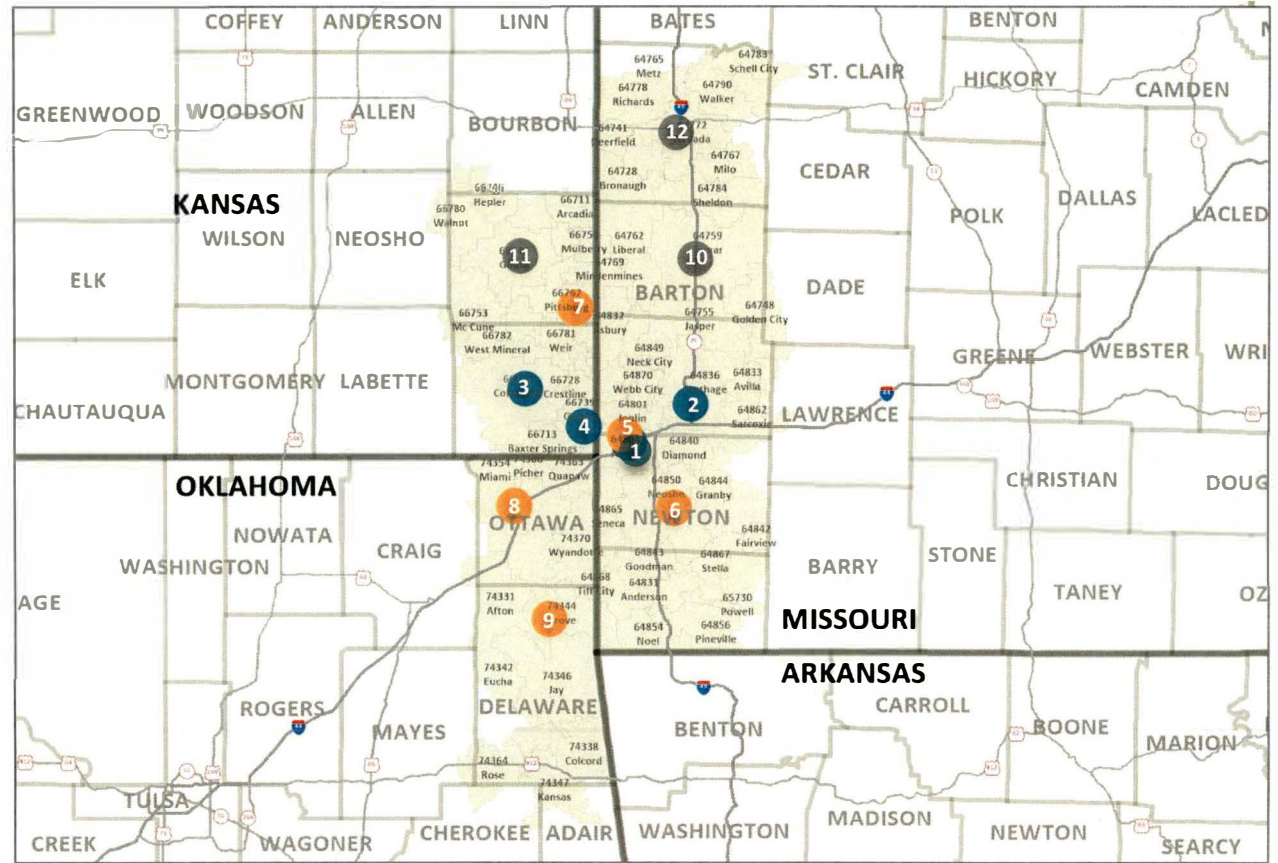
(all kits subject to change without notice) (rev 4/2015)

Joplin Primary Service Area & Mercy Locations



Joplin Community Provider Map & Stats

The hospitals numbered on this map are located within the Primary Service Area. Operational statistics for these providers are listed in the table below.



System Affiliation	ID	Hospital	City, State	Type	Total Hospital Beds	Total Inpatient Discharges	Total Births	Total Assets (millions)	Net Patient Revenue (millions)	Operating Profit Margin
Mercy	1	Mercy Hospital Joplin	Joplin, MO	Acute	240	12,997	1,374	\$172	\$269	6.3%
	2	Mercy Hospital Carthage	Carthage, MO	Critical Access	25	854	0	\$34	\$58	8.5%
	3	Mercy Hospital Columbus	Columbus, KS	Critical Access	25	89	0	\$1	\$6	16.7%
	4	Mercy Specialty Hospital SE Kansas	Galena, KS	Acute	36	352	0	\$82	\$39	0.0%
Freeman Health System	5	Freeman Health System	Joplin, MO	Acute	381	15,334	1,659	\$747	\$582	6.4%
	6	Freeman Neosho Hospital	Neosho, MO	Critical Access	25	649	0	\$78	\$31	4.5%
Ascension Via Christi	7	Ascension Via Christi Hospital Pittsburg	Pittsburg, KS	Acute	76	2,880	550	\$77	\$99	-7.6%
Integrus Health	8	Integrus Miami Hospital	Miami, OK	Acute	36	2,262	446	\$5	\$46	-16.6%
	9	Integrus Grove General Hospital	Grove, OK	Acute	41	1,611	380	\$49	\$52	-11.5%
Independent	10	Cox Barton County Hospital	Lamar, MO	Critical Access	25	584	0	\$23	\$23	-9.8%
	11	Girard Medical Center	Girard, KS	Critical Access	33	542	0	\$20	\$19	-14.9%
	12	Nevada Regional Medical Center	Nevada, MO	Acute	71	1,866	320	\$40	\$39	-20.0%

Sources: Mercy - Mercy Finance, FY2023; all other inpatient discharges and births - HIDI Analytics, CY2022 and Oklahoma Dept. of Health, CY2021; beds (all bed types/total complex) and financials (hospital financials only) - AHD (reporting year may vary by provider)

Joplin Community Demographics



Service Area - 2022	Service Area - 2027	5-Year Growth	Missouri	US
372,872	375,426	0.7%	6,184,472	333,427,080

Age Groups	Service Area - 2022	Service Area - 2027	5-Year Growth	Missouri	US
0-17	88,296	87,358	-1.1%	1,389,477	73,967,490
18-44	124,564	125,753	1.0%	2,159,712	119,460,917
45-64	91,910	87,208	-5.1%	1,548,775	83,886,133
65+	68,102	75,107	10.3%	1,086,508	56,112,540

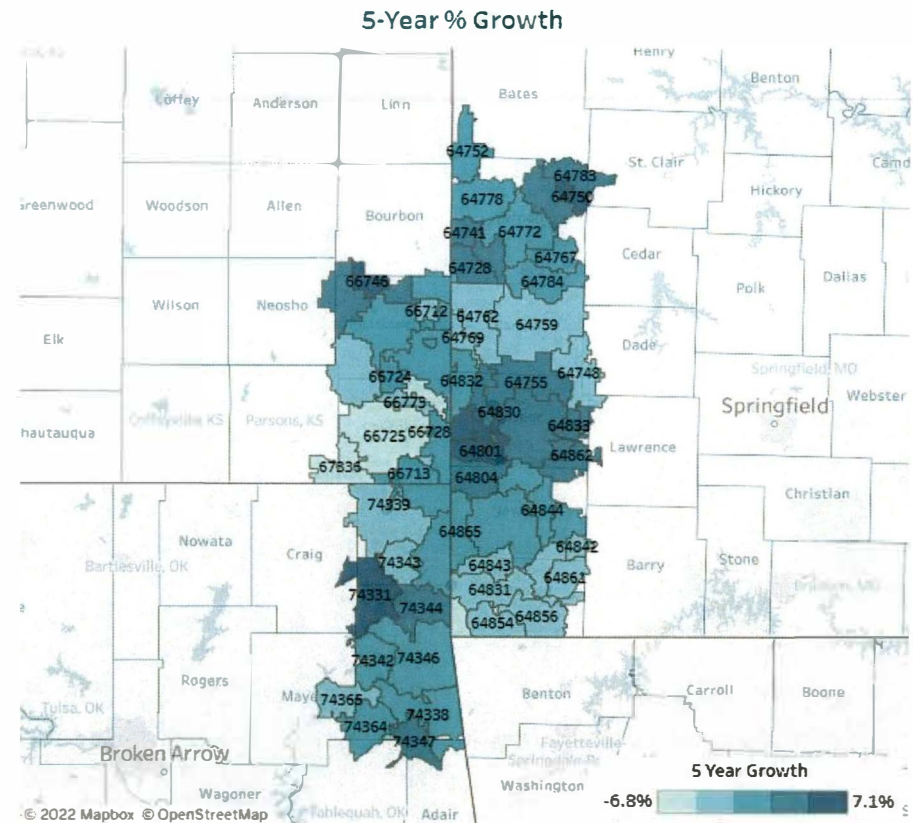
	PSA	Missouri	US
Median Age	38	36	33
Median Household Income	\$49k	\$49k	\$52k
High School Grad or Greater	88%	91%	89%

Source: Advisory Board Demographic Estimates, 2022-2027 (EDA0/Market Intelligence)

Top Employers

Company	Industry	Staff
Freeman Health System	Health Care	2,205
Mercy Hospital Joplin	Health Care	1,192
Joplin Public Schools	Education	1,480
Tamko Building Products, Inc.	Manufacturing/Construction	1,000
Liberty Utilities	Utility Service	896
Jasper Products, LLC	Manufacturing	825
Alorica	IT Business Processes	743
MO Dept of Transportation-Joplin	Government	714
CFI	Finance/Investment training	567
City of Joplin	Government	531

Source: Mercy Business Development, June 2023



Google Maps Mercy Hospital Joplin



Map data ©2024 Google 2 mi





Mercy Hospital Joplin
100 Mercy Way
Joplin, MO 64804
417-781-2727
www.mercy.net

April 23, 2024

Certificate of Need Program Coordinator
c/o Jeremy S. Drinkwitz, President
Mercy Hospital Joplin
100 Mercy Way
Joplin, MO 64804

To Whom It May Concern:

I am writing this letter in support of Mercy's request to purchase a second daVinci Xi Robotic System for use within Mercy Hospital Joplin. This equipment will certainly enhance the level of care available for the residents of this region. As a major referral center that serves a large geographic area, it is imperative that our facility has the latest technology available to deliver treatment to our patients. This unit will provide a natural extension of the surgeon's vision and hands using magnified 30 HD vision, endowrist instrumentation and intuitive motion. The integrated fluorescence imaging provides real time image guided identification of key anatomical landmarks which increases our patient's safety. Increased visualization and enhanced motion will improve quality of care and increase efficiencies.

I urge your favorable consideration of this certificate of need application. As a physician, I appreciate Mercy's desire to maintain the highest level of care of all residents in the Four States area.

Sincerely,

A handwritten signature in black ink, appearing to read "David Bendorf".

David Bendorf, MD
Surgeon Department



Mercy Hospital Joplin

100 Mercy Way
Joplin, MO 64804
417-781-2727
www.mercy.net

April 23, 2024

Certificate of Need Program Coordinator
c/o Jeremy S. Drinkwitz, President
Mercy Hospital Joplin
100 Mercy Way
Joplin, MO 64804

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Sincerely,

A handwritten signature in black ink, appearing to read "D. Liu".

Danny Liu, MD
Surgery Department



**Mercy Hospital Joplin
Administration**
100 Mercy Way
Joplin, MO 64804
417-781-2727
www.mercy.net

April 29, 2024

Certificate of Need Program Coordinator
c/o Jeremy S. Drinkwitz, President
Mercy Hospital Joplin
100 Mercy Way
Joplin MO 64804

To whom it may concern:

I am writing this letter in support of Mercy's request to purchase the second daVinci Xi Robotic System for use with the Mercy Hospital Joplin. This equipment will enhance the level of care available for the residents of our region. As a major referral center that serves a large geographic area, it is imperative that our facility has the latest technology available to deliver treatment to our patients. This unit will provide a natural extension of the surgeon's vision and hand, using magnified 30 HD vision endowrist instrumentation and intuitive motion. The integrated fluorescent imaging provides real-time imaged-guided identification of key anatomical landmarks which increases the patient's safety. Increased visual an enhanced motion will improve quality of care and increase efficiencies.

I urge your favorable consideration of this certificate of need application. As the president of Mercy Hospital Joplin, I appreciate the Mercy Ministry's desire to maintain the highest level of care for all residents in our four-state area.

Sincerely,

Jeremy S. Drinkwitz, President
Mercy Health Southwest Missouri, Kansas Communities
Mercy Hospital Joplin



Mercy Hospital Joplin

100 Mercy Way
Joplin, MO 64804
417-781-2727
www.mercy.net

April 23, 2024

Certificate of Need Program Coordinator
c/o Jeremy S. Drinkwitz, President
Mercy Hospital Joplin
100 Mercy Way
Joplin, MO 64804

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I urge your favorable consideration of this certificate of need application. As a physician, I appreciate Mercy's desire to maintain the highest level of care of all residents in the Four States area.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles Ro", written over a light blue horizontal line.

Charles Ro, MD
Surgery Department



Mercy Hospital Joplin
100 Mercy Way
Joplin, MO 64804
417-781-2727
www.mercy.net

April 23, 2024

Certificate of Need Program Coordinator
c/o Jeremy S. Drinkwitz, President
Mercy Hospital Joplin
100 Mercy Way
Joplin, MO 64804

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Sincerely,

A handwritten signature in black ink, appearing to read "Heath Merkley", written over a horizontal line.

Heath Merkley, MD
OB/GYN Department



Mercy Hospital Joplin

100 Mercy Way
Joplin, MO 64804
417-781-2727
www.mercy.net

April 23, 2024

Certificate of Need Program Coordinator
c/o Jeremy S. Drinkwitz, President
Mercy Hospital Joplin
100 Mercy Way
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I urge your favorable consideration of this certificate of need application. As a physician, I appreciate Mercy's desire to maintain the highest level of care of all residents in the Four States area.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Milsten", with a long horizontal flourish extending to the right.

Marc Milsten, MD
Urology Department

THE JOPLIN GLOBE
PO BOX 7
JOPLIN MO 64802-0007
(417)623-3480
Fax (417)623-1188

ORDER CONFIRMATION

Salesperson: SHARON FITZJOHN

Printed at 04/25/24 14:48 by sfitz

Acct #: 121008

Ad #: 989315

Status: New HOLD

MERCY HOSPITAL JOPLIN
BONNIE ZORN, EXEC ASSISTANT
SUITE 220 OFFICE 2341
100 MERCY WAY
JOPLIN MO 64804

Start: 04/27/2024 Stop: 04/27/2024
Times Ord: 1 Times Run: ***
STD 1.00 X 0.93 Words: 46
Total STD 1.00
Class: 147 LEGALS
Rate: LD Cost: 40.69

Contact:

Phone: (417)556-2939

Fax#:

Email: Bonnita.Zorn@Mercy.Net

Agency:

Affidavits: 1
Ad Descrpt: LEGAL 352/SURGICAL ROBOT
Descr Cont: (FIRST PUBLISHED APRIL 27
Given by: JORDAN LARIMORE
P.O. #:
Created: sfitz 04/25/24 14:26
Last Changed: sfitz 04/25/24 14:48

PUB ZONE EDT TP RUN DATES
JG A 97 S 04/27
INET A 10 S 04/27

AUTHORIZATION

Thank you for advertising in The Joplin Globe, our related publications and online properties. If you are advertising in The Joplin Globe classifieds, your ad will begin running on the start date noted above.

Please be sure to check your ad proof for any corrections. Although we are happy to make corrections during our regular business hours, you are responsible for checking your ad proof prior to the publish date. Also, we reserve the right to edit or reclassify your ad to better serve buyers and sellers.

We appreciate your business.

Name (print or type)

Name (signature)

(First Published April 27, 2024)

PUBLIC NOTICE

Please note it is the intent of Mercy Hospital Joplin to submit an application on May 3, 2024 to the Missouri Health Facilities Review Committee seeking approval for the acquisition of a new Surgical Robot for its facility.

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DIVIDER III

COMMUNITY NEED AND STANDARDS

DIVIDER III. COMMUNITY NEED CRITERIA AND STANDARDS:

1. FOR NEW UNITS ADDRESS THE NEED FORMULA FOR THE PROPOSED GEOGRAPHIC SERVICE AREA.

There is no population-based need formula for the proposed medical equipment. Need is determined by the volume of services provided and the mission to achieve better patient care and access for minimally invasive surgical services. Mercy Hospital serves a large geographic service area including southwest Missouri, southeast Kansas, northeast Oklahoma and northwest Arkansas. Missouri Hospital Institute reports 11,993 inpatient discharges for federal fiscal year 2022 for Mercy Hospital Joplin and a total of 174,464 outpatient discharges. Outpatient discharges include emergency department visits, observation patients, surgeries, and clinical outpatient visits.

2. FOR NEW UNITS, ADDRESS THE MINIMUM ANNUAL UTILIZATION STANDARD FOR THE PROPOSED GEOGRAPHIC SERVICE AREA.

There is no known optimal utilization standard specifically for robotic systems. However, the projected volumes will be distributed between multiple surgical specialties at Mercy Hospital Joplin. The Ministry initiative to move more surgeries to minimally invasive creates substantial need for this request as there are access issues and restraints with current equipment. The increase in robotically trained physician recruits to serve patients also adds necessity to this request.

3. FOR ANY NEW UNIT WHERE SPECIFIC NEED AND UTILIZATION STANDARDS ARE NOT LISTED, PROVIDE THE METHODOLOGY FOR DETERMINING NEED.

Mercy has committed to provide the highest level of care and in our role as a major referral center, Mercy invests significant time and energy into the annual planning and budgeting process and plan development. Recommendations are reviewed and prioritized to deem financial projects most impactful to patients. As a Ministry, a key initiative is to expand minimally invasive surgeries to patients to provide the highest patient satisfaction and the best patient care. This project aligns with the Ministry's goals and initiatives.

4. **FOR ADDITIONAL UNITS, DOCUMENT COMPLIANCE WITH THE OPTIMAL UTILIZATION STANDARD, AND IF NOT ACHIEVED, PROVIDE DOCUMENTATION TO JUSTIFY ADDITIONAL UNIT.**

Not applicable as there is no known optimal utilization standard formula.

5. **FOR EVOLVING TECHNOLOGY ADDRESS THE FOLLOWING.**

Not applicable. This is not considered evolving technology.

DIVIDER IV

FINANCIAL FEASIBILITY REVIEW CRITERIA AND STANDARDS

DIVIDER IV. FINANCIAL FEASIBILITY REVIEW CRITERIA & STANDARDS:

- 1. DOCUMENT THAT SUFFICIENT FINANCING IS AVAILABLE BY PROVIDING A LETTER FROM A FINANCIAL INSTITUTION OR AN AUDITORS STATEMENT INDICATING THAT SUFFICIENT FUNDS ARE AVAILABLE.**

The project will be funded by existing reserve funds which is the least costly form of financing and minimizes total project cost.

- 2. PROVIDE SERVICE-SPECIFIC REVENUES AND EXPENSES (FORM MO 580-1865) PROJECTED THROUGH THREE (3) YEARS BEYOND PROJECT COMPLETION.**

See attached form.

- 3. DOCUMENT HOW PATIENT CHARGES WERE DERIVED.**

It is the intent of Mercy Hospital Joplin to continue current charge structure with future adjustments primarily based on inflation. Existing fee schedules relate to resource utilization and procedural cost as generally accepted in the acute facility market place.

Charges within projected revenues considers an adjustment for inflation with no other significant changes applicable.

- 4. DOCUMENT RESPONSIVENESS TO THE NEEDS OF THE MEDICALLY INDIGENT.**

Mercy Hospital Joplin has a history of being responsive to the needs of the medically indigent patients who present for services. Mercy Hospital Joplin is a Sisters of Mercy sponsored organization, and as such, is dedicated to healing and wellness for all. Our mission calls us to specifically address the needs of the economically poor. Mercy will continue to meet the needs of all who present for care, as resources allow.

See attached Community Benefit Summary for Mercy Hospital – Joplin.



Certificate of Need Program

SERVICE-SPECIFIC REVENUES AND EXPENSES

Project Title: Mercy Hospital Joplin- Add Second da **Project #:** 6100 HS

Historical Financial Data for Latest Three Full Years plus Projections Through Three Full Years Beyond Project Completion

Use an individual form for each affected service with a sufficient number of copies of this form to cover entire period, and fill in the years in the appropriate blanks.

	Year		
	<u>2022</u>	<u>2023</u>	<u>2024</u>
Amount of Utilization:*	363	456	762
Revenue:			
Average Charge**	\$35,481	\$34,424	\$36,782
Gross Revenue	\$12,879,432	\$15,697,344	\$28,028,189
Revenue Deductions	8,990,391	10,743,222	18,751,476
Operating Revenue	<u>3,889,041</u>	<u>4,954,122</u>	<u>9,276,713</u>
Other Revenue	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUE	<u>\$3,889,041</u>	<u>\$4,954,122</u>	<u>\$9,276,713</u>
Expenses:			
Direct Expenses			
Salaries	788,689	1,004,161	2,122,224
Fees	0		0
Supplies	751,688	1,114,649	2,224,625
Other	2,516,670	3,125,160	6,029,604
TOTAL DIRECT	<u>\$4,057,046</u>	<u>\$5,243,971</u>	<u>\$10,376,452</u>
Indirect Expenses			
Depreciation	260,714	260,714	260,714
Interest***	0	0	0
Rent/Lease	0	0	0
Overhead****	840,135	920,148	1,964,362
TOTAL INDIRECT	<u>\$1,100,849</u>	<u>\$1,180,862</u>	<u>\$2,225,076</u>
TOTAL EXPENSES	<u>\$5,157,896</u>	<u>\$6,424,833</u>	<u>\$12,601,528</u>
NET INCOME (LOSS):	<u>-\$1,268,854</u>	<u>-\$1,470,711</u>	<u>-\$3,324,816</u>

*Utilization will be measured in "patient days" for licensed beds, "procedures" for equipment, or other appropriate units of measure specific to the service affected.

**Indicate how the average charge/procedure was calculated.

***Only on long term debt, not construction.

****Indicate how overhead was calculated.



Certificate of Need Program

SERVICE-SPECIFIC REVENUES AND EXPENSES

Project Title: Mercy Hospital Joplin Add Second da **Project #:** 6100 HS

Historical Financial Data for Latest Three Full Years plus Projections Through Three Full Years Beyond Project Completion

Use an individual form for each affected service with a sufficient number of copies of this form to cover entire period, and fill in the years in the appropriate blanks.

	Year		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Amount of Utilization:*	1,506	1,626	1,693
Revenue:			
Average Charge**	\$43,118	\$44,729	\$45,536
Gross Revenue	\$64,936,250	\$72,728,613	\$77,092,329
Revenue Deductions	43,507,291	48,728,165	51,651,855
Operating Revenue	<u>21,428,960</u>	<u>24,000,448</u>	<u>25,440,474</u>
Other Revenue	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUE	<u>\$21,428,960</u>	<u>\$24,000,448</u>	<u>\$25,440,474</u>
Expenses:			
Direct Expenses			
Salaries	2,718,576	2,908,876	2,827,319
Fees	0	0	0
Supplies	2,854,504	3,054,320	2,968,685
Other	8,019,799	8,581,185	8,340,591
TOTAL DIRECT	<u>\$13,592,879</u>	<u>\$14,544,381</u>	<u>\$14,136,595</u>
Indirect Expenses			
Depreciation	567,857	567,857	567,857
Interest***	0	0	0
Rent/Lease	0	0	0
Overhead****	6,028,528	7,058,132	7,552,201
TOTAL INDIRECT	<u>\$6,596,385</u>	<u>\$7,625,989</u>	<u>\$8,120,058</u>
TOTAL EXPENSES	<u>\$20,189,264</u>	<u>\$22,170,371</u>	<u>\$22,256,653</u>
NET INCOME (LOSS):	<u>\$1,239,695</u>	<u>\$1,830,077</u>	<u>\$3,183,821</u>

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 **Indicate how the average charge/procedure was calculated.
 ***Only on long term debt, not construction.
 ****Indicate how overhead was calculated.

Mercy Joplin Region Community Benefit Report

What is Community Benefit?

Community Benefit consists of programs and activities designed to increase access to healthcare and improve the overall health of the community. Financial Assistance, Medicaid, and Outreach services are examples of Community Benefit.

Why is Community Benefit Important at Mercy?

The Catholic Mission Imperative: Catholic Healthcare is a response to the health needs of those experiencing poverty as well as other persons that have been economically marginalized. Mission driven organizations, such as Mercy, provide community benefit because they are committed to promoting and defending human dignity, caring for persons experiencing poverty and populations that have been marginalized, promoting the common good, and ensuring the effective stewardship of charitable resources.

The Accountability Imperative: Reporting community benefit is not boastful, like previously thought, but a duty because sponsoring organizations want to know the tradition of serving those experiencing poverty and the response to community need is being continued. Board members, volunteers, and co-workers want to know they are part of an important community service, and local, state, and federal governments know the organization deserves preferential tax status.

The Legal Imperative: Since 2008, tax exempt hospitals have been required to file an IRS Form 990, Schedule H, to report their community benefit activities and other information related to tax exemption.

Mercy Joplin includes community benefit reporting for Mercy Hospital Joplin, MO; Mercy Hospital Carthage, MO; Mercy Hospital Columbus, KS; and Mercy Specialty Hospital of SE Kansas, Galena, KS.

Total Community Benefit **\$17,213,906.00**

Charity Care

Includes the actual cost of providing free or discounted care to persons who cannot afford to pay and who are not eligible for public programs. Charity care does not include bad debt.

Benefit: \$7,971,947.00

Community Outreach Services

Includes activities carried out to improve community health and services that are subsidized because they are needed in the community. Examples: education, support groups, health screenings, and immunizations.

Benefit: \$4,680.00

Health Professions Education Education and Research

Includes the cost of providing clinical placement for physicians, nurses, and other health professionals plus the costs of the nursing anesthesia, EMS, and radiology schools.

Benefit: \$770,314.00

Cash, In-Kind Donations, Workforce Enhancement and Fundraising

Includes cash, in-kind donations, fundraising costs, food & supplies to shelters, use of Mercy rooms and facilities, donated office space and recruitment of health professionals in medically underserved areas.

Benefit: \$0.00

Medicaid Subsidies

Includes the actual unpaid cost of providing care to Medicaid patients and represents the shortfall between cost of care and the payments received by the government.

Benefit: \$8,464,643.00