

Tyrrell County Board of Commissioners

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David L. Clegg, County Manager and Attorney
Penny Rhodes Owens, Clerk to the Board

May 27, 2021

Ms. Julie Faenza, Project Analyst
Ms. Lisa Pittman, Assistant Chief
Certificate of Need Section
Division of Health Service Regulation
NC Department of Health and Human Services
809 Ruggles Drive
Raleigh, NC 27603

Re: Comments regarding the Certificate of Need ("CON") Application for Project ID# J-012055-21 to develop Kempton of Chatham in Chatham County

All:

I am writing to comment on the CON application made by Liberty Healthcare Properties of Chatham County, LLC and Liberty Commons Nursing and Rehabilitation Center of Chatham County, LLC to develop a 69-bed adult care home ("ACH") facility in Chatham County, North Carolina. In particular, I would like to comment on the fraught history of the CON process in northeastern North Carolina, and the impact that the granting of the CON for Project ID#J-012055 (the "Project") would have on the region. The Project aims to remove the ACH beds that are currently licensed at Cross Creek Health Care in Hyde County from the region. This application represents yet another difficulty in a string of CON issues between Tyrrell and Hyde Counties stretching back to 2012.

As you are aware, prior to 2012 both Hyde and Tyrrell Counties were treated as separate service areas and listed as having no ACH beds in the State Medical Facility Plan ("SMFP") planning inventory. There were, however, small need determinations for both counties in the 2012 SMFP, adding to a total of 50 ACH beds. In 2012, to encourage development of adult care home beds in the broader area, the Tyrrell County Board of Commissioners, joined by the Hyde County Board of Commissioners, petitioned the Agency to establish a single 50-bed allocation for both counties.

In the 2013 SMFP, the two counties were combined into a single Hyde-Tyrrell service area, for which there was a 50 ACH bed need determination. After a successful need determination CON application, Tyrrell House was completed in 2016, and continues operating as a 50 ACH bed facility with 24 special care unit beds.

The arrival of Tyrrell House was a significant event in Tyrrell County. The location of the facility was an economic development victory, an enhancement to the commercial landscape, an employment generator, a site for community college and 13th year high school mentorship and internship, a customer for a wide range of support services, and the filling of the deeply personal needs of regional residents who could finally find care for loved ones close to home.

In 2019, however, the service area was again divided. Although the decision to divide the combined service area would directly impact Tyrrell County's residents and economy, Tyrrell County was not allowed to participate in the decision-making process. I personally met with DHHS and Administration officials to protest the evident problems with the public engagement process. A bill was drafted in the General Assembly addressing the matter.

When Hyde and Tyrrell counties were divided into separate service areas, Hyde County received a need determination of 30 ACH beds and Tyrrell County received none. A CON was subsequently granted to develop 30 ACH beds at Cross Creek Health Care, pursuant to the need determination in the 2019 SMFP. Cross Creek Health Care, which is licensed as a nursing home facility, opened the 30 ACH beds in January of 2020. It is these 30 ACH beds that the Project would remove from Hyde County and relocate to Chatham County.

Tyrrell House has maintained a good census, providing health care service, community engagement, and economic stimulus to the area. It has been designed to permit future expansion through the simple addition of a hallway, making it well suited to meet the area's needs over time. However, when the combined Hyde-Tyrrell service area was divided, the Tyrrell County community was denied, de facto, the opportunity to comment on the best way to award the 30 ACH beds that were summarily awarded to Hyde County. Some of those 30 beds should have been assigned to Tyrrell County in 2019.

And now, in 2021, citizens in Tyrrell County learn that Cross Creek Health Care in Hyde County is closing, and its ownership wants to remove its 30 ACH beds to a site between Pittsboro and Chapel Hill. In addition to having all of Hyde County's 30 ACH beds, Cross Creek Health Care has the only licensed nursing home beds in Hyde or Tyrrell Counties; it appears that those beds will also be removed from the area at some point in the future.

Once again, Tyrrell County is supposed to sit quietly by as it becomes collateral damage of the CON process. Tyrrell was ignored in 2019 and lost the opportunity to secure a portion of 30 beds for its region. Now Tyrrell County is to lose the same beds a second time to one of the most affluent regions of the state. The presence of a long-term care facility makes a stunningly

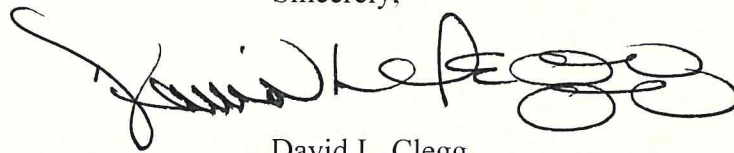
broad economic impact on a Tier 1 northeastern county like Hyde or Tyrrell, but its impact on a Tier 3 Research Triangle county with abundant resources will be minimal.

As your deliberations continue, please keep in mind the socioeconomic fragility of northeastern North Carolina and the 50 mile one-way trips necessary to access essential health services by its citizens, who have the lowest per capita income and educational level in the state, and the highest problematic health outcomes. Remember that moving these beds away from the Albemarle-Pamlico peninsula would take already scarce healthcare resources away from the underserved people of my county and remove them to a far-away locale rich in resources.

In 2019, the argument was made that the 30 Hyde County ACH beds were needed by Hyde County. Now, in 2021, this project proposes to do an end-run around the need determination for Hyde County and take these same ACH beds to Chatham County. Tyrrell County and its residents should not be made to suffer any more from an inconsistent and unfair characterization of the utility of and need for these ACH beds in our region.

Please call on me if I can provide further information.

Sincerely,

A handwritten signature in black ink, appearing to read "David L. Clegg". The signature is fluid and cursive, with a large, stylized initial "D" and "C".

David L. Clegg
County Manager
County Attorney