Delivered Via Email

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Mike McKillip, Team Leader
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Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
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Re: Comments on Competing Applications for a Certificate of Need for a new Medicare-Certified
        Home Health Agency in Onslow County; CON Project ID Numbers:

Project ID	Name
P-012450-23	Bayada Home Health Care, Inc
P-012453-23	PHC Home Health-Onslow
P-012455-23	Well Care Home Health of Onslow

Dear Ms. Mitchell, Mr. McKillip, and Ms. Saporito:

On behalf of Personal Home Care of North Carolina, LLC ("PHC"), Project ID P-012453-23, thank you for
the opportunity to comment on the above referenced applications a new Medicare-Certified Home
Health Agency in Onslow County, per the need determination in the 2023 SMFP. We understand that
your time is limited, so we have tried to focus comments on important issues in this review.

We believe that the applications submitted confirm and support the proposal from PHC as the most
qualified to address the identified need.

We understand that the State's Certificate of Need ("CON") award for the proposed Home Health
Agency must be based upon the statutory review criteria in G.S 131E-183 and that the Agency has
discretion in choice of comparative factors when all applicants conform to the statutory review criteria.
In reviewing the applications, we know that the Agency will consider the extent to which each applicant
meets all statutory review criteria.

COMPETITIVE METRICS

Regarding comparative metrics, we request that the CON Section consider metrics that have a special bearing in this batch of applications and have been used historically in the last three agency reviews for home health agency applications. Specifically:

- Access by service area residents
- Access by Medicare Patients
- Access by Medicaid Patients
- Competition (access to a new or alternative provider)
- Average Number of Visits per Unduplicated Patient
- Average Net Revenue per Visit
- Average Net Revenue per Unduplicated Patient
- Average Total Operating Cost per Visit
- Ratio of Average Net Revenue per Visit to Operating Cost per Visit
- Registered Nurse Salary
- Licensed Practical Nurse Salary
- Home Health Aid Salary

Please see Attachment A for the Scorecard for the above comparative metrics and how each applicant scores. Using the agency's established metrics, PHC-Onslow compares better than the other two applicants, scoring the best in the following:

- Access by service area residents
- Access by Medicaid Patients
- Average Net Revenue per Visit
- Average Net Revenue per Unduplicated Patient
- Average Total Operating Cost per Visit
- Registered Nurse Salary
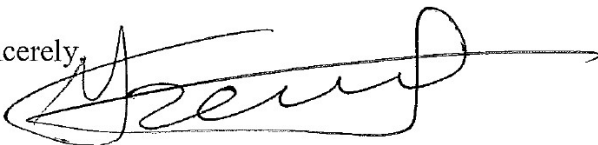- Licensed Practical Nurse Salary
- Home Health Aid Salary

PHC-Onslow is the "Most Favorable" in eight of the twelve comparative metrics, while Bayada is "Most Favorable" in three metrics, and Well Care is the "Most Favorable" in zero metrics.

CONCLUSION

PHC is clearly the most cost-effective and highest-value option among all applications in this batch. PHC fully conforms to the statutory review criteria. Therefore, because the rules permit only one award, the Agency should approve PHC.

Thank you for the time and attention you and your staff give to reviewing these important and detailed documents. Please do not hesitate to contact me should you have any questions.

Sincerely,

Ivan Belov
Director, Personal Home Care of North Carolina, LLC

ATTACHMENTS

Recommended Scorecard

Comparative Metric	PHC	BAYADA	WellCare
Access by service area residents	3	1	2
Access by Medicare px	1	3	2
Access by Medicaid Px	3	1	2
Competition (access to a new or alternate provider)	1	1	1
Avg # of Visits per Unduplicated Px	2	3	1
Average Net Revenue per Visit	3	1	2
Average Net Revenue per Unduplicated Patient	3	1	2
Average Total Operating Cost Per Visit	3	1	2
Ratio of Avg Net Revenue per Visit to Operating Cost per Visit	2	3	1
Registered Nurse Salary	3	1	2
Licensed Practical Nurse Salary	3	1	2
Home Health Aide Salary	3	1	2
Total	**30**	**18**	**21**
Rank 1st to 4th	**1**	**3**	**2**

Data

Metric	PHC	BAYADA	WellCare
Access by service area residents	1,441	1,070	1,274
Access by Medicare px	1,321	4,360	1,899
Access by Medicaid Px	216	116	127
Competition (access to a new or alternate provider)	0	0	0
Avg # of Visits per Unduplicated Px	21.62	26.11	21.21
Average Net Revenue per Visit	$ 110.96	$ 135.06	$ 118.75
Average Net Revenue per Unduplicated Patient	$ 2,399.02	$ 3,526.10	$ 2,518.35
Average Total Operating Cost Per Visit	$ 105.80	$ 130.95	$ 109.38
Ratio of Avg Net Revenue per Visit to Operating Cost per Visit	1.05	1.03	1.09
Registered Nurse Salary	$ 109,304	$ 105,630	$ 108,726
Licensed Practical Nurse Salary	$ 72,162	$ 65,717	$ 71,843
Home Health Aide Salary	$ 50,938	$ 45,366	$ 46,987

Data Source/Calculation

Metric	PHC	BAYADA	WellCare	Location/Calculation
Access by service area residents	p. 49	p. 42	p.50	Found in table
Access by Medicare px	C.5, p. 119	C.5, p. 116	C.5, p. 130	Found in table
Access by Medicaid Px	C.5, p. 119	C.5, p. 116	C.5, p. 130	Found in table; % from Payor Mix and total Undup pxs
Competition (access to a new or alternate provider)	Form O, p. 165	Form O, p. 182	Form O, p. 150	Found in table
Avg # of Visits per Unduplicated Px	C.5, p. 119	C.5, p. 116	C.5, p. 130	Total duplicated Visits / Total duplicated clients
Average Net Revenue per Visit	F.2b(p.141) & C.5(p. 119)	F.2b(p.163) & C.5(p. 116)	F.2b(p.146) & C.5(p. 130)	Total net revenue F.2b / Total duplicated visits
Average Net Revenue per Unduplicated Patient	F.2b(p.141) & C.5(p. 119)	F.2b(p.163) & C.5(p. 116)	F.2b(p.146) & C.5(p. 130)	Total Net Revenue / Total Unduplicated Clients
Average Total Operating Cost Per Visit	F.2b(p.141) & C.5(p. 119)	F.2b(p.163) & C.5(p. 116)	F.2b(p.146) & C.5(p. 130)	Total Operating Cost / Total Visits
Ratio of Avg Net Revenue per Visit to Operating Cost per Visit	F.2b(p.141) & C.5(p. 119)	F.2b(p.163) & C.5(p. 116)	F.2b(p.146) & C.5(p. 130)	Average Net Revenue per Visit / Average Total Operating Cost per Visit
Registered Nurse Salary	H, p.151	H, p.180	H, p.149	Found in table
Licensed Practical Nurse Salary	H, p.151	H, p.180	H, p.149	Found in table
Home Health Aide Salary	H, p.151	H, p.180	H, p.149	Found in table