

Community Health, Inc.



Attachment I

North Carolina State Health Coordinating Council P.O. Box 8109
May 28, 2008

Rocky Mount NC 27804-1109

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February 20, 2008

Mr. Floyd Cogley
North Carolina Division of Health Service Regulation
Medical Facilities Planning Section
2714 Mail Service Center
Raleigh, NC 27699

DFS HEALTH PLANNING
RECEIVED

FEB 22 2008

MEDICAL FACILITIES
PLANNING SECTION

**RE: Comments on 2008 State Medical Facilities Plan
Submitted by Community Health, Inc. on behalf of Carrolton Home Care,
Inc. d/b/a Community Home Care and Hospice ("Community")**

Dear Mr. Cogley:

Please accept these comments to the 2008 State Medical Facilities Plan ("2008 SMFP") submitted by Community Health, Inc. on behalf of Carrolton Home Care, Inc. d/b/a Community Home Care and Hospice ("Community"). More specifically, we are commenting on the reallocation of hospice inpatient beds in Lee, Cumberland, Harnett, and Sampson counties in the 2008 SMFP. We understand that these comments do not rise to the level of a petition since we are not currently proposing changes to the basic policies or methodology. However, we hope that our comments may stimulate some discussion as to how to make the basic policies more equitable in the event a Certificate of Need ("CON") decision is appealed, possibly resulting in a reallocation of a new institutional health service pursuant to Policy GEN-1.4, as was the case at hand.

As you may be aware, Community applied for hospice inpatient beds in Sampson, Harnett, Lee and Cumberland counties in 2006 as allocated in the 2006 SMFP. Each of Community's applications were subsequently denied by the CON Section, in part because it was determined that Community failed to demonstrate the need for these services as required by CON Review Criteria N.C.G.S. §131E-183(3). Community appealed each of the decisions and subsequently settled with the Department of Health and Human Services on or about September 5, 2007, resulting in a dismissal of each appeal. Since the appeals were resolved after August 17, 2007, and prior to December 31, 2007, the inpatient beds were reallocated in the 2008 SMFP in accordance with Policy GEN 1-4, and without a further need determination. Written notice of the reallocated hospice inpatient beds for Cumberland, Harnett, Lee, and Sampson was not provided by the Division of Health Service Regulation ("DHSR") until December 17, 2007, well after the public review and comment period. See *Exhibit 1* for a copy of the Memorandum dated December 17, 2007, from DHSR reallocating the hospice inpatient beds.

Since the DHSR notice of reallocation of the hospice inpatient beds dated December 17, 2007, was published well after the public comment period, interested parties that may have wished to request an adjustment to the need determinations in the 2008 SMFP were effectively precluded from doing so. Community is of the opinion that there should have been some debate or reasonable opportunity for public comment as to whether the hospice inpatient beds should have been reallocated in these four counties. Community questions whether there is a need for additional hospice inpatient beds in Lee, Cumberland, Harnett, and Sampson counties in the 2008 SMFP, or whether these beds, if subsequently approved by the CON Section, would be an unnecessary duplication of services.

We appreciate the opportunity to present our concerns to the Medical Facilities Planning Section.

Sincerely,



Michael C. Hale
Vice-President of Legal Services
Community Health, Inc.

Enclosure



North Carolina Department of Health and Human Services
Division of Health Service Regulation
Certificate of Need Section
2704 Mail Service Center ■ Raleigh, North Carolina 27699-2704

Michael F. Easley, Governor
Dempsey Benton, Secretary

http://facility-services.state.nc.us

Lee Hoffman, Section Chief
Phone: 919-855-3873
Fax: 919-733-8139

MEMORANDUM

TO: Recipients of the State Medical Facilities Plan
FROM: Craig R. Smith, Assistant Chief for Lee B. Hoffman, Chief Certificate of Need Section
DATE: December 17, 2007
SUBJECT: Reallocation of Hospice Inpatient Beds in Cumberland, Harnett, Lee, and Sampson Counties from the 2006 State Medical Facilities Plan (SMFP)

The Medical Facilities Planning Section and the Certificate of Need Section of the Division of Health Service Regulation announce the reallocation of hospice inpatient beds in Cumberland, Harnett, Lee, and Sampson Counties from the 2006 SMFP using the 2007 SMFP hospice bed need methodology. The reallocation is the result of the dismissal of four appeals of four denied applications received for the scheduled 2006 reviews.

As a result, there is now a need determination for additional hospice inpatient beds in each the above referenced counties. The specific need determination and the scheduled certificate of need reviews for the reallocated hospice inpatient beds are as follows:

Table with 4 columns: COUNTY, HOSPICE INPATIENT BEDS, REVIEW DATE, APPLICATION DUE DATE. Rows include Sampson (12 beds, May 1, 2008 review, April 15, 2008 due), Harnett (8 beds, Sept 1, 2008 review, Aug 15, 2008 due), Lee (8 beds, Sept 1, 2008 review, Aug 15, 2008 due), and Cumberland (24 beds, Dec 1, 2008 review, Nov 17, 2008 due).

Therefore, persons who are interested in applying for the hospice inpatient beds in each of the specified counties must submit their respective CON applications to the CON Section no later than 5:30 p.m. on the specific date listed above.

For more information, write the Certificate of Need Section, Division of Facility Services, 2704 Mail Service Center, Raleigh, North Carolina 27699-2704 or call (919) 855-3873.

