

**Long-Term Behavioral Health Committee
Agency Report
Adjusted Need Petition for
Hospice Inpatient Bed Need Determinations
Proposed 2013 State Medical Facilities Plan**

Petitioners:

UNC Hospice
P.O. Box 1077
Pittsboro, North Carolina 27699-2714

Contacts:

Ms. Kathleen Barker,
Clinical Director, Post Acute Services

Request:

UNC Hospice is requesting "...to safeguard the need determination for six hospice inpatient beds in Chatham County" identified in the Proposed 2013 State Medical Facilities Plan (SMFP).

Background Information:

Chapter Two of the SMFP states that "...people who believe that unique or special attributes of a particular geographic area or institution give rise to resource requirements that differ from those provided by application of the standard planning procedures and policies may submit a written petition requesting an adjustment be made to the need determination given in the North Carolina Proposed State Medical Facilities Plan."

Also, it is noted in Chapter Two that, "Need determinations as shown in this document may be increased or decreased during the year pursuant to Policy GEN-2 (*See Chapter 4*)."

Chapter Four of the SMFP contains "Statement of Policies." In Policy GEN-2: Changes in Need Determinations, the policy directs agency staff to revise need determinations adopted in the document continuously throughout the calendar year to reflect all changes in inventory to include health service facility beds as those changes are reported to the Medical Facilities Planning Branch.

The need for additional hospice inpatient beds is addressed in Chapter 13 of the SMFP. The standard methodology used to project need for additional hospice inpatient beds begins with using the previous year's data for projections, then the two-year trailing average growth rate in statewide hospice admissions is calculated over the previous three years and it is applied to the current reported number of hospice admissions to project total hospice admissions.

Next, the total projected admissions and the lower of the statewide median average length of stay per admission and each county’s average length of stay per admission are used as the basis for projecting estimated inpatient days for each county.

Six percent of the total estimated days of care in each county is used as a basis for estimating days of care in licensed inpatient hospice beds.

Application of the standard methodology for hospice inpatient beds generated several need determinations in the Proposed 2013 SMFP including six hospice inpatient beds for Chatham County.

Table 13H

County	HSA	Hospice Inpatient Beds Need Determination*	Certificate of Need Application Due Date**	Certificate of Need Beginning Review Date
Chatham	IV	6	To be determined	To be determined

Analysis/Implications:

UNC Hospice agrees with the need determination for six hospice inpatient beds for Chatham County based on the standard methodology for hospice inpatient beds, as published in the Proposed 2013 State Medical Facilities Plan.

In the petition UNC Hospice expressed concern over a potential change to the need determination identified in the Proposed 2013 Plan by stating, "...the need determination could be obviated by changes to the hospice utilization data submitted by a provider or by an unknown mathematical error in the formula or even by the elimination of the need determination in response to a petition or comments."

The possibility exists for the elimination of a need determination from the Proposed SMFP due to provider submitted hospice utilization data because Policy GEN-2 states, "need determinations...shall be revised continuously throughout the calendar year to reflect all changes in inventories..." To prevent continuous revisions to the hospice inventory, a change in basic policy (Policy GEN-2) would be required and can be accomplished by submitting recommended changes in writing in the form of a petition in the spring of 2013. Petitions for "adjustments to need determinations" have been used to request an adjustment to a need determination. However, this type of request does not apply in this case because the need determination of six hospice inpatient beds in Chatham County already exists in the Proposed 2013 SMFP.

As of the August 1 deadline for petitions, neither the State Health Coordinating Council (SHCC) nor the Agency received any written petitions requesting the need determination for six hospice inpatient beds in Chatham County be removed from the Proposed 2013 SMFP. Also, neither the SHCC nor the Agency received any comments regarding UNC Hospice’s petition by the August 17 deadline.

Agency Recommendation:

The agency recognizes and supports the state health planning process and policies as identified in the SMFP and approved by the SHCC and the governor. Given available information submitted by the August 17, 2012 deadline and in consideration of factors discussed above, the agency recommends denial of the petition.