

**Long-Term Behavioral Health Committee
Agency Report
Adjusted Need Petition for a
Medicare-certified Home Health Need Determination in the
2017 State Medical Facilities Plan**

Petitioner:

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Contact:

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Request:

The Petitioner requests an adjusted need determination be included in the *North Carolina 2017 State Medical Facilities Plan (SMFP)* for one Medicare-certified home health agency or office for Wake County to address a special segment of the population identified as high-risk mothers and babies, a segment that the Petitioner believes to be underserved in the county.

Background Information:

The home health need methodology projects future need based on trends in historical data, including the "Average Annual Rate of Change in Number of Home Health Patients" over the previous three years and the "Average Annual Rate of Change in Use Rates per 1000 Population" over the previous three years. The average annual rate of change is compiled based on Council of Governments (COG) regions.

Patient origin data used in the SMFP is compiled from Home Health Agency Annual Data Supplements to Licensure Applications as submitted to the Division of Health Service Regulation. The data supplements request data for a 12-month period using a start date of July or October. The methodology aggregates patient origin data by the following four age groups: under age 18, 18-64, 65-74 and over 75.

The methodology utilized in development of the SMFP does not project future need based on the number of home health agencies in any given county or on the capacity of existing agencies. Rather, it projects need based on the number of patients served during the reporting years from each county within each Council of Government (COG) region.

A basic assumption of the current methodology is that a new agency or office is needed if the projected unmet need in a single county is 325 patients or more. Therefore, the “threshold” for a need determination is a projected unmet need of 325 patients in a given county.

Another basic assumption states that when the need for additional agencies or offices is determined by the standard methodology, the three annual SMFPs following certification of the agencies or offices based on that need should count the greater of 325 patients for each new agency or office or the actual number of patients served by the new agency office as part of the total people serviced. If a new agency office served fewer than 325 clients, and adjustment “placeholder” equal to the difference between the reported number or home health patients and 325 is used. In essence, the threshold and the placeholder are linked and they are intended to represent the minimum size (in number of patients) for a financially viable home health agency.

Chapter Two of the 2016 SMFP allows persons to petition for an adjusted need determination to allow consideration of “...unique or special attributes of a particular geographic area or institution...” if they believe that their needs are not appropriately addressed by the standard methodology. Mother’s Helper has submitted a petition to adjust the need determination to address a special population they believe is underserved in Wake County.

It should be noted that any person may submit a certificate of need (CON) application for a need determination in the Plan. The CON review could be competitive and there is no guarantee that the petitioner would be the approved applicant.

Analysis/Implications:

The Agency supports the home health standard methodology. In the last ten years (FY2006-2015) there have been eleven need determinations by the standard methodology, eight of which were in Mecklenburg and Wake counties, large counties that experienced significantly high growth in the past decade.

Table 1: Medicare-certified Home Health Services Number of Need Determinations Produced by the Standard Methodology, 2007-2016 SMFP										
Data Year	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Number of Need Determinations	1	0	1	1	4	3	1	0	0	0

Data Source: 2007 - 2016 SMFPs

Wake County residents are well served by home health providers. Based on information reported on Home Health 2016 Annual Data Supplement to the License Renewal Applications, 29 agencies reported serving a total of 16,013 patients residing in Wake County. The highest volume agencies that provide services to Wake County residents are located in Wake, Alamance, Durham, Franklin, Johnston and Orange counties (Alamance-1; Durham-1; Johnston-1; Orange-1; Wake-8).

The standard methodology would have generated a need determination for a home health agency or office if the needs of patients in the county were not being met.

Mother’s Helper Home Healthcare, Inc. requests an adjusted need determination in the 2017 SMFP for a Medicare-certified home health agency or office in Wake County to address the special needs of high-risk mothers and babies. Mother’s Helper operates a home care business in Wake County (Raleigh) that is licensed to provide companion, sitter, respite, nursing care, infusion nursing and in-home aide services.

The Petitioner states, “Our petition is specific to the need for maternal-child home health skilled nursing visits to improve the health, well-being and medical outcomes of this population. In-home healthcare visits for high risk mothers and babies are an unmet need in Wake County.”

While the Petitioner provides various types of information regarding high-risk pregnancies (the mother-baby dyad, preterm deliveries, postpartum depression, ineffective bonding and breastfeeding and the cost of NICU/PICU admissions in Wake County) no specific data is provided to demonstrate the size of the population that needs these services or to demonstrate that the population is not currently being served by existing licensed Medicare-certified home health providers.

The Agency does not collect data specific to the “high-risk mother and baby” population. However, based on information reported on Home Health 2016 Annual Data Supplement to the License Renewal Applications, five agencies reported serving a total of 76 patients in the “under 18” age group who were residing in Wake County as shown below in Table 2.

Table 2: Home Health Data by County of Patient Origin - 2015 Data - Agencies or Offices Serving Residents of Counties by Age				
License Number	Name	Facility County	Resident County	< 18
HC0422	Rex Home Services	Wake	Wake	4
HC0074	Well Care Home Health, Inc.	Wake	Wake	26
HC0360	Duke Home Health	Durham	Wake	9
HC0507	3HC	Johnston	Wake	11
HC0828	Pediatric Services of America, Inc.	Wake	Wake	26
			Wake Totals	76
Data Source:				
<i>Proposed 2017 SMFP</i>				
Home Health 2016 Annual Data Supplement				

The highest volume provider agencies of pediatric services are located in Wake and Johnston counties (Wake-3; Durham-1; Johnston-1). One of the agencies, Pediatric Services of America, Inc., provides home health services to only to pediatric patients.

Agencies licensed as Medicare-certified home health providers are eligible to provide services to all four age groups: under age 18, 18-64, 65-74 and over 75. In addition to the 5 agencies that reported serving patients under 18 in Wake County, there are 24 other licensed Medicare-certified home health agencies eligible to provide services to all age groups. Neither Healthcare

Planning and CON section nor the SHCC have the authority to impose limits on what patient groups an agency may or may not serve.

The Home Health Data by County of Patient Origin – 2015 Data report provides information that 16,013 Wake County residents were recipients in 2015 and of those residents 76 (*or 0.5% of Wake County residents that received home health services*) were pediatric home health users as noted in Table 3. However, what cannot be determined is whether any residents in Wake County are high-risk pregnant mothers or pediatric patients and who need home health services but are not receiving them.

Table 3: Number of Pediatric Residence Reported to Received Home Health Services - Wake County, FY 2015		
Total Number Residents that Received Home Health Services	Percent of Age Group < 18 Years	Total Number of Residents Age Group < 18 Years
16,013	0.5%	76
Data Source: <i>Proposed 2017 SMFP</i>		

Additionally, the Petitioner states, “the intent and spirit of this proposal is not to duplicate existing services provided by the Pregnancy Medical Home and our health departments. To our knowledge there are no existing resources to supply in-home personal care service such as ours.”

Community Care of North Carolina (CCNC) – Pregnancy Care Management Program is serving Medicaid and non-Medicaid eligible women in state. It is a statewide, population-based program that services pregnant women and their infants. Funds are distributed to local health department to provide pregnancy care management services in their area. Care is managed by a Pregnancy Care Manager, who is either a Registered Nurses or a Social Worker.

Baby Love is another program available to pregnant women for the purpose of promoting a healthy pregnancy and positive birth outcomes. However, it is only available to citizens enrolled in Medicaid. The program provides for prenatal and post-partum services in addition to home visiting services. The maternal care skilled nurse home visits are to assess and treat women who have one or more high risk condition. These visits must be handled by a nurse who is not a Pregnancy Care Manager.

Wake County Human Services participates in the Nurse – Family Partnership (NFP), a nationally recognized evidence-based nurse home visitation program for first-time, low-income mothers. According to the web site for NFP, it is a “community health program that helps transform the lives of vulnerable mothers pregnant with their first child. Each mother served by NFP is partnered with a registered nurse early in her pregnancy and receives ongoing nurse home visits that continue through her child’s second birthday.” The services the Petitioner proposes to provide to the high-risk mother and baby population may to be a duplication of the services currently being provided by the various programs offered by the state and local government agencies.

The Agency and the State Health Coordinating Council (SHCC) acknowledge the importance of reducing barriers and making healthcare more accessible to all citizens. Furthermore, they both support local community efforts to provide healthcare services to individuals identified as members of this “high-risk” population.

Agency Recommendation:

The Agency supports the standard methodology for Medicare-certified home health agencies or offices as presented in the *Proposed 2017 SMFP*. Given available information and comments submitted by the August 12, 2016 deadline, and in consideration of factors discussed above, the agency recommends denial of this petition.