Long Term & Behavioral Health Committee
Recommendations to the North Carolina State Health Coordinating Council
May 25, 2016

The Long-Term and Behavioral Health (LTBH) Committee met twice after the March Council meeting, first on April 8th and again on May 6th.

The topics reviewed and discussed at the April 8th meeting included:

- Current Long-Term and Behavioral Health policies and methodologies.
- A proposed nursing home need methodology and changes to nursing home policies.
- The inclusion of 150 Behavioral Health inpatient beds.
- An agency recommendation for a methodology change in psychiatric inpatient services.
- Proposed language changes in Chapters 15, 16 and 17.

The topics reviewed and discussed at the May 6th meeting included:

- Preliminary drafts of need projections generated by the standard methodologies in the LTBH chapters.
- A new inventory table for Chapter 11.

The following is an overview of the Committee's recommendations for the Long-Term and Behavioral Health Services Chapters, Chapters 10-17, of the Proposed 2017 State Medical Facilities Plan (SMFP).

There were no petitions and no comments received related to any of the chapters.

The committee authorized staff to update narratives, tables, and need determinations for the Proposed 2017 Plan, as updates are received.

Chapter 10: Nursing Care Facilities

A summary of the proposed changes from the Nursing Home Workgroup and supporting documentation were presented and shared with the full SHCC at the March 2nd, 2016 meeting. At the LTBH Committee meeting on April 8th, 2016 the Committee unanimously voted to make the following changes to the nursing home need methodology:

- One use rate (no age groups) calculated by county with annual change rate projection of 36 months;
- Smoothing of average change rate applied to each county with substitution of the state rate at ½ standard deviation (SD) above and below the mean;
- Vacancy factor applied to bed utilization summary (95%);
- For need determinations, use of the higher between the median occupancy rate among all facilities in a county or the county weighted average; and
- Alignment of all exclusions for beds and occupancy.

- One hundred percent exclusion for Continuing Care Retirement Communities (NH-2) beds.
- Maximum bed need for each service area of 150 beds.
- Policies (Chapter 4)
    - Elimination of NH-1, NH-3, NH-4, and NH-7
    - Wording changes to NH-2, NH-6, and NH-8

Application of the new methodology *initially resulted in a draft need determination for Washington County of 20 nursing care beds*. However, this need determination is the result of beds in Washington County being excluded from the inventory because they were originally moved from Tyrrell County. Despite the beds being transferred and licensed for many years, the placeholders have never been removed. Removing them eliminates the need in Washington County. There is a similar placeholder in Camden County affecting Pasquotank and Currituck Counties. **The Committee voted unanimously to remove all bed transfer placeholders, thus resulting in no draft need determination for additional nursing care beds**, at this time.

Chapter 11: Adult Care Homes
Application of the methodology based on data and information currently available results in the following draft need determinations:

- Greene County, 20 Adult Care Home beds;
- Jones County, 30 Adult Care Home beds; and
- Washington, 10 Adult Care Beds.

The Committee voted and approved a new table entitled Table 11D: Inventory of Nursing Homes with Six or Less Licensed Adult Care Beds.

Chapter 12: Home Health Services
Application of the methodology based on data and information currently available results in **a draft need determination for Mecklenburg County for one new Medicare-certified Home Health Agency or Office at this time**.

Chapter 13: Hospice Services
Application of the methodologies based on data and information currently available results in the following draft need determinations.

- **Hospice Home Care**
  Application of the methodology based on data and information currently available results in **two draft need determinations at this time; one need determination for Cumberland County and one need determination for Durham County for a new home hospice office.** Need determinations are subject to change.

- **Hospice Inpatient Bed**
  Application of the proposed revised methodology based on data and information currently available results **no draft need determinations at this time**. Need determinations are subject to change.

Chapter 14: End-Stage Renal Disease Dialysis Facilities
Inventories of dialysis facilities and current utilization rates along with need determinations for new dialysis facilities will be presented in the North Carolina Semiannual Dialysis Report (SDR) for July 2016 on July 1st. This report will be available on the DHSR website.

Chapter 15: Psychiatric Inpatient Services
The Committee voted to recommend a change to the methodology. This change removes the 20% reduction in projected days of care for child/adolescent beds from the need determination calculations.

Application of the revised methodology based on data and information currently available results in the following **draft need determinations**:

- **Child Psychiatric Inpatient Beds – a total of 125 beds;**
  - **Alliance Behavioral Healthcare LME-MCO, 36 beds;**
  - **Cardinal Innovations Healthcare Solutions LME-MCO, 19 beds;**
  - **Eastpointe LME-MCO, 36 beds;**
  - **Partners Behavioral Health Management LME-MCO, 1 bed;**
  - **Sandhills Center LME-MCO, 18 beds; and**
  - **Smoky Mountain Center LME-MCO, 15 beds**.

- **Adult Psychiatric Inpatient Beds – a total of 38 beds;**
  - **Alliance Behavioral Healthcare LME-MCO, 23 beds; and**
  - **Sandhills Center LME-MCO, 15 beds**.

Recommendations Related to Psychiatric Inpatient Services:
The Committee recommends eliminating Step 2 of the need determination methodology for inpatient psychiatric beds for children and adolescents. The proposed change eliminates the 20% reduction in projected days of care used when calculating unmet bed need.

The Committee also recommends changes to the language throughout the SMFP, where appropriate, to reflect consistent usage of "people first" terminology. For example, rather than using the term "mentally ill," the text would use the term "people with a mental disorder."

Finally, the committee has a recommendation regarding the inclusion of behavioral health inpatient beds authorized under Session Law 2015-241. This recommendation pertains to both Chapters 15 and 16. The General Assembly authorized $25 million for the creation of up to 150 new behavioral health inpatient treatment beds. This funding represents a portion of the

proceeds of the sale of the Dorothea Dix Hospital property. Development of these beds will not require a Certificate of Need, but the beds will be required to adhere to all licensure rules and procedures, during and after development. Therefore, the Committee recommends that all beds created under S.L. 2015-241 that become licensed under categories currently covered by the CON Law be included in the inventory and in the need determination methodology in the same manner as other beds in Chapters 15 and 16 of the SMFP.

Chapter 16: Substance Abuse Inpatient & Residential Services (Chemical Dependency Treatment Beds)

Application of the methodology based on data and information currently available results in the following **draft need determinations**:

- **Child/Adolescent Chemical Dependency Treatment Beds;**
  - **Central Region, 17 beds.**

There was **no need determination for adult beds** anywhere in the state.

Recommendations Related to Substance Abuse Inpatient & Residential Services:

Like Chapter 15, the Committee recommends proposed changes throughout the SMFP to reflect consistent usage of "people first" terminology. In addition, the committee recommends incorporation of terminology from the DSM-5, whereby the term "substance use disorder" is used instead of other terms, such as "substance abuse" or "addiction."

Chapter 17: Intermediate Care Facilities for Individuals with Intellectual Disabilities

Application of the methodology based on data and information currently available results in **no draft need determinations** at this time.

Recommendations Related to ICF/IID Facilities

As with Chapters 15 and 16, the Committee recommends making language changes to the text throughout the SMFP to reflect consistent usage of "people first" terminology.

Recommendation for the Long-Term and Behavioral Health Services Chapters, Chapters 10-17 for the Proposed 2017 SMFP:

The Committee recommends that the current assumptions and methodology be accepted as presented for the Long-Term and Behavioral Health Services Chapters, Chapters 10-17, for the Proposed 2017 Plan, and that references to dates be advanced one year, as appropriate. Also, staff is authorized to update narratives tables and need determinations as new and corrected data are received.