



April 20, 2011

North Carolina Division  
of Health Service Regulation  
Medical Facilities Planning Section  
2714 Mail Service Center  
Raleigh, North Carolina 27699-2714

**VIA E-MAIL TO: DHSR.SMFP.Petitions-  
Comments@dhhs.nc.gov**

Re: Comments of Frye Regional Medical Center Responding to Meridian Senior Living, LLC's Petition to the State Health Coordinating Council for an Adult Care Home Demonstration Project in Alexander County

Dear Sir or Madam:

This letter is submitted on behalf of Frye Regional Medical Center ("Frye") and its component institutions, to offer comments in opposition to the Petition filed by Meridian Senior Living, LLC ("Meridian") with the State Health Coordinating Council, seeking an Adult Care Home Demonstration Project in Alexander County in the 2011 State Medical Facilities Plan.

The proposed project by Meridian, to be located at the former Alexander Hospital for patients with organic brain illness who are combative or otherwise unmanageable, is depicted by Meridian as a bridge to the gap between long term care and hospitalization in a psychiatric facility. Such a program would surely have to include a wide array of medical professionals including experienced nurses, physicians, pharmacists, behavioral therapists and others. There was no explanation of how those services would be provided in the proposed project.

One should question the validity of such a program with violent patients, low staffing and in an isolated area without an emergency department.

More importantly, if such a program is truly needed in North Carolina, it should be adjacent or proximate to an existing medical facility and should only be undertaken after an evidence based evaluation, a full public hearing, input from psychiatric professionals and existing facilities, and after a definite community need was identified by the State Health Planning Section.

As a practical matter, the people Meridian seeks to serve are psychiatric patients, who qualify for involuntary commitment to an inpatient psychiatric facility due to their violent behavior. Frye's psychiatric beds regularly treat elderly patients who engage in such violent behaviors. If there is a need for more beds to treat these patients, whether by demonstration project or otherwise, such a need determination should be based upon the need for adult inpatient psychiatric beds, not adult care home beds. Smoky Mountain LME (which includes Alexander County) had a need identified for 26 additional adult inpatient psychiatric beds in the 2011

SMFP. Conversely, there was no need determination for adult care home beds in Alexander County

The Meridian Petition states that the location is proximate to medical professionals specializing in the field of Alzheimer's disease, and references Dr. Donald Schmechel, an area neurologist. Although the applicant infers some form of relationship with Dr. Schmechel, none is actually proposed. Frye has contacted Dr. Schmechel about the project, to inquire as to his involvement. He advised that he has not been approached about the current project and that no relationship exists with Meridian. It is otherwise unclear from the Petition how medical supervision and directorship will be managed with the FTE analysis showing no physician, pharmacist or other expert clinicians involved in the care of such high acuity patients.

Finally, the Petition's limitation of the demonstration project to a location in Alexander County is unfair and improper. As proposed, the project is like a "private act" to create a need that only Meridian and Alexander Hospital can fill in Alexander County. They are the only potential applicants/existing health care providers that can meet the requirements to even file a Certificate of Need Application in Alexander County.<sup>1</sup> "Private acts" are forbidden in legislation, and to allow a similar practice in state health planning is contrary to the principles of the SHCC, the Medical Facilities Planning Section and the transparency that Governor Perdue has demanded in the health planning process.

Frye thanks the SHCC for its careful consideration of these comments.

Very truly yours,

FRYE REGIONAL MEDICAL CENTER



Michael R. Blackburn  
Chief Executive Officer

cc: Members of the Long Term Care Committee

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<sup>1</sup> Meridian's stated basis that using the existing Alexander Hospital facility would enable Meridian to take advantage of the "unique features" in the existing hospital are suspect. According to the Petition, the proposed capital costs of the project, most of which relate to construction costs and architect and engineering fees, total almost \$4.4 million. At that cost, it is likely that a new building could be constructed, therefore obviating the necessity of limiting the demonstration project to Alexander County.