

DFS Health Planning RECEIVED

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Medical Facilities
Planning Section

Public Hearing Comments 2011 SMFP Need Determinations for Medicare-certified Home Health Agencies

Presented by Mike Raney

Good afternoon. My name is Mike Raney. I am a Regional Manager with Maxim Healthcare Services, and I am here today to speak in support of the need determination for additional Medicare-certified Home Health Agencies currently included in the 2011 State Medical Facilities Plan.

Maxim Healthcare Services provides innovative home health services throughout the country. Maxim currently operates several home care offices in North Carolina. We closely followed the State health planning process last year, which resulted in need determinations for four additional Medicare-certified agencies or offices in North Carolina. Maxim strongly supports these need determinations in the final 2011 SMFP. For several months, Maxim has been devoting time and resources to the process of

planning and developing Certificate of Need applications to apply for these need determinations.

We are aware that the Long-Term Care Committee of the State Health Coordinating Council convened in a special meeting on February 11, 2011 and voted not to amend the 2011 State Medical Facilities Plan. Maxim supports the Committee's decision and strongly opposes making any changes to the home health agency allocations included in the Plan. The development of the 2011 SMFP and these allocations was the result of months of study and discussion. Public hearings on the draft 2011 SMFP were held over seven months ago. It is our strong contention that a major change in the need determinations in the final SMFP should not be made several months after the Plan was approved by the State Health Coordinating Council and many weeks after it was approved by North Carolina's Governor.

We are among numerous existing health care providers in North Carolina that supported the need determinations for additional home health agencies in the 2011 Plan. The three counties for which additional home health agencies or offices have been allocated are urban areas and among the fastest growing counties in the State. If the need methodology had not shown a need for additional Medicare-certified home health agencies or offices in these counties, we would have seriously considered petitioning for a special need allocation.

As I am sure you are aware, substantial work and effort is involved in preparing a home health agency Certificate of Need application. Our staff members have already expended considerable time and effort in preparing Maxim's CON applications. In particular, Maxim has been communicating with providers and the public to discuss these need determinations and our intention to apply for them. According to Policy GEN-2 of the 2011 SMFP, even in the case of recalculating a need determination because of a change in inventory, the change in need allocation is not implemented if it occurs

less than 60 days or less prior to the applicable CON application due date. The application due date for two of the home health agencies allocated in the Plan is March 15th – less than two weeks from today. It would be prejudicial to Maxim and other providers planning to submit CON applications to make significant changes in the Plan at this late date. A reasonable course of action would be to allow applicants to submit their proposals for the new home health agencies and have the CON Section conduct its reviews.

In closing, Maxim Healthcare Services supports the need determinations in the 2011 SMFP, and opposes any changes in those need determinations at this late date. We hope you will support us and other providers in this effort to increase access to home health services in North Carolina. Thank you for providing us with the opportunity to discuss this important issue.