

PETITION

Petition for a Special Need Adjustment to the 2011 State Medical Facilities Plan Hospice Inpatient Bed Need Determination

Petitioner:

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Carolina East Hospice Care Center
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DFS Health Planning
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MEDICAL FACILITIES
PLANNING SECTION

Requested Change:

Carolina East Hospice Care Center requests an adjusted need determination for three (3) hospice inpatient beds in Duplin County.

Reasons for Requested Change:

Carolina East has been providing home health, hospice and home care services since September of 1984 in Duplin and the contiguous counties. We have provided services to more than 9,000 patients in all programs since that time. Our organization has an excellent reputation in our local and medical community. Carolina East is accredited by the Accreditation Commission for Health Care. We participate in national satisfaction benchmarking initiatives as well as having a comprehensive Quality Assessment and Performance Improvement Program as required by Medicare and Accreditation standards.

Our six (6) bed Hospice Care Center opened in February of 2009 with three (3) Residential Beds and (3) Inpatient Beds. A Certificate of Need for our hospice center was awarded following an approval of a Special Need Petition.

The Special Need Petition created by the State Health Coordinating Council enables communities such as ours to have access to care. We appreciate this provision created for providers trying and willing to serve their communities.

The main reason for this requested change is to allow Carolina East Hospice Care Center to provide access to high quality care, cost effective care and the ability to be reimbursed for the care that is provided in our Hospice Care Center.

Lack of Access as a Reason for Requested Change:

While the Proposed 2012 SMFP does not show a deficit of beds for Duplin County, it does show that the Projected Total Inpatient Beds is six (6) on Table 13C: Year 2015 Hospice Inpatient Bed Need Projections – Proposed 2012 SMFP. ~~(See attached Sheet)~~

The average age of most of our patients is 75-84 years of age. However, over 16% have been under 60 years of age, which is not representative of our county demographics. Our current occupancy rate is 80%, which is almost at capacity at all times. When operating a six bed facility with only three beds that are GIP, we can be full today with a waiting list of four patients and in 24 hours, be at 50% capacity and all waiting patients have either expired in place or transferred to facilities farther from family and home. In the beginning we adhered to the 3 GIP and 3 Residential rules to the letter. We would not admit more than 3 GIP level patients and used the residential beds for residential appropriate patients. We quickly learned that this did not provide access to our facilities for our home hospice patients nor to the hospitals for discharges to our hospice care center and we had empty beds. Thus, we honored the rule with billing, we never have billed for more than three (3) GIP level of care at one time; however, we accepted all referrals to our hospice care center if they were appropriate for GIP or Residential. This has improved our ability to transfer to the appropriate level of care. It does not always allow us the option to accommodate our hospitals because of no beds available.

Cost Effective Care:

In our limited history, two and a half (2½) years, we have experienced excellent support from all the hospitals in our service area and the medical centers, Duke, Chapel Hill, Wake Med and of course Pitt. By having these GIP beds, it will help reduce our waiting list to ensure that more terminally ill patients and their families are served at the right level of care, in the right health care setting and when they need the care. This will be more cost effective care because the GIP rate for Carolina East is \$607.30 per day which is significantly less than a hospital stay. Medicare is 90% of our reimbursement.

Conclusion:

All the beds at the Carolina East Hospice Care Center are built to GIP level of care. No additional construction will be needed to convert the three (3) residential beds to GIP beds. The beds are currently being used at times as GIP; however, no reimbursement by payors is received, thus limiting our revenues from \$607.30 per day to \$150 per day. In a hospice care center, funding is vital to its ability to stay viable. We have a very active Foundation that provides support to our hospice care center in excess of \$100,000 per year since our existence. For us to not be prudent operators and bill appropriately for the services we provide is not being fair to our Foundation and its contributors.

Converting these three beds to GIP would double our ability to serve patients in our community. We have many Assisted Living Facilities and Nursing Homes that work

with us in admitting patients from our hospice center when they no longer need symptom management control. In the past couple of years at least 52 patients have needed GIP level of care with no beds available.

We respect the work that the SHCC does for the people of North Carolina in ensuring that health care access is available to all. We applaud your vision in creating "Special Need Petitions" to allow for the weaknesses in the Plan.