

March 21, 2018

VIA ELECTRONIC MAIL

(MedicaidRulesComments@dhhs.nc.gov)

North Carolina Division of Health Service Regulation Healthcare Planning and Certificate of Need Section 2704 Mail Service Center Raleigh, NC 27699-2704

Re: Opposition to Petition Submitted by LeadingAge North Carolina Proposing Policy Change for Home Health Agencies

Dear Sirs and Madams:

3HC, Home Health and Hospice Care, Inc., appreciates the opportunity to provide written comments in opposition to the petition submitted by LeadingAge North Carolina. On behalf of our thousands of patients and families we serve and the hundreds of other post acute providers who abide by the Certificate of Need (CON) requirements each day, we requests that the State Health Coordinating Council **deny** the petition outright.

The CON methodology process has served the citizens and providers of the state of North Carolina well for many years to ensure appropriate access to health care. To date, no CCRC has ever applied for an available Home Health CON in North Carolina. Neither have they ever submitted a "special need determination" to the state to identify an unmet need.

The Petition does not meet the basic requirements for a petition seeking a policy change, as set forth in the 2018 State Medical Facilities Plan ("SMFP"). The Petition would create a biased playing field. LeadingAge seeks a carve-out for one type of provider while requiring every other type of provider to go through the full Certificate of Need ("CON") process. In so doing, continuing care retirement communities ("CCRCs") would be given a preferential treatment over all other providers currently



providing home health services or interested in providing home health services. This would circumvent the regulations that have served us so well.

Prior to filing the current Petition, for the past several years, LeadingAge has lobbied for legislation that would completely exempt CCRCs from the home health CON requirement. In 2013, LeadingAge was able to get a bill introduced. N.C. House Bill 900 (2013). More recently, LeadingAge lobbied for legislation that would create a pilot program that would exempt ten CCRCs from the home health CON requirement. N.C. House Bill 941 (2015). Neither piece of legislation was passed by either chamber. Still, both pieces of legislation attempted to limit CCRCs' ability to provide services only to residents. The 2015 legislation offered to limit the number of CCRCs that could be exempt and put an 18-month time limit on its pilot. LeadingAge has abandoned all of these limitations in its current Petition.

For these reasons, we ask that DHSR recommend that the Petition be **denied** and that the State Health Coordinating Council **deny** LeadingAge's Petition.

Sincerely,

Nicholas Dean Lee

President/CEO

3HC - Home Health and Hospice Care, Inc.