

Public Hearing Comments

Adult Care Home Adjusted Need Petition

Presented by Timothy Walsh, Senior Financial Analyst

Good afternoon: My name is Timothy Walsh and I am here on behalf of Cross Creek Health Care. Cross Creek Health Care, herein referred to as Cross Creek, seeks to expand its services to include adult care home services in Hyde County and plan to submit a petition for an adjusted need determination for 23 adult care home beds in Hyde County in the 2019 SMFP. The Applicants recognize that Hyde and Tyrrell are considered a combined service area for Chapter 11 of the SMFP. However, this request is to add the 23 beds exclusively to Hyde County.

Background

Cross Creek provides an abundance of care including short term rehab, long term care, hospice care and out-patient therapy. The facility is located in rural Hyde County in a comfortable country environment. Their professional and compassionate staff offers planned care that is patient focused. Patients have access to our state of the art rehab services including physical, occupational and speech therapy. With a reputation for providing outstanding rehab services, Cross Creek offers patients with the ability to move from service to service as their needs change.

Reasons for the Proposed Adjustment:

The Proposed 2019 SMFP indicates no need determination for adult care home beds in Hyde County. However, we have determined that there are unique circumstances in Hyde County that necessitate the development of adult care home beds, including the following:

- There currently are no licensed adult care home beds actually located in Hyde County

- Extensive drive time from Hyde County to neighboring current adult care home facilities
- Liberty's existing skilled nursing facility, which is the only licensed skilled nursing provider in Hyde County
- Demographics among the senior population
- Basic Assumptions from SMFP show a need for Hyde County

Existing Adult Care Home Providers for Hyde County

In 2012, Meridian Senior Living, LLC petitioned and was granted an adjustment to Hyde and Tyrrell County which would combine the two counties into a single service area regarding the Adult Care Home Bed Need Determinations for the 2013 SMFP. The petition combined a 20 bed Need for Tyrrell County and 30 bed need for Hyde County to a combined single 50-bed need to be located within the service area of Hyde or Tyrrell County. Meridian Senior Living was granted the CON in 2013 and opened up Tyrrell House in Tyrrell County in October of 2016. The facility is located at 950 US-64 in Columbia, NC. According to the 2018 License Renewal Application submitted by Tyrrell House, they are licensed for 50 AL beds, 24 of which are reserved for dementia/Alzheimer residents in a Special Care Unit (SCU). Of the 50 beds available, 42 were occupied. However, of the 24 SCU beds, only 16 were occupied. Therefore, according to this 2018 application, all the non-Alzheimer beds are filled, and the only available beds are located in the SCU unit. This means any potential Hyde County resident who does not have Alzheimer's disease or related dementia will have to go outside of the Hyde/Tyrrell county line's to find assisted living availability.

Geographical Access to Hyde County Residents

One of the biggest proponents of this petition is the lack of assisted living access for Hyde County residents. Specifically speaking, the Applicants would like to point to number 3 of the proposed basic assumptions of the method in Chapter 11 of the for the 2019 SMFP. It states:

3. A goal of the planning process is a reasonable level of parity among citizens in their geographic access to adult care home facilities.

There is currently not an assisted living facility located in Hyde County, so residents in need of assisted living care must utilize out-of-county facilities. In our petition, we utilized Google Earth to find approximate mileage and driving time from the most populated townships in Hyde to Tyrrell House. The closest township to Tyrrell House is Fairfield Township, which is still almost 30 miles and a 32-minute drive time away. Lake Landing Township, by far the most populated township overall as well as the most populous among adults aged 65 and over, is located over 40 miles and 54 minutes away from Tyrrell House. To compare, the Lake Landing Township is only 22 miles and 27 minutes away from Cross Creek.

Demographics among the Senior Population

An analysis of the Hyde County population reveals a strong projected growth for those aged 65 and older. The increasing elderly population in Hyde County is essential to note because, statistically speaking, the majority of assisted living patients are 65 years of age or older. According to Spotlight data ran by the Applicant, the 2017 estimated total population in Hyde County was 5,503. Of the 5,503 projected population, 1,038 (or 18.86%) are projected to be 65 and over. To compare, there were only 875 people aged 65 and over in 2010. That means there was a growth of 163 people aged 65 and up, or almost 19%. The growing is expected to

continue, as well, as an additional 111 people aged 65 and up is expected to populate this area in 2022. That is another growth of almost 12%.

Basic Assumptions from SMFP shows need for Hyde County

The Applicants understand that, in 2012, approval of the Meridian Senior Living petition was needed to combine Hyde and Tyrrell in order for a functionally feasible facility to be built. At the time, there were 30 beds allocated to Hyde County and 20 beds allocated to Tyrrell. Combining them into a financially practical single service with a 50 bed need determination allowed an operator adequate profit margins to build a new free standing facility. However, the Applicants are now realizing that the residents of Hyde County are still missing out on close proximity assisted living care. The Applicants used population data taken from Spotlight and the methodology used in the 2018 SMFP to project the 2019 SMFP bed need assumption of 23 beds. The Applicants are aware the adult care home bed need methodology has been revised effective in the proposed 2019 SMFP. The Applicants even ran this new methodology for Hyde County and it showed an even larger deficit of 32 beds. However, we decided to use the projected need assumptions found by using the 2018 SMFP methodology because of the unique circumstances in Hyde County. As stated previously, a noteworthy aspect of the Hyde County population is its age. 21% of the projected 2022 population is estimated to be 65 years of age or older. Therefore, with a total population of only 5,441, the applicants feel projecting Hyde Counties bed need was better served using age-specific use rates rather than one use rate.

Conclusion

To conclude, Cross Creek seeks to expand adult care home services in Hyde County and will petition for an adjusted need determination for 23 adult care home beds in Hyde County in the 2019 SMFP. We have received strong support from the local community and feel this

petition will identify various circumstances in Hyde County that necessitate the development of adult care home beds. Thank you for allowing me the opportunity to discuss this important issue.