

Medical Center Boulevard Winston-Salem, NC 27157-1084 p 336.716.3724 f 336.716.9126

August 9, 2018

Ms. Valerie Jarvis, Chair, Long-Tern and Behavioral Health Committee Dr. Christopher Ullrich, Chairman North Carolina State Health Coordinating Council 809 Ruggles Drive Raleigh, NC 27603

Re: Wake Forest Baptist Health (WFBH) Petition for Adjusted Need Determination for 15 Nursing Facility Beds in Davidson County

Dear Ms. Jarvis and Dr. Ullrich,

I am writing to express my strong support for the petition filed by WFBH for an adjusted need determination for 15 nursing facility beds in Davidson County. If approved, these additional nursing facility beds will be developed to ensure that patients have appropriate access to high-quality post-acute services that are close to home.

As the WFBH Vice President of Population Health and Chair of Family and Community Medicine, I can attest to the current and projected needs our patients have for post-acute care services. As health systems are asked to provide high quality care that is the" right care in the right place" the need for post-acute beds will grow. As part of our population health focus we are assessing our ongoing needs for high quality post-acute care and have identified a need in Davidson County. As a provider of care to the under-served we are often faced with patients with limited resources who need post —acute care. These beds would allow us to help improve their overall function and health.

As demonstrated in its petition, WFBH believes that 15 additional nursing facility beds will sufficiently support the needs of its "difficult to place" patients that remain in acute care beds as a result of their medical complexity and / or their insurance status, although they meet the CMS clinical eligibility requirements for a skilled nursing facility ("SNF"). In addition, WFBH believes these additional nursing facility beds will provide necessary incremental access to meet the needs of its population health and CHESS ACO¹ patients, which require a skilled nursing facility to have a three-star or greater rating in order comply with the SNF three-day rule waiver.

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¹ CHESS = Cornerstone Health Enablement Strategic Solutions ACO = Accountable Care Organization

I strongly urge the State Health Coordinating Council to approve this petition for 15 nursing facility beds in Davidson County. Approval of this petition will enhance access by creating capacity for "difficult to place" and WFBH population health / CHESS ACO patients which are currently underserved, improve quality by providing optimal care in a facility that is focused on improving the patients' functional capacity, and enhance healthcare value as SNF care is a fraction of the cost of the same care in a hospital.

Sincerely,

Richard Lord, MD MA

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Vice President, Population Health

Professor and Chair Family and Community