Petition to Remove the Proposed 2026 Need Determination for a Hospice Home Care Office in Burke County

Petitioner: AMOREM
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I. Requested Change

Pursuant to the summer petition process outlined in Chapter 2 of the 2026 State Medical Facilities Plan (SMFP), AMOREM respectfully requests the removal of the need determination for an additional hospice home care office in Burke County.

II. Reasons Supporting Requested Change

A. Hospice Utilization Disruption Due To COVID-19 Pandemic

Evidence of Temporary Hospice Utilization Disruption and Subsequent Recovery

The methodology used in the 2026 SMFP relies heavily on historical hospice utilization to determine future need. However, any such analysis must account for the extraordinary disruption caused by the COVID-19 pandemic. The pandemic did not just alter care patterns; it fundamentally distorted the baseline data used in the hospice home care office need methodology. Before evaluating current projections, it is essential to understand the temporary nature of these disruptions and the statistical anomalies they produced.

Statewide hospice data reflect a clear and well-documented pattern of temporary disruption in hospice utilization due to the COVID-19 pandemic, followed by a period of strong recovery. This disruption is closely tied to a phenomenon known as “pull forward” or mortality displacement, in which a significant number of frail or chronically ill individuals die earlier than expected during a crisis period, such as a pandemic. As a result, total deaths spike temporarily, often outside of typical hospice pathways, and then decline in the following years because the population of high-risk individuals has already been reduced.

Recent research supports the concept of pandemic-related mortality displacement, showing that most older adults who died with COVID-19 would have otherwise lived for several more years. A national study in England found that only 23% of COVID-19

decedents aged 65 or older had a life expectancy of one year or less absent the disease, while 49% were expected to live between one and five more years and 28% for five years or longer. These findings confirm that COVID-19 accelerated deaths among individuals who were not imminently dying, thereby reducing the number of deaths in subsequent years and creating temporary distortions in hospice utilization data.[1]

For hospice providers, this meant a sudden and sharp reduction in referrals and admissions during the height of the pandemic, followed by a rebound that was statistical rather than structural. Many individuals who would have otherwise entered hospice care in 2022-2024 had already died prematurely in 2020 or 2021, outside of the hospice setting.

The following table summarizes statewide data pre-pandemic through 2024.

Table 1: Statewide Death Data & Hospice Death Utilization

Data Year	Deaths	% Change	Hospice Deaths	% Change	Statewide Median % Deaths Served	% Change
2017	93,202		41,685		41.1%	
2018	94,005	0.9%	42,352	1.6%	42.7%	4.0%
2019	94,686	0.7%	44,556	5.2%	39.7%	-7.0%
2020	108,398	14.5%	46,982	5.4%	43.3%	9.0%
2021	118,040	8.9%	49,660	5.7%	40.1%	-7.3%
2022	112,906	-4.3%	50,148	1.0%	37.3%	-7.1%
2023	107,820	-4.5%	50,585	0.9%	39.6%	6.2%
2024	103,054	-4.4%	52,891	4.6%	42.4%	7.1%

Source: 2019-2026 SMFP

In North Carolina, this pull forward pattern is evident: deaths surged in 2020 and 2021, while hospice utilization lagged behind:

- Deaths increased 14.5% during 2020 and 8.9% during 2021;
- Hospice deaths grew by comparatively lower rates of 5.4% and 5.7%, respectively.

The growth disparity between deaths and hospice deaths is largely attributable to the nature of COVID-19 deaths, which were often sudden, unpredictable, and medically

[1] Hughes et al., Life Lost Due to COVID-19: Analysis of Mortality Displacement in a National English Cohort (2024). SSRN.

complex. Many patients deteriorated rapidly and died in hospital settings, particularly in intensive care units, without the opportunity for timely hospice referral. Additionally, widespread access barriers, such as visitation restrictions, overwhelmed healthcare facilities, and delays in care coordination, further limited the ability of hospice providers to assess, admit, and serve patients during the pandemic's peak.

As the public health emergency subsided, deaths declined sharply between 2022 and 2024 while hospice admissions rebounded:

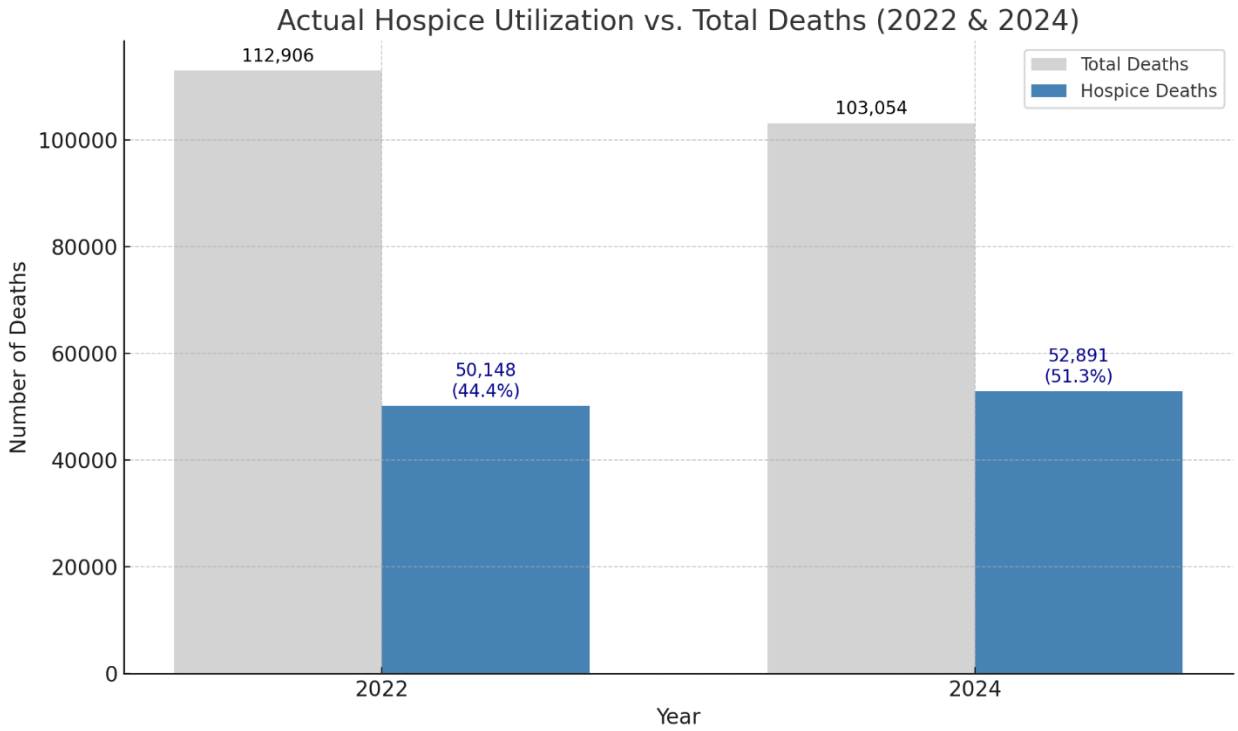
- Total deaths declined in by −4.3% in 2022, −4.5% in 2023, and −4.4% in 2024, a phenomenon consistent with “mortality displacement,” as the earlier spike in deaths reduced the pool of frail individuals likely to die in subsequent years.

- Hospice deaths continued to increase, albeit more slowly compared to previous historical trends: 2022 (+1.0%), 2023 (+0.9%), and 2024 (+4.6%).

- As a result, the statewide median percentage of hospice deaths served rose rapidly from 37.3% in 2022 to 42.4% in 2024, a 13.7 percent increase in just two years.

The combination of declining total deaths following the pandemic peak and a partial rebound in hospice admissions has created a statistical illusion of improved hospice access and utilization. In reality, the percentage of deaths served by hospice increased not because more patients gained meaningful access to hospice care, but because the overall number of deaths (the denominator) fell sharply after the public health emergency. As a result, even a modest recovery in hospice admissions appeared more significant when expressed as a percentage.

It is like a classroom where fewer students take the final exam one year, but the same number of students pass. The pass rate goes up, not because students are doing better or receiving more support, but simply because fewer students took the test. In the same way, hospice utilization rates look better, not because access improved, but because fewer people died overall.



The previous visual clearly shows that while hospice deaths increased modestly, the more substantial decline in total deaths contributed to a higher percentage of deaths served by hospice, highlighting how the trend is driven more by changes in the denominator than by a meaningful increase in access.

Impact On Hospice Home Care Office Methodology

The mismatch between actual service improvements and apparent utilization rates has introduced a distortion into the 2026 SMFP hospice home care methodology. Specifically, the projected statewide median percentage of deaths served by hospice, a key benchmark used in Step 8 of the hospice home care need methodology, has been artificially elevated. Because this metric is calculated by dividing hospice deaths by total deaths for each county and then identifying the median across all counties, the sharp decline in total deaths post-COVID has inflated this percentage.

Consequently, the 2026 SMFP reflects higher growth for the statewide median percentage of deaths served during 2023 and 2024 because the denominator (statewide deaths) has temporarily contracted. In other words, the growth in hospice deaths served during 2023 and 2024 is artificially high and not representative of normal utilization trends, as it reflects a rebound from pandemic-era disruptions rather than sustained, organic growth. As a result, the two-year trailing growth rate of 6.7% for the statewide median percentage of hospice deaths served is fundamentally flawed and unreliable for projecting future hospice need.

Conclusion: Inflated Projected Median Deaths Served Results in Need Determination for Burke County

Use of the inflated growth rate results in an artificially inflated projected median death served benchmark in the 2026 SMFP hospice methodology. A projected statewide median hospice penetration rate of 51.5% would have been considered unusually high even before the pandemic.

Table 2: Projected Statewide Median Percentage of Deaths Served in SMFPs

SMFP Year	Projected Statewide Median % of Deaths Served
2010	34.3%
2011	33.7%
2012	42.0%
2013	42.5%
2014	39.6%
2015	47.1%
2016	39.2%
2017	44.7%
2018	49.2%
2019	40.6%
2020	44.5%
2021	38.0%
2022	44.6%
2023	41.2%
2024	29.8%
2025	39.0%
2026	**51.5%**

Source: 2010 SMFP-Proposed 2026 SMFP

To use a projected rate of 51.5% for statewide median percentage of deaths served, based on a two-year trailing growth rate of 6.7% as a threshold for determining need, fails to account for the temporary and non-representative nature of the data used to calculate it.

By comparison, the median for Two-Year Trailing Growth Rate Median Percent of Deaths Served included in each of the 2010-2026 SMFPs is 2.6% and the average is 2.4%.

Table 3: Two-Year Trailing Growth Rate Median Percent of Deaths Served in SMFPs

SMFP Year	Data Year	2-YR Trailing Growth Rate Median Percent of Deaths Served
2010	2008	4.9%
2011	2009	2.7%
2012	2010	7.2%
2013	2011	6.4%
2014	2012	3.1%
2015	2013	6.0%
2016	2014	1.7%
2017	2015	2.6%
2018	2016	5.8%
2019	2017	-0.4%
2020	2018	1.3%
2021	2019	-1.5%
2022	2020	1.0%
2023	2021	0.9%
2024	2022	-7.2%
2025	2023	-0.5%
2026	2024	6.7%
Median		**2.6%**

If instead a more historically grounded 2.6% growth factor were used in Step 8, a rate consistent with the hospice industry's slow but steady expansion over time, the 2027 projected median percent of deaths served would be 45.8%. As shown in the following table, applying this one change would eliminate the need for one additional hospice home care office in Burke County.

Table 4: Revised Table13B: Year 2027 Hospice Home Care Office Need Projection, Burke County

A	B	C	D	E	F	G	H	I	J	K	L	M	N
County	**2019-2023 Death Rate/1000 Population**	**2027 Population (excluding military)**	**Projected 2027 Deaths**	**2024 Reported Number of Hospice Patient Deaths**	**2027 Number of Hospice Deaths Served at Two Year Trailing Average Growth Rate**	**Number of Hospice Deaths Served Limited to 60%**	**Projected 2027 Number of Hospice Deaths Served**	**Median Projected 2027 Hospice Deaths**	**Place-holders for New Hospice Office**	**Projected Number of Additional Patients in Need Surplus (Deficit)**	**Licensed Hospice Offices in County**	**Licensed Home Care Offices in County per 100,000**	**Additional Hospice Office Need**
Source or Formula =>	Deaths - N.C. Vital Statistics	N.C. OSBM	Col. B x (Col. C /1,000)	2025 License Renewal Applications	Col. E x 3 Years Growth at 2.7% annually	Col. D x 60%	Lower Number of Deaths between Col. F and Col. G	Col. D x Projected Statewide Median Percent Deaths Served (45.8%)		Col. H + Col. J - Col. I	Table 13A: Inventory of Licensed Hospice Agencies	Col. L / (Col. C / 100,000)	If Col. M <=3 and Col. K <= -90
Burke	14.2	91,545	1,297	526	570	778	570	594	0	-24	2	2.2	0

B. Burke County Data Reflects Mortality Displacement and Temporary Hospice Utilization Disruption

The data for Burke County from 2017 to 2024 clearly illustrate the effects of mortality displacement, a phenomenon in which a surge in deaths among vulnerable populations during a crisis, such as the COVID-19 pandemic, results in a temporary spike in mortality, followed by a period of lower-than-expected deaths. In tandem, this dynamic distorts patterns in hospice utilization and falsely suggests structural need or underperformance where none exists.

Table 5: Burke County Deaths and Hospice Utilization

	Deaths	% Change	Hospice Deaths	% Change	% Deaths Served by Hospice	% Change
2017	1,023		509		49.8%	
2018	1,040	1.7%	497	-2.4%	47.8%	-4.0%
2019	1,061	2.0%	509	2.4%	48.0%	0.4%
2020	1,231	16.0%	479	-5.9%	38.9%	-18.9%
2021	1,329	8.0%	399	-16.7%	30.0%	-22.8%
2022	1,305	-1.8%	516	29.3%	39.5%	31.7%
2023	1,320	1.1%	597	15.7%	45.2%	14.4%
2024	1,259	-4.6%	526	-11.9%	41.8%	-7.6%

Source: 2019-2026 SMFP

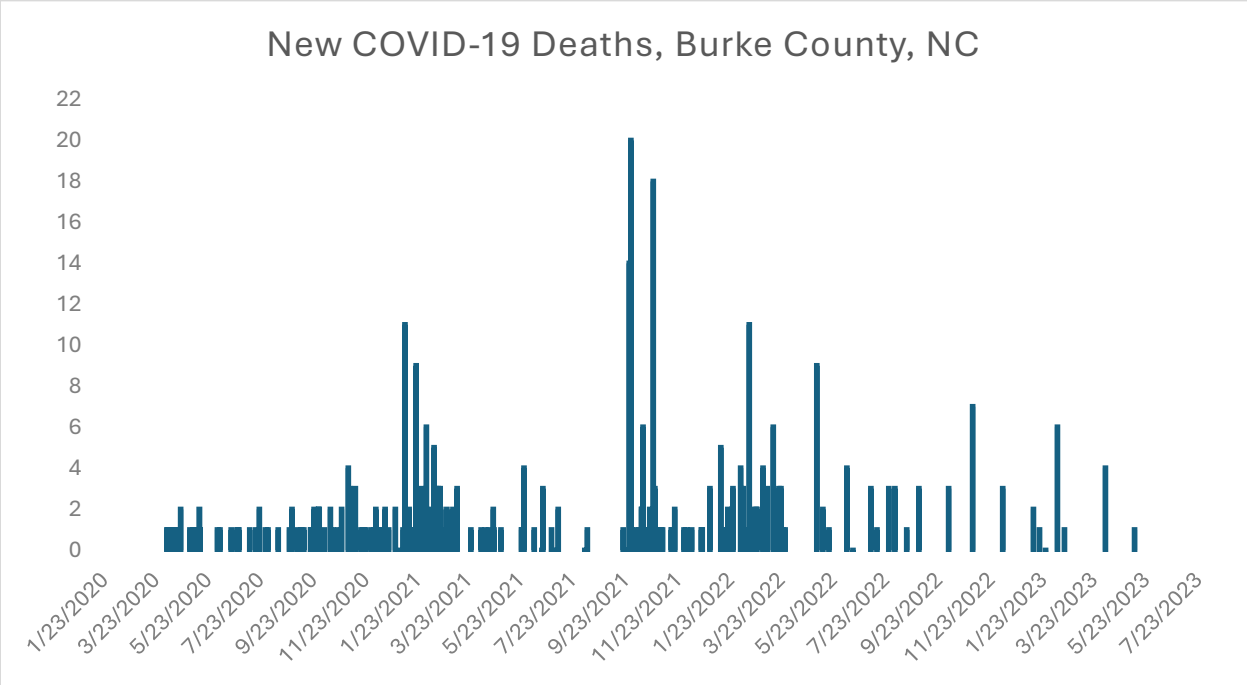
Pre-Pandemic Stability (2017–2019)

From 2017 through 2019, hospice utilization in Burke County was stable and strong. The percentage of deaths served by hospice averaged 48.5%, indicating a mature and responsive hospice system.

Pandemic-Era Disruption and Mortality Displacement (2020–2021)

The onset of the COVID-19 pandemic caused a dramatic spike in total deaths in Burke County, increasing by +16.0% in 2020 and another +8.0% in 2021. This surge is largely attributable to COVID-related mortality, which disproportionately affected older and medically fragile individuals. Burke County's median age was consistently five years higher than the state average during this period—44.8 in 2021 compared to 39.1 statewide—a demographic factor that likely contributed to the county's elevated volume of COVID deaths.

As illustrated in the chart below, Burke County experienced multiple waves of COVID mortality, with significant peaks in early and late 2021. These deaths frequently occurred in hospital settings—particularly intensive care units—where patients declined rapidly and died before hospice care could be initiated. Isolation protocols and strained hospital capacity further limited the ability to assess and refer patients to hospice.



Source: Centers for Disease Control and Prevention; usafacts.org

At the same time total deaths surged, hospice deaths in Burke County declined, by −5.9% in 2020 and −16.7% in 2021. This divergence between rising deaths and falling hospice

admissions reflects the unique nature of pandemic-era mortality. The result was a precipitous drop in hospice penetration, from 48.0% in 2019 to just 30.0% in 2021, a decline of 18 percentage points in two years.

This temporary collapse in the typical relationship between total deaths and hospice deaths must be accounted for when interpreting more recent utilization trends. The recent rebound in hospice penetration is consistent with the mortality displacement model, in which COVID-19 accelerated deaths among the frailest individuals, many of whom would otherwise have received hospice care in future years, thereby bypassing normal end-of-life pathways.

This data does not reflect a breakdown in service capacity or access; rather, it reflects an extraordinary public health emergency. When interpreted without proper context, these figures create the false impression of underutilization and generate unwarranted need determinations.

Recovery and Re-Equilibration (2022–2024)

Following the peak of the pandemic, Burke County's hospice system rebounded strongly. In 2022, hospice deaths rose by 29.3%, even as total deaths began to decline (−1.8%). In 2023, hospice deaths increased again (+15.7%), and the percentage of deaths served by hospice returned to 45.2%, nearly matching pre-pandemic levels. Even with a decline in hospice deaths in 2024 (−11.9%), hospice penetration remained relatively strong at 41.8%, despite total deaths continuing to decline (−4.6%).

This pattern, a steep rise in deaths during COVID-19, followed by declining mortality and rebounding hospice use, reflects a classic mortality displacement curve. Importantly, the post-COVID hospice utilization rates in Burke County confirm that the system has not failed but rather responded appropriately to an extraordinary public health emergency.

Conclusion

The disruption in hospice penetration observed in 2020 and 2021 should be understood as a temporary consequence of mortality displacement, not as evidence of inadequate hospice capacity or access. Hospice utilization in Burke County has since recovered to near pre-pandemic levels, indicating that the need determination in the Proposed 2026 State Medical Facilities Plan is not warranted. The data confirm that the hospice system remains capable of serving county residents effectively without additional home care office resources.

C. Local Availability of Hospice Services

Burke County is not isolated—it is part of a broader regional hospice service area that includes neighboring counties with shared clinical infrastructure, referral patterns, and

workforce. The current network is not only sufficient but strategically integrated across this region.

There is no shortage of options for Burke County residents seeking hospice home care services. There are currently 12 hospice home care offices providing services to Burke County residents. For a rural county with approximately 90,000 residents, Burke County is generously served by a variety of high-quality hospice providers. Furthermore, AMOREM has never turned any patient away with a terminal diagnosis.

Quality metrics further confirm that existing hospice providers in Burke County are not only meeting the volume of demand but also delivering consistently high-quality, patient-centered care. AMOREM is CHAP-accredited and currently holds a 4-star CMS rating, reflecting performance well above national benchmarks. For the 12-month period ending February 2025, AMOREM earned a CAHPS score of 22 out of 24 and was named a 2025 Hospice CAHPS Honors Award recipient by HEALTHCAREfirst. In addition, AMOREM achieved a perfect 10 out of 10 on the Hospice Care Index as of May 2025, based on CMS data from October 2023 through September 2024. These distinctions affirm that AMOREM and other existing hospice providers in Burke County are fully capable of meeting the needs of local residents without the need for additional hospice home care office capacity.

D. Hospice Home Care Methodology Work Group

The hospice home care methodology currently in use was the result of a collaborative effort led by the State Health Coordinating Council beginning in 2008. That year, the Long-Term and Behavioral Health Committee established a dedicated Hospice Methodologies Task Force to modernize the approach used to assess hospice home care needs across North Carolina.

Over the past 15 years, however, significant developments have altered the environment in which hospice services are delivered. These include changes in population demographics, clinical care delivery models, and regulatory frameworks, as well as the far-reaching effects of the COVID-19 pandemic on patterns of mortality and hospice utilization. Despite these shifts, the methodology has not been re-examined or revised.

In light of these changes, it would be both timely and appropriate to initiate a structured review of the hospice home care methodology. A new work group, modeled after the 2008 Task Force, could provide an opportunity for stakeholders to assess the methodology's foundational assumptions and consider whether refinements are needed to better reflect current realities. A thoughtful and transparent process would enhance the methodology's credibility and help ensure that the State Medical Facilities Plan remains responsive to both present conditions and future needs.

III. Potential Effects If Petition Is Not Approved

If the need determination for an additional hospice home care office in Burke County is not removed from the 2026 State Medical Facilities Plan, there are potential adverse effects that could result from introducing a new agency into a county that is already well-served by existing providers.

The introduction of a new hospice provider in a market with above-average access prior to the pandemic and recovering utilization rates in recent years could lead to unnecessary duplication of services. Burke County is currently served by a dozen licensed hospice offices, and prior to the COVID-19 pandemic, it consistently exceeded the statewide median in terms of hospice penetration, reaching 48.0% in 2019. The temporary decline in utilization during 2020 and 2021, driven by COVID-related hospital deaths, and the subsequent rebound in 2023 and 2024 reflect pandemic disruption and statistical distortion, not unmet need.

Adding another provider in this context may not expand access meaningfully, but rather fragment the existing patient base across more agencies. This fragmentation is particularly problematic in rural counties like Burke, where hospice patient volumes are relatively modest and geographically dispersed.

Moreover, the introduction of an additional agency could strain the local hospice workforce, increasing competition for a limited pool of qualified clinical staff, including nurses, social workers, and chaplains. These professionals are already in short supply across much of the state, and unnecessary market saturation could destabilize existing providers' ability to maintain staffing and quality of care.

These potential adverse effects underscore the importance of careful planning and restraint in the allocation of new hospice home care offices. Removing the need determination for Burke County would help preserve access, continuity, and quality of care, and ensure that system growth is aligned with genuine population needs rather than short-term statistical anomalies.

IV. Removing the Need Determination Will Not Result in Unnecessary Duplication

AMOREM's request to remove the need determination for an additional hospice home care office in Burke County will not result in unnecessary duplication of services. In fact, the very nature of this request demonstrates a commitment to preventing it. Rather than pursuing expansion or entry into an already well-served market, AMOREM is actively seeking to preserve system balance by avoiding the authorization of capacity that is not supported by historical utilization.

By petitioning for the removal of the need determination, AMOREM is not requesting a new license, nor is it seeking to displace or compete with existing providers. To the contrary, this action inherently supports the goals of efficiency, sustainability, and responsible growth by urging the State to maintain the current provider landscape in Burke County, a landscape that was functioning effectively before being disrupted by temporary pandemic-related statistical distortions.

In this way, AMOREM's petition reinforces the principle that healthcare planning should be grounded in actual conditions and long-term trends, not short-term anomalies. Approving the request to remove the need determination would uphold the intent of the State Medical Facilities Plan to prevent unnecessary duplication and ensure that hospice resources are directed to areas with clear, data-driven need.

V. Alternatives To Removing Need Determination

In effect, the only meaningful alternative at this time is to take no action. AMOREM could have remained silent, allowing the need determination to stand unchallenged in the Final 2026 SMFP. However, choosing not to act would have amounted to tacit approval of a flawed planning outcome, one shaped by short-term, pandemic-driven data distortions rather than sustained trends or demonstrated gaps in access.

In the absence of corrective action, the state could move forward with authorizing a new hospice agency in a county that is already well-served, inadvertently fragmenting patient care, intensifying competition for scarce clinical staff, and reducing overall system efficiency. Filing this petition is therefore not only appropriate, but necessary to preserve responsible, data-informed planning and protect the long-term stability of hospice care in Burke County.

VI. SMFP Basic Principles

AMOREM's request to remove the Burke County need determination is consistent with the Basic Principles of the SMFP.

Access

AMOREM has maintained a strong, continuous presence in Burke County and the surrounding region, providing hospice and palliative care through both facility-based and home care settings. AMOREM maintains active service delivery throughout the area, including referrals from local hospitals, physician practices, and home health agencies. Rather than requesting expansion, AMOREM is seeking to preserve access by preventing market fragmentation that could dilute resources and destabilize existing service networks in a county that is already well-served.

Quality

AMOREM consistently delivers high-quality, patient-centered hospice care, as evidenced by both clinical outcomes and third-party performance metrics. As of 2025:

- AMOREM achieved a 4-star rating for quality of patient care.
- Received a Hospice CAHPS Honors Award from HEALTHCAREfirst, based on strong caregiver satisfaction scores (22 out of 24 CAHPS measures met or exceeded national performance thresholds).
- Earned a 10 out of 10 on the Hospice Care Index for the most recent reporting period (October 2023 through September 2024).

These results reflect AMOREM's effectiveness in delivering coordinated, compassionate care, especially in complex, rural service areas like Burke County. By avoiding unnecessary duplication, AMOREM is helping maintain high clinical standards and continuity of care within an established, high-performing system.

Value

Authorizing an additional hospice provider in Burke County based on distorted, pandemic-era data risks disrupting a system that is currently stable and responsive. Rather than expanding access, it could lead to fragmentation of care and unnecessary competition for limited clinical resources. By seeking to remove the need determination, AMOREM is supporting the SMFP's broader goal of achieving value through thoughtful, data-driven planning and the responsible allocation of healthcare resources.

By petitioning to remove the need determination, AMOREM is engaging directly and transparently with the SMFP process. Rather than passively accepting an inaccurate need determination or exploiting it for competitive advantage, AMOREM is proactively helping the SHCC correct a data-driven anomaly. This action reflects accountability not only to the regulatory framework but to the patients, families, and communities it serves.

In short, AMOREM's petition exemplifies responsible participation in the healthcare planning process. It seeks to ensure that SMFP determinations are rooted in accurate, relevant data and aligned with the long-term goal of preserving access, promoting quality, and supporting a stable and efficient hospice care system.

In every respect, access, quality, value, and accountability, AMOREM's petition aligns with the intent and spirit of the SMFP, ensuring that hospice development continues to reflect real needs rather than short-term statistical anomalies.

VII. Conclusion

In conclusion, AMOREM respectfully requests the removal of the need determination for one additional hospice home care office in Burke County from the Proposed 2026 State Medical Facilities Plan. The current determination is not supported by long-term trends or unmet need, but rather by temporary distortions in mortality and utilization data resulting from the COVID-19 pandemic. Burke County is already served by capable and high-performing hospice providers, and the addition of another agency risks fragmenting care, straining the clinical workforce, and undermining system efficiency. AMOREM's petition is consistent with the Basic Principles of the SMFP and reflects a responsible, forward-looking approach to healthcare planning. We appreciate the Council's continued commitment to data integrity, access, and quality, and we welcome the opportunity to support a planning process that ensures hospice services remain strong, stable, and sustainable in Burke County and across North Carolina.