Long-Term and Behavioral Health Committee Recommendations to the NC State Health Coordinating Council June 1, 2022

The Long-Term and Behavioral Health Committee met twice this year, on April 14th and on May 19th.

The topics reviewed and discussed included:

- · current LTBH policies and methodologies;
- a petition regarding adult care homes; and
- preliminary drafts of need projections based on data currently available

The following is an overview of the Committee's recommendations for the Proposed 2023 SMFP.

Chapter 10: Nursing Homes

- The Committee received no petitions or comments regarding nursing homes.
- Application of the methodology resulted in no need for additional nursing home beds anywhere in the state.

Chapter 11: Adult Care Homes

- The Committee received one petition regarding adult care homes.
 - ALG Senior requested either a permanent or temporary adjustment to the methodology. They asserted that the methodology fails to adequately capture need for adult care beds now and in the future. They further claimed that the change is needed based on the impact of COVID-19 on safety and quality of care. Over the past five years the bed use rate has declined by almost 15%. Although the decline in utilization from 2019 to 2020 is not as large as from 2017 to 2018, the need determinations in the 2022 SMFP were substantially fewer than in recent years. The 2022 SMFP included a need determination for 10 beds in Swain County only. The smaller number of needs is perhaps partly, but not entirely, due to COVID. In responding to the petition, staff agreed that it is reasonable to remove the 2020 utilization data from the need determination calculations for all years affected. However, data does not support the need for a permanent methodology change. The Committee agreed with the Agency's recommendation to deny the petition.
- Staff presented data that excluded the 2020 reporting year, pursuant to the decision regarding the petition from ALG Senior. Contrary to expectations, excluding the 2020

data resulted in <u>fewer</u> need determinations than using the standard calculations. Specifically, excluding the 2020 reporting year yielded a need for 10 beds in Anson County only.

- Application of the methodology, including the 2020 reporting year data, resulted in need determinations for additional adult care home beds in the following counties:
 - 30 beds in Anson
 - 20 beds in Swain

The Committee agreed to continue to use the 2020 reporting year data in need determination calculations.

Chapter 12: Home Health Services

- Staff proposed the removal of Policy HH-3 from Chapter 4 and incorporation of its provisions into Chapter 12. Policy HH-3 currently establishes a need determination under specific circumstances. However, it is the staff's position that it is more transparent to address need determinations in the chapter narrative and need determination tables, rather than in a policy alone. In the narrative of Chapter 12, the foundation of Policy HH-3 is now under Basic Principles. The Assumptions of the Methodology have been realigned to correspond with the new Application of the Methodology format. These edits do not change the methodology nor the calculation of need determinations.
- Application of the methodology resulted in draft need determinations for 12 additional Medicare-certified home health agencies or offices, one each in the following counties:
 - Brunswick
 - Catawba
 - Edgecombe
 - Forsyth
 - Granville
 - Guilford
 - Montgomery
 - Nash
 - New Hanover
 - Onslow
 - Pitt
 - Robeson

The need determinations in Edgecombe, Granville, and Montgomery counties are based on the provisions of the former Policy HH-3, which have now been incorporated into Chapter 12.

Chapter 13: Hospice Services

- In 2021, the staff recommended and the SHCC approved a minor clarifying edit to Step 10 of the hospice home care methodology. At that time, the staff indicated that they would recommend further technical edits to this step for the 2023 SMFP. The primary concern was that, as written, this step did not account for all possible contingencies that may occur in the CON approval and licensing processes. The revisions presented at the April meeting account for all contingencies and were approved.
- Application of the methodology resulted in no draft need determinations for additional hospice home care offices and a need for eight additional hospice inpatient beds in Cumberland County.

Chapter 14: Psychiatric Inpatient Services

• The staff presented draft data tables showing utilization of psychiatric inpatient services. The statewide utilization rate for licensed psychiatric inpatient beds is 61.8%. There is no need determination methodology for this chapter.

Chapter 15: Substance Use Disorder Inpatient and Residential Services (Chemical Dependency Treatment Beds)

 The staff presented draft data tables showing utilization for substance use disorder inpatient and residential services. The statewide utilization rate for licensed substance use disorder treatment beds is 51.3%. There is no need determination methodology for this chapter.

Chapter 16: Intermediate Care Facilities for Individuals with Intellectual Disabilities

• Staff presented draft tables showing the inventory of ICF/IID beds. There is no need determination methodology for this chapter.

Recommendation for the Long-Term and Behavioral Health Services for the Proposed 2023 SMFP:

The Committee recommends that the current policies and methodologies be accepted as presented for the Long-Term and Behavioral Health Services, Chapters 10-16, for the Proposed 2023 Plan. Also, the committee recommends that the SHCC authorize staff to update narratives, tables, and need determinations as necessary.