

**Long Term and Behavioral Health Committee  
Agency Report  
Adjusted Need Petition for  
Medicare-Certified Home Health Office in Columbus County  
2024 State Medical Facilities Plan**

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***Petitioner:***

Coastal Billing and Home Care Services, LLC  
15 Gum Avenue  
Bolton, NC 28423

***Contact:***

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***Request:***

Coastal Billing and Home Care Services (CBHC) requests an adjusted need determination for a Medicare-Certified home health agency or office in Columbus County in the *North Carolina 2024 State Medical Facilities Plan (SMFP or “Plan”)*.

***Background Information:***

Chapter Two of the *SMFP* notes that during the summer, the Agency accepts petitions that “involve requests for adjustments to need determinations in the *Proposed SMFP*. Petitioners may submit a written petition requesting an adjustment to the need determination in the *Proposed SMFP* if they believe that special attributes of a service area or institution give rise to resource requirements that differ from those provided by the standard methodologies and policies.” It should be noted that any person may submit a certificate of need (CON) application for a need determination in the Plan. Additionally, the CON review could be competitive and there is no guarantee that the Petitioner would be the approved applicant.

The home health agency need methodology projects future need based on trends in historical data, including the “Average Annual Rate of Change in Number of Home Health Patients” over the previous three years and the “Average Annual Rate of Change in Use Rates per 1,000 Population” over the previous three years. The average annual rate of change is compiled based on Council of Governments (COG) regions.

Patient origin and utilization data used in the *SMFP* is from the three previous reporting years and comes from Licensure Renewal Applications (LRAs) for each reporting year, as submitted to the Division of Health Service Regulation. Data is collected for a 12-month period using a start date of July 1 or October 1. The methodology aggregates patient origin data by the following four age groups: under age 18, 18-64, 65-74, and 75 and over.

The methodology utilized in the development of the *SMFP* does not project future need based on the number of home health agencies in any given county or the capacity of existing agencies. Rather, it projects need based on the number of patients served during the reporting years from each county within each COG region.

A basic assumption of the current methodology is that a new agency or office is needed if the projected unmet need in a single county is 325 patients or more. Therefore, the “threshold” for a need determination is a projected unmet need of 325 patients in a given county.

Another basic assumption is that when the methodology or policy determines a need for additional agencies or offices, the three annual Plans following certification of the agencies or offices developed based on that need, count the greater of 325 patients or the actual number of patients served as part of the total patients served by the new agency or office.

***Analysis/Implications:***

The Petitioner asserts that there is an unmet need for home health services in Columbus County, particularly for individuals in the 0-17 age group. CBHC states that it has denied professional and self-referrals for home health services, particularly in the 0-17 age group, because it is not Medicare-Certified and cannot provide medical services. CBHC would like to expand its current offerings to include the provision of medical services to its existing patients and patients in the 0-17 age group.

Columbus County residents are well served by home health providers. Based on information reported on 2023 LRAs for home health agencies, 11 agencies reported serving a total of 1,908 patients residing in Columbus County. In the *Proposed 2024 SMFP*, “Table 12D, 2025 Need Projections for Medicare-Certified Home Health Agencies,” reflects that Columbus County has a surplus of 65.34 patients. Moreover, the existing home health agencies in Columbus would need to have served an additional 391 patients during 2022 before the standard methodology generates a need determination in the county.

Agencies licensed as Medicare-Certified home health providers are eligible to provide services to all four age groups: 0-17, 18-64, 65-74 and 75+. The “Chapter 12: Home Health Data by County of Patient Origin – 2022 Data” report for the *Proposed 2024 SMFP* shows agencies serving the residents of Columbus County did not serve any patients in the age group 0-17. However, there is no data that indicates that there are residents in Columbus County in the 0-17 age group who need and are not receiving home health services. Further, utilization of Medicare-Certified home health services by residents in the age group 0-17 is historically low statewide accounting for less than 1% of home health patients as shown below in Table 1.

**Table 1: Five-Year Overview of NC Home Health Patients in 0-17 Age Group to All Age Groups**

<b>Data Year</b>	<b>Total Patients 0-17 Age Group</b>	<b>Total Patients All Age Groups</b>	<b>Percentage of Patients in 0-17 Age Group</b>
2018	2,021	238,118	0.85%
2019	1,972	247,841	0.80%
2020	1,859	243,573	0.76%
2021	1,459	248,131	0.59%
2022	1,130	224,816	0.50%

*Source: Home Health 2023 LRAs*

***Agency Recommendation:***

The Agency supports the standard methodology for a Medicare-Certified home health agency or office as presented in the *Proposed 2024 Plan*. The Agency considered the available information and comments submitted by the August 9, 2023 deadline, and in consideration of factors discussed above, the Agency recommends denial of this Petition.