Long-Term and Behavioral Health Committee Recommendations to the NC State Health Coordinating Council October 2, 2024

The Long-Term and Behavioral Health Committee ("Committee") held its final meeting of the year on September 12, 2024. The following is an overview of the Committee's recommendations for consideration by the State Health Coordinating Council (SHCC) for Chapters 10-14 of the 2025 State Medical Facilities Plan (SMFP).

Chapter 10: Nursing Home Facilities

The Committee received no petitions or comments relating to nursing home facilities. There were no significant updates to the tables in this chapter since the publication of the *Proposed 2025 SMFP*. Application of the methodology based on data available at the time of the meeting resulted in no need for additional nursing home facility beds.

Chapter 11: Adult Care Homes

The Committee received no petitions or comments relating to adult care homes. There were no significant updates to the tables in this chapter since the release of the *Proposed SMFP*. Application of the methodology based on data available at the time of the meeting resulted in 320 adult care bed need determinations: 80 beds in Ashe County, 100 beds in Perguimans County and 140 beds in Person County.

Chapter 12: Home Health Services

The Committee received one petition regarding home health services.

Home Instead petitioned for an adjusted need determination for a Medicare-certified home health agency or office in Alexander and Iredell counties. The Agency received two comments in support of this petition and two comments in opposition to it. Home Instead is not Medicare-certified, and therefore, it is unable to provide medical services. The Petitioner sought to expand the scope of services it can offer to existing clients so that it would not need to refer clients to another agency. The need determination methodology for home health agencies is based on population and use rates for each county within a Council of Government or "COG" region. A need is triggered when a county has an unmet need of 325 patients or more. According to the most recent home health data received by the Agency, Alexander County has a surplus of 46 patients and Iredell County has a surplus of 3 patients. Therefore, existing home health agencies in Alexander and Iredell would need to have served an additional 371 patients and 328 patients, respectively, before the standard methodology would generate a need

determination for either county. Agency staff examined whether either county would generate a need determination if they were treated independently from the COG region. The results indicated the deficit would increase in Alexander, and the surplus would increase in Iredell County. However, neither county would reach the 325-patient threshold to trigger a need determination. The Petitioner provided no data in support of its statement that existing home health agencies in the two counties are unable to adequately serve patient referrals or that the home health needs of residents in either county are not currently being met by the existing licensed Medicare-certified home health providers. Additionally, the Agency does not have access to any data to confirm or negate this assertion. The committee concurred with the Agency's recommendation to deny the petition.

Since the *Proposed SMFP*, there have been no significant updates to the tables in this chapter. Based on the most recently available data, application of the need methodology resulted in no need determinations.

Chapter 13: Hospice Services

The Committee received one petition related to this chapter.

Heart'n Soul Hospice of the Carolinas petitioned for one hospice home care office in Mecklenburg County, to provide "culturally competent end-of-life care for communities of opportunity regardless of race, ethnicity or social economic status." The Agency received 41 comments in support of this petition and four letters in opposition to it. The Petitioner asserts there are limited opportunities for new providers to open a hospice home care agency because existing providers can expand to other counties regardless of need determinations created by the methodology. The methodology determines need for new hospice home care offices. A CON is required to develop a new hospice home care office, and anyone may submit a Certificate of Need (CON) application. However, a CON is not required for the expansion of services provided by an existing, licensed hospice home care office as long as that provider is not developing a new hospice home care office. Also, the hospice home care methodology calculates each county's total number of hospice patient deaths by county of residence, served by all facilities, regardless of the facility's location. The Petitioner believes the methodology should instead include only deaths reported by licensed hospice home care offices physically located in each county to project county need. Agency staff examined whether limiting the number of deaths served only by facilities in Mecklenburg County would have generated a need determination based on reported 2023 data. The methodology generated a surplus of 906 patients. According to the standard methodology, a county deficit of 90 patients or more is required to trigger a need determination. Thus, even if the methodology excluded the number of Mecklenburg County residents' hospice deaths served by licensed hospice home care offices located outside of the county, it would yield no need

determination for Mecklenburg. The Agency noted that while there is no need determination for a new Medicare-certified hospice home care office in Mecklenburg County in the *Proposed 2025 SMFP*, the methodology has generated a need determination for a new office in Cumberland County. The Agency recommended denial of the Petition and the Committee agreed.

Since the release of the *Proposed 2025 SMFP* data updates resulted in a need determination for one hospice home care office in Cumberland County. Data updates did not result in any new proposed need determinations for hospice inpatient beds.

Chapter 14: Intermediate Care Facilities for Individuals with Intellectual Disabilities

The Committee received no petitions or comments relating to beds for intermediate care facilities for individuals with intellectual disabilities (ICF/IIDs), and there have been no data updates for this chapter in since the *Proposed 2025 SMFP*. As there is no need determination methodology for ICF/IID beds, Chapter 14 contains no need determinations for these services.

Committee Recommendation Regarding Long-Term and Behavioral Health Services for the 2025 SMFP

The Committee recommends that the SHCC approve Chapters 10 through 14 for the 2025 SMFP, with the understanding that staff is authorized to continue making necessary updates to the narratives, tables, and need determinations.