Long-Term and Behavioral Health Committee Recommendations to the NC State Health Coordinating Council October 1, 2025

The Long-Term and Behavioral Health Committee ("Committee") held its final meeting of the year on September 11, 2025. 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 2026 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 2026 SMFP*. Application of the methodology based on data available at the time of the meeting resulted in no need determinations 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 two adult care bed need determinations: 40 beds in Halifax County and 100 beds in Perquimans County.

Chapter 12: Home Health Services

The Committee received one petition regarding home health services.

Boost Home Healthcare (BHHC) submitted a petition requesting an adjusted need determination for a Medicare-certified home health agency or office in Union County. BHHC wants to open a new office in Union County, North Carolina, believing there is an unmet need for more services. The agency particularly wants to serve residents in ZIP codes 28079, 28104, and 28277 and proposed establishing a satellite office in each of these areas. The Agency received one comment in opposition to this petition. The hospice home care methodology calculates the average annual change in use rates for each Council of Governments or "COG" region, and it determines there is a need for an additional agency when a county within the region has a projected deficit of at least 325 patients. According to the methodology, Union County has a projected deficit of only 140 patients. Even when analyzing Union County's data independent of its COG's use rates, the projected deficit is 274 patients, still below the required

threshold. Additionally, BHHC did not provide any specific data to substantiate its claim that current home health agencies cannot meet the needs of residents. The Agency recommended denial of the petition and the Committee concurred.

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 five petitions related to this chapter.

AMOREM, ANCORA Compassionate Care, and Four Seasons submitted four total petitions, each with the respective requests to remove hospice home care office need determinations in the 2026 SMFP for Burke, Haywood, McDowell, and Rockingham counties. The Agency received one comment in opposition to the petitions to remove the Burke, McDowell and Rockingham need determinations, and two comments in opposition to remove the Haywood need determination. The three Petitioners argue that COVID-19-related deaths have distorted the data used in the state's methodology, creating a false need for additional offices. The Petitioners proposed using a historical two-year trailing growth rate of 2.6% to project the need for hospice care, which would eliminate the need determinations in Burke, Haywood, McDowell, and Rockingham. However, since this rate is a statewide figure, it would also eliminate the need determinations in the *Proposed* 2026 SMFP for new offices in Cleveland, Cumberland, Guilford, Johnston, and Randolph counties. Agency staff conducted their own analysis, removing all COVID-19-related deaths from the data between 2020 and 2023. Under this scenario, only the need for a new office in Johnston County would remain. The Committee voted to deny the petitions. In a separate vote, the Committee approved need determinations for one hospice home care office in Haywood, Johnston, and McDowell counties. The Committee also decided to hold an interested parties meeting or workgroup on the hospice home care methodology for the 2027 SMFP.

VITAS Healthcare Corporation of North Carolina ("VITAS") petitioned to remove the need determination for a new hospice home care office in Cumberland County in the 2026 SMFP. The Agency did not receive any comments regarding this petition. VITAS asserted that the new office that is developed pursuant to the 2025 SMFP need determination would experience utilization and financial challenges if another office is developed in the service area because of a second need determination in the 2026 SMFP. Also, the Petitioner believes the 90-death placeholder used in the methodology is too low, suggesting that new agencies will serve more patients than the methodology assumes. Thus, VITAS believes an additional office unnecessary. Based on data from eight new hospice home care

offices established in the last 13 years, including three in Cumberland County, none of them served more than 90 deaths in their first year. Only one office reached this number by its second year, and only three did so by their third year. Therefore, the Agency found the 90-death placeholder is appropriate and recommended denying the petition. However, the Committee voted to approve the petition due to the number of offices in the county and a recently approved CON for new hospice home care office in Cumberland.

Since the *Proposed SMFP*, there have been no significant updates to the tables in this chapter. The number of need determinations may change pursuant to the SHCC's decisions regarding the previously discussed petitions. 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 2026 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 2026 SMFP

The Committee recommends that the SHCC approve Chapters 10 through 14 for the 2026 SMFP, with the understanding that staff is authorized to continue making necessary updates to the narratives, tables, and need determinations.