



WellCare

A Leader In Home Health Care

August 16, 2012

Members of the State Health Coordinating Council
North Carolina Division of Health Service Regulation
Medical Facilities Planning Branch
2714 Mail Service Center
Raleigh, NC 27699-2714

Well Care Home Health
6752 Parker Farm Drive
Suite 210
Wilmington, NC 28405
910.362.9405
888.815.5310
fax 910.790.3169

Well Care Home Health
7721 Six Forks Road
Suite 130
Raleigh, NC 27615
919-846-1018
800.868.9355
fax 919-846-5954

Re: HealthKeeperz Petition for an Adjusted Need Determination for a Medicare Certified Home Health Agency in Brunswick County.

Members of the Council:

Well Care Home Health opposes the HealthKeeperz petition for an adjusted need determination for a Medicare home health agency in Brunswick County.

The HealthKeeperz petition must be denied because it was not submitted at the proper time during the annual planning process. The projected home health patient deficit for Brunswick County in the Proposed 2013 State Medical; Facilities Plan does not equal or exceed 325. Consequently the projected deficit for Brunswick County is under the 325 threshold and it does not represent an unmet need. The HealthKeeperz petition proposes to add a new step to the methodology for rounding the projected deficit numbers to a whole number, which is a change to the methodology. Adding this step to the methodology would be a change that could affect the need determinations of any North Carolina county in the future. Petitions to modify methodologies in the State Plan must be submitted in March according to the instructions in the State Medical Facilities Plan. Page 17 of the 2012 State Medical Facilities Plan states: *"People who wish to recommend changes that may have a statewide effect are asked to contact the Medical Facilities Planning Branch staff as early in the year as possible, and to submit petitions no later than March 7, 2012. Changes with the potential for a statewide effect are the addition, deletion, and revision of policies or projection methodologies. These types of changes will need to be considered in the first four months of the calendar year as the "Proposed North Carolina State Medical Facilities Plan" is being developed."*

Brunswick County has no need for an additional Medicare-certified home health agency based on a review of multiple years' data. As seen in the 2012 SMFP, the home health methodology shows a surplus of 227 for Brunswick County. The previous 2011 SMFP provided a surplus of 139 for Brunswick County. These figures indicate that the current year's projected deficit is an apparent outlier. This is simply an anomaly and it should not be rounded up and converted into a need determination based on the illegitimate Healthkeeperz petition.

The HealthKeeperz petition lacks support from healthcare providers and citizens from within Brunswick County. If an unmet need for an additional home health agency exists in Brunswick County, one would expect that increased hospital utilization would be an indicator. However, the total number of hospital discharges has decreased at the two hospitals located in Brunswick County as seen in the table below:



The Gold Seal of Approval™

www.wellcarehealth.com

	Acute Care Discharges		Change
	2010 Data	2011 Data	#
J. Arthur Doshier Memorial	1,159	1,214	55
Brunswick Novant Medical Center	3,332	3,253	-79
Combined Hospital Discharges	4,491	4,467	-24

Sources: 2011 and 2012 Hospital License Renewal Applications

Consequently it is reasonable to assume that the decrease in hospital discharges will in turn reduce referrals to home health agencies.

In contrast to hospital utilization, Brunswick County hospice utilization is incredibly high as seen in the following table:

	2010	2011	
Brunswick County Population	108,070	110,140	1.92%
2010 Deaths per 10,000 population	97.53	97.53*	
Brunswick County Total Deaths All Causes	1054	1074*	1.90%
Brunswick County Hospice Deaths	434	468	7.83%
Brunswick Hospice Days of Care	43,783	47,466	8.41%
Hospice Deaths as Percent of Total Deaths	41.2%	43.6%	

Sources: 2012 and 2013 SMFP and North Carolina Office of State Budget and Management

*The 2011 death rate / 10,000 population and estimated deaths are projected based on 2010 actual data.

The population of Brunswick County has far greater utilization of hospice care than most counties throughout North Carolina. In 2010 and 2011 over 40 percent of all Brunswick County deaths were served by hospice as compared to the North Carolina 2011 statewide rate of 35.23 percent.

With this surge in hospice care for the Brunswick County population, it is reasonable to expect that referrals to Medicare-certified home health agencies would be diminished because most patients obtaining hospice care would not qualify for concurrent home health services.

Another reason that the HealthKeeperz petition should be denied is that it is incomplete and flawed due to critical omissions:

- The petition contains no statement of the adverse effects on the population of the affected area that are likely to ensue if the adjustment is not made
- The petition includes no statement of alternatives to the proposed adjustment that were considered and found not feasible

These are essential elements of a petition for an adjusted need determination according to the instructions included in the State Medical Facilities Plan. Instead of providing the requested information, the petitioner provides a lengthy comparative analysis of other methodologies and statistical data for other counties. This information is irrelevant because there are no policies or rules that require methodologies in the State Medical Facilities Plan to have similar steps for calculating need determinations.

In summary, the HealthKeeperz petition fails to provide reasonable and timely justification to modify the home health need methodology and threshold. Please uphold the integrity of home health methodology and deny the HealthKeeperz petition for an adjusted need determination.

Thank you for your consideration of these comments. Please call me at 910.202.1326 if I can provide additional information.

Sincerely,

A handwritten signature in black ink that reads "Wanda Coley". The signature is written in a cursive, flowing style.

Wanda Coley
Chief Operating Officer