MEMORANDUM

TO: Recipients of the North Carolina 2011 State Medical Facilities Plan

FROM: Elizabeth K. Brown, Chief of Budget and Planning

SUBJECT: Amendment of North Carolina 2011 State Medical Facilities Plan

DATE: March 9, 2011

The North Carolina 2011 State Medical Facilities Plan (“2011 Plan”) as published indicated a need for four additional Medicare-certified home health agencies or offices in the state as follows:

- one in Guilford County,
- one in Cabarrus County and
- two in Mecklenburg County (Table 12D p. 300 of the 2011 Plan).

A provider called a staff member in late January asking if there might be an error in Table 12C. After close study, the Agency determined that a calculation error occurred in an Excel formula in Table 12C in the column labeled “COG’s Average Annual Rate of Change in Use Rate.” Correction of the formula error and recalculation of the projected need changed the need for additional Medicare-certified home health agencies or offices for all counties in the state to zero.

Chapter 2 of the 2011 Plan states that:

After the North Carolina State Medical Facilities Plan has been signed by the Governor, it will be amended only as necessary to correct errors or to respond to statutory changes, amounts of legislative appropriations or judicial decisions. The North Carolina State Health Coordinating Council will conduct a public hearing on proposed amendments and will recommend changes it deems appropriate for the Governor's approval.

In accordance with the process outlined in the 2011 Plan for addressing calculation errors in the Plan, a special meeting of the North Carolina State Health Coordinating Council’s (“the Council”) Long-Term and Behavioral Health Committee was held on February 11, 2011. The purpose of the Committee meeting was to discuss the calculation error and to develop a recommendation to the North Carolina State Health Coordinating Council about whether or not to recommend to the Governor that she amend the 2011 Plan. The Committee vote about the recommendation was tied; the report was presented to the Council at its meeting on March 2, 2011.
The Council held a public hearing on the matter on March 2, 2011; six people spoke against recommending that the 2011 Plan be amended and one person spoke in favor of recommending the amendment. Following the public hearing, the Council discussed the matter and voted to recommend to the Governor that she amend the 2011 Plan. The Council’s recommendation was forwarded to Governor Beverly Eaves Perdue on March 2, 2011. The Governor accepted the Council’s recommendation on March 8, 2011. This action eliminates the projected need for additional Medicare-certified home health agencies or offices for all counties in the state, as shown in the amendment.

The Governor’s letter and the amended Chapter 12 are available for viewing and downloading at http://www.ncdhhs.gov/dhhs/ncsmfp/index.html. Within the Chapter narrative, text or numbers being replaced have a strikeout through them, followed by the added language, underlined. Please insert these new pages into your 2011 Plan. If you purchased multiple copies of the 2011 Plan, please make copies of these amendments for each document. If you have shared copies of the 2011 Plan with colleagues or clients, please provide this information to them as well.

This memorandum and related material will be posted on the Division’s website at http://www.ncdhhs.gov/dhhs/ncsmfp/index.html. We urge you to refer to the website regularly for updates or revisions to the Plan. Please contact the Medical Facilities Planning Section at 919-855-3867 if you have questions about the amendment, or the Certificate of Need Section at 919-855-3873 if you have general questions regarding certificates of need.