Comments in Opposition to

Project ID # O-12389-23

Interim HealthCare

Comments Submitted by BAYADA Home Health Care

Pursuant to NCGS § 131E-185, BAYADA Home Health Care submits the following comments in opposition to the Interim HealthCare (Interim) CON application.

REVIEW CRITERIA FOR NEW INSTITUTIONAL HEALTH SERVICES

      (3)   The applicant shall identify the population to be served by the proposed project, and shall demonstrate the need that this population has for the services proposed, and the extent to which all residents of the area, and, in particular, low income persons, racial and ethnic minorities, women, handicapped persons, the elderly, and other underserved groups are likely to have access to the services proposed.

Interim fails to provide any methodology or assumptions that reasonably results in a projection of 673 New Hanover County patients in Year 3.

Interim fails to provide a Section Q in either the application or exhibits.

      (5)   Financial and operational projections for the project shall demonstrate the availability of funds for capital and operating needs as well as the immediate and long-term financial feasibility of the proposal, based upon reasonable projections of the costs of and charges for providing health services by the person proposing the service.

Interim fails to provide a Section Q in either the application or exhibits.

Comments in Opposition to

Project ID # O-12401-23

Aveanna Home Health – New Hanover

Comments Submitted by BAYADA Home Health Care

Pursuant to NCGS § 131E-185, BAYADA Home Health Care submits the following comments in opposition to the Aveanna Health Home – New Hanover (Aveanna) CON application.

REVIEW CRITERIA FOR NEW INSTITUTIONAL HEALTH SERVICES

> (3)   The applicant shall identify the population to be served by the proposed project, and shall demonstrate the need that this population has for the services proposed, and the extent to which all residents of the area, and, in particular, low income persons, racial and ethnic minorities, women, handicapped persons, the elderly, and other underserved groups are likely to have access to the services proposed.

Aveanna only provides a methodology leading to the total unduplicated patient in Years 1 through 3. However, Aveanna fails to provide any methodology or assumptions that reasonably results in the completion of Form C.5.

> (5)   Financial and operational projections for the project shall demonstrate the availability of funds for capital and operating needs as well as the immediate and long-term financial feasibility of the proposal, based upon reasonable projections of the costs of and charges for providing health services by the person proposing the service.

Interim fails to provide any assumptions that can reasonably result in the completion of Forms F.2b and F.3b in Section Q.

Comments in Opposition to

Project ID # O-12405-23

Well Care Home Health of New Hanover County

Comments Submitted by BAYADA Home Health Care

Pursuant to NCGS § 131E-185, BAYADA Home Health Care submits the following comments in opposition to the Well Care Home Health of New Hanover County (Well Care) CON application.

REVIEW CRITERIA FOR NEW INSTITUTIONAL HEALTH SERVICES

      (3)   The applicant shall identify the population to be served by the proposed project, and shall demonstrate the need that this population has for the services proposed, and the extent to which all residents of the area, and, in particular, low income persons, racial and ethnic minorities, women, handicapped persons, the elderly, and other underserved groups are likely to have access to the services proposed.

Well Care identities that it already provides home care and home health services in New Hanover County and is the largest home health provider in New Hanover County.

Comments in Opposition to

Project ID # O-12394-23

HealthView Home Health – New Hanover

Comments Submitted by BAYADA Home Health Care

Pursuant to NCGS § 131E-185, BAYADA Home Health Care submits the following comments in opposition to the HealthView Home Health – New Hanover (HealthView) CON application.

REVIEW CRITERIA FOR NEW INSTITUTIONAL HEALTH SERVICES

(3)   The applicant shall identify the population to be served by the proposed project, and shall demonstrate the need that this population has for the services proposed, and the extent to which all residents of the area, and, in particular, low income persons, racial and ethnic minorities, women, handicapped persons, the elderly, and other underserved groups are likely to have access to the services proposed.

HealthView fails to demonstrate the need that the proposed population has for an additional home health office. HealthView includes multiple exhibits, however, HealthView fails to discuss why the exhibits demonstrate a need for an additional home health agency in New Hanover County.

HealthView fails to provide any methodology or assumptions that reasonably results in the completion of Form C.5.

(5)   Financial and operational projections for the project shall demonstrate the availability of funds for capital and operating needs as well as the immediate and long-term financial feasibility of the proposal, based upon reasonable projections of the costs of and charges for providing health services by the person proposing the service.

Pro Forma Financial Statements

HealthView does not provide enough data or explanation within the application or exhibits for the Agency to determine if the pro forma financial statements and utilization are reasonable, credible, or supported.

HealthView fails to provide any of the supporting data or calculations withing the application or exhibits.

The Agency has no means to determine if the pro forma financial statements are reasonable, credible, supported, or accurate.

COMPARATIVE ANALYSIS

Pursuant to G.S. 131E-183(a)(1) and the 2023 SMFP, no more than one new Medicare-certified home health agency may be approved for New Hanover County in this review.   Because each application proposes to develop a new Medicare-certified home health agency in New Hanover County, all five applications cannot be approved. For the reasons set forth below and in the remainder of the findings, the application submitted by BAYADA Home Health should be approved and all other applications should be disapproved.

Projected Access by Service Area Residents

For each application in this review, the following table compares a) the number of New Hanover County patients in Project Year 3; and b) total patients as a percentage of total unduplicated patients. Generally, the application projecting the highest number or percentage is the most effective alternative with regard to these comparative factors. The applications are listed in the table below in decreasing order of effectiveness.

Rank	Agency	Project Year 3		
		New Hanover Patients	Total Patients	% of Total Patients
1	Interim	673	673	100.0%
2	Healthview	856	930	92.0%
3	Aveanna	483	556	86.9%
4	Well Care	1,558	1,998	78.0%
5	BAYADA	348	507	68.6%

BAYADA Home Health's projections of New Hanover County patients and total patients are based on reasonable, credible, and supported assumptions. Well Care Home Health already provides home health services in New Hanover County and is the largest home health provider in New Hanover County; HealthView Home Health, Aveanna Home Health, and Interim failed to provide any utilization methodology or assumptions to determine if their projections are reasonable, credible, or supported.

Projected Access by Medicare Recipients

For each application in this review, the following table compares a) the number of duplicated Medicare patients in Project Year 3; and b) duplicated Medicare patients as a percentage of total unduplicated patients.   Generally, the application projecting the highest number or percentage is the most effective alternative with regard to these comparative factors. The applications are listed in the table below in decreasing order of effectiveness.

Rank	Agency	Project Year 3		
		Duplicated Patients	Duplicated Medicare Patients	% of Duplicated Medicare Patients
1	Well Care	6,189	2,978	48.1%
2	Healthview	2,945	1,025	34.8%
3	Aveanna	844	562	66.6%
4	BAYADA	1,318	514	39.0%
5	Interim			

BAYADA Home Health's projections of duplicated patients and duplicated Medicare patients are based on reasonable, credible, and supported assumptions. Well Care Home Health already provides home health services in New Hanover County and is the largest home health provider in New Hanover County; HealthView Home Health, Aveanna Home Health, and Interim failed to provide any utilization methodology or assumptions to determine if their projections are reasonable, credible, or supported.

Projected Access by Medicaid Recipients

For each application in this review, the following table compares a) the number of unduplicated Medicaid patients in Project Year 3; and b) unduplicated Medicaid patients as a percentage of total patients.   Generally, the application projecting the highest number or percentage is the most effective alternative with regard to these comparative factors. The applications are listed in the table below in decreasing order of effectiveness.

Rank	Agency	Project Year 3		
		Unduplicated Patients	Unduplicated Medicaid Patients	% of Unduplicated Medicaid Patients
1	Well Care	1,998	200	10.0%
2	Aveanna	556	54	9.8%
3	Healthview	930	88	9.5%
4	BAYADA	507	45	8.8%
5	Interim			12.0%

BAYADA Home Health's projections of unduplicated patients and unduplicated Medicaid patients are based on reasonable, credible, and supported assumptions. Well Care Home Health already provides home health services in New Hanover County and is the largest home health provider in New Hanover County; HealthView Home Health, Aveanna Home Health, and Interim failed to provide any utilization methodology or assumptions to determine if their projections are reasonable, credible, or supported.

Average Number of Visits per Unduplicated Patient

The majority of home health care services are covered by Medicare, which does not reimburse on a per visit basis. Rather, Medicare reimburses on a per episode basis. Thus, there is a financial disincentive to providing more visits per Medicare episode. The following table shows the average number of visits per unduplicated patient projected by each applicant in Project Year 3. Generally, the application proposing the highest number of visits per unduplicated patient is the more effective alternative with regard to this comparative factor. The applications are listed in the table below in decreasing order of effectiveness.

Rank	Agency	Project Year 3		
		Unduplicated Patients	# of Visits	Average # of Visits per Patient
1	Aveanna	556	12,117	21.8
2	Well Care	1,998	42,394	21.2
3	BAYADA	507	8,178	16.1
4	Healthview	930	10,213	11.0
5	Interim			

BAYADA Home Health's projections of unduplicated patients and visits are based on reasonable, credible, and supported assumptions. Well Care Home Health already provides home health services in New Hanover County and is the largest home health provider in New Hanover County; HealthView Home Health, Aveanna Home Health, and Interim failed to provide any utilization methodology or assumptions to determine if their projections are reasonable, credible, or supported.

Average Net Patient Revenue per Visit

Average net revenue per visit in Project Year 3 was calculated by dividing projected net revenue from Form B by the projected number of visits from Form C.5, as shown in the table below. Generally, the application proposing the lowest average net revenue per visit is the more effective alternative with regard to this comparative factor. The applications are listed in the table below in decreasing order of effectiveness.

		Project Year 3		
Rank	Agency	# of Visits	Net Patient Revenue	Average Net Patient Revenue per Visits
1	Well Care	42,394	$5,464,676	$128.90
2	Aveanna	12,117	$1,804,295	$148.91
3	Healthview	10,213	$2,239,042	$219.23
4	BAYADA	8,178	$1,900,007	$232.33
5	Interim			

BAYADA Home Health's projections of visits and net patient revenue are based on reasonable, credible, and supported assumptions. Well Care Home Health already provides home health services in New Hanover County and is the largest home health provider in New Hanover County; HealthView Home Health, Aveanna Home Health, and Interim failed to provide any utilization methodology or assumptions to determine if their projections are reasonable, credible, or supported.

Average Net Revenue per Unduplicated Patient

Average net revenue per unduplicated patient in Project Year 3 was calculated by dividing projected net revenue from Form F.2b by the projected number of unduplicated patients from Form C.5, as shown in the table below.   Generally, the application proposing the lowest average net revenue per unduplicated patient is the more effective alternative with regard to this comparative factor. The applications are listed in the table below in decreasing order of effectiveness.

Rank	Agency	Project Year 3		
		Unduplicated Patients	Net Patient Revenue	Average Net Revenue per Unduplicated Patient
1	Healthview	930	$2,239,042	$2,407.57
2	Well Care	1,998	$5,464,676	$2,735.07
3	Aveanna	556	$1,804,295	$3,245.13
4	BAYADA	507	$1,900,007	$3,747.55
5	Interim			

BAYADA Home Health's projections of unduplicated patients and net patient revenue are based on reasonable, credible, and supported assumptions. Well Care Home Health already provides home health services in New Hanover County and is the largest home health provider in New Hanover County; HealthView Home Health, Aveanna Home Health, and Interim failed to provide any utilization methodology or assumptions to determine if their projections are reasonable, credible, or supported.

Average Total Operating Cost per Visit

The average total operating cost per visit in Project Year 3 was calculated by dividing projected operating costs from Form F.3b by the total number of visits from Form C.5, as shown in the table below. Generally, the application proposing the lowest average total operating cost per visit is the more effective alternative with regard to this comparative factor. The applications are listed in the table below in decreasing order of effectiveness.

| Rank | Agency | Project Year 3 | | |
		# of Visits	Total Operating Cost	Average Total Operating Cost per Visit
1	Well Care	42,394	$4,394,509	$103.66
2	Aveanna	12,117	$1,688,723	$139.37
3	Healthview	10,213	$1,925,124	$188.50
4	BAYADA	8,178	$1,818,215	$222.33
5	Interim			

BAYADA Home Health's projections of visits and net patient revenue are based on reasonable, credible, and supported assumptions. Well Care Home Health already provides home health services in New Hanover County and is the largest home health provider in New Hanover County; HealthView Home Health, Aveanna Home Health, and Interim failed to provide any utilization methodology or assumptions to determine if their projections are reasonable, credible, or supported.

Ratio of Average Net Revenue per Visit to Average Total Operating Cost per Visit

The ratios in the table below were calculated by dividing the average net revenue per visit in Project Year 3 by the average total operating cost per visit in Project Year 3. Generally, the application proposing the lowest ratio is the more effective alternative with regard to this comparative factor. However, the ratio must equal one or greater in order for the proposal to be financially feasible.   The applications are listed in the table below in decreasing order of effectiveness.

Rank	Agency	Project Year 2		
		Average Net Revenue per Visit	Average Total Operating Cost per Visit	Ratio
1	BAYADA	$232.33	$222.33	1.04
2	Aveanna	$148.91	$139.37	1.07
3	Healthview	$219.23	$188.50	1.16
4	Well Care	$128.90	$103.66	1.24
5	Interim			

BAYADA Home Health's projections of total # of visits, average net revenue, and total operating cost are based on reasonable, credible, and supported assumptions. Well Care Home Health already provides home health services in New Hanover County and is the largest home health provider in New Hanover County; HealthView Home Health, Aveanna Home Health, and Interim failed to provide any utilization methodology or assumptions to determine if their projections are reasonable, credible, or supported.

Nursing and Home Health Aide Salaries in Project Year 3

All five applicants propose to provide nursing and home health aide services with staff that are employees of the proposed home health agency. The tables below compare the proposed annual salary for registered nurses, licensed practical nurses, and home health aides in Project Year 3. Generally, the application proposing the highest annual salary is the more effective alternative with regard to this comparative factor. The applications are listed in the table below in decreasing order of effectiveness.

Rank	Applicant	Registered Nurse
1	Well Care	$108,726
2	BAYADA	$106,512
3	Aveanna	$101,546
4	Healthview	$79,040
5	Interim	

Rank	Applicant	Licensed Practical Nurse
1	Well Care	$71,843
2	Aveanna	$67,531
3	Healthview	$66,560
4	BAYADA	$66,143
5	Interim	

Rank	Applicant	Home Health Aide (CNA)
1	Aveanna	$50,648
2	Well Care	$46,987
3	BAYADA	$45,764
4	Healthview	$37,440
5	Interim	

BAYADA Home Health's projections of total FTEs and salaries are based on reasonable, credible, and supported assumptions. Well Care Home Health already provides home health services in New Hanover County and is the largest home health provider in New Hanover County; HealthView Home Health, Aveanna Home Health, and Interim failed to provide any utilization methodology or assumptions to determine if their projections are reasonable, credible, or supported.