

Hospice Services
Proposed 2009 State Medical Facilities Plan

*Petition Inpatient Hospice - 4: Hospice of Scotland County

*Related Comments

PETITION

Petition for a Special Need Adjustment to the Hospice Inpatient Bed Need Methodology

Petitioner:

Hospice of Scotland County
610 Lauchwood Drive
Laurinburg, NC 28352

Jane Murray, Executive Director
(910) 276.7176
jane.murray@hospiceofscotlandcounty.org

DFS Health Planning
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AUG 1 - 2008

Medical Facilities
PLANNING SECTION

Requested Change:

Hospice of Scotland County requests an adjusted need determination for two hospice inpatient beds in Scotland County.

Reasons for Requested Change:

Hospice of Scotland County operates a successful Medicare-certified hospice agency and a residential hospice facility in Laurinburg, North Carolina. Hospice of Scotland County has been providing end-of-life care to residents of Scotland and surrounding counties since 1986. In 2001, Hospice of Scotland County was awarded a Certificate of Need to construct a six-bed residential hospice facility in Laurinburg. The facility began caring for patients in April 2005 and since that time has served more than 233 residential hospice patients. In 2006, Hospice of Scotland County successfully petitioned the State Health Coordinating Council for a special need determination in the 2007 *State Medical Facilities Plan* for four inpatient hospice beds in Scotland County. Hospice of Scotland County subsequently applied for and received Certificate of Need approval to expand its residential hospice facility with four inpatient hospice beds; those beds are currently under development. Upon completion of the four-bed expansion project, Hospice of Scotland County will operate a ten-bed combination hospice facility.

The Proposed 2009 *State Medical Facilities Plan* indicates a deficit of two inpatient hospice beds for Scotland County. Under the current methodology, there is no mechanism for allocating hospice inpatient beds in Scotland County until a deficit of six (6) beds is reached. Hospice of Scotland County is requesting an adjustment to the standard need methodology to allocate the two inpatient beds that are identified as

needed in 2012, thus allowing Hospice of Scotland County to submit a Certificate of Need application to further expand its hospice facility with two additional inpatient beds and thereby operate a 12-bed combination hospice facility with six (6) residential beds and six (6) inpatient beds.

Hospice of Scotland County believes that there are several reasons its petition should be approved. These reasons will be discussed in turn.

1. Hospice of Scotland County's volume is sufficient to support at least six inpatient beds.

In FY 2007, Hospice of Scotland County served 173 hospice patients living in Scotland County with an average daily census of 42.1 as shown in the table below. Hospice of Scotland County is the primary provider in Scotland County and during FY 2007 provided 69 percent of the total patient days provided to residents of the county [15,364/22,154 = 0.694 or 69%].

<i>Scotland County Volume</i>			
<i>Year</i>	<i># Patients</i>	<i>ADC</i>	<i>Days of Care</i>
<i>FY 2007</i>	173	42.1	15,364
<i>FY 2008*</i>	185	44.2	16,124

*Annualized based on nine months of data.

In YTD 2008 (October 2007 through June 2008), Hospice of Scotland County has served 139 Scotland County patients and provided 12,093 days of care to those Scotland County patients alone, with an average daily census of 33.1. Annualized data for 2008, based on nine months of data, results in a total of 185 Scotland County patients served and 16,124 days of care, which equates to an average daily census of 44.2 as shown in the table above, and a 6.9 percent increase in patients and 4.9 percent increase in patient days.

Further, if Hospice of Scotland County's 2008 annualized days of care for all patients are applied to the inpatient bed need methodology in the *Proposed 2009 State Medical Facilities Plan*, its volume alone would result in a need for seven inpatient beds as shown in the table below.

<i>2008 Days of Care</i>	<i>2008 Estimated Inpatient Days*</i>	<i>Projected Total Inpatient Beds**</i>
27,316	2,185	7.0

*Estimated Inpatient Days = 8% of Total Days of Care

**Estimated Inpatient Days / 365 Days per Year / 85% Occupancy

Given the four inpatient beds that Hospice of Scotland County currently has under development, Hospice of Scotland County could support up to three more inpatient hospice beds. This analysis supports Hospice of Scotland County's petition for a need determination for two additional inpatient beds in the *Proposed 2009 SMFP*.

To account for Southeastern Hospice's inpatient hospice facility now located in Lumberton (Robeson County) and the possibility that a portion of Robeson County hospice patients may choose admission to Southeastern Hospice due to convenience, Hospice of Scotland County performed the same analysis excluding its estimated 2008 patient days provided to residents of Robeson County. In 2007, Robeson County residents represented approximately 15.2 percent of Hospice of Scotland County's total days of care. Therefore, Hospice of Scotland County subtracted 15.2 percent of its annualized 2008 days of care in order to exclude estimated days of care provided to Robeson County patients. This results in an estimated total of 23,164 annualized 2008 days of care excluding Robeson County patients. The following table shows the results of applying this utilization to the *Proposed 2009 SMFP* need methodology.

<i>2008 Days of Care</i>	<i>2008 Estimated Inpatient Days*</i>	<i>Projected Total Inpatient Beds**</i>
23,164	1,853	6.0

*Estimated Inpatient Days = 8% of Total Days of Care

**Estimated Inpatient Days / 365 Days per Year / 85% Occupancy

Even accounting for the existing hospice facility in Robeson County by excluding Hospice of Scotland County's estimated days of care provided to Robeson County patients, Hospice of Scotland County could support a total of six inpatient hospice beds, furthering supporting its petition for a need determination for two additional inpatient beds in the *Proposed 2009 SMFP*.

Finally, it should be noted that Hospice of Scotland County's existing residential beds are highly utilized. All six beds have been full consistently since June 12. The facility has experienced an average daily census of 5.5 since May 1. More importantly, since January 1, a total of 18 Hospice of Scotland County patients have been admitted to the hospital while waiting for a hospice bed to become available. Of those 18, approximately 90 percent would qualify for the inpatient level of care. Moreover, patients in residential beds at Hospice of Scotland County's hospice facility who progress to higher acuity needs and the inpatient level of care must be placed on continuous care in the absence of inpatient hospice beds. Hospice of Scotland County maintains a waiting list, which currently includes four patients waiting for a hospice bed; that list would be significantly longer in reality, but often no patient information is provided when a referral source calls and discovers that the facility has no beds available. Hospice of Scotland County considered waiting for a potential need

determination in the 2010 SMFP, but determined that that was not a feasible alternative given its immediate needs for additional capacity above and beyond the four inpatient beds currently under development. Further, given that the deficit in the *Proposed 2009 SMFP* is two beds, it is uncertain whether or not the deficit would reach six and thereby trigger a need determination in the 2010 SMFP. Further delay is not in the best interest of Hospice of Scotland County's patients.

2. Existing alternatives to the adjusted need determination are less effective, more costly and do not provide a viable alternative for Hospice of Scotland County patients.

Typically, hospice patients who require inpatient care must be admitted to a hospital or nursing facility. These settings are less effective in terms of end-of-life care and are generally more expensive than hospice care. Care provided to hospice patients outside a hospice facility is generally fragmented and the hospice home care staff is constantly challenged to orient, train, and educate the staff of the institutional inpatient provider. The non-hospice staff, while not specifically trained in hospice care, is required to care for hospice patients as well as acute care patients. As a result, they must transition moment to moment between two extremes in treatment philosophies – the aggressive, curative care for the acute care patient and the palliative and comfort management care of the hospice patient -- one treatment focusing on wellness and healing; the other focusing on death and dying. Inevitably, the result is a departure from the hospice philosophy of care and a less than ideal end-of-life experience for dying patients and their loved ones.

Freestanding inpatient hospice care is a much better option for hospice patients who need more acute symptom control or pain management and more intensive nursing care than can be effectively provided in a home or residential setting. Some advantages to such a facility include:

- Hospice principles and practices are the primary focus of care as the unit is not physically or programmatically attached to any other facility.
- The inpatient unit is designed to be a non-clinical, homelike atmosphere.
- The agency's cost reflects only those costs required to support the needs of hospice patients, not the high technology equipment and services required for an acute care setting.
- Hospice maintains control to ensure that only hospice-appropriate services are provided.
- Patients are served by an interdisciplinary team, with staffing that reflects the needs of both patients and families.

- The facility and its staff make provisions for teaching caregiver skills to family members so they can participate in the care and support of the patient while in the facility.
- Continuity between home care and facility-based care is consistent with the overall hospice interdisciplinary team plan of care.

Currently no inpatient hospice facility exists in Scotland County. Patients requiring a higher level of care are referred to Scotland Memorial Hospital or Sandhills Regional Medical Center. Because of the integrated nature of hospice care, families prefer to keep their loved one nearby in order to spend as much time as possible with them, particularly during the final days of the patient's life, as documented in support letters included with the petition. Hospice of Scotland County is taking the appropriate action to alleviate these concerns by expanding its existing residential hospice facility with four inpatient hospice beds, which are expected to become operational by January 2009.

3. The six-bed minimum should not be applied to Scotland County.

Hospice of Scotland County believes that the threshold for a six-bed minimum indicating a need for inpatient hospice beds should not apply to its agency or the Scotland County community for the following reasons.

- 1) Hospice of Scotland County currently operates a residential hospice facility in Laurinburg, North Carolina. The agency has successfully operated the six-bed residential facility for more than three years and is currently developing four inpatient hospice beds, which will be in operation by January 2009. The addition of two more inpatient beds would only strengthen its position as a financially viable operation. The design of the four-bed addition that is currently under development allows for the addition of two more inpatient bedrooms in a cost-effective manner. Thus, unlike other counties without existing inpatient hospice facilities, the expansion of Hospice of Scotland County's existing facility (which will include four inpatient beds by January 2009) with the addition of two additional inpatient beds does not elicit concerns regarding financial viability that arise when a new facility must be constructed. The expansion of two additional beds is a cost-effective alternative to a new facility and Hospice of Scotland County would in fact realize additional operational and staffing efficiencies associated with expanding the facility to twelve rather than ten beds. Furthermore, the Certificate of Need process will require Hospice of Scotland County to prove the financial feasibility of the proposed project.
- 2) To date, there has been no opposition to Hospice of Scotland County's proposal to develop additional inpatient hospice beds. Rather, the agency

has received significant support from other health care providers in the area as well as the community at large. Please see the attached letters of support for the project.

Implications if the Petition is Not Approved

The alternative to the changes requested in this petition is to maintain status quo and operate a 10-bed hospice facility following development of four previously approved inpatient beds. However, if the petition is not approved, Hospice of Scotland County will continue to be limited in its ability to meet the needs of its patients and families. Hospice patients needing inpatient care when Hospice of Scotland County's four inpatient hospice beds are occupied will have to be admitted to Scotland Memorial Hospital or Sandhills Regional Medical Center, which is a less effective alternative for the reasons presented in this petition. The addition of two additional inpatient beds to its ten-bed hospice facility would allow Hospice of Scotland County to offer the most appropriate level of care for all its patients. In such a facility, patients being cared for at the residential level could shift to the higher level of inpatient care without moving to another facility or even without changing beds. All bedrooms in Hospice of Scotland County's hospice facility, including the existing residential beds and the inpatient beds that are currently under development, are constructed to inpatient standards; therefore, with the addition of two additional inpatient beds, patients could receive the appropriate level of care regardless of their location in the facility. In a combination facility such as Hospice of Scotland County's, the higher level of inpatient care can be provided more cost-effectively than in the acute care setting of a hospital.

As previously discussed, Hospice of Scotland County can support more than the four inpatient beds that it is currently developing. Further, no other inpatient hospice beds exist in Scotland County. Southeastern Hospice operates the only other inpatient hospice beds in the surrounding area, and Hospice of Scotland County has demonstrated in this petition that it can support two additional inpatient hospice beds regardless of the inpatient hospice beds located in Robeson County. As such, the changes requested in this petition will not result in unnecessary duplication of health resources in the area.

For these reasons, Hospice of Scotland County requests an adjusted need determination for two (2) inpatient hospice beds in Scotland County.



July 28, 2008

Dr. Thomas J. Pulliam, Chair
Long Term and Behavioral Health Committee
State Coordinating Council
DHSR Medical Facility's Planning Section
2714 Mail Service Center
Raleigh, North Carolina 27699-2714

DHS Health Planning
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AUG 1 -- 2008

Medical Facilities
PLANNING SECTION

Dear Dr. Pulliam:

I am writing this letter in strong support for Hospice of Scotland County's special need petition to include two hospice inpatient beds for Scotland County in the 2009 *State Medical Facilities Plan*. The approval of this petition will allow Hospice of Scotland County to submit a certificate of need application for two additional inpatient hospice beds in the currently approved four inpatient bed expansion project. The addition of the two inpatient beds will allow Hospice of Scotland County to extend a more intense level of hospice care to residents of Scotland County in an area of care where the need exists but hospice inpatient facilities do not.

The only available alternatives for hospice patients who need or desire inpatient care for pain management, symptom control, caregiver respite, or a home-like atmosphere in which to die are local nursing homes or hospitals. There are no local alternatives outside the institutional setting.

Hospice of Scotland County has the reputation of providing exceptional end-of-life care to its home care and residential patients and their families. Extending that quality of care to hospice inpatients will not only improve the quality of life for these very ill patients but will also reduce the burden on their caregivers.

For these reasons, I am in support of their efforts to develop two more hospice inpatient beds in the currently approved four inpatient bed expansion project at their six-bed residential facility.

Sincerely,

Andrew L. Davis
Chief Executive Officer
Sandhills Regional Medical Center

July 23, 2008
P.O. Box 130
Laurel Hill, North Carolina 28351

Dr. Thomas J. Pulliam, Chair
Long Term and Behavioral Health Committee
State Coordinating Council
DHSR Medical Facilities Planning Section
2714 Mail Service Center
Raleigh, North Carolina 27699-2714

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Medical Facilities
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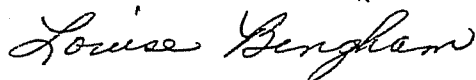
Dear Dr. Pulliam,

I write to you on behalf of Hospice of Scotland County, an organization that has provided excellent care to my family and many other families over the years. I hope you will give strong consideration to Hospice of Scotland County's special needs petition and its desire to add two more inpatient hospice beds in its expansion project.

My husband and our entire family were beneficiaries of the outstanding care Hospice of Scotland County provides at Morrison Manor, its residential facility. The staff is compassionate and caring, putting the needs of patients and families ahead of all other considerations. By adding two inpatient beds at the manor expansion project, Hospice of Scotland County will be able to give other families the kind of caring attention we received, expanding the reach of the good work it does in our community.

Hospice of Scotland County was there for our family when we most needed them, and nothing would please me more than to see their services available to even more members of our community. These beds will allow Hospice of Scotland County make a positive difference for even more families during a most difficult time. I urge you to support Hospice of Scotland County in its efforts to add two additional inpatient hospice beds at its manor expansion project.

Sincerely,



Louise Bingham

July 23, 2008
2028 Old Charleston Circle
Laurinburg, North Carolina 28352

Dr. Thomas J. Pulliam, Chair
Long Term and Behavioral Health Committee
State Coordinating Council
DHSR Medical Facilities Planning Section
2714 Mail Service Center
Raleigh, North Carolina 27699-2714

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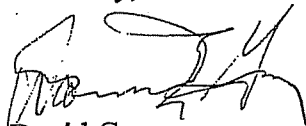
Dear Dr. Pulliam,

I am pleased to write to you in support of Hospice of Scotland County and its effort to place two additional beds in its inpatient facility expansion. This organization has provided an unmatched level of care for the people of Laurinburg, Scotland County and the surrounding area for more than 20 years.

My wife received outstanding care at Hospice of Scotland County's residential facility, called Morrison Manor. Our family saw firsthand the dedication and compassion the staff provides, giving us the support we needed during my wife's final illness. It is my hope that by adding two more beds at the Morrison Manor expansion, Hospice of Scotland County will be able to deliver this same high level of care to even more people in the future.

I hope you will give full and careful consideration to Hospice of Scotland County's special needs petition to begin the process of adding two more inpatient beds. Your support of their efforts will ensure that Hospice of Scotland County can provide its invaluable services to more patients and their families.

Sincerely,



David Guy

Thomas W. Parker III

205 West Blvd.
Laurinburg, NC 28352
910-276-5795
910-318-1361

Dr. Thomas J. Pulliam, Chair
Long-term & Behavioral Health Committee
State Coordinating Council
DHSR Medical Facilities Planning Section
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Raleigh, NC 27699-2714

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AUG 1 -- 2008

MEDICAL FACILITIES
PLANNING SECTION

Dear Dr. Pulliam,

I am writing to express my support of Hospice. Hospice of Scotland County provides a valuable and compassionate service to our area. My wife spent 27 days in the Hospice facility. During this time they provided unbelievable care to her as well as helping our family cope with and understand our loss. We hold our Hospice experience close to our heart and are very thankful for the service they provide. I hope you will consider their application for additional beds as their service is invaluable to our area.

Sincerely,


Thomas W. Parker III



OF SCOTLAND COUNTY

July 23, 2008

Dr. Thomas J. Pulliam, Chair
Long Term and Behavioral Health Committee
State Coordinating Council
DHSR Medical Facilities Planning Section
2714 Mail Service Center
Raleigh, North Carolina 27699-2714

DFS Health Planning
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AUG 1 - 2008

Medical Facilities
PLANNING SECTION

Dear Dr. Pulliam,

I am writing this letter in strong support of Hospice of Scotland County's special need petition to include two hospice inpatient beds for Scotland County in the 2009 *State Medical Facilities Plan*. The approval of this petition will allow Hospice of Scotland County to submit a certificate of need application for two additional inpatient hospice beds in the currently approved four inpatient bed expansion project. The addition of two inpatient beds will allow Hospice of Scotland County to extend a more comprehensive level of hospice care to residents of Scotland County, in an area of care where the need exists but hospice inpatient facilities do not.

The only available alternatives for hospice patients who need or desire inpatient care for pain management, symptom control, caregiver respite, or a home-like atmosphere in which to die are local nursing homes or hospitals. There are no local alternatives outside the institutional setting.

Hospice of Scotland County has the reputation of providing exceptional end-of-life care to its home care and residential patients and their families. Extending that quality of care to hospice inpatients will not only improve the quality of life for these very ill patients, but will also reduce the burden on their caregivers.

For these reasons, I am in support of Hospice of Scotland County's effort to develop two additional inpatient beds in the currently approved four inpatient bed expansion project at its residential facility.

Sincerely,

Dr. Bradley H. Bethel, Medical Director
Hospice of Scotland County



July 22, 2008

Dr. Thomas J. Pulliam, Chair
Long Term and Behavioral Health Committee
State Coordinating Council
DHSR Medical Facility's Planning Section
2714 Mail Service Center
Raleigh, North Carolina 27699-2714

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AUG 1 2008

Medical Facilities
Planning Section

Dear Dr. Pulliam,

I am writing this letter in strong support for Hospice of Scotland County's special need petition to include two hospice inpatient beds for Scotland County in the 2009 *State Medical Facilities Plan*. The approval of this petition will allow Hospice of Scotland County to submit a certificate of need application for two additional inpatient hospice beds in the currently approved four inpatient bed expansion project. The addition of the two inpatient beds will allow Hospice of Scotland County to meet the growing need for a more intense level of hospice care to residents of Scotland.

The only available alternatives for hospice patients who need or desire inpatient care for pain management, symptom control, caregiver respite, or a home-like atmosphere in which to die are local nursing homes or hospitals. There are no local alternatives outside the institutional setting.

Hospice of Scotland County has the reputation of providing exceptional end-of-life care to its home care and residential patients and their families. We have had an excellent working relationship with Hospice since their inception over two decades ago. Extending that quality of care to hospice inpatients will not only improve the quality of life for these very ill patients but will also reduce the burden on their caregivers.

For these reasons, I am in support of their efforts to develop two more hospice inpatient beds in the currently approved four inpatient bed expansion project at their six-bed residential facility.

Please contact me at 910-291-7501 or Greg.Wood@scotlandhealth.org should you have any questions or need any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Greg Wood', is written over the typed name and title.

Greg Wood
President & CEO



Medical Oncology
Kelvin B. Raybon, M.D.
Consulting Associate
Duke University Health System

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Radiation Oncology
Ernest L. Helms, III, M.D.
Medical Director, Radiation Oncology

JUL 28 2008

Medical Facilities
PLANNING SECTION

July 17, 2008

Dr. Thomas J. Pulliam, Chair
Long Term and Behavioral Health Committee
State Coordinating Council
DHSR Medical Facility's Planning Section
2714 Mail Service Center
Raleigh, NC 27699-2714

Dear Dr. Pulliam:

As the medical oncologist and hematologist here at Scotland Cancer Treatment Center in Laurinburg, North Carolina, I write this letter to strongly support the local initiative to add two inpatient hospice beds for Scotland County in the 2009 State Medical Facility's Plan.

I have fortunately had two patients transferred from the inpatient setting to the inpatient hospice over the last two days; unfortunately, one patient waited more than two weeks, and another more than one week due to lack of space and availability. Additional two beds will allow Hospice of Scotland County to better serve the community and people of Scotland County, in particular the patients with advanced cancer which I care for daily.

Other sources of inpatient ongoing care would require a local nursing home, which in my experience does not have the same expertise at End-of-Life care as an inpatient hospice, which also has significant access and space availability.

I can certainly verify that Hospice of Scotland County has an exceptional current program of both home care and inpatient residential patient care, and fully support their professional efforts in expanding their ability to help patients.

July 17, 2008
Dr. Thomas J. Pulliam
Page 2

For all the reasons above, I am fully in support of their efforts to develop two more hospice inpatient beds in the currently approved four inpatient bed expansion project at their six-bed residential facility.

Sincerely,



Kelvin B. Raybon, M.D., F.A.C.P.
Asst. Professor of Medicine
Duke Oncology Network
Scotland Cancer Treatment Center

KBR/dmt/0001