

AGENCY Report:

Proposed 2010 Plan

Notes related to Home Health Petition from Bayada Nurses, Inc.

Request

Bayada Nurses, Inc. submitted a Petition requesting an adjusted need determination for one additional home health agency in Brunswick County.

Background Information

The home health need methodology projects future need based on trends in historical data, including the “Average Annual Rate of Change in Number of Home Health Patients” over the previous three years and the “Average Annual Rate of Change in Use Rates per 1000 Population” over the previous three years. Average annual rates of change are compiled based on “Council of Governments (COG)” regions.

Patient origin data used in the Plan is compiled from Home Health Agency Annual Data Supplements to License Applications as submitted to the Division of Health Service Regulation. The data supplements request data for a twelve month period using a start date of either July, August, September or October. The methodology aggregates patient origin data by four age groups, under age 18, 18-64, 65-74 and over 75.

The methodology utilized in development of the State Medical Facilities Plan does not project future need based on the number of home health agencies in any given county or on the capacity of existing agencies. Rather, it projects need based on the number of patients served during the reporting years indicated in the plan. In essence, if existing agencies keep pace with the projected number of persons who may need home health services, there would not be a need determination. However, if they do not keep pace, there may be a need determination allowing an opportunity for a new home health agency or office.

It should be noted that any person may submit a certificate of need (CON) application for a need determination in the Plan. Therefore, should there be a need determination in the 2010 Plan, the CON review could be competitive and there is no guarantee that the petitioner would be the approved applicant.

The petition was posted on the Division of Health Service Regulation’s web site. Written comments were received by the September 9, 2009 date that was identified for submission of comments on petitions and comments to the Division’s Medical Facility Planning Section. The comments were from Liberty HomeCare Management Services and AssistedCare Home Health.

ANALYSIS OF PETITION

The Proposed 2010 Plan indicates a projected deficit of 90 patients in Brunswick County. A deficit of 275 or more is needed for there to be a need determination based on the standard methodology. The current projected deficit is less than the 236 deficit identified in the 2009 Plan and the 216 deficit identified in the 2008 Plan. The Proposed 2010 Plan identifies five counties with deficits larger than the Brunswick County deficit; namely, Wake at 444, Union

at 223, Guilford at 141, Forsyth at 101 and Pitt at 97. Except for Union County, each one of these counties has more than two agencies located in the county.

There are two Medicare-Certified home health agencies located in Brunswick County. The Liberty office is centrally located in Supply and Assisted Care is located in Leland which is in the northern portion of the county.

Based on information reported on 2009 License Renewal Applications, eight agencies reported serving patients in Brunswick County. In addition to the two agencies located in the county, there were two agencies each in Columbus and New Hanover counties and one agency each in Pender and Robeson counties that reported serving Brunswick County residents. The four highest volume providers were the two agencies in Brunswick County and the two agencies located in New Hanover County which is contiguous to Brunswick County.

It is not unique for a county to be served by agencies located in other counties. This is the case for most counties in the State. Further, a relatively high percentage of patients may be served by agencies in other counties. Based on a review of patient data in the Proposed 2010 Plan, the three agencies located in Alamance County served approximately 55% of the patients, the five agencies in Davidson served approximately 55% of the patients, the two agencies in Lincoln served approximately 41%, and the two agencies in Orange served approximately 46%.

While Brunswick County may be relatively large in area, based on the dispersal of communities in the County, the population concentration of Brunswick County appears to be the coastal area and in the north and east which is largely contiguous to New Hanover County. Highway 17 bisects the county from north to south and is approximately 45 miles long from the northern border to the southern border.

Agency Recommendation

The Agency supports the home health standard methodology as presented in the Proposed 2010 Plan. The Agency recommends that the petition be denied.