

**Long-Term and Behavioral Health Committee
Agency Report
Adjusted Need Petition for
Medicare-certified Home Health Office in Randolph County
2018 State Medical Facilities Plan**

Petitioner:

Heaven Sent Private Care, LLC
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Ramseur, North Carolina 27316

Contact:

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Request:

Heaven Sent Private Care, LLC (Heaven Sent) requests an adjusted need determination be included in the *North Carolina 2018 State Medical Facilities Plan (SMFP)* for one Medicare-certified home health agency or office in Randolph 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 1,000 Population” over the previous three years. The average annual rate of change is compiled based on Council of Governments (COG) regions.

Patient origin data used in the SMFP is compiled from Home Health Agency Annual Data Supplements to Licensure Applications as submitted to the Division of Health Service Regulation. The data supplements request data for a 12-month period using a start date of July or October. The methodology aggregates patient origin data by the following four age groups: under age 18, 18-64, 65-74, and over 75.

The methodology utilized in development of the SMFP 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 from each county within each COG region.

A basic assumption of the current methodology is that a new agency or office is needed if the projected unmet need in a single county is 325 patients or more. Therefore, the “threshold” for a need determination is a projected unmet need of 325 patients in a given county.

Chapter Two of the *Proposed 2018 SMFP* allows persons to petition for an adjusted need determination to allow consideration of “...unique or special attributes of a particular geographic area or institution...” if they believe that their needs are not appropriately addressed by the standard methodology. Heaven Sent has submitted this Petition to adjust the need determination to address a special population they believe is underserved in Randolph County.

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

Analysis/Implications:

The Petitioner describes their organization as the only faith-based Home Health Care agency in the region. Heaven Sent hopes that by requesting a change in the need determination in Randolph County, their agency will be able “to accept Medicare as a source of payment,” and thereby extend services to individuals who otherwise may not be able to afford it.

By application of the standard methodology, the *Proposed 2018 SMFP* identified a projected deficit of (-18.25) patients in Randolph County. This County has historically been well served by Home Health agencies. In the 2017 SMFP there was a deficit of -11.02 patients and in the 2016 SMFP there was a surplus of patients at 11.27.

Based on information reported on Home Health 2017 Annual Data Supplement (Supplement) to License Renewal Applications (LRA), 18 agencies reported serving patients who are residents of Randolph County. In addition to the four agencies located in the Randolph County, three agencies from Davidson County, five agencies from Guilford County and one agency each from Alamance, Chatham, Durham, Davie, Forsyth and Montgomery counties served residents of Randolph County. The four highest volume providers were the four agencies in Randolph County and one of the agencies in Guilford County, which is contiguous to Randolph County.

Heaven Sent states there is a need in Randolph County for faith-based Home Health Care providers that provide both traditional and spiritual care. The Agency was not able to accurately evaluate this assertion. The Supplements and LRAs do not collect data that would allow for Agency analysis of providers of spiritual care. Furthermore, the Petitioner provided no specific client data to support their claim that Randolph County needed additional services.

The Agency and the State Health Coordinating Council (SHCC) acknowledge the importance of reducing barriers and making healthcare more accessible to all citizens. However, there was no clear evidence that the needs of the residents Randolph County were not being currently met by the existing licensed Medicare-certified Home Health providers.

Agency Recommendation:

The Agency supports the standard methodology for Medicare-certified home health agencies or offices as presented in the North Carolina Proposed 2018 SMFP. Given available information and comments submitted by the August 10, 2017 deadline, and in consideration of factors discussed above, the agency recommends denial of this Petition.