

**Petition Title:** Requirement for Licensure Renewal Applications for Health Care Facilities to be Reviewed and Approved by Licensed Certified Public Accountants or Certified Prior to Submission to the Division of Health Service Regulation

**Petitioner:** Affordable Health Care Facilities, LLC  
944 19<sup>th</sup> Avenue NW  
Hickory, North Carolina 28601  
(828) 310-9333  
[bob@medcapllc.com](mailto:bob@medcapllc.com)

**Request:** The request is to have CPAs review and approve all Licensure Renewal Applications ("LRAs") submitted by licensed facilities.

**Adverse Effects:** None.

**Duplication:** Not applicable.

**QAV:** The petition improves the accuracy of LRA data upon which the SMFP and CON analysis are based.

DFS Health Planning  
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Medical Facilities  
PLANNING SECTION

**Petition**  
**State Health Coordinating Council ("SHCC")**

**Requirement for Licensure Renewal Applications for Health  
Care Facilities to be Reviewed and Approved by Licensed  
Certified Public Accountants or Certified Prior to Submission to  
the Division of Health Service Regulation**

**Proposed By:**  
**Affordable Health Care Facilities, LLC**  
**March 4, 2009**

**Premise**

Each year every licensed health care facility in North Carolina is required to complete a Licensure Renewal Application ("LRA"). The LRA process is one of voluntary reporting. The completed LRAs and then are used as basis to (i) develop the State Medical Facilities Plan ("SMFP") and (ii) determine need for additional facilities or health care services. Affordable Health Care Facilities, LLC ("AHCF") has observed that many LRAs are completed inadequately or incorrectly, which causes AHCF to question the accurateness of the SMFP and the facility need assumptions and methodology contained in the SMFP.

**Petition**

AHCF petitions the SHCC, DHHS, and DHSR to require LRAs to be reviewed and approved by Licensed Certified Public Accountants ("CPAs") or certified in the same manner as Medicare Cost Reports prior to submission to the DHSR each year.

Examples of inaccurate LRAs can be provided upon request.