

Healthcare Planning received this comment after the 5:00 PM March 16, 2017 deadline.

**RESPONSE TO PUBLIC COMMENTS FILED BY
RIDGE CARE, INC**

RE: Petition to Amend Policy LTC-2: Relocation of Adult Care Home Beds
Singh Development, LLC

The commenter representing Ridge Care, Inc (“Ridge Care”) made several assertions regarding the Singh Development, LLC petition (“The petition”) to amend policy LTC-2, many of which seem misleading. Moreover, many of the comments made by Ridge Care refer to the Certificate of Need (“CON”) process, which applies on top of the Plan Policies. Relevant issues are addressed below. Words in italics summarize commenter statements.

Comment:

Because the proposal would result in unnecessary duplication of existing services and unnecessary harm to existing residents of adult care homes with no documentation to support that such duplication is necessary

Response:

This comment misrepresents the intent of the petition and confuses the proposed Policy change with the CON process. The intent of the petition is to permit the relocation of adult care home (“ACH”) beds, only if conditions specified in the petition are satisfied. However, any ACH bed relocation proposal does not guarantee CON approval. CON review criteria and the application review process prohibit unnecessary duplication of services and require each applicant to outline a plan for eliminating unnecessary harm to, or relocation of, existing residents. Thus, this is not an issue with the petition, rather a comment supporting the CON application process.

Comment:

The existing need methodology provides that a need determination is triggered when there is a projection that three years in the future existing adult care home in a county would be at 100% occupancy. The need determination does not require that the adult care home beds actually be operating at 100% occupancy before a need determination is triggered. The SMFP determines the need for additional beds based on a 3-year projection in order to account for the amount of time to bring a needed facility or expansion into service.

Response:

As noted in the petition, operating an ACH facility at 85 percent capacity accommodates resident turnover, which, in turn, improves accessibility and resident choice. We note that the 2017 SMFP adult care bed need methodology triggers a need determination when the methodology projects that in three years all beds in a county will be 100 percent full. With all facilities full, residents have no choice and facilities cannot accommodate turnover. This is part of the issue.

In most cases, it takes more than three years from the date of the SMFP to develop or renovate an ACH facility. Especially in highly populated counties, planning reviews alone can add a year or more to the construction schedule. Moreover, the petition proposes an avenue for bed relocation that protects excessive bed gain or loss.

Comment:

there is no data or examples provided to support the Petition's position that "fast growing" counties with a surplus of beds are unable to keep up with the growth in their counties.

Response:

Although Ridge Care mentions the absence of justification to support fast-growing counties are unable to develop ACH beds in time to keep up with population growth, Ridge Care fails to provide any examples to the contrary. If a county is reaching capacity, residents of that county may have to go outside the county to access adult care beds. This is ultimately costly and inconvenient for residents and their families. On the other hand, the proposed policy would enable, but not guarantee, bed redistribution to make more beds available in a high occupancy county.

It should be again noted that an applicant for a certificate of need under this policy must demonstrate that, in fact, the facility to be relocated is serving residents from the county to which it proposes to transfer beds.

Comment:

Any time there is a relocation of a facility from one county to another there will be some displacement of residents. However, when there is no evidence that there is a need in the transferring county for a new facility or additional beds, the potential benefits to the residents in the new county do not outweigh the harm to the existing residents in the old county.

Under the adjusted policy, a facility could be relocated simply because the provider thinks the payor mix may be better in the new county.

Response:

There appears to be a misinterpretation of the intent of the petition, and a confusion between the Plan policy, with the CON process. Any CON applicant proposing to relocate ACH beds must comply with all CON review criteria. For reference see Statutory Review Criterion 131E-183(a)(3a). The issues mentioned and those like them would be addressed in the CON application and if the application does not comply with review criteria, it will be the Agency's responsibility to deny the CON.