



Founded as Hospice of Wake County • 1979

Public Hearing Comments

Wake County Hospice Inpatient Bed Adjusted Need Petition

Good afternoon. My name is Cooper Linton, and I am the Vice President of Marketing and Business Development at Transitions LifeCare, and I am here today to speak on behalf of our petition to reduce the need determination for additional hospice inpatient beds in Wake County in the 2018 State Medical Facilities Plan.

Transitions LifeCare is the largest and most experienced, non-profit hospice provider in this region. Founded in 1979 as Hospice of Wake County, our mission is to care for individuals and families with compassion, support, and expertise as they navigate the end of life or life-changing illness. In Cary we currently operate a 20-bed hospice home, which includes 14 hospice inpatient beds.

The Proposed 2018 SMFP includes a need determination for 14 additional hospice inpatient beds in Wake County. However, we believe that specific circumstances exist at this time which support a need for six (6), not 14, additional hospice inpatient beds in Wake County. This afternoon we will submit our petition to the SHCC, so I'd like to briefly highlight the rationale for our petition.

One year ago, we successfully petitioned the SHCC to remove the need determination in the 2017 SMFP for additional Wake County hospice inpatient beds. The reason for that petition was because we had previously received CON approval to add 10 beds to our facility, and were in the process of gaining the local regulatory approvals necessary to begin construction of the facility addition. So, we felt last year that a need determination in the 2017 SMFP was premature, and were gratified that the Agency and the SHCC approved our petition.

We are now nearing conclusion of construction for the 10 additional beds, which will increase our inpatient capacity by 71%, with the resulting 24 inpatient beds making our facility one of the largest in North Carolina. We anticipate the new beds to be operational within two months, by mid-September 2017. The cost to develop these additional beds is approximately \$2.7 million. Because hospice inpatient facilities are expensive to construct and to operate, it is essential to demonstrate that

additional hospice inpatient beds approved for development are or will soon be fully utilized before any further beds are determined to be needed by the standard methodology. Our soon-to-be-operational 10 new beds are of course not yet occupied. Because of our current high occupancy rate, we are cautiously optimistic that these additional beds will be well utilized in two to three years based on our knowledge of the market and experience operating an inpatient facility. However, we believe the Proposed 2018 SMFP need determination for 14 additional hospice inpatient beds is overstated, and that it would be prudent to reduce the need determination to six beds, a bed complement that could be developed in a cost-effective manner.

We believe that our petition is consistent with the three basic principles of quality, access, and value identified in the State Medical Facilities Plan. First, our proposed adjustment will have no negative impact on access to hospice inpatient services for Wake County residents, because access to additional beds in Wake County will occur within the next two months, and should support local need for the near term. Second, health care value is maximized by approval of an additional bed total that can be most cost-effectively developed. Third, approval of our petition would promote safety and quality because it will enable an orderly and efficient development and utilization of Transitions LifeCare's existing and soon-to-

be licensed hospice inpatient beds before additional hospice inpatient beds are developed.

In closing, we support the SHCC and the State's health planning objectives, but, because of the unique situation in Wake County including the additional beds that we will soon bring on line, we believe there is need for six, not 14, additional hospice inpatient beds in Wake County. We hope you will support us in this effort by approving our petition for an adjusted need determination. Thank you for providing us with the opportunity to discuss this important community issue.