

**Petition for an Adjusted Need Determination for One Medicare-Certified
Home Health Office in Buncombe County**

Petitioner

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Statement of Requested Adjusted Need Determination

BAYADA Home Health Inc. requests that Chapter 12 of the Proposed 2022 State Medical Facilities Plan (SMFP) be adjusted to reflect a need determination for one Medicare-certified home health office in Buncombe County based on the effects of the COVID-19 pandemic combined with exceptional factors of this service area.

Background

BAYADA Home Health Care Inc., established in 1975, has become one the largest home health care providers nationwide, offering a full range of home care services, from skilled nursing and personal care to rehabilitation and therapies, for pediatric, adult, and geriatric clients. Throughout the country, BAYADA has a special purpose – to help people have a safe home life with comfort, independence and dignity. This sense of purpose defines the BAYADA WAY and emphasizes the core values of compassion, excellence and reliability. In 2019, BAYADA transitioned to become a nonprofit company, protecting the organization from sale and providing security for employees and clients alike. Consequently, BAYADA's gains from operations are reinvested in its patient services, staff development, information systems and healthcare resources. BAYADA's status as a nonprofit company provides stability and enables the company to have greater resources for recruiting and maintaining excellent staff as compared to most other home health providers.

In 1990, BAYADA opened its first North Carolina home care office in North Carolina. BAYADA currently has nine Medicare-certified home health offices, 32 home care offices and one hospice home care agency in North Carolina. Also, BAYADA provides extensive private duty nursing and has an excellent reputation for meeting the high tech needs of patients in their homes.

BAYADA has an existing home care office in Asheville that provides non-medical assistance with activities of daily living for adults and seniors when a health issue has made it difficult to manage everyday tasks on their own. These services are provided primarily by home health aides on an ongoing shift (two-hour or more) basis, and are available 24 hours a day, 7 days a week. During 2020, this BAYADA home care office in Asheville served over 100 patients. The BAYADA office also provides personal care services for adults in Buncombe County through a federal grant-funded program that is facilitated by the Council on Aging. The BAYADA office in Asheville routinely receives two to three calls per week with requests for skilled home health services that would require a Medicare-certified home health office.

BAYADA also has a pediatric home care office in Asheville that provides a wide variety of services to medically fragile and medically complex children who are 0 through 20 years in accordance with the Community Alternatives Program for Children (CAP/C). This waiver program provides a cost-effective alternative to institutionalization for a Medicaid beneficiary who is medically fragile and at risk for institutionalization if home and community-based services approved in the CAP-C waiver were not available. These services allow the beneficiary to remain in or return to a home and community-based setting.

One of the strengths of BAYADA is its ability to develop and implement collaborative models of care for patients. BAYADA's ongoing ability to accept COVID-19 patient referrals from hospitals and other healthcare providers has been a tremendous benefit to provide quality care in a timely manner. The BAYADA Home Health offices throughout North Carolina have established a great track record of positive outcomes and has been diligent in supporting patients, families, facilities and senior living communities to help them navigate the COVID-19 crisis. Please see Attachment A for BAYADA COVID-19 documentation.

BAYADA supports the standard home health need methodology and the overall Certificate of Need and Healthcare Planning process. Consistent with the planning process of the State Medical Facilities Plan, BAYADA has this opportunity to submit a petition for an adjusted need determination for one Medicare-certified home health office due to the special attributes of the Buncombe County service area that differ from those provided by the standard methodologies and policies.

Reasons for the Requested Adjusted Need Determination

Justification for the requested adjusted need determination for one home health office in the Buncombe County service area is based on multiple factors that are outlined as follows:

- The standard need methodology for home health offices in the 2022 SMFP calculates a **projected deficit of 125.42 patients that is likely understated due to the impact of COVID-19 and other unique factors.**
- BAYADA's methodology and assumptions that are specific to the special factors in Buncombe County demonstrate a **projected deficit of 488 patients** based on the annual rates of change per 1000 population.
- With the seventh largest population in the state, Buncombe County is uniquely vulnerable because it has only two existing home health offices within the county; it has the fewest home health offices per 100,000 residents of any county of comparable size in the state.
- According to the NC Division of Health Service Regulation (NCDHRS) COVID-19 Dashboard, Buncombe County has experienced the highest total numbers of COVID-19 cases and deaths of any county in western North Carolina.¹
- Western North Carolina has mountainous geography and a greater potential for inclement weather than most areas of the state; this coupled with the COVID-19 pandemic creates barriers to access.
- While home health offices do not have capacity limits that are defined by regulation or licensure, the two existing home health providers in Buncombe County are both serving thousands of patients that far exceed the typical volumes for the majority of home health offices in North Carolina.
- Having more than two home health provider options in such a large and high population county provides an opportunity to improve emergency preparedness to respond to heightened risk of disasters.
- Unlike most other counties of similar size, there are very few home health offices in neighboring counties that have staff capacity and coverage for all of Buncombe County.
- Patient choice and access can be vastly improved with an additional Medicare-certified home health office located in Buncombe County.

The following paragraphs provide additional details and data that support the overall need for additional home health resources.

¹ COVID-19 North Carolina Dashboard, <https://covid19.ncdhhs.gov/dashboard>
Access on July 6, 2021

Home Health Deficit Projected for Buncombe County in the Proposed 2022 SMFP

On a statewide basis, 2020 home health utilization declined in most service areas during the early phase of the pandemic because many patients postponed hospital treatment and were reluctant to go to the hospital or allow home health staff into their homes. In the later part of the year, the home health utilization did rebound. In Buncombe County, home health utilization increased overall for the year. Examination of the home health data in the proposed 2022 SMFP reveals that the home health utilization statistics for the two home health providers located in Buncombe County are unusual in several respects:

1. The two home health offices located in Buncombe County provide service to thousands of patients within Buncombe County and in other counties, with much higher numbers of total patients than the average home health agency.
2. Care Partners Home Health achieved strong growth in utilization during 2020 while Kindred at Home experienced a decline.
3. Kindred at Home served far more home health patients that reside outside of Buncombe County than patients residing within the county.

	In-County Patients	Out-of-County Patients	Total Patients
Buncombe County 2019 Data (2021 SMFP Table 12A)			
HC0114 CarePartners Home Health	3,542	1,590	5,132
HC2114 Kindred at Home	1,953	3,032	4,985
Buncombe County 2020 Data (Proposed 2022 SMFP Table 12A)			
HC0114 CarePartners Home Health	3,935	1,770	5,642
HC2114 Kindred at Home	1,725	2,946	4,671
2020 Change from 2019			
HC0114 CarePartners Home Health	393	180	510
HC2114 Kindred at Home	-228	-86	-314

Source: Proposed 2022 SMFP

As seen in Chapter 12 of the Proposed 2022 SMFP, the standard home health methodology shows a projected deficit for home health patients which means that existing providers are expected to not serve all potential home health patients.

The assumption in the home health methodology states, “A county needs a new home health agency or office if the projected unmet need in a single county is 325 patients or more.” Consequently, the projected deficit for Buncombe County, by the standard methodology, is not large enough to trigger a need determination.

Proposed 2022 SMFP Projections for 2023 Table 12D	Adjusted Projected Total Patients	Projected Utilization	Surplus or Deficit
Buncombe County	8,355.61	8,481.03	-125.42

BAYADA believes that the projected deficit of 125.42 home health patients is significantly understated due to the impact of COVID-19 and other factors that are unique and specific to the Buncombe County service area. This first became evident to BAYADA because Buncombe County reported the highest total numbers of COVID-19 cases and deaths of any county in western North Carolina.² The petitioner also discovered that Buncombe County has the fewest home health offices per 100,000 residents of any county of comparable size in the state.

BAYADA asserts that the standard methodology does not accurately project the true home health deficit for Buncombe County due to its unique characteristics and because demand for home health services is increasing at a higher rate than the other nearby counties in the planning region. The following table shows that the Average Annual Rates of Change for Buncombe County are dissimilar to those of COG Region B. Three of the Average Annual Rates of Change in the Proposed 2022 SMFP for Buncombe are substantially higher as compared to those of Region B.

Analysis of Average Annual Rates of Change in Use Rates per 1000 (Columns L)	Columns L Comparisons	
	Buncombe	Region B
Under Age 18	3.0139%	1.0161%
Ages 18-64	3.2903%	0.5146%
Ages 65-74	4.0461%	4.8928%
Ages 75 and Over	2.1146%	0.0918%

Source: Proposed 2022 SMFP, Table 12B.

Since the population of Buncombe County represents the largest portion of the total within COG Region B, it is reasonable to evaluate the need for home health services based on the Average Annual Rate of Change that is specific to Buncombe County. This is because the other counties in COG Region B have smaller populations as well as lower home health use rates and annual rates of change.

² COVID-19 North Carolina Dashboard, <https://covid19.ncdhhs.gov/dashboard>
Access on July 6, 2021

Home Health Deficit Projected for Buncombe County Based on Buncombe County Annual Rates of Change in Use Rates per 1000 Population

Both the 2021 SMFP and the Proposed 2022 SMFP report deficits of over 125 home health patients per year in Buncombe County based on the standard methodology that relies on the regional rates. Buncombe County is dissimilar to its neighboring counties in many ways including the significantly higher average annual rates of change in use rates per 1000 population.

The table on the following page demonstrates the calculations based on the methodology in the Proposed 2022 SMFP that has been reworked with the changes to the highlighted columns that result using the Buncombe-Specific Average Annual Rates of Change in Use Rates per 1000.

A	B	C	D	E	F	G	H	I
	2020 Patients Served	COG Average Annual Rate of Change in # Patients Served	Projected # Patients Receiving Services in 2023	2020 Use Rate	Buncombe Average Annual Rate of Change in Use Rate	Buncombe Projected Use Rate per 1000 in 2023	Projected Population in 2023	Projected Home Health Patients
Under 18	178	0.2246%	179.20	3.624	3.0139%	3.9518	48,256	190.70
18 to 64	1,879	0.4452%	1,904.10	11.726	3.2903%	12.8832	161,643	2,082.49
65 to 74	1,944	7.1284%	2,359.73	60.617	4.0461%	67.9753	33,292	2,263.03
75 +	3,559	3.3117%	3,912.59	154.890	2.1146%	164.7159	26,152	4,307.65
Totals	7,560		8,355.61				269,343	8,843.87
Adjusted Total Patients Served	8,355.61	Based on 2022 SMFP Home Health Need Methodology						
Projected Home Health Utilization	8,843.87	Based on 2022 SMFP Methodology with Buncombe County Use Rates instead of COG Use Rates						
Projected Surplus or Deficit	-488.25	Projected Deficit for 2023						

Columns B, C, D and H in the table above are consistent with the Proposed 2022 SMFP home health methodology. Column D provides the Projected # Patients Receiving Services in 2023 at 8,355.61 which is the same as the value that is included in Table 12D. Column E shows the 2020 Use Rates that are also consistent with the Proposed 2022 SMFP Chapter 12. Column H shows that the Projected Population figures for Buncombe County in 2023 are consistent with the Proposed 2022 SMFP Chapter 12.

Column F provides the Buncombe Average Annual Rate of Change values above which are obtained from Table 12B, Column L of the Proposed 2022 SMFP (pages 229, 232, 235, and 238). These are substituted for the COG Region B values in the standard methodology in the Proposed Plan. Column G shows the Buncombe Projected Use Rate that is based on the following formula. Multiply the value in Column F by three and add that product to the value in Column E for each age group. The result is the projected use rate per 1,000 population in the projection year for each age group. These assumptions and calculations are based on the same formula as Step 8 of the home health methodology on page 221 of the Plan. Column I shows the resulting projected numbers of patients that are based on the Projected Use Rates in Column G multiplied by the Projected Population in Column H. The assumptions and calculations for Column I mirror Step 9 of the home health methodology on page 221 of the Plan.

The results of these calculations demonstrate that Buncombe County has a **projected deficit of 488.25 home health patients** based on the Buncombe-specific Average Annual Rate of Change and Buncombe home health use rates. This projected deficit exceeds the 325 threshold that supports the need determination based on Step 14 of the standard home health methodology.

Demographic Factors

Buncombe County ranks seventh in total population for all North Carolina counties. According to the US Census Bureau, 20.5 percent of the population in Buncombe County is over the age of 65, which is the highest percentage of any of the largest counties in the state. Growth in demand for home health services is expected to continue due to the aging of the population. COVID-19 has accelerated the need for in-home care as more patients and families want to avoid or minimize hospitalizations.

With a current population of 265,351, Buncombe County has only two Medicare-certified Home Health offices for a ratio of **0.75 offices per 100,000 population** which is the lowest ratio of any of the top 10 counties in North Carolina. Buncombe County residents have much less choice of home health providers as compared to the statewide ratio of 2.03 HHAs to 100,000 population.

	2021 Population	# Medicare-Certified HHAs	# HHA per 100,000
STATE	10,658,717	216	2.03
Mecklenburg	1,138,138	14	1.23
Wake	1,117,556	15	1.34
Guilford	539,491	8	1.48
Forsyth	382,388	10	2.62
Cumberland	333,323	5	1.50
Durham	324,586	5	1.54
Buncombe	265,351	2	0.75
Union	241,576	2	0.83
New Hanover	237,448	2	0.84
Gaston	224,738	4	1.78

Sources: Numbers Home Health Offices of Agencies based on Proposed 2022 SMFP Table 12A
Population data based on NC OSBM accessed June 28, 2021

https://files.nc.gov/ncosbm/demog/countytotals_2010_2019.html

Buncombe County population statistics in the above table do not include seasonal residents which range from 13,000 to 14,000 per quarter based on reports obtained from Buxton, a national leader in consumer analytics.³ Buncombe County has a sizable population of seasonal “snowbird” residents from other states who live in the county for several months of the year. Many of these seasonal residents are seniors who have health conditions that may require home health services.

³ Buxton, Healthcare Analysis of Buncombe County, custom report for BAYADA

Geographic and Environmental Factors

With a land area of 657 square miles, Buncombe County ranks as the 19th largest county in North Carolina. The primary thoroughfares within the county include U.S. Highways 23, 25 and 74, and Interstate Highways 26, 40 and 240. However, traffic on these roads may be disrupted by landslides due to the mountainous terrain. Elevations in Buncombe County range from 1,305 to 6,373 feet.⁴ The steep topography can create difficulties with travel as a result of unpredictable weather patterns, excess snow and ice and poor visibility. These factors increase the chances that inclement weather can disrupt power and communications for patients, families and home health providers. Having only two home health offices to serve such a large population that is dispersed over a sizable mountainous region puts home-bound patients at risk of service disruptions. The geographic characteristics also make it difficult for most home health offices from adjoining counties to provide consistent service throughout all of Buncombe County.

Emergency Preparedness in Evaluating the Potential Need for Additional Home Health Offices

Western North Carolina averages six snow/ice events each year which hinder travel. Natural disasters, including severe storms, flooding, landslides and earthquakes, are less frequent events that can require revised patient schedules and patient relocations. Because Buncombe County has both a large population and geographic area, these risks are magnified. As seen in the NCDHSR COVID-19 Dashboard, Buncombe County has experienced the highest total numbers of COVID-19 cases and deaths of any county in western North Carolina.⁵

Emergency preparedness and disaster planning include the process of risk assessment. Multiple categories of risk including environmental hazards, human-caused dangers and technological threats now heighten the chances that home health services will be disrupted.

In 2020, the COVID-19 pandemic caused utilization for hospitals and home health agencies to initially be diminished and then later surge. In the early phase, patients postponed treatment and were very reluctant to go to the hospital or allow home health staff into their homes. Healthcare managers had to work doubly hard to obtain personal protective equipment and adjust schedules when staff had to be quarantined. Later in the year, hospital occupancies soared and referrals to home health agencies climbed steeply. In January 2021, hospital admissions to Mission Hospital to Buncombe County skyrocketed due to COVID-19.⁶ Now it is clearly evident that healthcare providers will have to respond to the challenges of the COVID-19 pandemic

⁴ North Carolina Environmental Quality, Buncombe County Hazard Maps, <https://deq.nc.gov/about/divisions/energy-mineral-land-resources/north-carolina-geological-survey/geologic-hazards/buncombe-county-hazards-maps>

Accessed July 7, 2021

⁵ COVID-19 North Carolina Dashboard, <https://covid19.ncdhhs.gov/dashboard>

Access on July 6, 2021

⁶ Asheville Citizen Times: COVID-What you need to know Jan. 14, 2021 in Asheville, WNC

where staffing resources may be limited, as well as localized environmental emergencies and natural disasters.

Cybersecurity threats are now an elevated risk for all healthcare providers. In October 2020, the Department of Homeland Security’s Cybersecurity and Infrastructure Security Agency (CISA), the Federal Bureau of Investigation (FBI) and the Department of Health and Human Services (HHS) issued a [Joint Cybersecurity Advisory](#) warning of “**an increased and imminent cybercrime threat to U.S. hospitals and healthcare providers.**”

Having only two home health offices in Buncombe County, each serving thousands of patients per year, means that if either of these offices became nonoperational, even for a short time due to a disaster, the one remaining home health office would quickly be overwhelmed. Home health offices from neighboring counties are much smaller and would not have the capacity to compensate in an emergency due to staffing and travel constraints in the service area. Because Buncombe County is subject to a wide range of natural disasters, as well as the pandemic, and cybersecurity threats, the development of an additional Medicare-Certified office within the county will greatly enhance emergency response capabilities with a greater depth of coverage and additional resources.

Existing Home Health Offices in Buncombe County

Home health patients residing in Buncombe County are served by two Medicare-certified offices located within the county and multiple home health offices located in adjoining counties. CarePartners Home Health (HC0114) and Kindred at Home (HC2114) serve approximately 75 percent of the total Buncombe home health patients. The following tables provide excerpts of the Home Health Data by County of Patient Origin for Buncombe County.

2022 SMFP (2020 Data)

LIC #	Name	Facility County	Resident County	<18	18-64	65-74	75+	Total
HC0114	CarePartners Home Health Services	Buncombe	Buncombe	161	953	1012	1809	3935
HC2114	Kindred at Home	Buncombe	Buncombe	0	438	374	913	1725
HC0440	CarePartners Home Health Services	Henderson	Buncombe	17	126	135	264	542
HC0435	Encompass Health Home Health	McDowell	Buncombe	0	124	181	180	485
HC0279	CarePartners Home Health Services	Haywood	Buncombe	0	115	108	163	386
HC0911	AdventHealth Home Care Western North Carolina	Henderson	Buncombe	0	100	108	165	373
HC0419	Madison Home Care & Hospice	Madison	Buncombe	0	4	8	30	42
HC0323	PruittHealth @ Home - Yancey	Yancey	Buncombe	0	2	7	24	33
HC0201	Pardee Home Care	Henderson	Buncombe	0	12	9	2	23
HC0109	Home Care Services of Haywood Regional Medical Center	Haywood	Buncombe	0	5	2	6	13
HC0067	CarePartners Home Care & Hospice	Transylvania	Buncombe	0	0	0	2	2
HC0445	Encompass Health Home Health	Rutherford	Buncombe	0	0	0	1	1
Buncombe Totals				178	1,879	1,944	3,559	7,560

2021 SMFP (2019 Data)

LIC #	Name	Facility County	Resident County	<18	18-64	65-74	75+	Total
HC0114	CarePartners Home Health Services	Buncombe	Buncombe	119	904	925	1594	3542
HC2114	Kindred at Home	Buncombe	Buncombe	0	438	430	1085	1953
HC0440	CarePartners Home Health Services	Henderson	Buncombe	9	113	119	270	511
HC0911	AdventHealth Home Care Western North Carolina	Henderson	Buncombe	0	113	90	237	440
HC0435	Encompass Health Home Health	McDowell	Buncombe	0	112	126	185	423
HC0279	CarePartners Home Health Services	Haywood	Buncombe	4	104	95	173	376
HC0201	Pardee Home Care	Henderson	Buncombe	0	15	14	12	41
HC0419	Madison Home Care & Hospice	Madison	Buncombe	0	6	6	17	29
HC0323	PruittHealth Home Health - Yancey	Yancey	Buncombe	0	2	2	18	22
HC0109	Home Care Services of Haywood Regional Medical Center	Haywood	Buncombe	0	3	0	4	7
HC0436	Encompass Health Home Health	Polk	Buncombe	0	0	1	1	2
Buncombe Totals				132	1,810	1,808	3,596	7,346

The two home health offices located in Buncombe County have unusually large patient volumes. In 2020, the 216 Medicare-certified home health offices in North Carolina served a total of 241,395 patients for an average of approximately 1,118 patients per office. CarePartners (HC0114) served **5 times more patients** as compared to the average office in North Carolina and Kindred at Home served **4.18 times more patients**.

CarePartners Home Health Services is owned by CarePartners HHA, LLP and is part of the overall continuum of services that are provided by HCA Mission Health. In 2020, the CarePartners (HC0114) office served a total of 5,642 patients including 3,935 from Buncombe County and 1,770 from other counties. CarePartners HHA, LLP also has Medicare-certified home health offices in Henderson, Haywood, and Transylvania Counties.

Kindred at Home is being acquired by Humana. In 2020, the Kindred at Home (HC2114) office served a total of 4,671 patients including 1,725 from Buncombe County and 2,946 from other counties. Kindred at Home has twenty-nine Medicare-certified home health offices throughout North Carolina. The Kindred at Home office in Asheville serves large numbers of patients in Buncombe, Henderson, Haywood, McDowell and Transylvania Counties.

As discussed previously, Care Partners Home Health achieved strong growth in utilization during 2020 while Kindred at Home experienced a decline. Some of the most likely reasons for a home health office to experience a significant decline in 2020 were staffing shortages, the lack of personal protective equipment, and the inability to respond to referrals in a timely manner.

Having too few home health providers in a county with a high percentage of seniors contributes to access problems that include delays in initiating home health services and suppressed utilization by some payor segments. For example, some for-profit home health agencies may focus on serving high percentages of insured patients, while providing minimal services to Medicaid, Tricare and Indigent patients. The pending change in ownership for Kindred at Home, can also cause future uncertainty that would make it more difficult for this office to recruit and retain staff.

The two existing home health offices in Buncombe County may contend that they have the capability to continually add staff and resources to meet the growing demand in the service area. However, the contention that existing home health offices can simply add staff to meet higher demand is no longer reliable when staff members may have to be quarantined, as has actually occurred during the COVID-19 pandemic. As seen in the 2020 home health utilization data, one of the two existing home health providers in Buncombe reported a decline in utilization which was probably due to staffing constraints. Furthermore, if the BAYADA petition is approved, these existing providers will have the same opportunity to submit a CON application to establish a new home health office as any other applicant. The petition request for an additional home health office in Buncombe County to better serve the needs of the population should take precedence over the concerns of the existing home health offices that hold unparalleled market dominance.

Few Home Health Agencies in Adjoining Counties

Buncombe County is unlike most counties with populations greater than 200,000 that typically have neighboring counties with large numbers of existing home health offices. The six counties that are contiguous to Buncombe have a combined total of 10 home health offices, for an average of less than 2 offices per county. However, these offices have less staff and capacity as compared to the home health offices in Buncombe. Moreover, Henderson, Madison and Yancey Counties have projected deficits as seen in Table 12D of the Proposed 2022 SMFP. Traffic congestion between Henderson and Buncombe Counties will remain a significant problem for several more years because construction is underway on a project to widen approximately 16.9 miles of I-26 from U.S. 64 in Hendersonville to Brevard Road in Asheville. Consequently, Buncombe County residents should not be overly dependent on receiving home health services from home health offices in the other counties due to the existing deficits, and geographic and environmental factors in western North Carolina that can cause travel delays.

Over the years, the percentages of Buncombe County patients that have been served by out-of-county home health offices have remain relatively small in the 20 to 25 percent range. Elsewhere in the state, out-of-county home health offices serve higher percentages. For example, more than 40 percent of patients in Union and New Hanover Counties are served by out-of-county home health offices because these counties do not have the geographical and environmental factors that can often disrupt travel.

Union County with a current population of over 241,000, has only two Medicare-certified home health offices within its county. However, Union County home health patients are also currently served by 11 home health offices located in adjacent Mecklenburg County with tremendous capacity to serve many patients in its adjoining counties.

Patient Choice and Access

Clearly the residents of Buncombe County have extremely limited options for home health providers within their home county. Only two Medicare-certified Home Health offices are located in Buncombe County for a ratio of **0.75 offices per 100,000 population** which is the lowest ratio of any of the top 10 counties in North Carolina. The overall North Carolina ratio is 2.03 home health office per 100,000 population.

Increased greater patient choice is needed now more than ever in Buncombe County to enhance patient access such that home health providers are compelled to provide a broad array of services to all payor categories of patients and invest in staff development and technology. Improved patient choice would also encourage providers in the region to be more responsive and focused on preventing hospital admissions.

Medicare's conditions of participation were recently changed to now require hospitals to inform patients and/or the patient's representative of their freedom of choice in selecting their post-acute provider and of any disclosable financial interest the hospital has in, or with respect to, such post-acute provider/service. BAYADA believes that when patients are given the choice, many in the service area would choose to utilize a non-profit home health provider that is patient focused and has tremendous depth of resources. BAYADA's continued success in staff recruitment enables the company to open new offices and expand into new geographies. In North Carolina, BAYADA has existing regional and corporate resources that can achieve positive results.

Patients in Buncombe County do not have adequate access to home health services as seen in the home health deficits that are published in both the 2021 SMFP and the Proposed 2022 SMFP. As demonstrated on page 6 of this petition, when the Buncombe County annual rates of change per 1000 population are used to evaluate the need for services, the deficit of 488 home health patients is calculated. Buncombe County residents need and deserve to have an expanded choice of home health providers within their home county and greater access to services so that home health deficits do not continue year after year.

Adverse Effects for Healthcare Consumers if the Proposed Request is Not Granted

The continuity of care for citizens in Buncombe County is at risk because the service area has far fewer home health offices as compared to counties of similar size. It is unreasonable to assume that only two existing home health offices are sufficient to serve Buncombe County residents because the COVID-19 pandemic, cybersecurity threats and natural disasters can impair or disrupt services. Having only two home health offices in Buncombe County, each serving several thousands of patients per year, means that if either of these offices became nonoperational, even for a short time due to a disaster, the one remaining home health office would quickly be overwhelmed. Without adequate home health services, patient discharges from hospitals will be delayed and unplanned hospital readmissions will increase.

Alternatives Considered and Found Not Feasible

The alternatives of maintaining the status quo and submitting a petition to change the home health need methodology were considered by the petitioner. The option of maintaining the status quo is not feasible to BAYADA because its existing home care offices in Buncombe County are often receiving requests for home health services and there is no question that a home health deficit exists. The magnitude of the projected home health deficit in Buncombe County should not be underestimated because the disruption of healthcare services has been experienced during the COVID-19 pandemic.

BAYADA confirms that petitioning for a change in the home health need methodology is not appropriate because the current methodology functions effectively for most all counties in North Carolina. Buncombe County has the special characteristic where the projected home health deficit is larger than what would normally be predicted due to the exceptional characteristics of this service area.

For these reasons, the petition for an adjusted need determination for an additional home health office in Buncombe County is the most appropriate alternative given the highly unique factors of the service area.

Evidence that the Proposed Change Would Not Result in Unnecessary Duplication of Services

The proposed change would not represent unnecessary duplication of services in Buncombe County because the service area has the fewest existing home health offices of any county of comparable size. As seen in the utilization data for 2020, both of the existing home health providers have extremely high utilization that far exceeds the average home health agency. With increased home health demand, there is no guarantee that the existing providers can continually keep up with increased demand due to COVID-19 and the potential for service disruption due to other factors. CarePartners Home Health achieved strong growth in utilization during 2020 while Kindred at Home experienced a decline.

According to the Table 12B data in the Proposed 2022 SMFP the total number of Buncombe home health patients served in 2020 was 7,610 for the combined age groups. Table 12D, Column D projects home health utilization of 8,481 patients in 2023. The difference of 871 patients shows that even if a new home health office were implemented in 2023 with 325 patients, the existing home health agencies could still achieve growth.

Evidence that the Requested Change is Consistent with the Basic Principles of the SMFP: Safety and Quality, Access, and Value

The request for an adjusted need determination for a Medicare-certified home health office in Buncombe County is consistent with the Basic Principles as follows:

Safety and Quality

Medicare-certified home health offices are required to conform to the CMS conditions of participation which strongly encourage patient safety and quality as well as disaster planning. COVID-19 has added a new level of risk of service disruption that is in addition to the environmental disasters that can occur in Buncombe County. The proposed change would increase resources that directly relate to patient safety and quality. Having only two home health offices located within Buncombe County is risky because if one of the offices becomes nonoperational, the remaining office would likely be overwhelmed with the surge in patient workload.

Access

The requested change would improve patient access with a new home health office that would also expand patient choice so that the existing home health office will be encouraged to provide a broad array of services to all payor categories of patients. There are no guarantees that the two existing home health providers in Buncombe County can continually increase their staffing resources and capability to keep pace with demand. The assumption that home health offices can simply add staff is no longer valid because staff members may have to be quarantined, as has occurred during the COVID-19 pandemic. Therefore, having an additional home health office within Buncombe County will expand access and strengthen continuity of care.

Value

Additional home health resources could increase patient choice and provide cost savings. The petition for an additional home health office would promote a broad array of services to patients and families. This higher level of service can prevent readmissions to hospitals which results in

cost savings. A new home health office would be required to implement the Home Health Value Based Purchasing Model that is designed to give Medicare-certified home health agencies (HHAs) incentives to give higher quality and more efficient care.

Developing and implementing a new home health office does not require a large investment in a facility. Most potential applicants for the proposed need determination will likely have existing corporate and regional resources to support the development of the potential new office. Thus, there will likely be economies of scale that can enhance healthcare value in Buncombe County.

Conclusion

BAYADA supports the standard methodology for home health as well as the overall Certificate of Need and Healthcare Planning process. Consistent with the planning process of the State Medical Facilities Plan, BAYADA submits this petition for an adjusted need determination for one Medicare-certified home health office due to the special attributes of the Buncombe County service area that differ from those provided by the standard methodologies and policies.

Approval of this request would enable proposals for a new home health office from BAYADA and others to demonstrate their capabilities and success in recruiting excellent staff to eliminate the home health deficits. The proposed adjusted need determination will have a positive impact on improving patient access, quality and continuity of care.

Attachment A.



BAYADA Home Health Care COVID-19 Preparedness

As partners, our common goal is the safety and well-being of our communities. At BAYADA we work with a sense of purpose and responsibility to ensure the safety of clients within their homes through the delivery of quality care in the home. Amidst the changing climate of COVID-19, BAYADA Home Health Care is well prepared to manage the most complex health care needs in the home. Our number one priority is the safety and well-being of our patients and their families, our staff, and the communities in which we live and work.

Our preparation includes:

- Dedicated team members are at the ready to receive referrals.
- We have prepared employees for the COVID-19 outbreak with education and communication in order to keep both our clients and staff safe. Our Infection Prevention Programs set the highest standards in compliance with CDC recommendations.
- We have posted COVID-19 preparedness material on [our website](#) for transparency and partnership.
- We remain ready to accept new clients with COVID-19, to care for and support them during this difficult time.
- At BAYADA Home Health Care, we are prepared to receive referrals directly from emergency departments and post-acute facilities, as well as physician offices, for those clients who do not require acute care but still require close monitoring.
- We are taking measures to protect our clinicians by conducting pre-visit screening calls with our clients.
- We are asking our clinicians to self-monitor for symptoms of respiratory illness before reporting to work each day to protect our clients from COVID-19.

The core values of *The BAYADA Way* are *compassion, excellence, and reliability*. It is when we face the greatest challenges that heroes arise. We are confident that the essence of what we stand for, believe in, and value will improve our community's health and well-being as well as demonstrate the heroic spirit present in us all.

COVID-19 Safety Strategies



BAYADA is committed to providing home health care services *with the highest professional, ethical, and safety standards*. Part of this commitment includes following all state executive orders in addition to BAYADA's comprehensive Infection Prevention Program that provides the highest standards of infection prevention practices as recommended by The Centers for Disease Control and Prevention (CDC).

Standard Infection Prevention Reminders

- Wear a mask, stay at least 6 feet apart, avoid crowds, and wash your hands often. The more steps you take, the more you are protected against COVID-19.

BAYADA's COVID-19 Core Safety Strategies

- **Comprehensive Infection Prevention Program:** We train our clinicians annually on our [Infection Prevention Program](#) and reinforce our safety protocol throughout the year to ensure the safety of both our employees and clients.
- **Required PPE and Protocols:** BAYADA implemented required Personal Protective Equipment (PPE) standards that exceed standard precautions for the care of all clients, regardless of a client's symptoms or risk factors. When entering client homes, BAYADA clinicians wear a surgical mask and eye protection at a minimum, as part of our safety protocol.
 - **Universal Masking:** We encourage willing family members to wear a mask, although we do not *require* clients or household members to wear a mask. The CDC advises that universal masking protects the client, other household members, visitors to a client's home, and our clinicians. We are still able to safely provide care as long as our clinicians are following our PPE standards based on client/household scenario per our [PPE Standards-at-a-Glance](#).
- **COVID-19 Testing:** BAYADA adheres to all state regulations and facility protocols related to mandatory COVID-19 testing for clinicians working in a congregate setting (eg, senior living or assistive care facilities).
- **COVID-19 Screening:** BAYADA requires both client and clinician screening before engaging in client care and we screen every individual before they may enter a BAYADA office.
- **COVID-19 Vaccination:** BAYADA strongly recommends but does not require the COVID-19 vaccination for our clinicians or clients. We provide ongoing evidence-based education from the CDC to clinicians about the safety and efficacy of the vaccine and communicate opportunities to receive the vaccine as they become available in each state in which we serve our clients.
 - The vaccine is only one component of our safety strategies. Clinicians who are not vaccinated can still safely provide all client care by following our other safety strategies—just as they have prior to the availability of the COVID-19 vaccine.



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