

**Hospice Services**  
**Proposed 2009 State Medical Facilities Plan**

\*Petition Hospice Home Care - 1: Hospice of Davidson County

\*Related Comments. Note: Comments by Gary Drake dated July 25, 2008 were also made on July 18 and July 22.

**PETITION FOR AN ADJUSTMENT TO THE NEED  
DETERMINATION FOR HOSPICE HOME CARE OFFICE NEED  
FOR DAVIDSON COUNTY**

***Petitioner:***

Hospice of Davidson County  
524 South State Street  
Lexington, NC 27292

Gary Drake, Chief Executive Officer  
336-248-6185  
gdrake@hospiceofdavidson.org

DFS Health Planning  
RECEIVED

JUL 31 2008

Medical Facilities  
PLANNING SECTION

***Requested Change:***

Hospice of Davison County (HDC) petitions for an adjustment to be made to remove the need determination for one additional hospice home care office in Davidson County in the 2009 State Medical Facilities Plan (SMFP).

***Reasons Supporting Requested Change:***

**Proposed 2009 State Medical Facilities Plan/Identified Need**

The Proposed 2009 SMFP shows the need for one additional home care office in Davidson County.

HDC justifies the proposed adjustment to remove this projected need determination based on several factors, including:

- Variability of Davidson County Death Data
- Davidson County Exceptions to Standard Methodology
- Local Capacity of Hospice Services/Unnecessary Duplication
- Cost Effectiveness
- Community Support

The rationale is explained below.

### Davidson County Total Deaths Data

The main driver of the SMFP methodology in determining the need for additional hospice home care agencies is the total number of deaths per county. A comparison of historical data from three sources shows a large discrepancy in the total number of deaths for Davidson County, exhibited in the following table.

Davidson County Total Deaths

Source	2005	2006	2007
Death Certificates Issued	1,035	1,028	947
Davidson County Vital Records	1,036	1,024	946
NC Vital Statistics	1,376	1,500	1,511

Sources: Register of Deeds, Davidson County Health Department, 2007, 2008 and Proposed 2009 SMFP

Data from the Davidson County Health Department, Register of Deeds and NC Vital Statistics show the number of deaths that occurred in 2007 range from 946 to 1,511; a difference greater than 500, which greatly affects the percentage of deaths served by hospice in Davidson County for each given year. The wide range of numbers in the data from all three sources raises the question as to which source most accurately reflects the number of deaths in Davidson County. Notably, the data from Davidson County Vital Records and the Register of Deeds both demonstrate an 8% decrease in the number of deaths for Davidson County from the previous year. This is consistent with the decrease in the reported number of deaths served by hospice for 2007 in Davidson County. However, the data from the NC Vital Statistics for 2007 shows 150% higher number of deaths and also shows an increase in the number of deaths between 2006 and 2007, which is not consistent with the demonstrated trend of the other sources. This further highlights the variability of the data and raises uncertainties as to which source most accurately reflects the number of deaths in Davidson County. This discrepancy is one of the many items that HDC will present in letter form to the Hospice Methodology Task Force.

As previously indicated, HDC plans to submit a letter to the Task Force that will include both constructive criticism of the current standard methodology as well

as suggestions for revisions. HDC supports a methodology that will accurately reflect the need and demand for hospice home care services in Davidson County.

Until the Task Force has convened, HDC requests the SHCC adjust the need determination for an additional hospice home care agencies in Davidson County. Taking into consideration the variability in the data regarding deaths in Davidson County, especially since not all of the figures render a need for an additional hospice home care service in Davidson County, according to the current standard methodology.

### **Davidson County Exceptions to Standard Methodology**

The primary reason for this petition to remove the need determination is because the assumptions in the standard, state-wide methodology are not representative of the local experience in Davidson County.

For example, historically, the number of hospice deaths in Davidson County has increased an average of less than 4% per year, as shown in the table below.

**Historical Deaths Served by Hospice  
Davidson County**

<b>Year</b>	<b>Hospice Deaths</b>
2003	319
2004	303
2005	373
2006	406
2007	361

Source: 2005, 2006, 2007, 2008 and Proposed 2009 SMFPs

By contrast, the total number of deaths served by hospice for the State has increased an average of 17.8% per year. Given this vast difference in growth rates between the State and Davidson County, it is evident that Davidson County presents an exception to the State trend and data.

Secondly, the following table shows that the percentage of deaths served by hospice in Davidson County in 2007.

**Percentage of Deaths Served by Hospice  
Davidson County vs. North Carolina**

	<b>Davidson County</b>	<b>North Carolina*</b>
2007	23.9%	29.4%

\*State median percentage of deaths served by hospice, as per the methodology

Source: Proposed 2009 SMFP

As demonstrated in the table above, the percentage of deaths served by hospice in Davidson County is nearly 20% below the North Carolina median. This data further supports an adjustment to the standard methodology because the actual Davidson County experience is much lower than the state median.

In 2007, as a result of an interpretation of the CON law, Liberty Home and Health began offering hospice and home care services in Davidson County. This represents the 10<sup>th</sup> hospice home care provider agency serving Davidson County. Since then, the number of deaths served by a hospice facility has not increased. Clearly, deaths served by a hospice facility in Davidson County is not restricted due to inadequate access.

Overall, HDC supports the efforts of the State Health Coordinating Council; however, this petition demonstrates that there are special circumstances locally in Davidson County that merit an adjustment to the standard methodology.

HDC feels an appropriate methodology to assess the need for an additional hospice home care agency for Davidson County is to project future year hospice deaths utilizing a three-year compound annual growth rate, based on county historical growth. For Davidson County, this growth rate is 26.0%, which is the three-year compound annual growth rate of Davidson County hospice deaths from 2005 through 2007. This accurately reflects the services existing providers in Davidson County actually render. When this methodology is applied to Davidson County, there is no need for an additional hospice and home care agency. Please refer to the following table.

**Hospice Home Care Office Need Projections  
Davidson County**

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J
County	2006 Deaths	2007 Hospice Deaths	Hospice / Total	2002-06 Death Rate	2010 Population	2010 Projected Deaths	Projected Hospice Deaths	Number of Additional Need	Additional Hospice Office Need
Davidson	1,511	361	26.0%*	9.5	160,114	1,521	396	(35)	0

\*Utilizing the 3-year CAGR

Source: 2007, 2008 and Proposed 2009 SMFPs

As further evidence of the reasonableness to adjust the need determination for Davidson County, earlier this year the SHCC, based on an Agency recommendation, agreed to appoint a Hospice Methodology Task Force to meet in early 2009 to fully evaluate the present hospice home care and hospice inpatient bed need methodologies for use in the 2010 SMFP. The Task Force objective would be to recommend to the SHCC changes to improve both methodologies, based on current data trends. Thus, the methodology used in the Proposed 2009 SMFP is likely to be revised in the near future. HDC joins with the Carolina Center for Hospice and End of Life Care and other providers in supporting this Task Force objective. Currently counties, such as Davidson, present an exception to current standard methodology, demonstrating the need for the Task Force review. Therefore, the petitioner requests that rather than apply the results of a methodology that 1) is likely to change in the near term, 2) is not currently conducive to the circumstances unique to Davidson County, and 3) unnecessarily determines a need for an additional hospice home care agency in Davidson County, the Agency forego action in the 2009 SMFP and await the results of the Task Force and the resulting impact in the 2010 SMFP.

**Local Capacity of Hospice Services**

The proposed need determination is not representative of a lack of availability of hospice home care services in Davidson County. There is no shortage of options for Davidson County residents seeking hospice home care services. As shown on the table below, 10 agencies and offices provided hospice home care to residents of Davidson County in 2007.

**Agencies or Offices Serving Residents of Davidson County**

<b>Agency or Office</b>	<b>County</b>
Continuum Home Care and Hospice	Onslow
Gordon Hospice House	Iredell
Hospice & Palliative Care Center	Rowan
Hospice & Palliative Care Center	Forsyth
Hospice and Palliative Care of Greensboro	Guilford
Hospice of Davidson County, Inc	Davidson
Hospice of Randolph County, Inc	Randolph
Hospice of the Piedmont, Inc	Guilford
Liberty Home Care and Hospice	Davidson
Rowan Regional Home Health & Hospice	Rowan
<b>Total</b>	<b>10</b>

Source: Proposed 2009 SMFP

There is presently a plethora of options for hospice services available in Davidson County. Furthermore, HDC has never turned any patient away with a terminal diagnosis.

With 10 agencies and offices, Davidson County has more hospice home care agencies and offices serving its residents than many larger counties in North Carolina. For example, two large counties adjacent to Davidson are Forsyth and Guilford. Forsyth County has a population twice that of Davidson County, yet has fewer hospice home care agencies. Guilford County has a population three times that of Davidson County, yet has approximately the same number of hospice home care agencies (11 vs. 10). New Hanover County has a population 21% larger than that of Davidson County, yet has half the number of hospice home care agencies and offices. Even more dramatic is Buncombe County, which is 45% larger than Davidson County, and has only three hospice home care agencies and offices. Yet none of these counties has a need determination in the Proposed 2009 SMFP. In short, an additional provider would simply create further confusion for residents of Davidson County seeking hospice home care services.

This petition was not initiated by fear of competition. Indeed, there is currently a competitive local marketplace. Rather, HDC supports the three Basic Principles governing the SMFP which include: to promote cost-effective approaches, expand health care services to the medically underserved and encourage quality

health care services. These Basic Principles prompted HDC to submit this petition to ensure that need is evaluated in the most effective manner.

With 10 hospice home care agencies and offices, Davidson County currently has more than adequate capacity to accommodate the needs of Davidson County residents. An additional factor for consideration is that HDC, Davidson County's largest provider of hospice home care services, currently has existing capacity, even though it just experienced its highest ever half-year patient census.

HDC currently employs 6.5 FTE nurses and 4.0 FTE social workers. This staffing level means HDC has capacity to support 78 patients. However, the average home care patient count at HDC is 60. Therefore HDC is currently operating at 77% of current capacity, and thus has all resources necessary to immediately take on additional patients as the local demand for hospice home care services increase.

Furthermore, HDC is committed to the growth of its agency to accommodate the needs of residents of Davidson County as demand for hospice home services increase. This commitment is strongly supported by the Board of Directors of the agency. Throughout its history, the HDC Board has consistently shown a willingness to serve the community by authorizing additional staff hiring. The Board of Directors is also investing in a marketing plan targeted at creating greater community awareness of hospice programs. The goal is to educate the public about the benefits for patients and their families.

Recently, the HDC Board demonstrated its commitment to expanding access to hospice services in Davidson County. Specifically, HDC is developing a new hospice home care office, and is constructing Davidson County's first and only hospice inpatient facility. These two projects represent an investment of approximately \$5 million, and are set to open in January 2009. These projects will result in increased visibility for HDC, further leading to a greater awareness of the services provided by the agency to Davidson County residents and referring physicians.

In summary, the determined need for an additional hospice home care agency or office in Davidson County is not the result of a lack of available resources or options. In fact, it is the opposite. Davidson County is over served with 10 hospice agencies and offices, and the county's largest hospice home care agency HDC has available capacity. Therefore this need determination clearly represents an unnecessary duplication of services.



HDC humbly submits that the better option is for the State to build upon its good decision to approve development of HDC's inpatient facility, and allow the resulting improved visibility of HDC hospice services in Davidson County to combine with available capacity to meet the needs of Davidson County residents.

### **Cost Effectiveness**

Addition of another hospice home care office or agency in Davidson County does not represent a cost effective option from either a patient or a provider stand point. As previously stated, currently 10 agencies provide hospice home care services to Davidson County residents.

It is more cost effective to expand the current hospice home care services in Davidson County than to build an entirely new agency. The addition of another hospice home care office or agency would represent a superfluous expenditure resulting in the unnecessary duplication of services in Davidson County.

Start-up of a new hospice home care agency is expensive. For example, the administrative and support staffing structure for a hospice home care agency is approximately \$450,000. This is the cost of foundational staff, including an administrator, clinical management, financial management, one staff nurse, one staff nurse assistant, and a social worker. In addition, a new agency must lease office space and acquire office equipment and other necessary systems and supplies. By contrast, the annual salary of one additional staff nurse is approximately \$60,000. Therefore, it is much more cost effective to expand an existing agency with additional direct care staff to meet increasing demand, rather than to duplicate existing capacity by establishing an entirely new provider. This would only increase the cost of hospice care for consumers and third-party payors. By contrast, if a current provider can distribute its overhead costs by expanding direct care staff and increasing patient volume, the unit cost of care is moderated or even reduced. The benefits of economy of scale are an important consideration in the current healthcare and financial environment. In summary, the addition of a new hospice home care office or agency in Davidson County is the least cost effective alternative.

## **Community Support**

Physician and community support for HDC has been very positive. HDC has consistently received high satisfaction marks by area physicians, as evidenced by the physician satisfaction survey results, submitted in concordance with this petition. HDC received an average score of 4.8 out of 5 on all five criteria. Additionally, all surveyed physicians unanimously agreed they would continue to refer patients to HDC.

HDC also received hundreds of letters from physicians, health care providers, patient family members, and community members who supported the CON project, and who have subsequently expressed their satisfaction and support for the services that HDC provides.

Further evidence of this is HDC's fundraising campaign for the new inpatient home care facility. Despite economic challenges in the county, our project enjoys wide community support, with the public fund-raising campaign achieving its objective in a very short period of time. This demonstrates that expanding the current services provided by HDC is the option that the community supports.

As further evidence, HDC is submitting letters of support for this petition from local healthcare providers and agencies, including key physicians, hospitals, and the Davidson County Health Department.

## ***Adverse Effects of No Adjustment to the Determined Need***

Should this petition not be granted, another hospice home care office would enter the already congested market that exists in Davidson County. As previously stated, there are currently 10 agencies providing hospice services to the residents of Davidson County. The myriad of options available at present may unnecessarily confuse hospice patients and their families.

The new agency would not benefit hospice patients and families in Davidson County as current capacity is not lacking, additional capacity may be added, and the start up of a new agency is expensive and not cost effective, and would result in an unnecessary duplication of services.

## ***Conclusion***

In summary, Hospice of Davidson County seeks an adjustment to remove the need determination for an additional hospice home care agency located in Davidson County in the 2009 SMFP.

HDC feels that the petition is justified based on the following factors:

- Variability of Davidson County death data.
- HDC's inpatient facility, scheduled to open in January 2009, will allow improved visibility of hospice services in Davidson County and will further increase available capacity to meet the needs of Davidson County residents.
- The methodology which projected a need determination is dated and scheduled for review and revision by the SHCC in 2009.
- The methodology utilized in the Proposed 2009 SMFP is not representative of local experience within Davidson County.
- Davidson County is oversupplied with hospice home care agencies compared to larger North Carolina counties for which there is no need determination in the Proposed 2009 SMFP.
- HDC currently has additional capacity. Further, HDC is committed to growth, as necessary, to meet the future demand for hospice home care services.
- The need determination would result in an unnecessary duplication of hospice home care services.
- Addition of another hospice home care agency or office is not a cost effective alternative.
- HDC's petition has the support of the local physician and medical community.

**PETITION FOR AN ADJUSTMENT TO THE NEED  
DETERMINATION FOR HOSPICE HOME CARE OFFICE NEED  
FOR DAVIDSON COUNTY**

**ATTACHMENT - Letters of Support**



## Davidson County Health Department



L. Layton Long, R.S., M.S.A.  
Health Director

Michael Garrison, MD  
Medical Director

Mark Davis, DDS  
Chair, Board of Health

July 29, 2008

Mr. Thomas J. Pulliam  
Chair, Long-Term and Behavioral Health Committee  
State Health Coordinating Council  
NC Department of Health and Human Services  
Medical Facilities Planning Section  
2714 Mail Center Service  
Raleigh, NC 27699-2714

RE: Petition of adjusted need determination

One of the many responsibilities of the Davidson County Health Department is to assure essential health services are provided to county residents. Quality hospice care is included among health services seen as essential to our residents and all necessary efforts to assure this service should be implemented and maintained. It is my understanding that a needs determination has recently been conducted by the Medical Facilities Planning Section (MFPS) for Davidson which could result in another hospice Certificate of Need (CON) being issued for the County. While I support any actions from your agency that helps to assure and sustain adequacy of hospice services for our County, I am concerned that the addition of another CON for hospice services may not be in the best interest of our residents. We currently have ten hospice agencies operating within our county borders providing both choice and competition; essential elements for assuring access and quality to our residents. According to recent data, Hospice of Davidson County provides hospice services to over half of all hospice patients in the county. Only two other agencies provided care to other than a very small number of residents; six agencies had less than ten patients. Given this fact, and the fact that I am not aware of any situations where any resident has been unable to access hospice services it is unclear how or why our county could be deemed in need of another hospice agency.

It is my understanding that Hospice of Davidson County has filed a petition requesting no additional hospice CON's for Davidson County. Hospice of Davidson County has received tremendous community support both financially and otherwise over the many years it has offered hospice services to the community and more recently in its efforts to construct an inpatient facility. This facility is now under construction and will be a valuable asset in meeting the hospice needs of our local residents well into the future. I am concerned that issuance of another CON would only serve to undermine the efforts of Hospice of Davidson County, and possibly other existing hospice agencies, without improving access or quality of hospice services to residents.

I urge you to give careful consideration to the petition submitted by Hospice of Davidson County and base decisions regarding CON issuance on local situations and needs first, rather than basing them solely on a generic formulary.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Layton Long, Jr.", written over a horizontal line.

L. Layton Long, Jr.



July 23, 2008

Mr. Thomas J. Pulliam  
Chair, Long-Term and Behavioral Health Committee  
State Health Coordinating Council  
N.C. Department of Health and Human Services  
Medical Facilities Planning Section  
2714 Mail Center Service  
Raleigh, NC 27699-2714

Re: Petition for Adjusted need determination for no Additional Hospice Home Care Agency in Davidson County in the Final 2009 SMFP

Dear Mr. Pulliam:

On behalf of Lexington Memorial Hospital (LMH), I am writing to support the adjusted need petition submitted by Hospice of Davidson County to eliminate the need determination for another hospice home care agency in Davidson County.

Our community is generously blessed with extensive and capable healthcare professionals and provider organizations. LMH works with government agencies and other provider organizations to insure that Davidson County residents have adequate access to high quality services across a wide spectrum of needs. Specific to hospice home care services, residents of our county have available to them numerous options. Currently, at least 10 hospice home care agencies are serving Davidson County residents. I don't see the need for a CON determination for another provider in Davidson County.

I know that cost of care is an important issue in society. Like other providers, LMH strives to be cost effective in the delivery of care. From my perspective, addition of another hospice home care agency is not a cost effective alternative. The infrastructure required to start up a new agency represents hundreds of thousands of dollars in salaries for administrative and support staff. With Hospice of Davidson and other providers already meeting the needs of Davidson County residents, establishment of another hospice home care agency is an unnecessary expense that is purely duplicative of the infrastructures and staff that currently exist.

Our facility cares for many patients with life-threatening conditions. I personally believe that Hospice of Davidson County has an excellent reputation in Davidson County for providing exceptional palliative and end-of-life care to local residents. Their developing inpatient facility will soon enhance this service by providing close-to-home inpatient and residential services for end-of-life patients whose care cannot be managed at home.

John A. Cashion, FACHE President

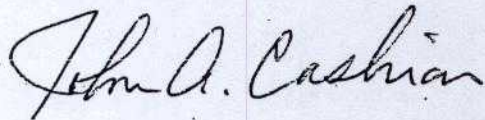


Charles W. Taylor Chairman-Board of Directors

We urge you to eliminate the need determination for another hospice home care agency. Davidson County is currently well served with many hospice home care options.

Thank you for you consideration of this letter of support. If you have questions or need further information, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "John A. Cashion". The signature is written in dark ink and is positioned to the right of the typed name.

John A. Cashion  
President

# Thomasville) MEDICAL CENTER

*Remarkable People. Remarkable Medicine.*

July 28, 2008

Mr. Thomas J. Pulliam  
Chair, Long-Term and Behavioral Health Committee  
State Health Coordinating Council  
N.C. Department of Health and Human Services  
Medical Facilities Planning Section  
2714 Mail Center Service  
Raleigh, NC 27699-2714

Re: Petition for Adjusted need determination for no Additional Hospice Home Care Agency in Davidson County in the Final 2009 SMFP

Dear Mr. Pulliam:

On behalf of Thomasville Medical Center (TMC), I am writing to support the adjusted need petition submitted by Hospice of Davidson County to eliminate the need determination for another hospice home care agency in Davidson County.

Our community is generously blessed with extensive and capable healthcare professionals and provider organizations. TMC works with government agencies and other provider organizations to insure that Davidson County residents have adequate access to high quality services across a wide spectrum of needs. Specific to hospice home care services, residents of our county have available to them numerous options. Currently, at least 10 hospice home care agencies are serving Davidson County residents. I don't see the need for a CON determination for another provider in Davidson County.

I know that cost of care is an important issue in society. Like other providers, TMC strives to be cost effective in the delivery of care. From my perspective, addition of another hospice home care agency is not a cost effective alternative. The infrastructure required to start up a new agency represents hundreds of thousands of dollars in salaries for administrative and support staff. With Hospice of Davidson and other providers already meeting the needs of Davidson County residents, establishment of another hospice home care agency is an unnecessary expense that is purely duplicative of the infrastructures and staff that currently exist.

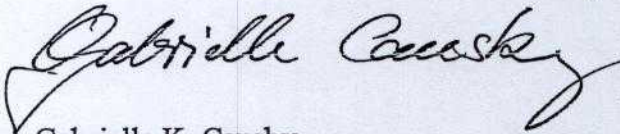
Our facility cares for many patients with life-threatening conditions. I personally believe that Hospice of Davidson County has an excellent reputation in Davidson County for providing exceptional palliative and end-of-life care to local residents. Their developing inpatient facility will soon enhance this service by providing close-to-home inpatient and residential services for end-of-life patients whose care cannot be managed at home.



We urge you to eliminate the need determination for another hospice home care agency. Davidson County is currently well served with many hospice home care options.

Thank you for your consideration of this letter of support. If you have questions or need further information, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Gabrielle Causby". The signature is written in black ink and is positioned above the typed name.

Gabrielle K. Causby  
President

July 28, 2008

Mr. Thomas J. Pulliam  
Chair, Long-Term and Behavioral Health Committee  
State Health Coordinating Council  
N.C. Department of Health and Human Services  
Medical Facilities Planning Section  
2714 Mail Center Service  
Raleigh, NC 27699-2714

Re: Petition for Adjusted need determination for no Additional Hospice Home Care Agency in Davidson County in the Final 2009 SMFP

Dear Mr. Pulliam:

As a former board member and as a business man, I know that Hospice of Davidson County enjoys a wonderful reputation in this county.

Hospice of Davidson County has always had the philosophy of serving anyone, who wanted to be served, regardless of ability to pay. Hospice does not turn patients away that have a terminal illness. Hospice does believe in choice and feels that 10 hospices serving our county offers that choice. Sometimes many agencies can cause some confusion for patients/families.

In a depressed economy for our county, Hospice of Davidson County has been able to raise \$3.1 million dollars for their 12 bed inpatient facility that should be open by the end of this year. This shows the strong community support that they have. The facility is much needed in our county, and it will put a face on hospice services that we believe will lead to more citizens using hospice services. This has happened in other areas where inpatient facilities have been opened.

I personally believe that Hospice of Davidson County has an excellent reputation in Davidson County for providing exceptional palliative and end-of-life care to local residents. I urge you to eliminate the need determination for another hospice home care agency. This county is currently well served with many hospice home care options.

Thank you for your consideration of this letter of support. If you have question or need further information, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Hugh Holliman". The signature is written in a cursive style with a large initial "H" and a long, sweeping underline.

Hugh Holliman, Majority Leader, North Carolina House of Representatives



# United Way of Davidson County

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July 28, 2008

Mr. Thomas J. Pulliam  
Chair, Long-Term and Behavioral Health Committee  
State Health Coordinating Council  
N.C. Department of Health and Human Services  
Medical Facilities Planning Section  
2714 Mail Center Service  
Raleigh, NC 27699-2714

Re: Petition for Adjusted need determination for no Additional Hospice Home Care Agency in Davidson County in the Final 2009 SMFP

Dear Mr. Pulliam:

As the President of United Way of Davidson County and active in this community, I know that Hospice of Davidson County enjoys a wonderful reputation in this county.

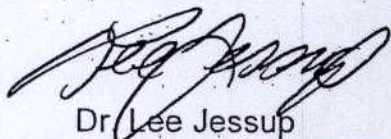
Hospice of Davidson County has always had the philosophy of serving anyone, who wanted to be serviced, regardless of ability to pay. Hospice does not turn patients away that have a terminal illness. Hospice does believe in choice and feels that 10 hospices serving our county offers that choice. We know that sometimes many agencies can cause some confusion for patients/families.

In a depressed economy for our county, we have been able to raise \$3.1 million dollars for our 12 bed inpatient facility that should be open by the end of this year. This shows the strong community support that we have. The facility is much needed in our county, and it will put a face on hospice services that we believe will lead to more citizens using hospice services. This has happened in other areas where inpatient facilities have been opened.

I personally believe that Hospice of Davidson County has an excellent reputation in Davidson County for providing exceptional palliative and end-of-life care to local residents. I urge you to eliminate the need determination for another hospice home care agency. This county is currently well served with many hospice home care options.

Thank you for your consideration of this letter of support. If you have question or need further information, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Lee Jessup", written in a cursive style.

Dr. Lee Jessup  
President, United Way of Davidson County



*Hospice of Davidson County . . .  
We Make the Difference*

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*Ask for us by name – Your Hometown Hospice*

July 28, 2008

Mr. Thomas J. Pulliam  
Chair, Long-Term and Behavioral Health Committee  
State Health Coordinating Council  
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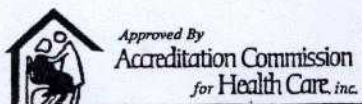
Dear Mr. Pulliam:

As a former board member and as a business man, I know that Hospice of Davidson County enjoys a wonderful reputation in this county.

Hospice of Davidson County has always had the philosophy of serving anyone, who wanted to be served, regardless of ability to pay. Hospice does not turn patients away that have a terminal illness. Hospice does believe in choice and feels that 10 hospices serving our county offers that choice. Sometimes many agencies can cause some confusion for patients/families.

In a depressed economy for our county, we have been able to raise \$3.1 million dollars for our 12 bed inpatient facility that should be open by the end of this year. This shows the strong community support that we have. The facility is much needed in our county, and it will put a face on hospice services that we believe will lead to more citizens using hospice services. This has happened in other areas where inpatient facilities have been opened.

The board of directors is not only behind the inpatient facility, but they have agreed unanimously again to construct a new office building on the same 31 acres where the inpatient building is being constructed. We have always wanted enough staff to handle growth easily, and we have outgrown our current office. We see continued growth for our agency with the addition of these two facilities.



*HOSPICE of Davidson County, Inc.  
524 South State Street; P.O. Box 1941  
Lexington, North Carolina 27293-1941  
(336) 248-6185 or 1 (800) 768-4677 Fax: (336) 248-4574*





**HOSPICE**

*Hospice of Davidson County . . . .*  
*We Make the Difference*

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*Ask for us by name – Your Hometown Hospice*

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Thank you for your consideration of this letter of support. If you have question or need further information, please let me know.

Sincerely,

*Barbara Smith*

Barbara Smith, Vice President, Lexington Memorial Hospital  
Board President, Hospice of Davidson County



Approved By  
Accreditation Commission  
for Health Care inc.

*HOSPICE of Davidson County, Inc.*  
*524 South State Street; P.O. Box 1941*  
*Lexington, North Carolina 27293-1941*



July 28, 2008

Mr. Thomas J. Pulliam  
Chair, Long-Term and Behavioral Health Committee  
State Health Coordinating Council  
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Re: Petition for Adjusted need determination for no Additional Hospice Home Care Agency in Davidson County in the Final 2009 SMFP

Dear Mr. Pulliam:

As a physician who takes care of many elderly patients, as well as patients with significant life threatening conditions, I am writing to support the adjusted need petition submitted by Hospice of Davidson County to eliminate the need determination for another hospice home care agency in Davidson County.

I am fully aware of the benefit of hospice services, and refer patients to Hospice of Davidson County, among other hospice providers. Hospice home care is certainly a vital service in Davidson County. However, the state-wide methodology is not applicable to Davidson County. The Proposed 2009 SMFP methodology incorporates state-wide assumptions regarding the percentage of deaths served by hospice agencies that is not representative of Davidson County.

Our community is generously blessed with extensive and capable healthcare professionals and provider organizations. Specific to hospice home care services, residents of our county have available to them numerous options. Currently, at least 10 hospice home care agencies are serving Davidson County residents. I don't see the need for a CON determination for another provider in Davidson County.

I personally believe that Hospice of Davidson County has an excellent reputation in Davidson County for providing exceptional palliative and end-of-life care to local residents. I urge you to eliminate the need determination for another hospice home care agency. This county is currently well served with many hospice home care options.

Thank you for your consideration of this letter of support. If you have questions or need further information, please let me know.

Sincerely,

*Victor B. Farnah D.O.*



July 28, 2008

Mr. Thomas J. Pulliam  
Chair, Long-Term and Behavioral Health Committee  
State Health Coordinating Council  
N.C. Department of Health and Human Services  
Medical Facilities Planning Section  
2714 Mail Center Service  
Raleigh, NC 27699-2714

Re: Petition for Adjusted need determination for no Additional Hospice Home Care Agency in Davidson County in the Final 2009 SMFP

Dear Mr. Pulliam:

As a physician who takes care of many elderly patients, as well as patients with significant life threatening conditions, I am writing to support the adjusted need petition submitted by Hospice of Davidson County to eliminate the need determination for another hospice home care agency in Davidson County.

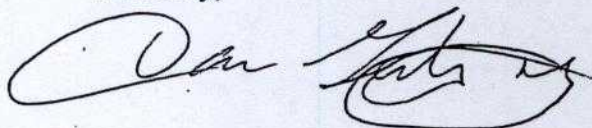
I am fully aware of the benefit of hospice services, and refer patients to Hospice of Davidson County, among other hospice providers. Hospice home care is certainly a vital service in Davidson County. However, the state-wide methodology is not applicable to Davidson County. The Proposed 2009 SMFP methodology incorporates state-wide assumptions regarding the percentage of deaths served by hospice agencies that is not representative of Davidson County.

Our community is generously blessed with extensive and capable healthcare professionals and provider organizations. Specific to hospice home care services, residents of our county have available to them numerous options. Currently, at least 10 hospice home care agencies are serving Davidson County residents. I don't see the need for a CON determination for another provider in Davidson County.

I personally believe that Hospice of Davidson County has an excellent reputation in Davidson County for providing exceptional palliative and end-of-life care to local residents. I urge you to eliminate the need determination for another hospice home care agency. This county is currently well served with many hospice home care options.

Thank you for your consideration of this letter of support. If you have questions or need further information, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Kelly", is written over a horizontal line.

July 28, 2008

Mr. Thomas J. Pulliam  
Chair, Long-Term and Behavioral Health Committee  
State Health Coordinating Council  
N.C. Department of Health and Human Services  
Medical Facilities Planning Section  
2714 Mail Center Service  
Raleigh, NC 27699-2714

Re: Petition for Adjusted need determination for no Additional Hospice Home Care Agency in Davidson County in the Final 2009 SMFP

Dear Mr. Pulliam:

As a physician who takes care of many elderly patients, as well as patients with significant life threatening conditions, I am writing to support the adjusted need petition submitted by Hospice of Davidson County to eliminate the need determination for another hospice home care agency in Davidson County.

I am fully aware of the benefit of hospice services, and refer patients to Hospice of Davidson County, among other hospice providers. Hospice home care is certainly a vital service in Davidson County. However, the state-wide methodology is not applicable to Davidson County. The Proposed 2009 SMFP methodology incorporates state-wide assumptions regarding the percentage of deaths served by hospice agencies that is not representative of Davidson County.

Our community is generously blessed with extensive and capable healthcare professionals and provider organizations. Specific to hospice home care services, residents of our county have available to them numerous options. Currently, at least 10 hospice home care agencies are serving Davidson County residents. I don't see the need for a CON determination for another provider in Davidson County.

I personally believe that Hospice of Davidson County has an excellent reputation in Davidson County for providing exceptional palliative and end-of-life care to local residents. I urge you to eliminate the need determination for another hospice home care agency. This county is currently well served with many hospice home care options.

Thank you for your consideration of this letter of support. If you have questions or need further information, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert C. Dellyhans". The signature is written in a cursive style with a large, looped initial "R".

**SHCC Public Hearing Presentation Comments for  
Adjusted Need Determination for No Additional Hospice  
Home Care Office in Davidson County**

Presented by Gary Drake, Chief Executive Officer  
Hospice of Davidson County

DFS Health Planning  
RECEIVED

AUG 1 - 2008

August 1, 2008

MEDICAL FACILITIES  
PLANNING SECTION

Good afternoon, my name is Gary Drake. I am the Chief Executive Officer for Hospice of Davidson County. I am here today to speak regarding our petition for an adjusted need determination to remove the need determination for an additional new hospice home care office in Davidson County in the 2009 State Medical Facilities Plan. We will be submitting the petition to the Medical Facilities Planning Section today.

Hospice of Davidson County was created in 1985 as a non-profit, community-based agency focusing on providing care for the terminally ill. Our mission is to improve the quality of life for individuals with a limited life expectancy and for their families. We have nearly 25 years of experience providing hospice home care services to local residents. Soon we will be opening our new inpatient facility. On behalf of the Board of Directors and

all the employees of Hospice of Davidson County, I want to thank the members of the State Health Coordinating Council and the staff at the Division of Health Service Regulation for enabling us to obtain the CON for this facility. This 12 bed facility costing \$3.6 million dollars represents a milestone in hospice care in Davidson County, and will enable us to further achieve our goal of improving the quality of life for persons with a terminal illness during the final stage of their life. The Henry Etta and Bruce Hinkle Hospice House will be completed by the end of this year and will have a great impact on our census in 2009.

With regard to our petition, we believe specific circumstances exist in Davidson County such that there is not a need for an additional hospice home care agency based in Davidson County. Our petition will provide the detailed rationale. I would simply like to highlight a couple of these reasons.

First, a comparison of historical data from the Davidson County Health Department, Register of Deeds and NC Vital Statistics show a large discrepancy in the total number of deaths for Davidson County. The wide range of numbers in the data from all three sources raises the question as to which source most accurately reflects the number of deaths in Davidson

County. This discrepancy is one of the many items that HDC will present in letter form to the Hospice Methodology Task Force.

HDC plans to submit a letter to the Task Force that will include both constructive criticism of the current standard methodology as well as suggestions for revisions. HDC supports a methodology that will accurately reflect the need and demand for hospice home care services in Davidson County. Until the Task Force has convened, HDC requests the SHCC adjust the need determination for an additional hospice home care agency in Davidson County.

Second, as our petition will show, the SMFP methodology incorporates state-wide assumptions regarding the percentage of deaths served by hospice agencies that are not representative of Davidson County.

Third, the addition of another agency in Davidson County would represent unnecessary duplication of existing services. As documented in the 2009 SMFP, Davidson County residents currently are served by 10 hospice agencies. So patients and their families do have choices. They certainly also have access. Currently Hospice of Davidson has been serving 60 patients per day for the first six months of this year. This is up from 55 patients per day last year. However, with our existing staffing, we have

the capacity to serve 78 patients, right now. And our Board of Directors is supportive of growth of our agency. Over the years, they have shown tremendous support for us, in providing the resources necessary for us to grow. This support continues, as our Board is committed to authorizing increased staff levels, as necessary, to accommodate increasing patient growth. Hospice of Davidson County has never turned a patient away that had a terminal prognosis.

HDC is not afraid of added competition in Davidson County. Indeed, there is currently a competitive local marketplace. Rather, HDC supports the three Basic Principles governing the SMFP which include: to promote cost-effective approaches, expand health care services to the medically underserved and encourage quality health care services. These Basic Principles prompted HDC to develop our petition to ensure that need is evaluated in the most effective manner.

Finally, addition of another hospice home care agency is not a cost effective alternative. As we will document in our petition, the infrastructure required to start up a new agency represents hundreds of thousands of dollars in salaries for administrative and support staff. In an era where cost of care is a major concern for patients, families, and payors, this expense is purely duplicative of the infrastructures and staff that currently

exist at Hospice of Davidson County and at other hospice agencies that serve Davidson County. The more effective alternative is for the current agencies to simply continue to grow as need increases.

I realize my time is short here. These are just a few of the reasons we will document in our petition. In summary, Hospice of Davidson County is very much in tune with the needs of County residents, and is dedicated to meeting those needs. Davidson County residents do not lack access to hospice services, and they do have choices in agencies. Davidson County physicians, hospitals, the health department, and many others in our community agree with our assessment, and see no need for another agency. These views will be evidenced in representative letters of support included in our written petition.

The opening of our new 12 bed inpatient facility, our open access philosophy, and the availability of nine other hospices does ensure that patients wanting hospice services will have their desires met.

We hope you will support us and our community by eliminating this unnecessary need determination. Thank you for providing me with the opportunity to discuss this important issue.

**SHCC Public Hearing Presentation Comments for  
Adjusted Need Determination for No Additional Hospice  
Home Care Office in Davidson County**

Presented by Gary Drake, Director  
Hospice of Davidson County

July, 2008

DFS Health Planning  
RECEIVED

JUL 25 2008

Medical Facilities  
PLANNING SECTION

Good afternoon, my name is Gary Drake. I am the Chief Executive Officer for Hospice of Davidson County. I am here today to speak regarding our petition for an adjusted need determination to not include a need determination for an additional new hospice home care office in Davidson County in the 2009 State Medical Facilities Plan. We will be submitting the petition to the Medical Facilities Planning Section by the August 1<sup>st</sup> deadline.

Hospice of Davidson County was created in 1985 as a non-profit, community-based agency focusing on providing care for the terminally ill. Our mission is to improve the quality of life for individuals with a limited life expectancy and for their families. We provide physical, emotional, and spiritual support to enable individuals to die with dignity in the comfort of



their home or other residence. We have nearly 25 years of experience providing hospice home care services to local residents. Soon we will be opening our new inpatient facility. On behalf of the Board of Directors and all the employees of Hospice of Davidson County, I want to thank the members of the State Health Coordinating Council and the staff at the Division of Health Service Regulation for enabling us to obtain the CON for this facility. This 12 bed facility costing \$3.6 million dollars represents a milestone in hospice care in Davidson County, and will enable us to further achieve our goal of improving the quality of life for persons with a terminal illness during the final stage of their life. The Henry Etta and Bruce Hinkle Hospice House will be completed by the end of this year and will have a great impact on our census in 2009.

With regard to our petition, we believe specific circumstances exist in Davidson County with regard to utilization of hospice services such that this county has no need for an additional hospice home care agency based in Davidson County. Our petition will provide the detailed rationale. I would simply like to highlight a couple of these reasons.

First, the state-wide methodology is not applicable to Davidson County. As our petition will show, the SMFP methodology incorporates state-wide assumptions regarding the percentage of deaths served by hospice agencies that is not representative of Davidson County.

Second, the addition of another agency in Davidson County would represent unnecessary duplication of existing services. We are not here to suppress competition. As documented in the 2009 SMFP, Davidson County residents currently are served by 10 hospice agencies. So patients and their families do have choices. They certainly also have access. Hospice of Davidson County has been serving 60 patients per day for the first six months of this year. This is up from 55 per day last year. However, with our existing staffing, we have the capacity to serve 86 patients, right now. And our Board of Directors is supportive of growth of our agency. Over the years, they have shown tremendous support for us, in providing the resources necessary for us to grow. This support continues, as our Board is committed to authorizing increased staff levels, as necessary, to accommodate increasing patient growth. Hospice of Davidson County has never turned a patient away that had a terminal prognosis.

Third, addition of another hospice home care agency is not a cost effective alternative. As we will document in our petition, the infrastructure required to start up a new agency represents hundreds of thousands of dollars in salaries for administrative and support staff. In an era where cost of care is a major concern for patients, families, and payors, this expense is purely duplicative of the infrastructures and staff that currently

exist at Hospice of Davidson County and at other hospice agencies that serve Davidson County. The more effective alternative is for the current agencies to simply continue to grow as need increases.

I realize my time is short here. These are just a few of the reasons we will document in our petition. In summary, Hospice of Davidson County is very much in tune with the needs of County residents, and are dedicated to meeting those needs. Davidson County residents do not lack access to hospice services, and they do have choices in agencies. Davidson County physicians, hospitals, the health department, and many others in our community agree with our assessment, and see no need for another agency. These views will be evidenced in multiple letters of support included in our written petition which will be submitted August 1st.

The opening of our new 12 bed inpatient facility, our open access philosophy, and the availability of nine other hospices does ensure that patients wanting hospice services will have their desires met.

We hope you will support us and our community by eliminating this unnecessary need determination. Thank you for providing me with the opportunity to discuss this important issue.

**SHCC Public Hearing Presentation Comments for  
Adjusted Need Determination for No Additional Hospice  
Home Care Office in Davidson County**

Presented by Lisa Hathaway

Hospice of Davidson County  
524 S. State Street  
Lexington, NC 27292  
July, 2008

DPS-HEALTH PLANNING  
RECEIVED

JUL 25 2008

Medical Facilities  
Planning Section

Good afternoon, my name is Lisa Hathaway. I am the Chief Operating Officer for Hospice of Davidson County. I am here today to speak regarding our petition for an adjusted need determination to not include a need determination for an additional new hospice home care office in Davidson County in the 2009 State Medical Facilities Plan. We will be submitting the petition to the Medical Facilities Planning Section by the August 1<sup>st</sup> deadline.

Hospice of Davidson County was created in 1985 as a non-profit, community-based agency focusing on providing care for the terminally ill. Our mission is to improve the quality of life for individuals with a limited life expectancy and for their families. We provide physical, emotional, and spiritual support to enable individuals to die with dignity in the comfort of

their home or other residence. We have nearly 25 years of experience providing hospice home care services to local residents. Soon we will be opening our new inpatient facility. On behalf of the Board of Directors and all the employees of Hospice of Davidson County, I want to thank the members of the State Health Coordinating Council and the staff at the Division of Health Service Regulation for enabling us to obtain the CON for this facility. This 12 bed facility costing \$3.6 million dollars represents a milestone in hospice care in Davidson County, and will enable us to further achieve our goal of improving the quality of life for persons with a terminal illness during the final stage of their life. The Henry Etta and Bruce Hinkle Hospice House will be completed by the end of this year and will have a great impact on our census in 2009.

With regard to our petition, we believe specific circumstances exist in Davidson County with regard to utilization of hospice services such that this county has no need for an additional hospice home care agency based in Davidson County. Our petition will provide the detailed rationale. I would simply like to highlight a couple of these reasons.

First, the state-wide methodology is not applicable to Davidson County. As our petition will show, the SMFP methodology incorporates state-wide assumptions regarding the percentage of deaths served by hospice agencies that is not representative of Davidson County.

Second, the addition of another agency in Davidson County would represent unnecessary duplication of existing services. We are not here to suppress competition. As documented in the 2009 SMFP, Davidson County residents currently are served by 10 hospice agencies. So patients and their families do have choices. They certainly also have access. Hospice of Davidson County has been serving 60 patients per day for the first six months of this year. This is up from 55 per day last year. However, with our existing staffing, we have the capacity to serve 86 patients, right now. And our Board of Directors is supportive of growth of our agency. Over the years, they have shown tremendous support for us, in providing the resources necessary for us to grow. This support continues, as our Board is committed to authorizing increased staff levels, as necessary, to accommodate increasing patient growth. Hospice of Davidson County has never turned a patient away that had a terminal prognosis.

Third, addition of another hospice home care agency is not a cost effective alternative. As we will document in our petition, the infrastructure required to start up a new agency represents hundreds of thousands of dollars in salaries for administrative and support staff. In an era where cost of care is a major concern for patients, families, and payors, this expense is purely duplicative of the infrastructures and staff that currently exist at Hospice of Davidson County and at other hospice agencies that serve Davidson County. The more effective alternative is for the current agencies to simply continue to grow as need increases.

I realize my time is short here. These are just a few of the reasons we will document in our petition. In summary, Hospice of Davidson County is very much in tune with the needs of County residents, and is dedicated to meeting those needs. Davidson County residents do not lack access to hospice services, and they do have choices in agencies. Davidson County physicians, hospitals, the health department, and many others in our community agree with our assessment, and see no need for another agency. These views will be evidenced in multiple letters of support included in our written petition which will be submitted August 1<sup>st</sup>.

The opening of our new 12 bed inpatient facility, our open access philosophy, and the availability of nine other hospices does ensure that patients wanting hospice services will have their desires met.

We hope you will support us and our community by eliminating this unnecessary need determination. Thank you for providing me with the opportunity to discuss this important issue.



**PUBLIC COMMENT TO SUPPORT REMOVAL OF THE NEED DETERMINATION FOR HOSPICE HOME CARE OFFICE NEED FOR DAVIDSON COUNTY**

**Public Commenter:**

Hospice & Palliative Care Center  
 101 Hospice Lane  
 Winston-Salem, NC 27103

JoAnn Davis, President and CEO  
 (336) 768-3972  
[joann.davis@hospicecarecenter.org](mailto:joann.davis@hospicecarecenter.org)

DFS Health Planning  
**RECEIVED**

AUG 1 - 2008

Medical Facilities  
 PLANNING SECTION

**Public Comment:**

Hospice & Palliative Care Center is making a public comment in opposition to the need determination for a hospice home care office need for Davidson County. The reason for our comment is three-fold. The Davidson County Need determination is the result of a one-time data anomaly, there are ten offices or agencies already serving Davidson County, and the hospice home care methodology task force has yet to convene and study the methodology.

**1. The Davidson County Need is the result of a one time Data Anomaly**

The need determination in the 2009 SMFP is the result of a one-year data point that is inconsistent with the trend. This may indicate either a data anomaly or a problem with the data reporting for one of the providers. Because the need methodology relies on self-reported deaths served by hospice, if in a given year the number of deaths is underreported, it has the effect of stimulating the need for additional hospice home care offices. In the past four years worth of SMFPs, the number of deaths in Davidson County has increased every year. In the 2006-2008 SMFP, the total deaths served by hospice increased as well. It is only in the 2009 SMFP that the total deaths served have decreased. The magnitude of the decrease is 10% despite a continued increase in number of deaths in the county. It is highly unlikely the decrease for one year reflects the long-term trend. The SHCC should study the trend in Davidson County for another year to avoid creating an additional home care office based on one year's worth of data.

The following table depicts the number of deaths, total deaths served by hospice and the deficit for each of the past four SMFPs.

Selected Data Point	2006 SMFP	2007 SMFP	2008 SMFP	Proposed 2009 SMFP
Number of Deaths	1456	1376	1500	1511
Total Deaths Served	303	373	406	361

Deficit	(65)	(56)	(50)	(86)
Need Determination	No	No	No	1 Office

**2. Davidson County is well served by existing providers**

There are ten hospice home care offices or agencies that are serving residents of Davidson County according to the proposed 2009 SMFP and these are listed in the written copy of these comments which I have provided. Nine of the offices or agencies are in Davidson or within a contiguous county. It is difficult to imagine with this many service providers that an eleventh hospice home agency is necessary. An additional home care office could dilute our ability to achieve economies of scale, which allow us to continue to provide care to all patients who need our services.

The following table lists the agencies or offices serving residents of Davidson County.

**Agencies or Offices Serving Residents of Davidson County**

Agency or Office	County
Continuum Home Care and Hospice	Onslow
Gordon Hospice House	Iredell
Hospice & Palliative Care Center	Rowan
Hospice & Palliative Care Center	Forsyth
Hospice and Palliative Care of Greensboro	Guilford
Hospice of Davidson County, Inc	Davidson
Hospice of Randolph County, Inc	Randolph
Hospice of the Piedmont, Inc	Guilford
Liberty Home Care and Hospice	Davidson
Rowan Regional Home Health & Hospice	Rowan
<b>Total</b>	

Source: Proposed 2009 SMFP

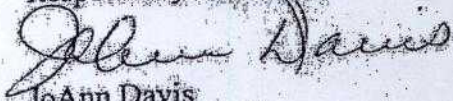
**3. The Task Force to study the hospice home care methodology should have appropriate time to review the validity of this need determination**

Finally, the Carolinas Center for Hospice and End of Life Care petitioned the SHCC to appoint a task force to study the hospice home care methodology for the 2010 SMFP and included recommendations for changes in the methodology for the 2009 SMFP. To my knowledge, the task force has not yet been named. Given the challenges with the existing methodology highlighted in the Carolinas Center petition, it would be prudent to suspend need methodologies in the 2009 SMFP for counties that have only just incrementally triggered a need until the task force can conduct further study.

In closing, we do not agree with the need determination in the 2009 SMFP for a hospice home care office in Davidson County and recommend that the SHCC remove the need from the final 2009 SMFP. We are concerned that the need is the result of a one year data anomaly, the county is already served by 10 home care offices or agencies and that the task force for hospice home care methodology has not met or had time to review the need determination. If there is truly a need, the data in the 2010 SMFP will support the need once again and there will be an opportunity next year to evaluate the need after the task force has had appropriate time to review the methodology.

Thank you for your time and attention to this matter. Please do not hesitate to contact me with any questions or concerns.

Respectfully submitted,



JoAnn Davis  
President and CEO

**PUBLIC COMMENT TO SUPPORT REMOVAL OF THE NEED  
DETERMINATION FOR HOSPICE HOME CARE OFFICE NEED  
FOR DAVIDSON COUNTY**

***Public Commenter:***

Hospice of the Piedmont, Inc.  
1801 Westchester Drive  
High Point, NC 27262

Leslie O. Kalinowski, President and CEO  
(336) 889-8446  
[lkalinowski@hospice-careconnection.org](mailto:lkalinowski@hospice-careconnection.org)

DFS HEALTH PLANNING  
**RECEIVED**

JUL 25 2008

Medical Facilities  
PLANNING SECTION

***Public Comment:***

Hospice of the Piedmont, Inc. is making a public comment in opposition to the need determination for a hospice home care office need for Davidson County. The reason for our comment is three-fold. The Davidson County Need determination is the result of a one-time data anomaly; there are ten offices or agencies already serving Davidson County; and the hospice home care methodology task force has yet to convene and study the methodology.

***1. The Davidson County Need is the result of a one time Data Anomaly***

The need determination in the 2009 SMFP is the result of a one-year data trend. This may indicate either a data anomaly or a problem with the data reporting for one of the providers. Because the need methodology relies on self-reported deaths served by hospice, if in a given year the number of deaths is underreported, it has the effect of stimulating the need for additional hospice home care offices. In the past four years worth of SMFPs, the number of total deaths in Davidson County has increased as have the total deaths served by hospice. It is only in the 2009 SMFP that the total deaths served have decreased. The magnitude of the decrease is 10% despite a continued increase in number of deaths. It is highly unlikely the decrease for one year reflects the long-term trend. The SHCC should study the trend in Davidson County for another year to avoid creating an additional home care office based on one years worth of data.

The following table depicts the number of deaths, total deaths served by hospice and the deficit for each of the past four SMFPs.

<b>Selected Data Point</b>	<b>2006 SMFP</b>	<b>2007 SMFP</b>	<b>2008 SMFP</b>	<b>Proposed 2009 SMFP</b>
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Deficit	(65)	(56)	(50)	(86)
Need Determination	No	No	No	1 Office

**2. Davidson County is well served by existing providers**

There are hospice home care offices or agencies that are serving residents of Davidson County according to the proposed 2009 SMFP. All are in Davidson or within a contiguous county. New programs (Liberty Hospice and Hospice Home at High Point) had just begun operating in the data collection period (October 1, 2006 to September 30, 2007) and new programs will become available to residents in Davidson County in 2009 (Hospice of Davidson inpatient facility and additional beds at the Kate B Reynolds Facility). It is difficult to imagine with this many service providers and new programs that an eleventh hospice home agency is necessary.

The following table lists the agencies or offices serving residents of Davidson County.

**Agencies or Offices Serving Residents of Davidson County**

Agency or Office	County
Continuum Home Care and Hospice	Onslow
Gordon Hospice House	Iredell
Hospice & Palliative Care Center	Rowan
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Hospice of Davidson County, Inc	Davidson
Hospice of Randolph County, Inc	Randolph
Hospice of the Piedmont, Inc	Guilford
Liberty Home Care and Hospice	Davidson
Rowan Regional Home Health & Hospice	Rowan
<b>Total</b>	

Source: Proposed 2009 SMFP

**3. The Task Force to study the hospice home care methodology should have appropriate time to review**

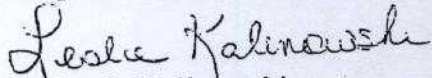
Finally, the Carolinas Center for Hospice and End of Life Care petitioned the SHCC to appoint a task force to study the hospice home care methodology for the 2010 SMFP and included recommendations for changes in the methodology for the 2009 SMFP. To my knowledge, the task force has not yet been named. Given the challenges with the existing methodology highlighted in the Carolinas Center petition, it would be prudent to suspend

need methodologies in the 2009 SMFP for counties that have just incrementally triggered a need until the task force can conduct further study.

In closing, we do not agree with the need determination in the 2009 SMFP for a hospice home care office in Davidson County and recommend that the SHCC remove the need from the final 2009 SMFP. We are concerned that the need is the result of a one year data anomaly, the county is already served by 10 home care offices or agencies and that the task force for hospice home care methodology has not met or had time to review the need determination. If there is truly a need, the data in the 2010 SMFP will support the need once again and there will be an opportunity next year to evaluate the need after the task force has had appropriate time to review the methodology.

Thank you for your time and attention to this matter. Please do not hesitate to contact me with any questions or concerns.

Respectfully submitted,



Leslie O. Kalinowski  
President and CEO