

Long-Term and Behavioral Health Committee
September 25, 2009
Adjusted Need Determination Petition
Regarding the Proposed 2010 SMFP

AGENCY REPORT:

Petitioner:

Community General Health Partners, Inc. d/b/a
Thomasville Medical Center & Novant Health, Inc.
Thomasville, Davidson County, North Carolina

Request

The petitioner, Community General Health Partners, Inc. d/b/a Thomasville Medical Center (TMC), requests an adjustment to the need determination for adult psychiatric beds, such that Table 15C (1): 2012 Need Determination For Adult Psychiatric Inpatient Beds in the 2010 State Medical Facilities Plan (SMFP) would be adjusted to reflect a need for seven adult psychiatric beds in Davidson County (one of five counties in the Piedmont local management entity (LME)). The petitioner further requests that a need for Davidson County be separated from the regional planning total (for the 2010 SMFP year only), resulting in an identified need in the 2010 SMFP of seven additional adult psychiatric beds for Davidson County. The petitioner notes that the seven adult psychiatric beds would be developed by converting existing TMC licensed acute care beds. No need exists for additional adult psychiatric beds in the Piedmont LME in the Proposed 2010 SMFP.

Background Information

The Proposed 2010 SMFP describes methods for hospitals to increase their inventory of psychiatric inpatient services beds without there being a need determination. First, in accordance with NCGS 131E-184(c), conversion of acute care beds to psychiatric beds is exempt from a certificate of need (CON) if (1) the hospital contracts “with the Department's Division of Mental Health, Developmental Disabilities, and Substance Abuse Services and/or one or more of the Area Mental Health, Developmental Disabilities, and Substance Abuse Authorities,” and (2) half of the converted beds are set aside for patients referred from the LME. Second, SMFP Policy PSY-1 allows, through the CON process, for the relocation of short-term psychiatric inpatient beds in state psychiatric hospitals to community facilities such as hospitals. Although the CON process must be followed, relocation of beds under Policy PSY-1 does not require that there be a need determination in the service area for a facility to apply for a CON.

The petitioner notes that in 2004, TMC “*petitioned the SHCC to include an 11 adult psychiatric bed adjusted need determination for Davidson County in the 2005 State Medical Facilities Plan. That Petition was approved and Thomasville Medical Center subsequently applied and received CON approval for the 11 additional adult psychiatric beds resulting in a 26 bed geriatric psychiatry program at Thomasville Medical Center. The 11 additional beds opened on January 1, 2006 and were fully operational in June 2007. Utilization of the 26 bed geriatric psychiatry*

program at TMC has exceeded 80% for the last three months and has exceeded the 75% target occupancy for inpatient adult psychiatric beds for the last six months. As a result TMC is once again approaching the SHCC for an adjustment to the need for adult psychiatric beds in Davidson County.”

Petitioner’s Analysis/Implications

Thomasville Medical Center operates a geriatric psychiatric inpatient program with 26 licensed adult psychiatric beds. The petitioner states that there is more demand for these beds than can be accommodated at the present time. This need is based upon the historical and projected utilization of the geriatric behavioral health inpatient unit at TMC. In addition, some of the existing beds are in a semi-private setting, which can cause placement and admission issues due to gender differences or due to medical issues.

The petitioner states that the number of people age 65 and older in Davidson and surrounding counties is projected to grow steadily over the next several years. *“Between 2009 and 2020, it is predicted that the Davidson County 65+ population will grow by over 47%, from about 21,000 in CY 2009 to almost 31,000 in CY 2020. In contrast, during that same time period the total population of Davidson County (all ages) grows by 18%. Thus, there will be an increasing 65+ geriatric population and the associated geri-psych needs are likely to increase accordingly.”*

The petitioner reports that need for adult psychiatric inpatient beds was documented in a recent CON application for moving beds from Broughton Hospital to Old Vineyard Behavioral Health Services under Policy PSY-1. *“The applicant showed persuasively that there is ample need for adult psychiatric inpatient beds in each of the counties that comprise Thomasville Medical Center’s primary and secondary service area. The methodology utilized an inpatient psychiatric use rate of 30 beds per 100,000 population. Use of this rate in the Thomasville Medical Center’s primary and secondary service area results in significant additional need for inpatient psychiatric beds.”*

As further evidence of the need for the additional seven beds for the geriatric psychiatric unit, the petitioner states that *“the geriatric-psychiatric program at Thomasville Medical Center has routinely had to deny admission to the TMC Geriatric Behavioral Health Unit because space was not available. With the occupancy rate on the unit routinely running greater than 75% over the past several months it is challenging to address separation required due to diagnosis and patient gender.”* The petitioner states that facilities in the Piedmont LME or surrounding counties cannot adequately meet the needs of geriatric patients in the service area.

Agency Recommendation

The Agency supports increasing psychiatric inpatient services in community facilities based on demonstrated need for such services. As noted in the Background section of this analysis, the SMFP includes ways for hospitals to increase their inventories of psychiatric inpatient beds without there being a need determination. The petitioner appears not to have explored methods for converting acute care beds to psychiatric inpatient beds, such as the exemption from a CON if a contract is developed with an LME to serve patients referred by the LME. While the 2004

TMC petition contained letters of support from surrounding LMEs, the current petition includes no mention of collaboration with an LME regarding the requested adjusted need determination, and no support letters from an LME.

There are 68 adult psychiatric inpatient beds in the Piedmont LME, with the standard methodology resulting in an excess of three beds in the service area. As indicated in the petition, Rowan Regional Medical Center has 20 adult psychiatric inpatient beds, though they are not specialized for a geriatric population, and CMC-NorthEast in Cabarrus County has a 10-bed dedicated geriatric-psychiatric inpatient unit. While not part of the LME, in contiguous Forsyth County there is conditional approval for a CON to move beds from Broughton Hospital to Old Vineyard Behavioral Health Services under SMFP Policy PSY-1, including a 12-bed geriatric unit. Another alternative may be to convert current semi-private rooms to private rooms, which could help address placement and admission issues.

The Agency notes that TMC is designated by the Division of Mental Health, Developmental Disabilities and Substance Abuse Services as a facility that will accept involuntary commitments. The Agency encourages TMC to consult with an LME regarding a possible conversion of existing acute care beds to psychiatric inpatient beds. Furthermore, the Agency suggests that the petitioner also explore meeting their needs through relocation of short-term psychiatric inpatient beds from a state psychiatric hospital to TMC using Policy PSY-1. In light of the alternatives available to the petitioner for increasing the inventory of psychiatric inpatient beds without there being a need determination, the Agency recommends denial of the petition.