

Long-Term & Behavioral Health Committee
Agency Report for Petition Regarding
Adult Care Home Demonstration Project-Alexander County
Proposed 2013 State Medical Facilities Plan

Petitioner:

Meridian Senior Living, LLC
P.O. Box 2568
Hickory, NC 28603

Request:

The petitioner, Meridian Senior Living, requests inclusion in the 2013 State Medical Facilities Plan (SMFP) of a special need determination for a multidisciplinary Adult Care Home demonstration project in Alexander County offering an alternative to psychiatric commitment for residents of Special Care Units with Alzheimer's disease who display violent behavior and who the petitioner states require supervision beyond which many Special Care Units in adult care homes can provide.

Background Information:

Chapter 2 of the SMFP describes the purpose and process for submitting petitions to amend the SMFP during its development. Petitions can be sent to the Medical Facilities Planning Branch twice during the course of plan development. Early in the planning year petitions that are related to basic plan policies and methodologies that have a statewide effect can be submitted.

"Changes with the potential for a statewide effect are the addition, deletion, and revision of policies and revision of the projection methodologies." Later in the planning year petitions can be submitted that relate to adjustments to projected need determinations in specific service areas.

The petitioner requests an exception to the need methodology in order to implement a demonstration project with statewide implications. Previous petitions for variations on this demonstration project were submitted to the State Health Coordinating Council (SHCC) in August 2010, March 2011 and August 2011. The SHCC denied the three previous petitions.

Please note that any petition for a demonstration project with statewide implications must be submitted early in the year for consideration prior to publication of the next "Proposed" State Medical Facilities Plan. If the SHCC believes the proposed demonstration project has merit, the demonstration project is presented in the proposed SMFP, which in turn allows all interested parties an opportunity to comment on the proposed demonstration project before the SHCC makes its final recommendations to the governor. The intent of this project is to serve the needs of multiple counties; therefore, it is not appropriate as an "adjusted need determination" request for the host service area of Alexander County. This petition is appropriate for review in the winter cycle.

Analysis/Implications:

The agency has reviewed all elements of the current petition and notes the following areas of concern:

- The petitioner presents only anecdotal data to support the statement that an unmet need exists for specialized services for people with Alzheimer’s disease who display violent behavior and the petition does not provide evidence that this problem actually exists within North Carolina’s current system of care. As a result, there is no objective standard given for the agency to evaluate both the necessity for and anticipated outcomes of the requested demonstration project.
- The petitioner states that the current system strains resources within psychiatric hospitals providing care for patients with Alzheimer’s disease with behavioral issues but provides no data to substantiate this statement.
- The petitioner states that a higher quality of care would be provided for the patients in the demonstration project facility at a lower cost than that provided by psychiatric hospitals but provides no information about how quality of care would be quantified for the purposes of evaluation within the demonstration project.
- It is unclear if the petitioner will use North Carolina State-mandated diagnosis requirements for admission to a Special Care Unit bed in its admissions criteria as would be required under current licensure rules.
- The petitioner does not provide specific information for any time period as to the number and location of their current and/or former residents, whose needs meet the targeted population criteria, indicating whether they have been discharged to home (with or without family), a psychiatric hospital, another Meridian Senior Living Facility, a competitor’s facility, or if they have remained in a “regular” Special Care Unit. There is also no information about these patients’ counties of origin, information which would provide some basis for the petitioner’s expectation of serving a broad geographical population.
- The facility proposed for the demonstration project is the currently closed Alexander County Hospital. The petitioner does not include any information about the feasibility of utilizing this facility for the demonstration project versus any other facility in Alexander County, or in any other facility or other county throughout North Carolina. The petitioner provides no definitive reason for seeking to specify an existing building within a specific county as the project site, rather than making the demonstration project available for competitive review on a statewide basis.
- The petitioner states that other facilities would utilize the demonstration project facility but does not present any letters of support indicating that other facilities are interested in such services and would make use of them.
- The petition does not address the feasibility of coordination of care with the proposed patients’ original facilities or how families would remain engaged with the patients’ care at a geographical distance.
- While the petitioner states that *“specially trained staff...with the help of medical professionals, will incorporate innovative techniques to ensure the reintegration of residents into the facilities from which they came,”* the petitioner provides no information about how training for the staff of the proposed demonstration project would be substantively different than that provided in other Special Care Units in the state and a review of the proposed full-time equivalent (FTE) shows no clinician possessing advanced medical training, such as a physician, pharmacist or psychiatrist, would be involved in the ongoing care of these high-need patients.

Agency Recommendation:

The issues noted above, many of which have been raised in previous agency reports in response to prior petitions for variations on this demonstration project, remain unaddressed in this petition. The agency is concerned about the lack of clarity of how the demonstration project is conceptualized; specifically, how the patient population is identified and referred; the size of the population to be served; how quality of care is defined and evaluated; how training within the facility would be quantifiably different than that provided in existing facilities serving dementia patients; and how additional medical professionals will be engaged "...within the current Special Care Unit reimbursement structure." In addition, the financial feasibility of the proposed location for the project and its location with regard to access across the state, the lack of competitive review, and the uncertain support of providers from whom the petitioner would draw patients are not sufficiently addressed in the petition. Based on these factors, the agency recommends the petition be denied.