



**Long-Term and Behavioral Health Committee Minutes - DRAFT**  
**Thursday, April 5, 2018**  
**10:00 a.m. -12 Noon**  
**Brown Bldg. Room 104, Raleigh, NC**

Healthcare Planning and Certificate of Need Section

<b>Members Present:</b> Ms. Valarie Jarvis – LTBH Committee Chair, Dr. Chris Ullrich – SHCC Chair, Ms. Denise Jarvis, Ms. Glendora Brothers, Mr. Jim Martin, Jr., Dr. Jaylan Parikh, Dr. T.J. Pulliam, Mr. Tim Rogers
<b>Members Absent:</b> Ms. Quintana Stewart
<b>Healthcare Planning:</b> Dr. Amy Craddock, Ms. Elizabeth Brown, Dr. Andrea Emanuel
<b>DHSR Staff:</b> Ms. Martha Frisone, Ms. Fatimah Wilson
<b>AG's Office:</b> Mr. Derrick Hunter

Agenda Items	Discussion/Action	Motion/ Seconded	Recommendations/ Actions
<b>Welcome &amp; Announcements</b>	<p>Ms. Jarvis welcomed members, staff and guests to the first Long-Term and Behavioral Health (LTBH) Committee meeting.</p> <p>She stated that the purpose of this meeting was to review the polices and methodologies to determine if changes are needed for the Proposed 2019 State Medical Facilities Plan, to discuss the petitions received, and to vote on a recommendation for the State Health Coordinating Council (SHCC). Ms. Jarvis stated the meeting was open to the public, but discussion would be limited to members of the Long-Term and Behavioral Health Committee and staff, unless questions are specifically directed to someone in the audience.</p> <p>Ms. Jarvis noted that the next LTBH Committee meeting would be on May 3<sup>rd</sup> at 10:00 a.m. in this location.</p> <p>Ms. Jarvis asked the committee members and staff to introduce themselves.</p>		

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<b>Review of Executive Order No. 122: Extending the State Health Coordinating Council &amp; Executive Order No. 46: Ethical Standards for the State Health Coordinating Council</b>	<p>Ms. Jarvis gave an overview of the procedures to observe before taking action at the meeting. Ms. Jarvis inquired if anyone had a conflict, needed to declare that they would derive a benefit from any matter on the agenda, or intended to recuse themselves from voting on the matter. Ms. Jarvis asked members to review the agenda and declare any conflicts on today’s agenda. As president and CEO of the Association for Home and Hospice Care of North Carolina Tim Rogers recused himself from voting on the Home Health petition but asked that he be allowed to participate in any discussion on the matter. Ms. Jarvis stated that any member who recuses himself is not prohibited from deliberating on the matter unless she, as Chair, determined that doing so would negatively impact the integrity of the Committee.</p> <p>Ms. Jarvis stated that if a conflict of interest for a matter not on the agenda came up during the meeting, the member with the conflict of interest would make a declaration of the conflict.</p>		
<b>Approval of September 8, 2017 Minutes</b>	<p>A motion was made and second to accept the September 8, 2017, LTBH meeting minutes.</p>	<p>Dr. Pulliam Mr. Rogers</p>	<p>Motion approved</p>
<b>Nursing Care Facilities - Chapter 10</b>	<p>No petitions or comments were received for this chapter.</p> <p>Dr. Andrea Emanuel provided a review of the policies and the methodology for Chapter 10.</p> <p><b><u>Committee Recommendation</u></b> A motion was made and seconded to approve policies and the methodology for Chapter 10 to the SHCC.</p>	<p>Mr. Rogers Dr. Pulliam</p>	<p>Motion approved</p>
<b>Adult Care Homes – Chapter 11</b>	<p>No petitions or comments were received for this chapter.</p> <p>Dr. Emanuel presented the current and proposed methodology and policies for Chapter 11. This presentation included a list of recommendations developed in collaboration with a group of interested parties.</p> <p>The recommendations discussed are as follows:</p>		

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	<p><u>Recommendation 1</u>: Calculate bed use rates for each county's projected utilization by using the county average change rate (ACR) over the last five years rather than age-specific use rates calculated for the state.</p> <p><u>Recommendation 2</u>: Include a vacancy factor to calculate each county's adjusted projected utilization. The group of interested parties decided a vacancy factor of either 90% or 95% might be appropriate. The impact on need according to analyses of 2018 data will be compared for both vacancy factors before a final decision is made.</p> <p><u>Recommendation 3</u>: Use the maximum occupancy rate calculated in determining need.</p> <p><u>Recommendation 4</u>: An occupancy rate of 80%, rather than 85%, will be a threshold for determining need.</p> <p><u>Recommendation 5</u>: Revise Policy LTC-1: Plan Exemption for Continuing Care Retirement Communities – Adult Care Home Beds language to reflect that all ACH beds in Continuing Care Retirement Communities (CCRCs) will be removed from the bed inventory. Recommended language change in the final paragraph detailing Policy LTC-1 in Chapter 4 is as follows:</p> <p style="padding-left: 40px;"><del>One-half</del> One hundred percent of the adult care home beds developed under this exemption shall be excluded from the inventory used to project adult care home bed need for the general population. Certificates of need issued under policies analogous to this policy in the North Carolina State Medical Facilities Plans subsequent to the North Carolina 2002 State Medical Facilities Plan are automatically amended to conform with the provisions of this policy at the effective date of this policy.</p> <p><u>Recommendation 6</u>: Revise language to reflect that all ACH beds in CCRCs will be removed from the bed inventory and from the occupancy rate calculations, regardless of whether the beds were developed pursuant to Policy LTC-1. The</p>		

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	<p>recommended language change for the basic assumption listed in Chapter 11 is as follows:</p> <p>3. <del>One-half</del> One hundred percent of the beds developed as part of a qualified continuing care retirement community, including those that were developed prior to the enactment of Policy LTC-1, are excluded from the inventory, and the associated days of care will be removed from the occupancy rate calculation.</p> <p><u>Recommendation 7</u>: <i>Revise language in Policy LTC-2: Relocation of Adult Care Home Beds to reflect that beds can be relocated from any county with a surplus of beds to any county with a deficit of beds.</i> The recommended language change for Policy LTC-2 in Chapter 4 is as follows:</p> <p>Relocations of existing licensed adult care home beds are allowed to another service area <del>only within the host county and to contiguous counties.</del></p> <p>Certificate of need applicants proposing to relocate licensed adult care home beds <del>to a contiguous county</del> shall:</p> <ol style="list-style-type: none"> <li><del>1. —</del> Demonstrate that the facility losing beds or moving to a contiguous county is currently serving residents of that contiguous county; and</li> <li><del>2.</del> 1. Demonstrate that the proposal shall not result in a deficit, or increase an existing deficit in the number of licensed adult care home beds in the county that would be losing adult care home beds as a result of the proposed project, as reflected in the North Carolina State Medical Facilities Plan in effect at the time the certificate of need review begins; and</li> <li><del>3.</del> 2. Demonstrate that the proposal shall not result in a surplus, or increase an existing surplus of licensed adult care home beds in the county that would gain adult care home beds as a</li> </ol>		

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	<p>result of the proposed project, as reflected in the North Carolina State Medical Facilities Plan in effect at the time the certificate of need review begins.</p> <p><u>Recommendation 8</u>: <i>Develop a policy that aims to increase access to adult care home beds by special assistance populations.</i> The recommended policy language is as follows:</p> <p style="padding-left: 40px;">Certificate of Need applicants proposing to develop new adult care home beds pursuant to a need determination shall demonstrate that the proposed beds will be certified for special assistance and that at least 5% of the projected days of care in the third full fiscal year of operation shall be provided to residents receiving State-County Special Assistance.</p> <p>The recommendations are posted on the Division website along with the other meeting materials, and the presentation will be posted there after the meeting as well.</p> <p><b><u>Discussion Point</u></b> Tim Rogers asked if methodologies in surrounding states were examined to determine the need for a vacancy factor in the calculation of projected utilization. Dr. Emanuel stated that this did not occur. Rather, the recommendation to include a vacancy factor originated from a member of the interested parties group who is highly knowledgeable of the long term care service industry.</p> <p><b><u>Committee Recommendation</u></b> A motion was made and seconded to approve implementation of the proposed revisions for the development of draft tables to be presented at the next LTBH Committee meeting.</p>		
<b>Medicare Certified Home Health Services – Chapter 12</b>	<p>No petitions or comments were received for this chapter.</p> <p>Ms. Elizabeth Brown provided a review of the policy and the methodology.</p>		

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	<p><b><u>Policy HH3: Need Determination for Medicare-Certified Home Health Agency in a County.</u></b> This policy, “[e]stablishes a need for a new home health office when there is no existing office located in a county with a population of 20,000 people or more; or if the county population is less than 20,000 people and there is no home health office located in a North Carolina county within 20 miles.</p> <p>This Policy has a footnote. It is an exception that was put in place by this Committee in 2014 for the 2015 SMFP. Granville Vance District Health Department petitioned the SHCC in 2013 to remove a need determination for one new Medicare-certified home health agency in Granville County from the Proposed 2014 SMFP. The new home health agency need was triggered by Policy HH-3, not the standard methodology.</p> <p>The standard methodology would have generated a need determination for a home health agency office if the needs of patients in the county were not being met. Since Policy HH-3 would continue to trigger a need determination, staff developed language for an exception that recognizes home health agency offices that served the multi-county area as a single geographic entity.</p> <p>Granville Vance District Health Department no longer operates a Medicare-certified home health agency. (Now served by 3HC Home Health agency.) Based on this information, staff recommends deleting the Policy’s footnote.</p>		
	<p><b><u>Committee Recommendation</u></b> A motion made and seconded to approve policy HH-3 with update and the methodology for Chapter 12 to the SHCC.</p>	Dr. Pulliam Mr. Rogers	Motion Approved
	<p><b><u>Chapter 12 Petition</u></b> Ms. Brown provided an overview of the petition and agency report; there were 76 comments made about the home health petition. Eight of the comments were in support of this petition and 68 of the comments were in opposition.</p>		

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	<p><b><u>Request:</u></b>  LeadingAge North Carolina requested a new policy in the <i>North Carolina Proposed 2019 State Medical Facilities Plan (SMFP)</i> to include an exemption to the need determination methodology for Medicare-certified home health agencies for Continuing Care Retirement Communities (CCRCs) who want to license and implement a Medicare-certified home health agency to serve only individuals with whom the CCRC has a continuing care contract.</p> <p>LeadingAge proposed the policy to enable CCRCs to live up to the commitment to provide a continuum of aging care having home health services delivered by a third party. The petition also noted, and the Agency analysis confirmed, that a very small proportion of the total home health patients in the state would be affected by the proposed change.</p> <p>A projection of this size does not support the addition of a new statewide policy. The agency recommended denying this Petition.</p>		
	<p><b><u>Committee Recommendation on Petition</u></b>  A motion was made and seconded to approve agency’s recommendation to deny the Petitioner’s requests for a new home health Policy to exempt CCRCs from need determinations.</p>	Dr. Pulliam Ms. Michaud	Motion approved
<b>Hospice Services – Chapter 13</b>	<p>No petitions or comments were received for this chapter.</p> <p>Ms. Brown noted that there are no policies specific to hospice services and then summarized the methodologies for these services.</p>		
	<p><b><u>Committee Recommendation</u></b>  A motion was made and seconded to approve policies and the methodology for Chapter 13 to the SHCC.</p>	Dr. Pulliam Mr. Rogers	Motion approved
	<p>No petitions or comments were received for this chapter.</p>		

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<b>End-Stage Renal Disease Dialysis Facilities – Chapter 14</b>	Ms. Brown provided a review of the policy for End-Stage Renal Disease Dialysis Facilities as found in Chapter 4 on page 27 of the 2018 SMFP. She also reviewed the need methodologies for these services as found on pages 375 – 378.		
	<p><b><u>Committee Recommendation</u></b>  A motion was made and seconded to approve policies and the methodology for Chapter 14 to the SHCC.</p>	Dr. Parikh Mr. Rogers	Motion approved
	<p><b><u>Semiannual Dialysis Reports</u></b>  Ms. Brown asked the Committee to consider transitioning the Semiannual Dialysis Reports (SDRs) to the State Medical Facilities Plan (SMFP) for the North Carolina 2019 SMFP. She provided the following reasons to include dialysis in the Annual Planning Cycle:</p> <ul style="list-style-type: none"> <li>• It is the only health service that is handled differently. (Data is not reviewed by SHCC and public or available for comment); and</li> <li>• This presents an opportunity to align data reporting requirements of dialysis providers with the data reporting requirements of other healthcare providers by change from biannual to annual data reporting requirements; and</li> <li>• The change will reduce the workload for dialysis providers (Facilities, Management level) and Healthcare Planning staff (Planner, Database Manager, Administrative Support and Management).</li> </ul> <p>Ms. Jarvis mentioned, a comment period is open until Tuesday, April 24, 2018 at 5:00 p.m. Submit commits to <a href="mailto:DHSR.SMFP.Petitions-Comments@dhhs.nc.gov">DHSR.SMFP.Petitions-Comments@dhhs.nc.gov</a>. Additional information will be provided at the 2<sup>nd</sup> LTBH Committee meeting on May 3<sup>rd</sup>.</p> <p><i>Note: Committee discussion, questions and answers; no vote took place.</i></p>		
<b>Psychiatric Inpatient Services - Chapter 15</b>	<p>No petitions or comments were received for this chapter.</p> <p>Dr. Emanuel reviewed the policy MH-1 that appears on p. 27 of Chapter 4 in the 2018 SMFP. This policy applies to Chapters 15, 16 and 17. She also reviewed Policy PSY-1, which is specific to Psychiatric Inpatient Services and can be found on page 28 in the current SMFP.</p>		



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	<p>Dr. Craddock presented the staff’s request to exclude Veritas Collaborative’s six (6) child/adolescent beds for eating disorders. Adult beds for eating disorders have already been removed from the SMFP. Staff would include in the planning inventory any future beds Veritas develops or designates that are not for treatment of eating disorders.</p>		
	<p><b><u>Committee Recommendation</u></b> A motion made and seconded to approve policies and the methodology for Chapter 15 to the SHCC and to clarify the data found in Table 15A.</p>	<p>Mr. Rogers Ms. Michaud</p>	<p>Motion approved</p>
<p><b>Substance Abuse/Chemical Dependency - Chapter 16</b></p>	<p>No petitions or comments were received for this chapter.</p> <p>Dr. Emanuel noted there are no policies specific to Substance Abuse services aside from Policy MH-1 (reviewed earlier). She reviewed the need methodology for this chapter.</p>		
	<p><b><u>Committee Recommendation</u></b> A motion was made and seconded to approve policies and the methodology for Chapter 16 to the SHCC.</p> <p><b><u>Point of Discussion</u></b> Ms. Apperson asked whether, given the opioid crisis, there been an increase in utilization of these beds. Also, is there an increase in the number of service providers who are interested in applying for additional beds? Dr. Craddock noted that we don’t have the data indicating why patients are in substance use disorder treatment. Martha Frisone noted that only the higher levels of care are governed by CON, so data for individuals in outpatient settings is not captured. Dr. Craddock added that only about a third of the residential and inpatient substance use disorder beds statewide are governed by CON.</p>	<p>Dr. Pulliam Dr. Parikh</p>	<p>Motion approved</p>
	<p>Dr. Craddock presented a staff request to remove the column from Table 16A that lists detox-only beds. These beds were removed from the CON law in 2003. Actual treatment is not possible in these beds, so this information is not needed. In addition, the information could add confusion and requires staff time to verify.</p>		

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	<p><b><u>Committee Recommendation</u></b> A motion made and seconded to remove the column enumerating detox-only beds and the ‘total all beds’ column from Table 16A.</p>	Mr. Rogers Ms. Brothers	Motion approved
<p><b>Intermediate Care Facilities - Chapter 17</b></p>	<p>No petitions or comments were received for this chapter. Dr. Emanuel reviewed the three policies that are specific to Intermediate Care Facilities. There is no need methodology for ICF/IID beds.</p> <p>Dr. Craddock noted that the Chapter 17 narrative includes a section that presents the results of a 1998 survey of surrounding states regarding their practices and the number of ICF/IID in each. This data presented in the narrative is unavailable now and does not get updated annually. Staff is requesting to delete section ‘Other States’ ICF/IID Bed Totals’ and section ‘Comparison of North Carolina to Other States and Need Determination Methodology’ as they are solely related to the outdated survey. Martha Frisone added that the DHHS Office of Communications, which reviews the plan before the Agency submits it to the Governor, has recommended either updating this information or removing it altogether.</p>		
	<p><b><u>Committee Recommendation</u></b> A motion was made and seconded to approve policies and the methodology and to revise the narrative for Chapter 17.</p>	Mrs. Michaud Mr. Rogers	Motion approved
	<p>A motion was made to authorize staff to make updates and corrections to all tables and narratives as needed, including updates to the preambles.</p>	Mr. Rogers Dr. Parikh	Motion approved
<p><b>Final Recommendation</b></p>	<p>Ms. Jarvis noted the next LTBH committee meeting will be on Thursday, May 3, 2018 at 10:00 a.m. at this location.</p>		
<p><b>Other Business</b></p>	<p>Ms. Jarvis called for adjournment.</p> <p>A motion was made and seconded to adjourn the meeting.</p>	Mr. Rogers Ms. Michaud	Motion approved
<p><b>Adjournment</b></p>			