



Friday, December 19, 2025

To: North Carolina Hospice Home Care Office Methodology Workgroup Members and NC Division of Health Service Regulation Healthcare Planning and Certificate of Need Section Staff

Re: Comments on the Review of the Hospice Home Care Office Methodology

We appreciate the opportunity to provide comments related to the Hospice Home Care Office Methodology Review. We submit these comments to express significant concerns about the current methodology, the recent Certificate of Need (CON) process for the 2026 State Medical Facilities Plan (SMF), and some current perceptions about the need for additional hospices in certain areas of the state. Recent decisions regarding need determinations demonstrate fundamental flaws in both the methodology itself and the process by which need determinations are made.

We respectfully urge the Workgroup and the Department to: (1) commit to data-driven decision-making and to establish standards against arbitrary need assignments; (2) expand the Workgroup to include broader representation and data analysis expertise; and (3) conduct additional comprehensive study leading to revised methodology that addresses identified deficiencies.

CONCERNS ABOUT RECENT NEED DETERMINATIONS

We remain deeply concerned about the process by which need determinations were made for the 2026 SMFP. When stakeholders raised legitimate concerns about COVID deaths skewing the data, Healthcare Planning and CON (HPCON) staff appropriately removed those deaths from the calculations. The corrected data showed a need remaining only for Johnston County based on the methodology, with remaining deficits in other counties not meeting the threshold for need. Nevertheless, need was assigned to Haywood and McDowell counties contrary to what the methodology showed. This precedent is troubling because the results of the corrected data were not accepted. If the decision makers believe the methodology itself is flawed, the proper response is to revise the methodology through a transparent workgroup process, not to adjust need determinations on an ad hoc basis.

For the record, we note that there is no demonstrated need for new hospice offices in Haywood or McDowell counties. Multiple hospices already serve these counties with zero waiting lists and same-day admission capability. However, we recognize the 2026 SMFP has been finalized.

Going forward, solid statistical analytics must be the foundation for all need determinations. We request that the Department establish clear standards: data corrections are appropriate when based on statistical analysis and documented data validity concerns; however, need assignments that contradict methodology results should not be made without documented, data-driven justification and a transparent review process.



THE COUNTY-JUMPING PROBLEM

Beyond process concerns, the current methodology fails to address a critical structural problem: county-jumping behavior that undermines both accurate capacity assessment and quality of care.

Hospices obtain CON approval in one county, then expand service to multiple other counties without any additional CON approval or capacity demonstration being required. Critically, hospices skip across multiple counties to serve distant areas because there is no geographic contiguity requirement for hospices. They may serve only a small number of patients in the distant counties while counting that service area in their capacity. There has been a significant increase in that type of approval over the past two years, in particular, with some organizations being approved to skip as many as four or five counties to serve a county where they have no licensed office.

This is problematic for the following reasons:

- **Capacity Assessment Failure:** The current methodology counts capacity based on where offices are located. A hospice's capacity may be omitted from consideration in counties where it actively serves patients. As a result, counties may show "need" when they're actually served by multiple providers outside the county. The distance from a licensed office needs to be considered but those hospices with an office in a near county should be considered in CON determinations.
- **Quality of Care Concerns:** Hospices serving patients hours away from their office cannot always provide timely response and do not always ensure that the full range of required hospice services—particularly volunteer programs—are actually available to patients in distant counties. Questions arise about adequate staffing in distant counties and whether resources are spread too thin across those vast service areas.
- **Market Distortion:** Larger corporate hospices can spread thin across many counties while smaller community hospices cannot compete with this geographic sprawl. County-jumping allows market entry without demonstrating genuine capacity, and the system rewards breadth over depth of service.
- **Need for Coordinated Regulation:** The Healthcare Planning and Certificate of Need Section and the Licensure and Certification Section need to work together to address requests by hospices to expand service areas to counties that are not geographically close. Currently, CON planning assumes county-based service while licensing permits seemingly unlimited expansion across any counties with no coordination between these functions. The result is that neither system effectively ensures quality nor accurately measures capacity. This coordination issue needs further development and advocacy will continue.



REQUEST TO EXPAND WORKGROUP

The current Hospice Home Care Office Methodology Workgroup needs to be expanded to comprehensively address the complex issues facing hospice planning in North Carolina. The committee would benefit to have a more comprehensive group available to them via sub-committee work with a longer timeline for experts to provide input.

There is value for the Workgroup to have representation from smaller community-based nonprofit hospices and rural hospice providers. These providers have different perspectives and operational realities than large regional or national hospices. We need balanced representation to ensure the methodology considers the unique needs of all counties.

We request that the Workgroup consider the need for additional data analysis expertise to have even more understanding of healthcare utilization forecasting, capacity assessment methodologies, and appropriate data sources. Potential sources for this expertise include academic health services, researchers, healthcare planning consultants with CON experience, healthcare economists, and others with population health expertise.

CRITICAL ISSUES REQUIRING STUDY

County-jumping extent and impact: We need data on how many hospices serve non-contiguous counties, distribution of admissions in distant vs. near counties, how far hospices typically serve from their offices, and whether counties showing "need" are actually well-served by distant providers not counted in capacity. This research will quantify the gap between methodology assumptions (county-based service) and reality (unlimited multi-county expansion).

Quality of care in distant counties: We need to understand whether hospices provide the full range of services in all counties served, whether volunteer programs are equally available, whether staffing levels are adequate for geographic coverage, and whether response times and quality metrics are comparable across a hospice's service territory. While this may not be the direct responsibility of the HPCON staff, the Safety and Quality Basic Principle of the SMFP requires this to ensure favorable clinical outcomes, patient satisfaction, and safe care delivery.

Methodology accuracy and alternatives: We need to evaluate how accurate current need projections are compared to actual demand, whether there are systematic biases, what methodologies other states use, and what best practices exist for hospice capacity assessment.

Data integrity and decision-making standards: We need clear protocols for identifying and correcting data anomalies, procedures for when corrections are appropriate, standards for departing from methodology results, and a review process before need determinations are finalized. This will ensure future decisions are consistently data-driven with transparent justification for any adjustments.



CONCLUSION

North Carolina's hospice home care office CON methodology requires comprehensive review because it assumes county-based service when hospices actually operate across unlimited multi-county areas, creating inaccurate capacity assessments and quality concerns. The workgroup needs expansion to include small and rural hospice representation plus data analysis expertise, and recent arbitrary need determinations have undermined confidence in consistent, data-driven planning. We urge the Department to expand the workgroup, conduct comprehensive study of county-jumping and methodology alternatives, establish clear standards for data-driven decision-making, and develop a revised methodology that aligns with service delivery reality and ensures North Carolina's healthcare planning maintains integrity and public confidence to continue North Carolina's strong tradition of thoughtful healthcare planning.

Should you require any additional information, please feel free to contact us at (828) 329-0715 or via email at ccomeaux@teleioscn.org. We welcome the opportunity to contribute to the ongoing review of the methodology for future hospice need determinations.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Comeaux", is positioned above the typed name.

Chris Comeaux
President/CEO
Teleios Collaborative Network
www.teleioscn.org