

## PETITION

### Petition for a Special Need Adjustment to the Hospice Inpatient Bed Need Methodology

July 2009

***Petitioner:***

Community CarePartners, Inc.  
DBA CarePartners Health Services, CarePartners Hospice & Palliative Care  
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***Requested Change:***

CarePartners Hospice & Palliative Care requests an adjusted need determination for five hospice inpatient beds in Buncombe County.

***Reasons for Requested Change:***

CarePartners Hospice & Palliative Care (hereinafter CarePartners Hospice) operates a successful, not-for-profit, Medicare-certified hospice agency in Asheville, North Carolina. CarePartners Hospice has been providing high-quality end-of-life care to patients from Buncombe County and surrounding counties since 1980. In 1989 CarePartners Hospice opened the first freestanding hospice facility in Buncombe County, the Solace Center, with six inpatient and six residential hospice beds. Since that time the facility has expanded to include fifteen inpatient and twelve residential beds, in order to accommodate increased need in Buncombe County as determined by the State Health Coordinating Council's inclusion of need determinations for inpatient hospice beds in previous *State Medical Facilities Plans*. CarePartners Hospice's Solace Center currently operates fifteen inpatient beds and twelve residential beds.

The *Proposed 2010 State Medical Facilities Plan (SMFP)* indicates a deficit of five inpatient hospice beds in Buncombe County. Under the current methodology, a deficit of six beds is required to generate a need determination for inpatient hospice beds in any county. Thus, while a demonstrable need exists in the *Proposed 2010 SMFP*, no allocation has been made to serve this unmet need. For these reasons, CarePartners Hospice is requesting an adjustment to the standard need methodology to allocate the five inpatient beds that are identified as needed in 2013. This will allow CarePartners Hospice

to submit a Certificate of Need application to further expand its inpatient hospice bed capacity with five additional inpatient beds and thereby operate a total of twenty inpatient beds.

CarePartners Hospice believes there are several reasons its petition should be approved. These reasons will be discussed in turn.

1. CarePartners Hospice has sufficient volume to support at least twenty inpatient hospice beds.

In FY 2008, CarePartners Hospice admitted 995 patients living in Buncombe County with an average daily census of 205 as shown in the table below. Estimates for FY 2009, based on annualized data from the first nine months of the fiscal year, October 1, 2008-June 30, 2009, indicate 1027 admissions of Buncombe County residents, with an average daily census of 184. The lower average daily census and days of care are due to shorter lengths of stay. CarePartners Hospice is the primary provider in Buncombe County and during FY 2008 provided 98% of the total patient days provided to residents of the county [74,792/76,337 = 0.98 or 98%]. Buncombe County residents account for 97% of total days of care provided by CarePartners Hospice [74,792/77,276 = 0.97 or 97%], which in FY 2008 also provided care for residents of 22 other counties and states.

Year	Total # Admissions	# Admissions Buncombe Co.	ADC Buncombe Co.	Days of Care Buncombe Co.
FY 2008	1024	995	205	74,792
FY 2009*	1169	1027	184	67,339

\* Annualized based on nine months of data, October 1, 2008-June 30, 2009

CarePartners Hospice’s 15 inpatient beds are consistently operating at 100% occupancy. Since the inpatient beds are utilized at maximum capacity, there is frequently a waiting list. So far this fiscal year, 70 people have had to wait two days or more to get into an inpatient bed. One day this month there were seven people waiting in the hospital for an inpatient hospice bed. Patients have waited a total 233 days before admission, or 280 annualized based on 10 months of data. The actual number of days waited exceeds this amount, since it does not include days waited by patients who died before they could be admitted or patients who chose not to be placed on the waiting list.

Patients requiring an inpatient bed are typically already in an acute care hospital. Most remain in the hospital before coming to hospice, and some are admitted to a nursing home during their wait. If utilization increases as projected in the *Proposed 2010 SMFP*, increasing numbers of patients will be forced into alternative treatment locations. Since CarePartners Hospice is the only provider of inpatient hospice services in the county, options are limited.

It should be noted that Haywood County is in the process of developing a six-bed inpatient hospice facility. This will not cause unnecessary duplication of services because CarePartners Hospice’s volume contains only a small percentage of patients from Haywood County. In 2008, Haywood County residents accounted for only 2.1% of inpatient admissions, and 181 days of care. CarePartners Hospice also serves residents of other counties who may choose to go to an inpatient facility in Haywood County, such as Cherokee, Jackson, and Macon. Haywood combined with these three other counties accounted for only 2.7% of CarePartners Hospice inpatient admissions in 2008. Residents of these counties received 239 days of inpatient care, or 4.4% of total inpatient days of care, as shown in the table below.

FY 2008	# Admissions	% Admissions	Total Inpatient Days of Care	% of Inpatient Days of Care
Total	1024	100%	5451	100%
Haywood, Cherokee, Jackson, Macon	28	2.7%	239	4.4%

Even if all these patients had chosen to go to an inpatient facility in Haywood County, it would not have freed up a bed each day in the CarePartners Hospice Solace Center. Therefore, volumes from Haywood, Cherokee, Jackson, and Macon Counties do not significantly affect the need for beds in Buncombe County. The estimated number of 280 waiting list days far surpasses the number of days served for residents of Haywood and the other three counties. In addition, there have been no Buncombe County residents served by the Haywood County hospice provider in the past several years, so it is unlikely that Buncombe County residents would choose to go to the hospice facility in Haywood County once it opens.

2. Existing alternatives to the special needs adjustment are less effective and more costly and do not provide a viable alternative for Buncombe County hospice patients.

If a patient requires inpatient hospice care but no bed is available, that patient typically remains in the acute care hospital or is admitted to a nursing facility. Such settings are less effective in terms of end-of-life care and are generally more expensive than hospice care. In fact, according to a Duke University study published in 2007, Hospice care saved Medicare an average of \$2,309 per patient compared with conventional care at the end of life. The Duke study concludes that the hospice model is that rare case where something that improves quality of life appears also to reduce costs.

Care provided to hospice patients outside a hospice facility is generally fragmented, and the hospice home care staff is constantly challenged to orient, train, and educate the staff of the institutional inpatient provider. The non-hospice staff, while not specifically trained in hospice care, is required to care for hospice patients as well as acute care patients. As a result, they must transition moment to moment between two extremes in treatment philosophies – the aggressive, curative care for the acute care patient, and the

palliative and comfort care management care of the hospice patient – one treatment focusing on wellness and healing, the other focusing on death and dying. Inevitably, the result is a departure from the hospice philosophy of care and a less than ideal end-of-life experience for dying patients and their loved ones.

Inpatient hospice care is a much better option for hospice patients who need more acute symptom control or pain management and more intensive nursing care than can be effectively provided in a home or residential setting. Some advantages to such a facility include:

- Hospice principles and practices are the primary focus of care as the unit is not physically or programmatically attached to any other facility.
- The inpatient unit is designed to be a non-clinical, homelike atmosphere.
- The agency's cost reflects only those costs required to support the needs of hospice patients, not the high technology equipment and services required for an acute care setting.
- Hospice maintains control to ensure that only hospice-appropriate services are provided.
- Patients are served by an interdisciplinary team, with staffing that reflects the needs of both patients and families.
- The facility and its staff make provisions for teaching caregiver skills to family members so they can participate in the care and support of the patient while in the facility.
- Continuity between home care and facility-based care is consistent with the overall hospice interdisciplinary team plan of care.

3. The six-bed minimum should not be applied in Buncombe County.

CarePartners Hospice believes the threshold for a six-bed minimum indicating a need for inpatient hospice beds should not apply to its agency or the Buncombe County community for the following reasons:

1) CarePartners Hospice operates a 27-bed inpatient and residential hospice facility in Asheville, North Carolina. The agency has successfully operated a freestanding hospice facility for 20 years, since 1989. The current facility, which opened in 2005, has 27 private rooms. The Certificate of Need process will require CarePartners Hospice to prove the financial feasibility of the proposed project.

2) For nearly 30 years, CarePartners Hospice has enjoyed the reputation of being a provider of high quality hospice care in Buncombe County. Thus, the community of patients and providers is familiar with the existing services and will support the addition of five inpatient beds. As previously discussed, CarePartners Hospice can support more than the fifteen inpatient beds it currently operates. Further, no other provider operates inpatient hospice beds in Buncombe County. Therefore, the changes requested in this petition will not result in unnecessary duplication of health resources in the area. The petition is supported by other healthcare providers as well as the community at large. Please see the attached letters of support.

### ***Implications if the Petition is Not Approved***

The alternative to the changes requested in this petition is to maintain the status quo and operate a 27-bed hospice facility with fifteen inpatient and twelve residential beds. If the petition is not approved, CarePartners Hospice will continue to be limited in its ability to meet the needs of its patients and families. Patients needing inpatient hospice care when CarePartners Hospice's inpatient beds are occupied will have to wait to be admitted while remaining in an acute care hospital or nursing facility, which is a less effective alternative for the reasons presented in this petition. The addition of five inpatient beds would allow CarePartners Hospice to offer the most appropriate level of care for all its patients.

### ***Consistency with the three basic principals governing the development of the SMFP: Safety and Quality, Access, and Value***

#### Safety and Quality

The CarePartners Health Services Quality Council oversees safety and quality performance and metrics. The Quality Council meets monthly or more often if needed. CarePartners Health Services is accredited by The Joint Commission, and all CarePartners programs are compliant with The Joint Commission standards. The Patient Safety Program includes numerous tools for reporting, communication and analysis. Staff includes industrial engineers in Senior Management to analyze and hold down cost per patient day for clinical staff including aides, nurses, and physicians. Quality metrics include benchmarking against industry norms for hours of care and quality measures. All clinical staff are licensed and/or certified in their areas. Hospice staff includes board-certified physicians in hospice and palliative care.

#### Access

CarePartners Hospice provides hospice services to everyone in Buncombe County who needs services, regardless of race, color, national origin, disability, age, or ability to pay.

#### Value

Working with the Quality Council and Senior Management, the Decision Support team analyzes measurements of costs per unit of service and health benefits. CarePartners Health Services is a leader in the application of the Lean Continuous Improvement process to the healthcare environment. The Lean process ensures that swift and effective solutions are established for all areas identified as needing improvement.

In sum, CarePartners Health Services is committed to providing high quality, safe, cost effective healthcare to all who are in need of services.

**For these reasons, CarePartners Hospice requests an adjusted need determination for five (5) inpatient hospice beds in Buncombe County.**