

MAR 1 - 2011

February 24, 2011

Honorable Senator William Wainwright, Chairman
State Health Coordinating Council
c/o North Carolina General Assembly
532 Legislative Office Building
Raleigh, NC 27603-5925

Dear Senator Wainwright:

As you are aware, the Governor approved the *2011 State Medical Facilities Plan* on December 21, 2010 (the "Plan"), which identifies need for additional Home Health services in Mecklenburg, Guilford, and Cabarrus Counties. The North Carolina Department of Health and Human Services, (the "Department"), subsequently published the review cycles for the programs and service areas with need.

Based upon the Plan, and consistent with the Department's rules, our affiliate, United Home Care, Inc. ("United") and a number of other organizations began to invest in the preparation of Certificate of Need Applications. During this process, United identified a calculation error and, in good faith, notified the Department. The Commission is now deliberating over what course of action it should take with respect to this issue.

To date, United and others have invested substantial time, energy, and money drafting their applications. Each has been communicating with Medicare beneficiaries, physicians, senior advocacy groups, hospital discharge planners, nursing homes, suppliers and providers in the service areas. Beneficiaries, as well as area providers and suppliers, have welcomed the possibility of an additional Home Health provider.

We, along with United, also affirm the position of the Association for Home and Hospice Care of North Carolina (AHHC), to allow this current review cycle to proceed.

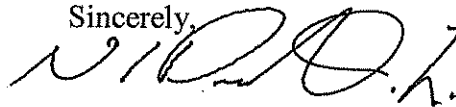
Given the financial investment made in the development of applications, the support from residents and organizations in the service areas, and the short time made available for public notice and comment on the changes (less than 30 days), We respectfully request that the State Health Coordinating Council (SHCC) make whatever amendments and changes needed and allow the current cycle to proceed based upon the Plan.

Honorable Senator William Wainwright
February 24, 2011
Page 2

We urge the Commission to favorably consider correcting the calculation error and allowing the current review cycle to proceed based upon the Plan as originally approved and published.

With kindest regards, I am

Sincerely,



Neil L. Pruitt, Jr.
Chairman and CEO

NLPjr/jah

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