

**HealthKeeperz, Inc.**

**Petition for Adjusted Need Determination for One Medicare-certified Home Health Agency in Brunswick County**

Dr. Pulliam, members of the SHCC, good afternoon.

I am Tim Brooks, President, HealthKeeperz, Inc. HealthKeeperz operates three home health agencies, and provide hospice services, durable medical equipment, and HealthSync, a unique pharmacy home service in 13 southeastern NC counties.

I am here today to request an adjusted need determination for one Medicare-certified Home Health Agency in Brunswick County in the Final 2013 State Medical Facilities Plan.

As you know, the SHCC approved a change to revise the Home Health Need Methodology to increase the deficit threshold for a new home health agency from 275 patients to 325 patients in need of home health services. This change was published in the home health chapter in Proposed 2013 SMFP.

When the Home Health Methodology was applied to the Brunswick County population, a deficit of 324.94 patients in need of home health services was identified. Because the home health methodology does not have a specific step for rounding to the next highest number, no need was identified for Brunswick County.

**I am not petitioning to add a rounding rule;** that is a step the Long Term Care Committee can address if they decide it necessary. However, the absence of a Rounding Rule in the Home Health Methodology adversely impacts Brunswick

County residents as it is the only county with a home health deficit in the *Proposed 2013 SMFP* where rounding could result in a need in the *Proposed 2013 SMFP*. Therefore, our Petition is for an adjusted need determination for Brunswick County for the following reasons.

### **Need for the Proposed Adjustment**

First of all it should be noted, that six of the methodologies in the SMFP include rounding rules. The methodologies for Operating Rooms, Lithotripters, Cardiac Catheterization Equipment, Nursing Care Beds, Adult Care Beds, and Dialysis Stations all include rounding. Therefore, it is reasonable to include rounding; and rounding Brunswick County up from 324.94 to 325 patients in need does not set an unusual precedent.

Second, home health utilization in Brunswick County is less than both State and Federal averages. Brunswick County's home health use rate for the population 65 and over is far lower than the North Carolina average use rate. **In 2011 the Brunswick County use rate was only 88.1 visits per 1,000 people over 65**, the NC rate was 104.3 visit and the national rate was 96 visits. So Brunswick County's utilization is significantly lower than both the State and national averages.

Comparing home health utilization for the population 65 and over in Brunswick County to other North Carolina counties with similar population 65 and over reflects lower than average use rates in Brunswick County.

For example, New Hanover County, which is adjacent to Brunswick County, and has over 31,000 people over 65, has a home health use rate of 106.7 compared to Brunswick County's 88.1 home health use rate.

**Lower use rates reflect the need to improve access**; which in turn supports our petition to add a Medicare-certified home health agency in Brunswick County.

Brunswick County is one of the fastest growing counties in North Carolina and **is the 37<sup>th</sup> fastest growing county nationally**. The 65 and over population totals over 27,000 and makes up over 24% of the total population. During the past 10 years, growth in Brunswick County has outpaced the State and nation by a large margin. Brunswick County population grew from 73,143 people to 107,431 people between 2000 and 2010, **an increase of 47%**. Among the 27 North Carolina counties with a total population greater than 100,000, Brunswick County has the highest percentage of residents 65 and over.

**Our Petition does not result in a duplication of health resources.**

As documented in this Petition, Brunswick County has a deficit of 324.94 patients. **This is only 0.06 home health patient short of a need determination for a new Medicare-certified home health agency.** If the Home Health Need Methodology included a Rounding Rule, Brunswick County's deficit would have triggered a need determination in the Proposed 2013 SMFP.

As I have discussed, Brunswick County has a rapidly growing population, particularly among persons ages 65 and over. Brunswick County residents ages 65 and over have less access to home health services than comparable populations for the entirety of North Carolina and nationally. Lastly, Brunswick County has only two existing home health agencies, fewer than other counties with large 65 and over populations.

For those reasons, the request for an adjusted need determination for one Medicare-certified home health agency in Brunswick County in the Final 2013 SMFP will not result in a duplication of resources.

As discussed in detail in our Petition, the proposed adjusted need determination for one Medicare certified home health agency in Brunswick county is consistent with the SMFP Basic Principles.

In conclusion, based upon the detailed data and information included in our Petition, HealthKeeperz, Inc. requests that the SHCC approve an adjusted need determination for one Medicare-certified home health agency in Brunswick County in the Final 2013 SMFP.