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**COMMENTS ON CHAPTER 3 (CON REVIEW CATEGORIES AND SCHEDULE) OF
THE PROPOSED 2020 SMFP**

Hello:

My name is Timothy Walsh, and I am a senior financial analyst for Liberty Senior Living. Liberty Senior Living is a subsidiary of Liberty Healthcare Group (“Liberty”). Liberty provides management and support to twenty-seven skilled nursing facilities with a total of 2,654 licensed skilled nursing beds. 1,398 of these beds are licensed in stand-alone skilled nursing facilities, and the remaining 1,256 skilled nursing beds are licensed in combination facilities with assisted living beds (adult care home beds). Successfully operating these facilities has resulted in the company’s executive management having extensive experience and knowledge in operating skilled nursing facilities. Because of this expertise, Liberty is able to provide care for patients with a wide variety of diagnoses and needs. Liberty provides cost-effective, high-quality care that meets the needs of patients in today’s quickly changing health care system.

Per Chapter 3 of the SMFP, “Certificates of need are required prior to the development of new institutional health services. Certificate of Need shall determine the appropriate review category or categories in which an application shall be submitted pursuant to 10A NCAC 14C .0202.” In previous SMFP’s, Category B (Nursing and Adult Care Services) did not contain any subsections. However, as it is currently proposed, Category B is broken into two subsections: Category B.1 and Category B.2. Each is summarized below:

Category B.1

- new nursing facilities or beds pursuant to a need determination;
- relocation of existing or approved nursing facility beds within the same service area;
- transfer of nursing facility beds from state psychiatric hospitals pursuant to Policy NH-5;
- new adult care home facilities or beds pursuant to a need determination;
- relocation of existing or approved adult care home beds within the same service area; and
- new or existing continuing care retirement communities applying pursuant to Policy NH-2 or Policy LTC-1.

Category B.2 (Relocation of Existing Beds to Another Service Area)

- relocation of existing nursing facility beds to another service area pursuant to Policy NH-6; and
- relocation of existing adult care home beds to a another service area pursuant to Policy LTC-2.

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The current review schedule (as it relates to Category B) in the proposed 2020 SMFP is as follows:

Table 3A: 2020 Certificate of Need Review Schedule

CON Beginning Review Date	Category
February 1, 2020	
March 1, 2020	B.1
April 1, 2020	
May 1, 2020	B.2
June 1, 2020	
July 1, 2020	
August 1, 2020	B.1
September 1, 2020	
October 1, 2020	
November 1, 2020	B.1
December 1, 2020	

If the current category and subsequent review schedule are kept this way, it would mean Applicants wanting to relocate existing beds to another service area are only permitted to apply one time per year.

The three Basic Principles governing the development of the North Carolina State Medical Facilities Plan are Safety and Quality, Access and Value. Changing the review cycle for Category B hinders the Access aspect of these basic principles. Liberty recognizes that, more often than not, a Certificate of Need Application proposing to relocate existing beds will be from within the same service area. However, permitting only one review cycle for proposals that relocate beds to a different service area could impede on access to a resident who may need it.

We are urging the SHCC to reconsider the changes made to Chapter 3 of the proposed 2020 SMFP. Instead, we are requesting the SHCC to approve the previous SMFP's listing of Category B, allowing any Nursing and Adult Care service requiring a CON to be permitted in any of the four review dates.

Thank you for your time and review of our comments.

Best Regards,



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