

**The North Carolina Medical Care Commission
Reporting for Community Health Improvement and Community Benefits
(Hospitals)**

Definitions:

Community Health Improvement is an active process involving regular community health assessments, the creation of a community health plan, and the measurement of community health outcomes. The process is directed by a multi-disciplinary, community health improvement team that is accountable for producing results. Hospitals are expected to be integral community partners in developing and promoting a community health improvement plan.

Community Benefit is a planned, managed, organized, and measured approach to hospital participation in meeting identified community health needs. It implies collaboration with a "community" to "benefit" its residents - particularly the poor, minorities, and other underserved groups - by improving health status and quality of life. Hospitals are expected to organize a plan to regularly measure and evaluate their community benefits.

POLICY:

Borrower organization shall submit at the time of borrowing and every year thereafter commencing with fiscal years ending in calendar 2001 the following information to the Medical Care Commission:

1. North Carolina Medical Care Commission Executive Summary of the organizations Community Health Improvement Plan. (Exhibit A)
2. North Carolina Medical Care Commission Community Benefits Report. (Exhibit B)
3. A copy of the most recent IRS Form 990 (if the organization is required to file one), part III, and any supplementary reports that describe Community Health Improvement/Community Benefit programs and expenses.

Borrower is encouraged to adopt a standard methodology for gathering and reporting above items. (Exhibit C) lists several suggested resources for information on Community Benefit Assessment tools.

Borrower is encouraged to additionally submit any organization annual reports that highlight Community Health Improvement/Community Benefit activities.

(EXHIBIT A)

North Carolina Medicare Care Commission
Executive Summary: Community Health Improvement Plan
(Hospitals)

Organization: Lower Cape Fear Hospice, Inc. Date: 01/06/2011

1. Statement of organizations mission and commitment to community health improvement:

Vision:

We will serve everyone touched by a life-limiting illness.

Mission:

To provide the highest level of care and comfort to patients with life-limiting illness; support and counseling to families; and education to the community.

Values:

Quality • Teamwork • Respect • Compassion • Integrity

2. Describe geographic service area and target populations for community initiatives:

For 30 years, Lower Cape Fear Hospice & LifeCareCenter has coordinated the efforts of a team of dedicated professionals and volunteers who care for those facing life's end. Founded in 1980, Lower Cape Fear Hospice accepted its first patient. Through the years, the organization has grown to serve 450 hospice patients per day and 150 palliative care patients a day in Bladen, Brunswick, Columbus, New Hanover and Pender counties, and has become the largest hospice provider in Southeastern North Carolina. In 1997, the agency built the third hospice inpatient care center in the state, located in Wilmington, New Hanover County, North Carolina, to offer care to patients whose needs could not be met at home. In 2008, a second hospice inpatient care center was opened in Whiteville, Columbus County, North Carolina. Lower Cape Fear Hospice, through its LifeCareCenter programs, provides additional community services, including grief support services for adults and children, and educational programs on end-of-life care issues and advanced care planning.

3. How the programs in which you are involved are funded?

Lower Cape Fear Hospice, Inc. offers services to everyone, regardless of age, religion, race, illness, or financial status. Hospice and palliative care services are covered under Medicare, Medicaid, and some private insurance plans. Non-reimbursed services provided by Lower Cape Fear Hospice are funded through public support, grants, and the Lower Cape Fear Hospice Foundation, Inc.

4. Describe your methodology for determining community priorities and how you collaborate with others:

Lower Cape Fear Hospice understands that the work of the hospice team does not end after the death of a patient. Through its Bereavement and Counseling Center Programs, Lower Cape Fear Hospice's professional care extends to grieving family members. In addition to home visits, care notes, and phone calls to grieving hospice families, Lower Cape Fear Hospice also provides community-wide support groups, educational programs, and short-term counseling services to any person in its community experiencing a death-related loss. All programs are age-appropriate and family-focused to meet the needs of children, teens, and adults. The Sunrise Kids program offers counseling services to grieving children and conducts summer camps.

Our Palliative Care consultation service works with patients and their physicians to improve quality of life, identify and aggressively treat symptoms, clarify a patient's condition and prognosis, and set achievable goals that honor a patient's wishes. Initially serving patients in the Wilmington hospitals, the program has expanded to nursing homes, as well as in patients' homes.

Our Outreach Department offers educational presentations, seminars and conferences on end-of-life care topics. Assistance with advanced directives and identifying and choosing health care choices are available.

Lower Cape Fear Hospice's physical office space must accommodate these programs in addition to its hospice-related operations. Currently, program space is very limited. It is imperative that Lower Cape Fear Hospice has additional space that is more conducive to the programs and services offered by the organization.

5. List current community service programs sponsored or co-sponsored:

During Fiscal Year 2010, our Community Education Department presented 170 programs to 6,890 people, and our Outreach Marketing Department presented 160 programs to 2,711 people. The "Begin The Conversation" initiative was launched to raise awareness of advanced care directives and health care decision-making. This was presented through our Education and Marketing programs, as well as through a website which reached an estimated 10,000 viewers. Our Bereavement Services counseled and educated 1,040 patients, their families, and an estimated 1,653 community members through individual and group sessions.

Community Education partnered with community churches, civic clubs, schools, senior centers, and long-term care facilities to sponsor community conferences on end-of-life care issues.

Community sponsored programs included our five-county service area health fairs, local corporate health fairs, Alzheimer's conferences, various county Relay for Life health fairs, United Way, Sunrise Camps, Healing Arts, and Teen Volunteer programs.

(EXHIBIT B)

**North Carolina Medical Care Commission
Community Benefits Report
(Hospitals)**

Organization: Lower Cape Fear Hospice, Inc.,

Address: 1414 Physicians Drive

Wilmington NC 28401

Telephone: 910-796-7952

Contact: Eleanor M Bland, Director of Finance

For fiscal year ending: 2010

Non-billable services (Education, Health Promotions, Counseling, Support Groups)	78,989
Indigent care services	588,467
Non-reimbursed palliative care services	<u>179,978</u>
Total	<u>847,434</u>

(EXHIBIT C)

Resource Information for Community Benefits Assessment Tools

The Catholic Health Association of the United States and the Voluntary Hospitals of America, Inc. have dedicated numerous resources to the area of community benefits.

VHA has several community health improvement resources and implementation tools including publications, intervention materials, videotapes and software. For more information about these resources, contact VHA at 800/842-7587 or <http://www.vha.org/>.

CHA also has several products that address community benefits assessments. *Appendix IX* contains the manual version of CHA's Social accountability Budget. More information about products that CHA offers can be obtained online at <http://www.chausa.org/>.

Lyon software developed a software package for CHA and VHA healthcare organizations to track and report community benefits activities. This Windows-compatible software offers a systematic way to calculate the cost of community benefits, vital information for IRS Form 990 reporting and communicating with other audiences. A description of the software program can be obtained online at www.lyonsoftware.com.

The American Hospital Association also addresses the issue of community benefits assessments through publication of its Community Benefit and Tax-Exempt Status: A Self-Assessment Guide for Hospitals that is included in *Appendix VIII*.

NCHA Resource Guides: Building Trust Through Accountability and Guide to Community Benefits Assessment.

STATE OF NORTH CAROLINA

*Department of Health and Human Service
Division of Health Service Regulation*

CERTIFICATE OF NEED

for

**Project Identification Number #O-8093-08
FID #080249**

**ISSUED TO: Lower Cape Fear Hospice, Inc.
2222 S. 17th Street
Wilmington, NC 28401**

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Construct and operate a seven-bed hospice inpatient facility/Brunswick County

CONDITIONS: See Reverse Side

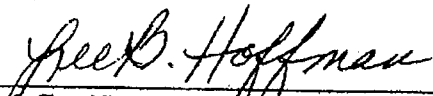
**PHYSICAL LOCATION: Poplar Branch Rd.
Bolivia, NC 28422**

MAXIMUM CAPITAL EXPENDITURE: \$4,417,154

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: September 1, 2009

This certificate is effective as of the 4th day of November, 2008.



**Chief, Certificate of Need Section
Division of Health Service Regulation**

CONDITIONS

1. Lower Cape Fear Hospice, Inc. shall materially comply with all representations made in the certificate of need application.
2. Lower Cape Fear Hospice, Inc. shall construct an inpatient hospice facility for no more than seven hospice inpatient beds.
3. Lower Cape Fear Hospice, Inc., shall provide a letter from a duly authorized officer specifically identifying and committing sufficient assets from the audited financial statements to cover the difference between the proposed capital costs and the BB&T loan as a contingency in case the other proposed sources of funding identified in the application do not materialize.
4. Lower Cape Fear Hospice, Inc., shall provide a letter from the architect setting forth in detail the energy saving features that will be incorporated into the design of the proposed facility.
5. Lower Cape Fear Hospice, Inc. shall acknowledge acceptance and compliance with all conditions stated herein to the Certificate of Need Section in writing prior to issuance of the certificate of need.

A letter acknowledging acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Certificate of Need Section on October 10, 2008 & November 4, 2008.

TIMETABLE

Obtain funds necessary to undertake project	April 1, 2010
25% completion of construction	December 1, 2010
50% completion of construction	June 1, 2011
Order Equipment	June 1, 2011
75% completion of construction	September 1, 2011
Permanent Loan Executed	December 1, 2011
Completion of construction	December 1, 2011
Licensure of facility	January 1, 2012
Medicare/Medicaid Certification of facility	February 1, 2012

**Brunswick Care Center
Preliminary Equipment List**

Furniture	\$	214,381.00
Patient Room Equipment	\$	111,000.00
IT Equipment	\$	85,080.00
Security Equipment	\$	3,000.00
Outdoor Lighting	\$	2,000.00
Signage	\$	<u>5,000.00</u>

TOTAL FURNITURE/EQUIPMENT \$ 420,461.00

Lower Cape Fear Hospice, Inc.
Brunswick County Operations
Pro Forma Statement of Operating Results

	Year 1			Year 2		
	OUPATIENT	INPATIENT	TOTAL	OUPATIENT	INPATIENT	TOTAL
REVENUES:						
Reimbursement	5,429,217	1,154,785	6,584,002	6,049,853	1,289,933	7,339,787
Public Support	166,979	72,128	239,107	181,544	78,419	259,963
TOTAL REVENUES	5,596,196	1,226,913	6,823,109	6,231,397	1,368,353	7,599,750
EXPENSES:						
Nursing Services	2,234,229	698,496	2,932,725	2,529,399	737,881	3,267,280
Social Services	235,026	14,866	249,892	268,302	15,610	283,912
Dietary	-	7,507	7,507	-	8,406	8,406
Housekeeping	5,763	28,349	34,112	5,936	29,200	35,136
Laundry and Linen	-	2,546	2,546	-	2,851	2,851
Property Ownership & Use	200,729	203,538	404,266	196,486	201,722	398,208
Plant Operations & Maintenance	24,304	85,695	109,999	25,033	88,416	113,450
General and Administrative	1,114,433	198,389	1,312,822	1,225,260	210,732	1,435,992
TOTAL EXPENSES	3,814,484	1,239,386	5,053,870	4,250,416	1,294,819	5,545,235

NET REVENUES OVER (UNDER) EXPENSES

1,781,712	(12,473)	1,769,239	1,980,981	73,534	2,054,515
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BRUNSWICK CARE
CENTER
LOWER CAPE FEAR
HOSPICE &
LIFECARE CENTER

DHSR IHP-94-MSIPP



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REGISTERED PROFESSIONAL ACOUSTIC ENGINEERS
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REGISTERED PROFESSIONAL BOTANICAL GARDENERS
REGISTERED PROFESSIONAL COLLEGE AND UNIVERSITY FACILITIES PLANNERS
REGISTERED PROFESSIONAL COMMUNITY DEVELOPMENT PLANNERS
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PROVISIONS:
1. ALL DIMENSIONS ARE IN FEET AND INCHES.
2. DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
3. DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
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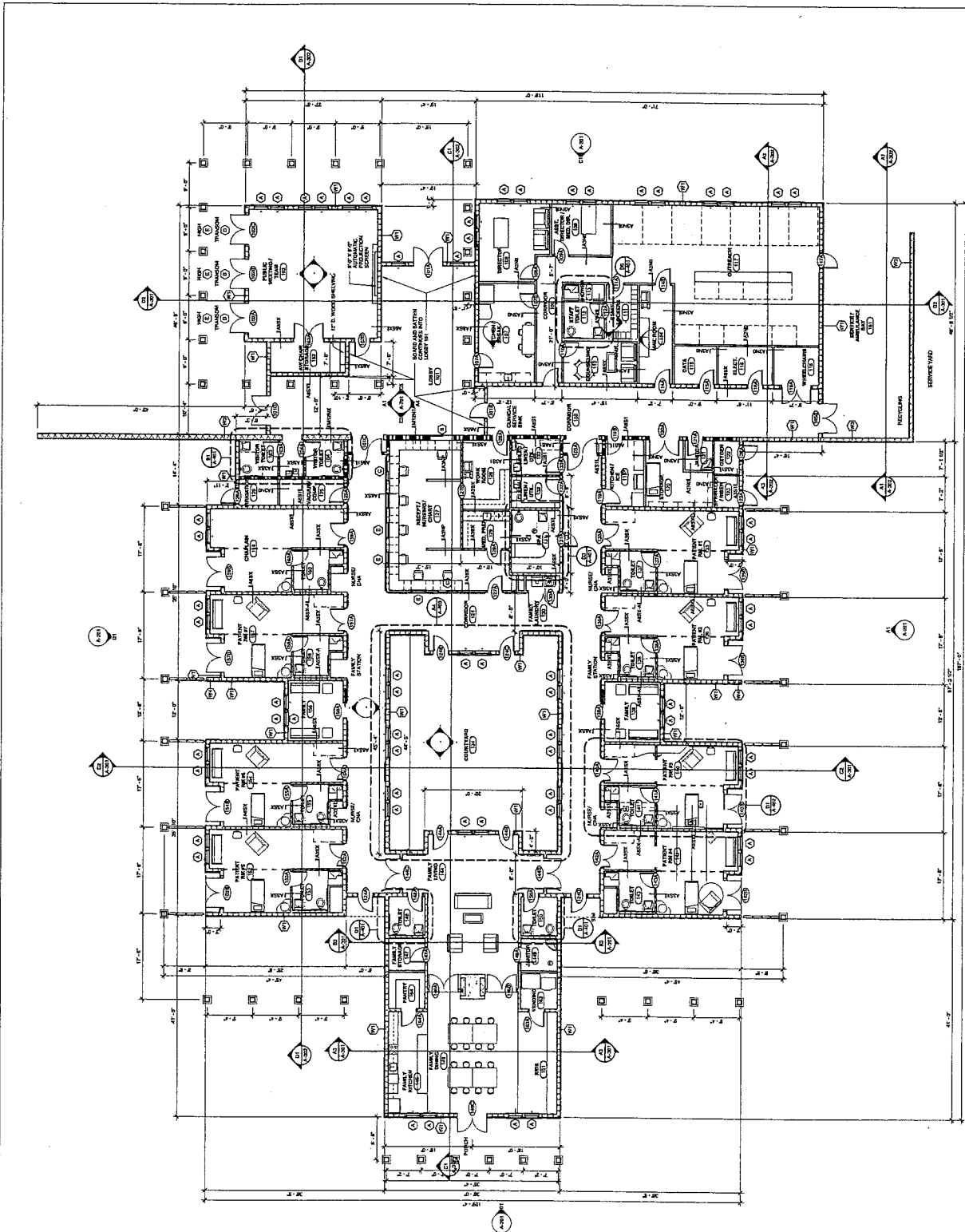
Attachment 4

PROJECT: BRUNSWICK CARE CENTER
DRAWN BY: GAG
CHECKED BY: EM

FIRST FLOOR PLAN

A-101

REGISTERED PROFESSIONAL ARCHITECTS
REGISTERED PROFESSIONAL ENGINEERS
REGISTERED PROFESSIONAL LANDSCAPE ARCHITECTS
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(A) FIRST FLOOR PLAN
100-101

95% CONSTRUCTION DOCUMENTS