Background Information
LeadingAge North Carolina is supportive of legislation that would exempt a licensed continuing care retirement community (CCRC) from the necessity of obtaining a certificate of need for Medicare-certified home health services restricted to residents. It would require a CCRC to apply for a license to provide Medicare-certified home health services restricted to residents.

Each year, the North Carolina State Medical Facilities Plan provides a determination for the number of new agency “slots” available by county for the provision of Medicare-certified home health services. In the past seven years, only seven new agency slots have been made available; these new slots have been spread over three counties (one in Forsyth, three in Mecklenburg, and three in Wake). Put another way, 97 percent of the counties in North Carolina had no new agency slots open up in the past seven years.

What the legislation would do
• The legislation would give residents increased choice. Residents often express a desire to have the CCRC where they live provide Medicare-certified home health services. Current North Carolina policy prohibits a CCRC from responding to resident needs. Instead, CCRCs must refer residents to outside resources. Seniors are often inconvenienced by being denied access to the complete continuum of care including the home health services that exist on their very own campus.
• The legislation would provide greater continuity of care for seniors. By allowing CCRCs to compete for the provision of Medicare-certified home health services to its residents, seniors will have the option of receiving services from the people who know them best.

What the legislation would not do
• The legislation would not exempt CCRCs from the process of applying for a license. CCRCs will still have to go through the rigorous process developed by the state for determining their financial and service provision expertise.
• The legislation would not adversely impact existing Medicare-certified home health providers. The most recent State Medical Facilities Plan documented the provision of Medicare-certified home health services to 216,135 home health patients during 2011. We anticipate that no more than approximately 350 residents would be served at any one time by the combined CCRCs in North Carolina – amounting to less than two-tenths of one percent of the total number of individuals served in 2011.
• The legislation would not allow CCRCs to compete in the larger community against existing home health providers. The legislation specifically restricts CCRCs to competing for their own residents.
• The legislation would not require residents to use the services of their CCRC. The legislation would merely allow residents to choose their provider.