

**STATE OF WEST VIRGINIA
HEALTH CARE AUTHORITY
CERTIFICATE OF NEED PROGRAM**

HOSPICE APPLICATION

Application for Expedited CON Review

**CASE FILE NUMBER: _____
(Assigned upon receipt of letter of intent)**

GENERAL INFORMATION

CXZ

1. This is a Certificate of Need application for the development of a hospice service. **ALL QUESTIONS** in this application must be addressed.
2. A letter of intent must be submitted at least fifteen (15) days prior to the application. The letter of intent must include enough information to indicate the name of the project, its approximate location, nature, scope, cost and the time frame for the development of the service.
3. The Certificate of Need staff will review the application for completeness upon its receipt. Within fifteen (15) days, the application will either be declared complete or a request for additional information will be issued.
4. This is an application for an expedited review. If it is determined that the project described in this form is not eligible for a expedited review, then an order will be issued requiring the application to undergo a standard review.
5. Any amendment to the application must be made in writing. If an amendment is deemed to be substantial by the Certificate of Need Program, the review of the application may be extended or the application may be withdrawn and made subject to a new review cycle.
6. An applicant may withdraw its application at any time without prejudice. Applicants must notify the Certificate of Need Program in writing of such action.
7. Assemble the application in the same sequence as this form. In the upper right hand corner of each page, including attachments, specify the page number. In the upper left hand corner of each page, repeat the facility name and case file number. Response to items should be provided repeating each question before providing your response.
8. Applicants must provide a signed original as well as three (3) copies of the entire application to:

Dayle Stepp, Certificate of Need Program
West Virginia Health Care Authority
100 Dee Drive
Charleston, WV 25311-1692

These copies should be submitted in the following manner:

- a. The original application must be in a three-ring, hard-back notebook with alphabetized section dividers.
 - b. Three (3) copies are to be submitted unbound and unstapled.
9. Applicants must be also provide one (1) copy of the entire application to:
- Offices of the Insurance Commissioner
Consumer Advocacy Division
Post Office Box 50540
Charleston, West Virginia 25305
10. The application and any other material in the case file become public documents and are available for inspection and copying upon request.
11. Data, State Health Plan Standards, and approved need methodologies will provided by the Authority upon request only.
12. Certificate of Need law and regulations may be obtained by contacting:
- Administrative Law Division
Secretary of State's Office
Building 1, Suite 157-K
Charleston, West Virginia 25305
(304) 558-6000

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1. IDENTIFICATION OF THE APPLICANT

A. _____
Name of Facility at Which Project Will Be Developed

Address of Facility

Project Name

B. _____
Name of Applicant

Address of Applicant

Name and Title of Chief Executive Officer Telephone

C. _____
Contact Person

Address Telephone

D. Type of Organization

PROPRIETARY	NON-PROFIT	GOVERNMENTAL
___ Individual	___ Corporation	___ State
___ Partnership	___ Church	___ County
___ Corporation	___ Other (Specify)	___ Other (Specify)
___ Other (Specify)		

E. _____
Medicare/Medicaid Provider Numbers

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2. AUTHORIZATION

- A. Attach articles of Certificate of Incorporation or filed articles of general or limited partnership.
- B. List members of board of directors of the corporation, or general partners if a general or limited partnership.
- C. Attach a copy of the resolution or minutes of the governing body meeting(s) wherein this project was approved. Also include authorization designating the signer of the application and contact person in question #1 to act on behalf of the applicant.

3. PROJECT DESCRIPTION

General describe the project. Include (a) specific services to be provided, (b) proposed service area and population to be served (c) capacity of the proposed service(s), (d) capital expenditure, (e) projected annual operating expense for the first five (5) years of operation, and (f) general organization and management structure.

4. PROJECT COST

- A. Provide information regarding any capital expenditure associated with this project including a listing of equipment.
- B. Provide information regarding office space including a copy of lease or rent agreement.

5. FINANCING

- A. If there is a capital expenditure associated with the proposal, complete Table 5.

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B. Indicate the project's requirement for new working capital, including requirements due to start-up expenses. Indicate source of funds. If working capital is to be borrowed, indicate principal, interest rate and term. Also indicate the total working capital to be financed.

6. TIMETABLE

Provide a timetable for implementation of this project in Table 6.

7. NEED ANALYSIS

Provide an analysis of the need for the proposed service by county using the methodology contained in the State Health Plan.

Approved by Governor

Date: 06/21/01

HOSPICE SERVICES

I. DEFINITION

Hospice is a coordinated program providing a continuum of home and inpatient care for the terminally ill patient and family and/or significant other. It employs interdisciplinary team acting under the direction of an identifiable hospice administration. The program provides palliative and supportive care to meet the special needs arising out of the physical, emotional, spiritual, social, and economic stresses which are experienced during the final stages of illness, and during dying and bereavement. The care is available 24 hours a day, seven days a week.

Hospice Models

Freestanding: A hospice inpatient facility that is administratively and physically freestanding. This type of hospice operates a home care program in conjunction with the inpatient

unit.

- Hospital Based: A hospice administratively and/or physically linked to a hospital. This type of hospice operates a home care program and may also operate an inpatient unit.
- Nursing Home Based: A hospice administratively and/or physically linked to a nursing home or long-term care facility. This type of hospice can operate an inpatient unit and a home care program.
- Community-Based: A hospice home care program that operates under an autonomous administration. This type of hospice may be affiliated with an inpatient unit.
- Home Health Agency Based: A hospice administratively and/or physically linked to a Based home-health agency. This type of hospice may contract for inpatient services.

II. CURRENT INVENTORY

The Authority shall provide the applicant with a current inventory of Hospice providers.

III. NEED METHODOLOGY

The evaluation of need for proposed hospice services or facilities will be based on the county of location as the smallest unit of analysis. The actual proposed area to be served may be smaller than a county.

Formula for Projecting Hospice Needs

Using the most recent edition of the West Virginia Vital Statistics, published by the West Virginia Department of Health and Human Resources, Bureau for Public Health, Office of Epidemiology and Health Promotion the applicant will use the following calculation to project need.

Total deaths for the county (x) 15 percent = Total projected hospice users

The above formula projects need for hospice in the proposed area. An unmet need will be presumed to exist if current providers in the area are operating at a level below the projection.

IV. QUALITY

A. The roles, responsibilities of, accountability of, and relationship of the hospice administrator and the hospice medical director shall be defined in writing.

B. The roles and responsibilities of the medical director and the patient's physician shall be defined in writing.

C. All hospice programs shall arrange on at least a yearly basis for orientation and continuing education of staff and volunteers, as appropriate. This training shall include but not be limited to:

1. basic hospice philosophy, including patient rights and responsibilities;
2. symptom control;
3. communication skills; and
4. bereavement counseling.

D. Applicants for a Certificate of Need for hospice services shall develop written protocols that govern the admission and medical treatment of patients. Policies and procedures shall relate to at least the following:

1. Within 48 hours prior to, or within 24 hours after admission of a patient/family, the attending physician must provide at least
 - a. the admitting diagnosis and prognosis,
 - b. current medical findings,
 - c. the diet prescribed,
 - d. medication and treatment orders,
 - e. pertinent orders regarding the patient's terminal condition, and
 - f. a history and physical examination; and
2. The designation of an alternative physician to contact regarding emergency care of a patient when the attending physician is not available.

E. The hospice program shall have written admission criteria that include the following patient characteristics required for admission to the program:

1. An assessment of the patient's family's desire and need for hospice service; and
2. The eligibility of a patient who does not have a designated primary care person.

Applicants for a Certificate of Need for hospice services shall develop procedures that will ensure evidence of the informed consent of the patient and a family member or other primary care person, as appropriate, to receive hospice program services.

G. Applicants for a Certificate of Need for hospice services shall document the existence of protocols that establish the number, education, training, and experience of the personnel who will provide each interdisciplinary team service and are consistent with the defined needs of patients/families and the scope of services provided by the hospice program.

H. The medical director of a hospice program shall be a physician who is currently licensed to practice in West Virginia and who, on the basis of training, experience and interest is knowledgeable about the psychosocial and medical aspects of hospice care.

I. The nursing services of a hospice program shall be supervised by a registered nurse who is currently licensed in West Virginia and whose minimum education and experience includes a demonstrated ability in nursing practice, including two years of clinical experience in home care and/or inpatient services.

J. Hospice support services shall include:

1. access to pharmacy services,
2. access to x-ray and laboratory services, and
3. other services such as homemaker support services as indicated and available.

V. CONTINUUM OF CARE

A. All levels of hospice services shall have written protocols for referral to and from the service, and to and from components within the service, as well as procedures for carrying out referrals.

B. Communication and cooperation between the referring physician and the hospice is essential to continuity of care for the patient and his/her family, and referring

physicians should, to the fullest extent possible, be maintained as the primary physician as well as participate in the diagnosis and management of problems requiring consultation or referral.

C. Applicants for a Certificate of Need for hospice services shall have written policies and procedures regarding discharge planning for the improved patient and follow-up care for the family during bereavement. The effectiveness of those policies shall be periodically evaluated and action taken as indicated.

D. Applicants for a Certificate of Need shall present written linkage agreements of at least a pre-commitment nature, where necessary, to assure provision of a full range of services, which includes inpatient facilities.

E. Physicians associated with hospice programs not operated by a hospital shall have admitting privileges to at least one acute care facility in the service area.

IV. COSTS

A. Applicants for a certificate of need for hospice service should have a plan for financing the proposed project that identifies the expected sources of income and projected expenses, which will indicate a stable financial basis.

B. Hospice services shall be offered at the least restrictive level, which is consistent with the patient's needs.

VII. ACCESS

A. Appropriate hospice services shall be available 24 hours per day, 7 days per week.

B. Applicants for a Certificate of Need for hospice services must provide written policies, which are non-discriminatory in terms of race, color, creed, age, ethnicity, sex, sexual preference, financial resources, or location of residence in the service area.

C. Applicants for a Certificate of Need for hospice services must provide written documentation that a list of services covered by the hospice and a fee schedule for hospice services will be made available to the consumer.

D. Inpatient hospice units shall have flexible visitation policies with 24-hour privileges.

E. The hospice system of care shall provide:

1. A program of care, which considers the patient and family as the unit of care.

2. A protocol of palliative care which includes, but is not limited to:
 - a. controlling pain;
 - b. controlling other symptoms as effectively as medically possible; and
 - c. providing comprehensive physical, social, psychological, and spiritual services to address the full spectrum of the patient and family needs.
3. Physician directed medical care.
4. Palliative care provided by an interdisciplinary team that should normally include:
 - a. physicians,
 - b. nurses,
 - c. social workers,
 - d. physical and other therapists,
 - e. pastoral care counselors/clergymen,
 - f. homemaker/home health aides,
 - g. volunteers specially selected and extensively trained to augment staff. (In palliative care, volunteers frequently bring unique skills and create a personalized environment which the traditional patient-professional relationship is unable to achieve.),
 - h. consultants, including nutritionists, pharmacists, psychiatrists, psychologists, radiologists, pediatricians, oncologists, funeral home directors and others,
 - i. family and friends, and
 - j. other caregivers as may be appropriate.
5. Bereavement counseling extended to the family and friends during the period of grieving and for one year following the death of the patient.
6. Home care and coordinated inpatient respite care for short periods of time to provide relief to the primary caretaker. Additionally, short-term inpatient

palliative care services for persons requiring management of acute symptoms, unable to manage at home.

F. Hospice programs should include 24 hours, 7 days a week access to appropriate members of the interdisciplinary team.

VIII. OTHER

Hospice services are considered to be on the low end of the continuum of care, provided in the least restrictive environment, and are therefore to be encouraged.

8. **CONSISTENCY WITH THE STATE HEALTH PLAN**

Provide an analysis of the project's consistency with the State Health Plan. List each applicable objective and standard in the Hospice Standards of the State Health Plan and demonstrate the extent to which the project meets each of these objectives.

9. **FINANCIAL FEASIBILITY**

For each of the most recently completed fiscal year, the current and next future fiscal years prior to the project's full completion, and for the first three years of operation after completion, submit the following information as applicable:

A. Financial statements:

9.A.1 Statements of Revenues and Expenses

9.A.2 Balance Sheets

9.A.3 Statements of Changes in Fund Balances or Financial Position

CON-70.3

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- B. Provide a listing of assumptions utilized in the preparation of the financial statements including staffing and salaries, expenses, utilization data, fee schedules or charges, and projected revenues based on payor mix in Table 9.B

10. AVAILABILITY OF HEALTH SERVICES

- A. Describe the relationship of this project to the existing health care system in the service area.
- B. How will this proposal enhance the availability of hospice services to medically underserved areas?
- C. How will the proposed service affect the utilization and operation of existing health services in the service area?

11. COST CONTAINMENT

- A. Describe how this proposal will result in the efficient and effective delivery of hospice care services.
- B. Discuss the availability of needed resources.
- C. What alternatives to the development of this proposal were considered?

12. FACILITY POLICIES

- A. How will the proposal fulfill the needs of medically indigent persons?
- B. What is your policy for acceptance of patients?

13. LETTERS OF SUPPORT

Attach letters of support and endorsements, if any.

CON-70.4

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14. **SIGNATURE**

COUNTY OF _____

STATE OF _____, to wit:

Upon first being duly sworn, I hereby state that, to the best of my information, knowledge, and belief, the information provided in this application is true and correct. I further state that the applicant is in full compliance with the financial disclosure provisions of W.Va. Code §16-5F-1 et seq. or W.Va. Code §16-29B-1 et seq.

(Signature)

(Title)

Sworn to, stated, and subscribed before me on this _____ day of _____,
_____.

Notary Public

(SEAL)

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TABLE 5.A

PROPOSED PLAN FOR FINANCING

Complete applicable items and describe source, type, amount, rate, etc. Attach documentation, letters of commitment, additional information as pertinent.

<u>Type of Financing</u>	<u>Total Amount</u>
Lease (Check appropriate blanks)	
Land _____ Building _____ Equipment _____	
Fair Market Value \$ _____	
Cash	_____
Source: _____	
Conventional	_____
Principal \$ _____	
Interest \$ _____	
Term \$ _____	
Bonds	_____
Principal \$ _____	
Interest \$ _____	
Term \$ _____	
Debt Service Reserve \$ _____	

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TABLE 5.A (cont'd)

_____	Gifts		_____
_____	Grants		_____
_____	Land Equity		_____
_____	Other Owner Equity		_____
	Notes	\$ _____	
	Stock	\$ _____	
	Other	\$ _____	
	TOTAL FINANCING		_____

CON-70.7

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TABLE 6

PROJECT TIMEABLE

Provide a timetable for incurring the obligation for any capital expenditure associated with the project and for implementation of the project.

	<u>Estimated Months Subsequent To CON Approval</u>
a. Land (site) acquired:	_____
b. Final plans and specifications submitted to the HFLC&S:	_____
c. Financing arrangements completed:	_____
d. Initial capital expenditure obligated:	_____
e. Construction contract secured and signed:	_____
f. Construction started:	_____
g. Remaining capital expenditure obligated:	_____
h. Equipment orders submitted:	_____
i. Construction completed:	_____
j. Request for substantial compliance review submitted to CON Program	_____
k. Project completed and in operation	_____

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TABLE 9.B

Provide the following information for the most recently completed fiscal year, current and future fiscal years prior to the project's completion and for the first year of operation after completion of the project. State all assumptions upon which the projections are based.

Year Ending _____

	<u>Gross Revenue</u>	<u>Allowance</u>	<u>Net Revenue</u>
Medicare	_____	_____	_____
Medicaid	_____	_____	_____
Blue Cross/ Blue Shield	_____	_____	_____
Commercial Insurance	_____	_____	_____
Self Pay	_____	_____	_____
Other	_____	_____	_____
Total*	=====	=====	=====

* Total should correspond to operating revenue shown on pro-forma revenue and expense statements submitted for first year of operation.

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