

QUESTIONS & ANSWERS 2007-08 HOSPICE RESIDENCE PILOT RFA

- 1. Q - Does a proposed hospice residence have to be located within a county that the hospice provider has approval to serve?**

A - Yes, a hospice residence must be located in one of the geographical service area counties served by the hospice provider as listed on their current operating certificate.

- 2. Q - Can a hospice apply to operate dually-certified hospice residence beds under the Hospice Residence Pilot RFA? If not, why not?**

A – No. As stated in the RFA, “Proposed hospice residence beds cannot be dually-certified, e.g., they will be approved for only hospice residence use and cannot be used as inpatient beds.” The Hospice Residence Pilot Program was established in an effort to provide an avenue to increase hospice residence beds (non dually-certified) beyond what is permitted under existing statutory authority, to determine whether doing so allows hospice residences to benefit from economies of scale. The Department will conduct fiscal comparisons to assess whether affording hospices the ability to operate up to a total of 16 hospice residence beds will promote such economies of scale.

Hospice residences that already operate dually-certified beds are NOT precluded from submitting proposals in response to the RFA. However, if selected, these particular hospices will be required to segregate out the costs for their dually-certified beds (when used as inpatient) from the costs when used as hospice residence beds, as part of the reporting process under this pilot program that will be shared with all selected applicants.

- 3. Q - We currently have an eight bed residential facility, with an architecturally discrete 3 bed inpatient unit. Are we required to add the 8 additional beds to our existing facility or may we locate them in a different geographic location?**

A – If an Article 40 (PHL) hospice wishes to apply to operate an 8 bed hospice residence at a different geographic location than their existing 8 bed hospice residence, doing so would constitute establishing a separate 8 bed hospice residence requiring separate approvals. Further, while doing so is not precluded under this RFA, the hospice should apply to do this without responding to the RFA and instead pursue the usual licensing/CON process allowed for 8 bed hospice residences. This RFA is intended to explore economies of scale for hospice residences of greater than 8 beds.

4. Q - Can a hospice provider apply for two residences?

A – Yes. As such, the provider may apply to operate up to a total of 16 hospice residence beds at each geographic site.

5. Q - Can any of the existing service areas/space on the current 8 bed residence unit be used for the additional 8 beds, i.e., nurse's station if proximal to unit, family room and kitchen if proximal, tub areas or spas, clean and dirty utility room, etc.? In other words, can we share some code required space or do we need to construct the 8 additional beds as if they were stand alone? For example, the current code says one tub per 10 patients. If 16 beds are approved, can you have 1 tub or now do you need 2?

A – As stated in the RFA, all proposals must reflect compliance with existing rules and regulations. This includes requirements related to service areas and spaces, including number of tubs. What is waived for purposes of the Hospice Residence Pilot Program is merely the current regulatory preclusion against operating a hospice residence with more than 8 total hospice residence beds at one geographic site.

6. Q - Although it is the intent of the hospice residence to meet the May 1, 2010 deadline for admission of the first patient, will the hospice be penalized in any way if there are unanticipated construction delays or the survey cannot be completed within the specified timeframe?

A – The timeframes specified in the RFA are proximates. An applicant must demonstrate the ability to be operational and admit the first resident by May 1, 2010. It is possible, however, that during the CON review and approval process a determination may be made to afford the provider more time to become operational (e.g. based on unanticipated construction delays). Such a determination would be made by the Department at that time and would be based on the circumstances present.

7. Q - Does the RFA award any funding for construction or remodeling costs to the hospices who are selected to establish a hospice residence?

A – No, there are no funds allocated under this RFA for this or any other purpose.

8. Q - If this application involves reducing nursing home beds to accommodate a hospice residence, can nursing home “Rightsizing” funding also be applied for?

A – There is no funding provided under the nursing home “Rightsizing Demonstration” law (PHL Section 2801-e). Further, the “Rightsizing” law does NOT permit decertified Article 28 (PHL) nursing home space to be used by a hospice to run a hospice operation, including hospice residence beds.

9. Q - Can an applicant submit a Memorandum of Understanding, Letter of Intent or other intermediate document in lieu of a signed lease for the facility to be used for the hospice residence?

A – No, a Memorandum of Understanding, Letter of Intent or other unspecified intermediate document would not be acceptable. The applicant must submit either a signed lease or a draft proposed lease agreement between the 2 parties containing all the details of this agreement, and the final signed and dated version could be requested later during the CON review process and/or as a contingency to the SHRPC approval.

10. Q - Are there geographic criteria in establishing a hospice residence within the New York City metropolitan area (i.e., citywide or county level)? Will consideration be given to the need for new applications with respect to existing residences, and how will need within New York City be determined?

A – Geographic considerations will be considered as specified on pages 3, 10, and 12 of the RFA. “Applications will be selected in locations geographically dispersed throughout New York State” utilizing the geographic regions specified on page 3 of the RFA. As specified on page 10, it is possible that no application will be selected for one or more regions and that a region may have more than one application selected to proceed to full CON review.

11. Q - When will the Department announce hospices awarded pilot demonstrations under this RFA?

A – As stated in the RFA, the Department expects to announce the selected applicants on or about March 21, 2008.

12.Q - We are confused by the first paragraph in Page 5. For purposes of the RFA, can an Article 28 nursing home or hospital rent a unit or floor to a hospice for purposes of establishing a hospice residence?

A – Yes, as long as the space being rented is decertified space and no longer approved for use for Article 28 nursing home or hospital purposes. Further, as stated in the RFA, the hospice residence must be architecturally, functionally and operationally discrete from the Article 28 nursing home or hospital operation. It is important to remember that any proposed hospice residence must be "residential in character and physical structure" to create a "home-like environment", with consideration given to an applicant's experience in operating a residential congregate care setting. Given these objectives, it is anticipated the residential congregate nature of space formerly used by a nursing home makes such space more preferable to conversion than that of unused former space of a hospital. Lease of existing decertified space is contingent upon any necessary approvals from CMS for such use.

13.Q - Would consideration be given to an extension of the 1/29/08 proposal submission date?

A – No.

14.Q - The RFA says the payment rates will be the existing Medicare hospice payments and existing Medicaid hospice residence payments. Can you tell me where applicants can access these payment rates, or might DOH be able to post the information on its website for potential applicants?

A – The RFA states that hospices will be expected to demonstrate their ability to operate under the current Medicare hospice reimbursement methodology and the current Medicaid hospice residence reimbursement system for residences. The term "current" means whatever reimbursement methodologies and rates are in effect during the time period at issue.

The federal government communicates Medicare rate information in the Federal Register. They also communicate Medicare rates via several federal websites, including the Centers for Medicare & Medicaid Services (CMS) website. On this website, CMS provides contact information for their Regional Home Health Intermediaries (RHHIs), who can help providers to navigate the federal websites.

Information regarding current New York State Medicaid hospice rates and hospice residence rates can be obtained by contacting Robert Payne of the Bureau of Long Term Care Reimbursement at (518) 473-8910.