



N.C. Department of Health
and Human Services



CERTIFICATE OF NEED PROCESS FOR INPATIENT PSYCHIATRIC BEDS

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Applying for a Certification of Need



- G.S. 131E-178(a): Any “person” can apply for a certificate of need (CON) to develop psychiatric beds by:
 - Applying for adult or child/adolescent psychiatric beds identified as needed in the applicable State Medical Facilities Plan.
 - ✦ Need determinations in the SMFP identify the date the review begins and the deadline for submitting the application.
 - Applying to relocate beds from a State Psychiatric Hospital pursuant to Policy PSY-1. These applications may be submitted during any of the 11 review cycles each year.

Overview of CON Process



- The CON review process is the same regardless of whether the applicant is applying to
 - meet an identified need in the SMFP
 - relocate beds from a State Psychiatric Hospital pursuant to Policy PSY-1. The Agency has 90 to 150 days to review each application.
- Expedited reviews may only be extended if the Agency has requested additional substantive information from the applicant.
 - The average length of the review during the last 3 calendar years for psychiatric bed proposals was 109 days.

Conversion of Acute Care Beds



- G.S. 131E-184(c): An acute care hospital can convert some of its existing acute care beds to psychiatric beds without first obtaining a certificate of need if
 - The hospital has signed a contract with the Department's Division of Mental Health and one or more LMEs/MCOs to provide psychiatric beds to patients referred by the LMEs/MCOs.
 - The total number of acute care beds that can be converted is no more than double the number of beds contracted for.

Need Determinations & Applicants During Previous 3 Years



	CY 2011	CY 2012	CY 2013
Adult Psychiatric Bed Need Determinations	6	7	2
Adult Psychiatric Beds Needed	88	79	30
Adult Psychiatric Beds Applied For	13	37	27
Adult Psychiatric Beds Approved	13	37	27
Child/Adolescent Psychiatric Bed Need Determinations	14	14	7
Child/Adolescent Psychiatric Beds Needed	75	74	42
Child/Adolescent Psychiatric Beds Applied For	5	0	0
Child/Adolescent Psychiatric Beds Approved	5	0	0
Psychiatric Bed Need Determinations	20	21	9
Psychiatric Beds Needed	163	153	72
Psychiatric Beds Applied For	18	37	27
Psychiatric Beds Approved	18	37	27

Inpatient Psychiatric Bed Applications/Approvals



- In the last three calendar years, four applicants have applied to meet the need identified in Chapter 15 of the SMFP.
- All four applications were approved. These applicants included:
 - **Veritas Collaborative** applied for the 5 child/adolescent beds in Durham in CY 2011.
 - **Novant Health Franklin Medical Center** applied for 13 of the 21 adult psychiatric beds in the Five County LME in CY 2011.
 - **Holly Hill Hospital** applied for the 37 adult psychiatric beds in Wake in CY 2012.
 - **Caldwell Memorial Hospital** applied for the 27 adult psychiatric beds in the Smoky Mountain Center 2 LME/MCO in CY 2013.

Applications to Relocate Existing Beds from State Hospitals During Previous 3 Years



	CY 2011	CY 2012	CY 2013
Existing Adult Psychiatric Beds Proposed to be Relocated *	166	24	12
Adult Psychiatric Beds Approved *	78	24	12
Existing Child/Adolescent Psychiatric Beds Proposed to be Relocated	0	52	0
Child/Adolescent Psychiatric Beds Approved	0	52	0
Existing Psychiatric Beds Proposed to be Relocated	166	76	12
Psychiatric Beds Approved	78	76	12

*Note: in 2011, CMC filed 1 application for 44 beds then a few months later filed 2 alternate or “competing” applications; 1 for 44 beds and 1 for 66 beds. The Agency approved the 66-bed proposal.

CON Applications in 2014



- Currently, there are 2 applications under review
 - 1 to relocate 12 existing beds from a State hospital pursuant to Policy PSY-1 to serve children and adolescents
 - 1 to develop the 1 child/adolescent bed needed in Durham according to the 2014 SMFP.