

THE BOARD OF COMMISSIONERS OF THE COUNTY OF CRAVEN RECONVENED ITS REGULAR SESSION OF SEPTEMBER 15, 2014 ON OCTOBER 6, 2014 IN THE EMERGENCY OPERATIONS CENTER TRAINING ROOM, 411 CRAVEN STREET, NEW BERN, NORTH CAROLINA. THE MEETING CONVENED AT 4:09 P.M.

MEMBERS PRESENT:

Chairman Thomas F. Mark
Vice Chairman Jefferey S. Taylor
Commissioner Lee Kyle Allen
Commissioner Scott C. Dacey
Commissioner Theron L. McCabe
Commissioner Johnnie Sampson, Jr.
Commissioner Steve Tyson

STAFF PRESENT:

Jack B. Veit III, County Manager
Gene Hodges, Assistant County Manager – Operations/Facilities
Rick Hemphill, Assistant County Manager – Finance/Administration
Amber Parker, Human Resources Director
Gwendolyn M. Bryan, Clerk to the Board
Scott Harrelson, Health Director
Thomas Smith, Health Department Hospice Director

OTHERS IN ATTENDANCE:

Dr. Ronald Preston
Dr. Rick Gorman
Dr. Robert Fisher

Discussion of In-Patient Hospice/Palliative Care

Dr. Fisher spoke on behalf of end-of-life care and palliative care. Dr. Preston representing CCHC Medical Group, and with over forty years of experience in primary care, stated that an in-patient hospice facility would be a benefit to the community and would also result in cost savings. Dr. Rick Gorman, Oncologist, stated that the palliative care component has grown tremendously in the last seven years.

Dr. Gorman further stated that patient satisfaction, family care and comfort are primary goals would be enhanced by an in-patient facility with a palliative care component. There is a hole in the local system, especially considering the size of the ever increasing local geriatric community. An article was distributed showing better outcomes for virtually the same cost.

End of Life Palliative Care goals are to deal with the patient's and family's pain, whether physical, emotional or spiritual. Palliative medicine is to help improve the quality of life and perhaps extend life. The treatment can be delivered to the home, hospitals and nursing homes. Hospice is provided for the last six months of life.

Commissioner Tyson inquired who receives palliative care. Dr. Fisher responded that any patient can receive palliative care with a life limiting illness. The cost of residential beds is the same as for acute care beds, but they are reimbursed at a lesser rate.

Commissioner Dacey asked why private providers have chosen not to participate in such a program in Craven County, as there are numerous such agencies listed in North Carolina. He inquired if there is a barrier that is not readily apparent.

Dr. Preston responded that physicians must be educated about the issues and they must take appropriate coursework and sit for an examination. He stated that palliative care may begin well before end stages of illness, which is where hospice begins. There is no Certificate of Need (CON) required for palliative care. The only Medicare requirement is the establishment of a physician practice.

Dr. Gorman stated his opinion that reimbursement costs, lack of community knowledge, and deficiency in appropriate infrastructure are barriers.

Mr. Smith stated that there is not a significant enough cash potential in a stand-alone venture to be attractive to a private entity.

Commissioner Taylor asked if there is an opportunity for setting up an inpatient hospice facility on the CarolinaEast Medical Center grounds. Dr. Fisher responded that there is currently no space; however, a clinic presence may be possible in conjunction with a cancer center that is being developed.

Mr. Harrelson gave a PowerPoint presentation which indicated current days of care load is at 5,104, which would limit Medicare billing to three beds. In order to bill for six beds in a facility, 11,000 days of care would be necessary. Therefore, a six-bed patient facility would lose money. At that rate, a loss of \$180,000 a year, coupled with a \$40,000 loss in Home Health Hospice with current reimbursement eligibility is projected. Conversely, he projects a \$441,561 profit within two years, with an increase to 11,000 care days, with reimbursement for six beds.

Chairman Mark inquired about the cost to the County in the meantime. Mr. Harrelson stated that the upfront cost requested of the County mid-budget year would be \$122,500 to cover the cost of a full-time Medical Director and some marketing. He presented a cost breakdown showing how this could be covered by the proceeds from the Home Health Agency sale.

Commissioner Dacey inquired if the palliative care component would drive patients to the County's program rather than private outfits in place. Dr. Fisher stated that it is not intended to compete, but to expand service.

The following issues were discussed regarding the up-front cost.

- Should there be a Palliative Care component?
- Should the County proceed with the in-patient facility?
- If so, how should ownership be structured?

There was discussion of a back-up plan for sale of the facility to private entity if the County chooses to get out of the venture at a later date.

Commissioner Sampson stated that he is willing to go on board with the project.

Commissioner Taylor recommended a written clause in the contract with a back door provision; however, Chairman Mark stated that it is already in the draft agreement.

Commissioner Sampson moved to proceed with the project, seconded by Commissioner McCabe.

The Board was reminded by Mr. Harrelson that maintaining the status quo will result in a \$220,000 loss.

Commissioner Dacey expressed the following concerns:

- Potential losses
- Absence of outside interest
- No agreement on the location to date

He stated that he would like to see the program phased in through steps and is uncomfortable approving it outside a regular meeting setting with media present.

Commissioner Tyson stated that he would like to talk first with private sector hospice providers and other communities that have palliative care.

Commissioner Tyson moved to postpone further discussion until the October 20 meeting, seconded by Commissioner Dacey and carried with four (4) "ayes", there being three (3) "nays" from Commissioners Allen, McCabe and Sampson.

The Board expressed interest in visiting the Cape Fear facility, and staff agreed to arrange a visit.

At 6:04 p.m. Commissioner Tyson moved to adjourn, seconded by Commissioner Taylor and unanimously carried.

Chairman Thomas F. Mark
Craven County Board of Commissioners

Gwendolyn M. Bryan
Clerk to the Board

