10A NCAC 14C .1102 is readopted as published in 37:02 NCR 170-174 as follows:

## 3 10A NCAC 14C .1102 PERFORMANCE STANDARDS

## 4 (a) An applicant proposing to add nursing facility beds to an existing facility, except an applicant proposing to transfer 5 existing certified nursing facility beds from a State Psychiatric Hospital to a community facility, shall not be approved

6 unless the average occupancy, over the nine months immediately preceding the submittal of the application, of the

- 7 total number of licensed nursing facility beds within the facility in which the new beds are to be operated was at least
- 8 90 percent.
- 9 (b) An applicant proposing to establish a new nursing facility or add nursing facility beds to an existing facility,
- 10 except an applicant proposing to transfer existing certified nursing facility beds from a State Psychiatric Hospital to a
- 11 community facility, shall not be approved unless occupancy is projected to be at least 90 percent for the total number
- 12 of nursing facility beds proposed to be operated, no later than two years following the completion of the proposed
- 13 project. All assumptions, including the specific methodologies by which occupancies are projected, shall be clearly
- 14 stated.

15 (c) An applicant proposing to add adult care home beds to an existing facility shall not be approved unless the average

16 occupancy, over the nine months immediately preceding the submittal of the application, of the total number of

17 licensed adult care home beds within the facility in which the new beds are to be operated was at least 85 percent.

18 (d) An applicant proposing to establish a new adult care home facility or add adult care home beds to an existing

19 facility shall not be approved unless occupancy is projected to be at least 85 percent for the total number of adult care

20 home beds proposed to be operated, no later than two years following the completion of the proposed project. All

21 assumptions, including the specific methodologies by which occupancies are projected, shall be stated.

- 22 (a) For the purposes of this Rule the following definitions shall apply:
- 23
   (1) "Approved beds" means nursing home or adult care home beds that were issued a certificate of need

   24
   but are not being used to provide services as of the application deadline for the review period.
- (2) "Existing beds" means nursing home or adult care home beds that are being used to provide services
   as of the application deadline for the review period.
- 27 (3) "Maximum capacity" means the total number of existing, approved, and proposed nursing home or
   28 adult care home beds times 365 days.
- 29 (4) "Occupancy rate" means the total number of patient days of care provided in the nursing home or
   30 adult care home beds during a full fiscal year of operation divided by maximum capacity expressed
   31 as a percentage.
- 32 (5) "Proposed beds" means the nursing home or adult care home beds proposed in the application under 33 review.
- 34 (b) An applicant proposing to develop nursing home beds pursuant to a need determination in the annual State Medical
   35 Facilities Plan in effect as of the first day of the review period shall:
- 36 (1) provide projected utilization of the existing, approved, and proposed beds during each of the first
   37 three full fiscal years of operation following completion of the project;

1	<u>(2)</u>	project an occupancy rate for the existing, approved, and proposed beds of at least 90 percent of
2		maximum capacity during the third full fiscal year of operation following completion of the project;
3		and
4	(3)	provide the assumptions and methodology used to project the utilization and occupancy rate required
5		by Subparagraphs (1) and (2) of this Paragraph.
6	(c) An applicat	nt proposing to develop adult care home beds pursuant to a need determination in the annual State
7	<u>Medical Faciliti</u>	es Plan in effect as of the first day of the review period shall:
8	(1)	provide projected utilization of the existing, approved, and proposed beds during each of the first
9		three full fiscal years of operation following completion of the project;
10	(2)	project an occupancy rate for the existing, approved, and proposed beds of at least 85 percent of
11		maximum capacity during the third full fiscal year of operation following completion of the project;
12		and
13	(3)	provide the assumptions and methodology used to project the utilization and occupancy rate required
14		by Subparagraphs (1) and (2) of this Paragraph.
15		
16	History Note:	Authority G.S. <del>131E-175; 131E-176; 1</del> 31E-177(1); 131E-183(b); <del>S.L. 2001, c. 234;</del>
17		Eff. November 1, 1996;
18		Temporary Amendment Eff. January 1, 2002;
19		Amended Eff. April 1, <del>2003.</del> <u>2003:</u>
20		<u>Readopted Eff. January 1, 2023.</u>

1	10A NCAC 140	C.2001 is readopted as published in 37:02 NCR 170-174 as follows:
2		
3	SEC	CTION .2000 – CRITERIA AND STANDARDS FOR HOME HEALTH SERVICES
4		
5	10A NCAC 140	C.2001 DEFINITIONS
6	The following d	efinitions in this Rule shall apply to all rules in this Section:
7	(1)	"Home Health Agency" shall have the same meaning as defined in G.S. 131E 176(12).
8	(2)	"Home Health Services" shall have the same meaning as defined in G.S. 131E-176(12).
9	The following d	efinitions shall apply to this Section:
10	<u>(1)</u>	"Home health agency" shall have the same meaning as defined in G.S. 131E-176(12).
11	(2)	"Service area" shall have the same meaning as defined in the annual State Medical Facilities Plan
12		in effect as of the first day of the review period.
13		
14	History Note:	Authority G.S. 131E-177(1); 131E-183(b);
15		Eff. September 1, 1980;
16		Amended Eff. March 1, 1996; July 1, 1995; July 1, 1991; February 1, 1985; May 1, <del>1983.</del> <u>1983;</u>
17		<u>Readopted Eff. January 1, 2023.</u>

18

10A NCAC 14C .2003 is readopted as published in 37:02 NCR 170-174 as follows:

## 3 10A NCAC 14C .2003 PERFORMANCE STANDARDS

- 4 An applicant shall project, in the third year of operation, an annual unduplicated patient caseload for the county in
- 5 which the facility will be located that meets or exceeds the minimum need used in the applicable State Medical
- 6 Facilities Plan to justify the establishment of a new home health agency office in that county. An applicant shall not
- 7 be required to meet this performance standard if the home health agency office need determination in the applicable
- 8 State Medical Facilities Plan was not based on application of the standard methodology for a Medicare certified home
- 9 health agency office.
- 10 An applicant proposing to develop a new Medicare-certified home health agency pursuant to a need determination in
- 11 the annual State Medical Facilities Plan in effect as of the first day of the review period shall:
- (1) provide projected utilization for each of the first three full fiscal years of operation following
   completion of the project;
- 14 (2) project to serve at least 325 residents of the proposed service area during the third full fiscal year of
   15 operation following completion of the project; and
- 16 (3) provide the assumptions and methodology used to provide the projected utilization required in Item
   17 (1) of this Rule.
- 19 History Note: Authority G.S. 131E-177(1); 131E-183(b);
- 20 *Eff. March 1, 1996;*
- 21 Temporary Amendment Eff. January 1, 2002;
- 22 Amended Eff. April 1, <del>2003.</del> <u>2003:</u>
- 23 <u>Readopted Eff. January 1, 2023.</u>

1	10A NCAC 14C	2.2801 is readopted with changes as published in 37:02 NCR 170-174 as follows:
2		
3	SECT	TION .2800 - CRITERIA AND STANDARDS FOR REHABILITATION SERVICES
4		
5	10A NCAC 140	C.2801 DEFINITIONS
6	The definitions i	in this Rule will apply to all rules in this Section.
7	(1)	"Rehabilitation Facility" means a facility as defined in G.S. 131E 176.
8	(2)	"Rehabilitation" means the process to maintain, restore or increase the function of disabled
9		individuals so that an individual can live in the least restrictive environment, consistent with his or
10		her objective.
11	(3)	
12		services, evaluation, or treatment with emphasis on improving the functional level of the person in
13		coordination with the patient's family.
14	(4)	"Rehabilitation Beds" means inpatient beds for which a need determination is set forth in the current
15		State Medical Facilities Plan and which are located in a hospital licensed pursuant to G.S. 131E 77.
16	(5)	"Traumatic Brain Injury" is defined as an insult to the brain that may produce a diminished or altered
17		state of consciousness which results in impairment of cognitive abilities or physical functioning. It
18		can also result in the disturbance of behavioral or emotional functioning. These impairments may
19		be either temporary or permanent and cause partial or total functional disability or psychological
20		maladjustment.
21	(6)	"Stroke" (cerebral infarction, hemorrhage) is defined as the sudden onset of a focal neurologic
22		deficit due to a local disturbance in the blood supply to the brain.
23	(7)	"Spinal Cord Injury" is defined as an injury to the spinal cord that results in the loss of motor or
24		sensory function.
25	(8)	
26		of age or younger.
27	<u>The following d</u>	efinitions shall apply to this Section:
28	(1)	"Approved rehabilitation [(rehab)] beds" means [rehab] rehabilitation beds that were issued a
29		certificate of need but are not licensed as [rehab] rehabilitation beds as of the application deadline
30		for the review period.
31	(2)	"Average daily census (ADC)" means the total number of inpatient [rehab] rehabilitation days of
32		care provided during a full fiscal year of operation divided by 365 days.
33	<u>(3)</u>	"Existing [rehab] rehabilitation beds" means [rehab] rehabilitation beds that are licensed as [rehab]
34		rehabilitation beds as of the application deadline for the review period.
35	<u>(4)</u>	"Occupancy rate" means the ADC divided by the total number of existing, approved, and proposed
36		[rehab] rehabilitation beds expressed as a percentage.

1	<u>(5)</u>	"Proposed [rehab] rehabilitation beds" means the [rehab] rehabilitation beds proposed in the
2		application under review.
3		
4	History Note:	Authority G.S. 131E-177; 131E-183(b);
5		Eff. May 1, 1991;
6		Amended Eff. February 1, 1993;
7		Temporary Amendment Eff. February 1, 2006;
8		Amended Eff. November 1, <del>2006.</del> 2006:
9		<u>Readopted Eff. January 1, 2023.</u>

10A NCAC 14C .2803 is readopted with changes as published in 37:02 NCR 170-174 as follows:

- 3 10A NCAC 14C .2803 PERFORMANCE STANDARDS
  - 4 (a) An applicant proposing to establish new rehabilitation beds shall not be approved unless the average occupancy,
  - 5 over the nine months immediately preceding the submittal of the application, of the total number of licensed
  - 6 rehabilitation beds within the facility in which the new beds are to be operated was at least 80 percent.
  - 7 (b) An applicant proposing to establish new rehabilitation beds shall not be approved unless occupancy is projected
  - 8 to be 80 percent for the total number of rehabilitation beds to be operated in the facility no later than two years
  - 9 following completion of the proposed project.
  - 10 <u>An applicant proposing to develop</u> [rehab] rehabilitation beds pursuant to a need determination in the annual State
  - 11 Medical Facilities Plan in effect as of the first day of the review period shall:
- 12
   (1) provide projected utilization of all existing, approved, and proposed [rehab] rehabilitation beds on

   13
   the hospital license during each of the first three full fiscal years of operation following completion

   14
   of the project;
- 15
   (2)
   [document]
   project
   that the occupancy rate for all existing, approved, and proposed
   [rehab]

   16
   rehabilitation
   beds on the hospital license shall be at least 70 percent during the third full fiscal year

   17
   of operation following completion of the project; and
- 18 (3) provide the assumptions and methodology used to provide the projected utilization and occupancy
   19 rate required in Items (1) and (2) of this Rule.
- 20
- 21 *History Note:* Authority G.S. 131E-177; 131E-183; 131E-183(b);
- 22 *Eff. November 1, <del>1996.</del> <u>1996;</u>*
- 23 <u>Readopted Eff. January 1, 2023.</u>

2         3       SECTION .3800 - CRITERIA AND STANDARDS FOR ACUTE CARE <u>HOSPITAL</u> BEDS         4       10A NCAC 14C .3801 DEFINITIONS         5       10A NCAC 14C .3801 DEFINITIONS         7       (1) "Avoite cure beds" means ocute cure beds licensed by the Division of Health Service Regulation in accordance with standards in 10A NCAC 13B .6200, and located in hospitals licensed pursuant to G.S. 131E .79.         10       (2) "Avorage daily consurt means the number of days of inpatient acute care provided in licensed acute cure beds in a given year divided by 365 days.         12       (3) "Cumpus" shall have the same meaning as defined in G.S. 131E .176(20).         13       (4) "Service Area" means the single or multi-county area as used in the development of the neute care bed acet determination in the applicable State Medical Facilitics Plan.         15       The following definitions shall apply to this Section:         16       (1) "Applicant hospital" means the hospital where the applicant proposes to develop the new acute care beds and includes all campuses on one license.         18       (2) "Applicant lospital" means acute care beds in a hospital that were issued a certificate of need but are not licensed as of the application deadline for the review period.         20       (3) "Average daily census (ADC)" means the total number of acute care days of care provided during a full fiscal vear of operation divided by 365 days.         21       (4) "Existing beds" means acute care beds in a hospital that are licensed as of the application deadline for the revie	1	10A NCAC 14C	.3801 is readopted with changes as published in 37:02 NCR 170-174 as follows:
4       Ion NCAC 14C 3801 DEFINITIONS         5       10A NCAC 14C 3801 DEFINITIONS         6       The following definitions chall apply to all Rules in this Sections:         7       (1) "Acute care beds" means acute care beds licensed by the Division of Health Service Regulation in accordance with standards in 10A NCAC 13D .6200, and located in hospitals licensed pursuant to G.S. 131E 179.         10       (2) "Average daily census" means the number of days of inpatient acute care provided in licensed acute care beds in a given year divided by 365 days.         12       (3) "Campue" shall have the same meaning as defined in G.S. 131E 176(2c).         11       "Service Area" means the ingle or multi county area as used in the development of the acute care bed need determination in the applicable State Medical Facilities Plan.         15       The following definitions shall apply to this Section:         16       (1) "Applicant hospital" means the hospital where the applicant proposes to develop the new acute care beds and includes all campuses on one license.         18       (2) "Approved beds" means acute care beds in a hospital that were issued a certificate of need but are not licensed as of the application deadline for the review period.         20       "Average daily census (ADC)" means the total number of acute care days of care provided during a full fiscal year of operation divided by 365 days.         21       a full fiscal year of operation divided by 365 days.         22       "Approved beds" means acute care beds in a hospital that are license	2		
5       IOA NCAC 14C 3301       DEFINITIONS         6       The following definitions shall apply to all Rules in this Section:         7       (1) — "Acute cure beds" means ucute care beds licensed by the Division of Health Service Regulation in accordance with standards in 10A NCAC 13B .6200, and located in hospitals licensed pursuant to G.S. 131E 79.         10       (2) — "Average daily census" means the number of days of inpatient acute care provided in licensed acute care beds in a given year divided by 365 days.         11       care beds in a given year divided by action gas defined in G.S. 131E -176(Ce).         13       (1) — "Service Area" means the single or multi county area as used in the development of the acute care beds in a hospital have the same meaning an defined in G.S. 131E -176(Ce).         14       bed-need determination in the applicable State Medical Facilities Plan.         15       The following definitions shall apply to this Section:         16       (1) — "Applicant hospital" means the hospital where the applicant proposes to develop the new acute care beds and includes all campuses on one license.         18       (2) — "Average daily census (ADC)" means the total number of acute care days of care provided during a full fiscal year of operation divided by 365 days.         21       (3) — "Average daily census (ADC)" means the total number of existing, lapprevel approved beds" means acute care beds in a hospital that are licensed as of the application deadline for the review period.         23       for the review period. <td< td=""><td>3</td><td>SECT</td><td>ION .3800 - CRITERIA AND STANDARDS FOR ACUTE CARE <u>HOSPITAL</u> BEDS</td></td<>	3	SECT	ION .3800 - CRITERIA AND STANDARDS FOR ACUTE CARE <u>HOSPITAL</u> BEDS
6       The following definitions shall apply to all Rules in this Section:         7       (1) "Acute care beds" means acute care beds licensed by the Division of Health Service Regulation in accordance with standards in 10A NCAC 13B .6200, and located in hospitals licensed pursuant to G.S. 131E 79.         10       (2) "Average daily census" means the number of days of inpatient acute care provided in licensed acute care beds in a given year divided by 365 days.         12       (3) "Compus" shall have the same meaning as defined in G.S. 131E 176(2c).         14       bed need determination in the applicable State Medical Facilities Plan.         15       The following definitions shall apply to this Section:         16       (1) "Applicant hospital" means the hospital where the applicant proposes to develop the new acute care beds and includes all campuses on one license.         18       (2) "Approved beds" means acute care beds in a hospital that were issued a certificate of need but are not licensed as of the application deadline for the review period.         20       "Average daily census (ADC)" means the total number of acute care days of care provided during a full fiscal year of operation divided by 365 days.         21       (3) "Average daily census (ADC)" means the total number of existing. [approved] approved beds" means acute care beds in a hospital that are licensed as of the application deadline for the review period.         23       (6) "Cocupancy rate" means the ADC divided by the total number of existing. [approved] approved approved beds" means the acute care beds in a hospital that are licensed as of the	4		
(1)       "Acute care beds" means acute care beds licensed by the Division of Health-Service Regulation in         accordance with standards in 10A NCAC 13B .6200, and located in hospitals licensed pursuant to         (2)       "Average daily census" means the number of days of inpatient acute care provided in licensed acute         eare beds in a given year divided by 365 days.         (3)       "Campue" shall have the same meaning as defined in G.S. 131E 176(2e).         (4)       "Service Area" means the single or multi county area as used in the development of the acute care         bed need determination in the applicable State Medical Facilities Plan.         The following definitions shall apply to this Section:         (1)       "Applicant hospital" means the hospital where the applicant proposes to develop the new acute care         beds and includes all campuses on one license.         (2)       "Approved beds" means acute care beds in a hospital that were issued a certificate of need but are         not licensed as of the application deadline for the review period.         (3)       "Average daily census (ADC)" means the total number of existing (approved beds' means acute care beds in a hospital that are licensed as of the application deadline         for the review period.       (4)       "Existing beds" means all hospitals in the proposed service area owned or operated by the         applicant or a related entity.       (6)       "Occupancy rate" means the ADC divided by the total number of existing (approved) ap	5	10A NCAC 140	C.3801 DEFINITIONS
8       accordance with standards in 10A NCAC 13B-6200, and located in hospitals licensed pursuant to         9       G.S. 131E-79.         10       (2) "Average daily census" means the number of days of inpatient acute care provided in licensed acute         11       eare beds in a given year divided by 365 days.         12       (3) "Campue" shall have the same meaning ac defined in G.S. 131E-176(2c).         13       (4) "Service Area" means the single or multi county area as used in the development of the acute care         14       bed aced determination in the applicable State Medical Facilities Plan.         15       The following definitions shall apply to this Section:         16       (1) "Applicant hospital" means the hospital where the applicant proposes to develop the new acute care         19       not licensed as of the application deadline for the review period.         20       "Approved beds" means acute care beds in a hospital that were issued a certificate of need but are         10       a full fiscal year of operation divided by 365 days.         21       a full fiscal year of operation divided by 365 days.         22       (4) "Existing beds" means acute care beds in a hospital that are licensed as of the application deadline         10       for the review period.         23       "Moreage daily census (ADCY" means the total number of existing. (approved) approved         24       (5) "Hospital syst	6	The following d	efinitions shall apply to all Rules in this Section:
9       G.S. 131E 79.         10       (2) — "Average daily census" means the number of days of inputient acute care provided in licensed acute care beds in a given year divided by 365 days.         12       (3) — "Campus" shall have the same meaning as defined in G.S. 131E 176(2e).         13       (4) — "Service Area" means the single or multi county area as used in the development of the acute care bed need determination in the applicable State Medical Facilities Plan.         15       The following definitions shall apply to this Section:         16       (1) — "Applicant hospital" means the hospital where the applicant proposes to develop the new acute care beds and includes all campuses on one license.         17       beds and includes all campuses on one license.         18       (2) — "Approved beds" means acute care beds in a hospital that were issued a certificate of need but are not licensed as of the application deadline for the review period.         20       "Average daily census (ADC)" means the total number of acute care days of care provided during a full fiscal year of operation divided by 365 days.         21       a full fiscal year of operation divided by 365 days.         22       (4) — "Fxisting beds" means acute care beds in a hospital that are licensed as of the application deadline for the review period.         23       not nerview period.         24       (5) — "Hospital system" means all hospitals in the proposed service area owned or operated by the applicant or a related entity.         26 <t< td=""><td>7</td><td>(1)</td><td>"Acute care beds" means acute care beds licensed by the Division of Health Service Regulation in</td></t<>	7	(1)	"Acute care beds" means acute care beds licensed by the Division of Health Service Regulation in
10       (2) **Average daily census" means the number of days of inpatient acute care provided in licensed acute care beds in a given year divided by 365 days.         12       (3) **Campus" shall have the same meaning as defined in G.S. 131E 176(2c).         13       (1) **Service Area* means the single or multi county area as used in the development of the acute care bed need determination in the applicable State Medical Facilities Plan.         15       The following definitions shall apply to this Section:         16       (1) **Applicant hospital* means the hospital where the applicant proposes to develop the new acute care beds and includes all campuses on one license.         18       (2) **Approved beds* means acute care beds in a hospital that were issued a certificate of need but are not licensed as of the application deadline for the review period.         20       **Average daily census (ADC)* means the total number of acute care days of care provided during a full fiscal year of operation divided by 365 days.         21       a full fiscal year of operation divided by 365 days.         22       (4) ***Existing beds* means acute care beds in a hospital that are licensed as of the application deadline for the review period.         23       for the review period.         24       (5) ***Hospital system* means all hospitals in the proposed service area owned or operated by the applicator a related entity.         26       (6) ***Ocupancy rate* means the ADC divided by the total number of existing [approved] approved.         27       and proposed acu	8		accordance with standards in 10A NCAC 13B .6200, and located in hospitals licensed pursuant to
1       eare beds in a given year divided by 365 days.         12       (3) "Campus" shall have the same meaning as defined in G.S. 131E 176(2c).         13       (f) "Service Area" means the single or multi county area as used in the development of the acute care bed need determination in the applicable State Medical Facilities Plan.         15       The following definitions shall apply to this Section:         16       (1) "Applicant hospital" means the hospital where the applicant proposes to develop the new acute care beds and includes all campuses on one license.         18       (2) "Approved beds" means acute care beds in a hospital that were issued a certificate of need but are not licensed as of the application deadline for the review period.         20       (3) "Average daily census (ADC)" means the total number of acute care days of care provided during a full fiscal year of operation divided by 365 days.         21       a full fiscal war of operation divided by 365 days.         22       (4) "Existing beds" means all hospitals in the proposed service area owned or operated by the applicant or a related entity.         26       (5) "Hospital system" means the ADC divided by the total number of existing, [approved] approved] approved and proposed acute care beds proposed to be developed in a hospital in the application and proposed acute care beds proposed to be developed in a hospital in the application under review.         27       and proposed acute care hospital [beds:] beds expressed as a percentage.         28       (7) "Proposed beds" means the acute eare beds proposed to b	9		<del>G.S. 131E-79.</del>
12       (3) — "Campus" shall have the same meaning as defined in G.S. 131E-176(2e).         13       (1) — "Service Area" means the single or multi-county area as used in the development of the acute care bed need determination in the applicable State Medical Facilities Plan.         14       bed need determination in the applicable State Medical Facilities Plan.         15       The following definitions shall apply to this Section:         16       (1) — "Applicant hospital" means the hospital where the applicant proposes to develop the new acute care beds and includes all campuses on one license.         18       (2) — "Approved beds" means acute care beds in a hospital that were issued a certificate of need but are not licensed as of the application deadline for the review period.         20       (3) — "Average daily census (ADC)" means the total number of acute care days of care provided during a full fiscal year of operation divided by 365 days.         21       a full fiscal year of operation divided by 365 days.         22       (4) — "Existing beds" means acute care beds in a hospital that are licensed as of the application deadline for the review period.         23       "Hospital system" means all hospitals in the proposed service area owned or operated by the applicant or a related entity.         26       (6) — "Occupancy rate" means the ADC divided by the total number of existing, [approved] and proposed acute care hospital [beds] beds expressed as a percentage.         27       and proposed beds" means the acute care beds proposed to be developed in a hospital in the applicatio	10	(2)	"Average daily census" means the number of days of inpatient acute care provided in licensed acute
13       (4) "Service Area" means the single or multi-county area as used in the development of the acute care         14       bed need determination in the applicable State Medical Facilities Plan.         15       The following definitions shall apply to this Section:         16       (1) "Applicant hospital" means the hospital where the applicant proposes to develop the new acute care         17       beds and includes all campuses on one license.         18       (2) "Approved beds" means acute care beds in a hospital that were issued a certificate of need but are         19       not licensed as of the application deadline for the review period.         20       (3) "Average daily census (ADC)" means the total number of acute care days of care provided during         21       a full fiscal year of operation divided by 365 days.         22       (4) "Existing beds" means acute care beds in a hospital that are licensed as of the application deadline         23       for the review period.         24       (5) "Hospital system" means all hospitals in the proposed service area owned or operated by the         25       applicant or a related entity.         26       (6) "Occupancy rate" means the ADC divided by the total number of existing. [approved] approved.         27       and proposed acute care hospital [beds.] beds expressed as a percentage.         28       (7) "Proposed beds" means the acute care beds proposed to be developed in a hospital in the	11		care beds in a given year divided by 365 days.
14       bed need determination in the applicable State Medical Facilities Plan.         15       The following definitions shall apply to this Section:         16       (1) "Applicant hospital" means the hospital where the applicant proposes to develop the new acute care beds and includes all campuses on one license.         18       (2) "Approved beds" means acute care beds in a hospital that were issued a certificate of need but are not licensed as of the application deadline for the review period.         20       (3) "Average daily census (ADC)" means the total number of acute care days of care provided during a full fiscal year of operation divided by 365 days.         21       a full fiscal year of operation divided by 365 days.         22       (4) "Existing beds" means acute care beds in a hospital that are licensed as of the application deadline for the review period.         23       for the review period.         24       (5) "Hospital system" means all hospitals in the proposed service area owned or operated by the applicant or a related entity.         26       (6) "Occupancy rate" means the ADC divided by the total number of existing. [approved] approved.         27       and proposed dacute care hospital [beds:] beds expressed as a percentage.         28       (7) "Proposed beds" means the acute care beds proposed to be developed in a hospital in the application under review.         30       (8) "Qualified applicant" shall have the same meaning as defined in the annual State Medical Facilitites Plan in effect as of the first day of the review	12	(3)	"Campus" shall have the same meaning as defined in G.S. 131E-176(2c).
The following definitions shall apply to this Section:         16       (1) "Applicant hospital" means the hospital where the applicant proposes to develop the new acute care beds and includes all campuses on one license.         17       beds and includes all campuses on one license.         18       (2) "Approved beds" means acute care beds in a hospital that were issued a certificate of need but are not licensed as of the application deadline for the review period.         20       (3) "Average daily census (ADC)" means the total number of acute care days of care provided during a full fiscal year of operation divided by 365 days.         21       (4) "Existing beds" means acute care beds in a hospital that are licensed as of the application deadline for the review period.         23       (4) "Existing beds" means all hospitals in the proposed service area owned or operated by the applicant or a related entity.         26       (6) "Occupancy rate" means the ADC divided by the total number of existing, [approved] approved, and proposed acute care hospital [beds] beds expressed as a percentage.         28       (7) "Proposed beds" means the acute care beds proposed to be developed in a hospital in the application under review.         30       (8) "Oualified applicant" shall have the same meaning as defined in the annual State Medical Facilities Plan in effect as of the first day of the review period.         31       Plan in effect as of the first day of the review period.         32       (9) "Service area" shall have the same meaning as defined in the annual State Medical Facilities Plan in effect	13	(4)	"Service Area" means the single or multi county area as used in the development of the acute care
16       (1) "Applicant hospital" means the hospital where the applicant proposes to develop the new acute care beds and includes all campuses on one license.         17       beds and includes all campuses on one license.         18       (2) "Approved beds" means acute care beds in a hospital that were issued a certificate of need but are not licensed as of the application deadline for the review period.         20       (3) "Average daily census (ADC)" means the total number of acute care days of care provided during a full fiscal year of operation divided by 365 days.         21       a full fiscal year of operation divided by 365 days.         22       (4) "Existing beds" means acute care beds in a hospital that are licensed as of the application deadline for the review period.         23       for the review period.         24       (5) "Hospital system" means all hospitals in the proposed service area owned or operated by the applicant or a related entity.         26       (6) "Occupancy rate" means the ADC divided by the total number of existing, [approved] approved.         27       and proposed acute care hospital [beds;] beds expressed as a percentage.         28       (7) "Proposed beds" means the acute care beds proposed to be developed in a hospital in the application under review.         30       (8) "Qualified applicant" shall have the same meaning as defined in the annual State Medical Facilities Plan in effect as of the first day of the review period.         31       Plan in effect as of the first day of the review period.	14		bed need determination in the applicable State Medical Facilities Plan.
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	35		(a) 66.7 percent if the ADC is less than 100;
37 (c) 75.2 percent if the ADC is 201 to 399; or	36		(b) 71.4 percent if the ADC is 100 to 200;
	37		(c) 75.2 percent if the ADC is 201 to 399; or

1		(d) 78.0 percent if the ADC is greater than 400.
2		
3	History Note:	Authority G.S. 131E-177(1); <del>131E-183;</del> <u>131E-183(b);</u>
4		Temporary Adoption Eff. January 1, 2004;
5		Eff. August 1, <del>2004.</del> 2004:
6		<u>Readopted Eff. January 1, 2023.</u>

10A NCAC 14C .3803 is readopted with changes as published in 37:02 NCR 170-174 as follows:

- 3 10A NCAC 14C .3803 PERFORMANCE STANDARDS
- 4 (a) An applicant proposing to develop new acute care beds shall demonstrate that the projected average daily census
- 5 (ADC) of the total number of licensed acute care beds proposed to be licensed within the service area, under common
- 6 ownership with the applicant, divided by the total number of those licensed acute care beds is reasonably projected to
- 7 be at least 66.7 percent when the projected ADC is less than 100 patients, 71.4 percent when the projected ADC is
- 8 100 to 200 patients, and 75.2 percent when the projected ADC is greater than 200 patients, in the third operating year
- 9 following completion of the proposed project or in the year for which the need determination is identified in the State
- 10 Medical Facilities Plan, whichever is later.
- 11 (b) An applicant proposing to develop new acute care beds shall provide all assumptions and data used to develop the
- 12 projections required in this rule and demonstrate that they support the projected inpatient utilization and average daily
- 13 census.
- 14 An applicant proposing to develop new acute care beds in a hospital pursuant to a need determination in the annual
- 15 <u>State Medical Facilities Plan in effect as of the first day of the review period shall:</u>
- 16 (1) document that it is a qualified applicant;
- 17 (2) provide projected utilization of the existing, approved, and proposed acute care beds for the
   applicant hospital during each of the first three full fiscal years of operation following completion
   of the project;
- 20 (3) project an occupancy rate of the existing, approved, and proposed acute care beds for the applicant
   21 hospital during the third full fiscal year of operation following completion of the project that equals
   22 or exceeds the target occupancy percentage;
- 23 (4) provide projected utilization of the existing, approved, and proposed acute care beds for the hospital
   24 system during each of the first three full fiscal years of operation following completion of the
   25 project;
- 26
   (5) project an average occupancy rate of the existing, approved, and proposed acute care beds for the

   27
   hospital system during the third full fiscal year of operation following completion of the project that

   28
   equals or exceeds the target occupancy [percentage; and]

   percentage of:
  - (a) 66.7 percent if the ADC is less than 100;
    - (b) 71.4 percent if the ADC is 100 to 200;
- 31 (c) 75.2 percent if the ADC is 201 to 399; or
- 32 (d) 78.0 percent if the ADC is greater than 400; and
- 33 (6) provide the assumptions and methodology used to project the utilization and occupancy rates
   34 required in Items (2), (3), (4), and (5) of this Rule.
- 36 *History Note:* Authority G.S. 131E-177(1); <del>131E-183;</del> <u>131E-183(b);</u>
  37 *Temporary Adoption Eff. January 1, 2004;*

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35

 1
 Eff. August 1, 2004. 2004:

 2
 Readopted Eff. January 1, 2023.

1	10A NCAC 14C	.4001 is readopted with changes as published in 37:02 NCR 170-174 as follows:
2		
3	SECTION	.4000 - CRITERIA AND STANDARDS FOR HOSPICE INPATIENT FACILITIES AND
4		HOSPICE RESIDENTIAL CARE FACILITIES
5		
6	10A NCAC 14C	C.4001 DEFINITIONS
7	The following de	efinitions shall apply to all rules in this Section:
8	(1)	"Bereavement counseling" means counseling provided to a hospice patient's family or significant
9		others to assist them in dealing with issues of grief and loss.
10	(2)	"Caregiver" means the person whom the patient designates to provide the patient with emotional
11		support, physical care, or both.
12	(3)	"Care plan" means a plan as defined in 10A NCAC 13K .0102 of the Hospice Licensing Rules.
13	(4)	"Home like" means furnishings of a hospice inpatient facility or a hospice residential care facility
14		as defined in 10A NCAC 13K .1110 or .1204 of the Hospice Licensing Rules.
15	(5)	"Hospice" means any coordinated program of home care as defined in G.S. 131E 176(13a).
16	(6)	"Hospice inpatient facility" means a facility as defined in G.S. 131E 176(13b).
17	(7)	
18	(8)	"Hospice service area" means for residential care facilities, the county in which the hospice
19		residential care facility will be located and the contiguous counties for which the hospice residential
20		care facility will provide services.
21	(9)	<u>"Hospice services" means services as defined in G.S. 131E-201(5b).</u>
22	(10)	"Hospice staff" means personnel as defined in 10A NCAC 13K .0102 of the Hospice Licensing
23		Rules.
24	The following de	efinitions shall apply to this Section:
25	(1)	"Approved beds" means [HI or HR] hospice inpatient facility or hospice residential care facility
26		beds that were issued a certificate of need but are not licensed as of the application deadline for the
27		review period.
28	(2)	"Average daily census (ADC)" means the total number of days of care provided in the [HI or HR]
29		hospice inpatient facility or hospice residential care facility beds during a full fiscal year of operation
30		divided by 365 days.
31	(3)	"Existing beds" means [HI or HR] hospice inpatient facility or hospice residential care facility beds
32		that are licensed as of the application deadline for the review period.
33	<u>(4)</u>	"Hospice inpatient facility [ <del>(III)</del> ] beds" means [ <mark>III</mark> ] <u>inpatient</u> beds in a facility licensed [ <del>to provide</del>
34		palliative and supportive medical and other health services to meet the physical, psychological,
35		social, spiritual, and special needs of terminally ill patients in an inpatient setting.] in accordance
36		with the rules in Subchapter 10A NCAC 13K which are hereby incorporated by reference including
37		subsequent amendments.

1	(5)	"Hospice residential <mark>care</mark> facility [ <del>(HR)</del> ] beds" means [ <mark>HR</mark> ] group residential care beds in a facility
2		licensed [to provide palliative and supportive medical and other health services to meet the physical,
3		psychological, social, spiritual, and special needs of terminally ill patients in a group residential
4		setting.] in accordance with the rules in Subchapter 10A NCAC 13K.
5	(6)	"Occupancy rate" means the ADC divided by the total number of existing, approved, and proposed
6		[HI or HR] hospice inpatient facility or hospice residential care facility beds expressed as a
7		percentage.
8	(7)	"Proposed beds" means the [HI or HR] hospice inpatient facility or hospice residential care facility
9		beds proposed in the application under review.
10		
11	History Note:	Authority G.S. 131E-177(1); <u>131E-183(b);</u>
12		Temporary Adoption Eff. February 1, 2006;
13		Eff. November 1, <del>2006.</del> <u>2006:</u>
14		<u>Readopted Eff. January 1, 2023.</u>

10A NCAC 14C .4003 is readopted with changes as published in 37:02 NCR 170-174 as follows:

## 3 10A NCAC 14C .4003 PERFORMANCE STANDARDS

- 4 (a) An applicant proposing to develop hospice inpatient facility beds or hospice residential care facility beds shall
   5 demonstrate that:
- 6 (1) the average occupancy rate of the licensed hospice beds, for each level of care, in the facility is
   7 projected to be at least 50 percent for the last six months of the first operating year following
   8 completion of the project;
   9 (2) the average occupancy rate for the licensed hospice beds, for each level of care, in the facility is
- 10
   projected to be at least 65 percent for the second operating year following completion of the project;

   11
   and
- if the application is submitted to address the need for hospice residential care beds, each existing
   hospice residential care facility which is located in the hospice service area operated at an occupancy
   rate of at least 65 percent for the 12 month period reported on that facility's most recent Licensure
   Renewal Application Form.
- 16 (b) An applicant proposing to add hospice inpatient facility beds to an existing hospice inpatient facility shall
- 17 document that the average occupancy of the licensed hospice inpatient facility beds in its existing facility was at least
- 18 65 percent for the nine months immediately preceding the submittal of the proposal.
- 19 (c) An applicant proposing to add residential care beds to an existing hospice residential care facility shall document
- 20 that the average occupancy of the licensed hospice residential care beds in its existing facility was at least 65 percent

21 for the nine months immediately preceding the submittal of the proposal.

(a) An applicant proposing to develop new [HI] hospice inpatient facility beds pursuant to a need determination in
 the annual State Medical Facilities Plan in effect as of the first day of the review period shall:

- 24
   (1) provide projected utilization of all [existing] existing, approved, and proposed [H] hospice inpatient

   25
   facility beds on the license during each of the first three full fiscal years of operation following

   26
   completion of the project;
- 27 (2) [document] project that the occupancy rate for all existing, approved, and proposed [HI] hospice
   28 inpatient facility beds on the license shall be at least 65 percent during the third full fiscal year of
   29 operation following completion of the project; and
- 30 (3) provide the assumptions and methodology used to provide the projected utilization and occupancy
   31 rate required by Subparagraphs (1) and (2) of this Paragraph.
- 32 (b) An applicant proposing to develop new [HR] hospice residential care facility beds shall:
- (1) provide projected utilization of all existing, approved, and proposed [HR] hospice residential care
   facility beds on the license during each of the first three full fiscal years of operation following
   completion of the project;

1	<u>(2)</u>	[document] project that the occupancy rate for all existing, approved, and proposed [HR] hospice
2		residential care facility beds on the license shall be at least 65 percent during the third full fiscal
3		year of operation following completion of the project; and
4	<u>(3)</u>	provide the assumptions and methodology used to provide the projected utilization and occupancy
5		rate required by Subparagraphs (1) and (2) of this Paragraph.
6		
7	History Note:	Authority G.S. 131E-177(1); <u>131E-183(b);</u>
8		Temporary Adoption Eff. February 1, 2006;
9		Eff. November 1, 2006;
10		Temporary Amendment Eff. February 1, 2008;
11		Amended Eff. November 1, <del>2008.</del> <u>2008:</u>