

BEFORE THE ARKANSAS HEALTH SERVICES PERMIT AGENCY

In the Matter of:
Bridge of Faith Hospice
Phillips County
File #HSPA (1262)-10

**FINDINGS OF FACT, CONCLUSIONS
OF LAW, AND ORDER**

Findings of Fact

The applicant, **Bridge of Faith Hospice – Phillips**, is seeking a Permit of Approval (POA) for the purpose of providing Hospice Services to **Phillips County** from an office located at 1133 Hwy 49 West, West Helena (Phillips County). There is an initial estimated capital cost of \$48,000.00. The Agency makes the following Findings of Fact:

NEED: The projected number of hospice patients for Phillips County is 37. According to the Hospice Methodology, Section A.2, hospice need exists when the number of patients to be served is 35 or greater. The Methodology, Section C. states that “Regardless of numeric need, no new hospice agency will be approved unless hospice data from the last eight quarters for each hospice agency serving the proposed service area has been available for publishing by the Agency.” The most recent hospice agency in Phillips County was licensed on April 07, 2007 and hospice data for the county has been published by the Agency for at least eight quarters.

There is a need for one hospice agency, and there are no other applications to provide service to Phillips County.

STAFFING: This Agency has no objective reason to believe the hospice facility cannot be adequately

staffed. The applicant provided a three (3) year staffing plan that reflects an incremental increase in average daily census. The applicant will hire staff from advertisements in local newspapers, local universities and schools for nursing, Arkansas Employment Agencies, the Department of Human Services, and Temp Agencies.

ECONOMIC FEASIBILITY: There is an initial estimated capital cost of \$48,000.00. The first year annual operating cost is \$166,699.00. The applicant provided a letter from Raymond James Financial Services, Inc., stating the applicant has sufficient funds to cover the initial operating expenses. The application contains a three-year pro forma budget and cost per hospice day projections. The budget shows an initial cost per day total of \$111.13.

COST CONTAINMENT: The addition of new hospice service to Phillips County allows the applicant to see patients in an underserved area. The applicant cites data to support the assertion that hospice care is less expensive than aggressive inpatient care. The average cost to Medicare between initiation of hospice and death is approximately \$7,318 compared to \$9,627 for non-hospice decedents over a comparable amount of time. The use of hospice, on average has been shown to reduce Medicare expenditures by an average of \$2,309 per beneficiary and to improve the quality of life for both the patients and families.

REQUIREMENTS: The applicant provided a business plan containing all the required items.

LETTERS OF OPPOSITION AND RESPONSES – There are no other applicants for hospice services in Phillips County. There were no letters of opposition submitted against Bridge of Faith Hospice – Phillips.

Conclusions of Law

The application **DOES SATISFY** the statutory and regulatory requirements for the issuance of a Permit of Approval (POA).

ORDER

Based on the above Findings of Fact and Conclusions of Law, the Agency hereby orders that the applicant, **Bridge of Faith Hospice - Phillips**, be **Granted** a Permit of Approval (POA), for the purpose of providing hospice services to Phillips County from an office at 1133 Hwy 49 West, West Helena, Arkansas. Initial estimated cost is \$48,000.00.

IT IS SO ORDERED THIS 15th DAY OF JANUARY 2010

DIRECTOR, HEALTH SERVICES PERMIT AGENCY