EVALUATION OF THE FOLLOWING CERTIFICATE OF NEED APPLICATION FROM KLINE GALLAND PROPOSING TO ESTABLISH A NEW MEDICARE CERTIFIED/MEDICAID ELIGIBLE HOSPICE AGENCY IN KING COUNTY.

PROJECT DESCRIPTIONS

Kline Galland (KG) hospice is a not for profit Washington organization based within Caroline Home (an affiliate of Kline Galland Center). Kline Galland has been serving King County's Jewish population for 95 years.

Kline Galland currently operates 4 facilities and programs in King County. They are as follows:

Facility	Service
The Caroline Kline Galland Home	SNF (205 beds)
The Summit at First Hill	Assisted Living
The Polack Adult Day Center	Adult Day health
Senior Nutrition Program	Kosher Meals on Wheels

This project proposes to establish a Medicare certified/Medicaid eligible hospice agency to serve residents of King County[1]. KG Hospice states *"This application simply removes the census cap to allow KG Hospice to grow its program to address unmet community need."*[Source: December 9, 2009 Response to Screening Questions, p5] The applicant proposes to provide a full range of hospice services including:

Pain and symptom management
Direct nursing care and education
Spiritual services
Nutritional counseling
Bereavement services
Assistance with daily living activities such as eating, walking, and dressing
Social services to address the emotional needs of patients and families
Trained volunteer support
Therapy services as needed

The capital expenditure associated with the establishment of this service is zero dollars

[1] On October 20, 2009, KG Hospice was granted an exemption from CON Review under RCW 70.38.111 (9). This exemption permitted KG Hospice to establish a Medicare certified hospice serving King County. The Agency is limited to serving a maximum of 40 patients at any one time and the services are to be furnished in a manner specifically aimed at meeting the unique religious or cultural needs of the Jewish population.

KG Hospice anticipates that the service would be operational by 2011.[2] Under this timeline year 2011 would be the first full year of operation and year 2013 would be year three. [Source: Source: Application pg8]

APPLICABILITY OF CERTIFICATE OF NEED LAW

The project is subject to Certificate of Need review as the establishment of a new healthcare facility under provisions of Revised Code of Washington RCW 70.38.105(4) (a) and; Washington Administrative Code (WAC) 246-310-020(1) (a).

CRITERIA EVALUATION

WAC 246-310-200(1) (a)-(d) identifies the four determinations that the department must make for each application. WAC 246-310-200(2) provides additional direction in how the department is to make its determinations. It states:

"Criteria contained in this section and in WAC 246-310-210, 246-310-220, 246-310-230, and 246-310-240 shall be used by the department in making the required determinations.

(a) In the use of criteria for making the required determinations, the department shall consider:

(i) The consistency of the proposed project with service or facility standards contained in this chapter;

(ii) In the event the standards contained in this chapter do not address in sufficient detail for a required determination the services or facilities for health services proposed, the department may consider standards not in conflict with those standards in accordance with subsection (2)(b) of this section; and

(iii) The relationship of the proposed project to the long-range plan (if any) of the person proposing the project."

In the event the WAC 246-310 does not contain service or facility standards in sufficient detail to make the required determinations, WAC 246-310-200(2)(b) identifies the types of standards the department may consider in making its required determinations. Specifically WAC 246-310-200(2)(b) states:

"The department may consider any of the following in its use of criteria for making the required determinations:

(i) Nationally recognized standards from professional organizations;

(ii) Standards developed by professional organizations in Washington State;

(iii) Federal Medicare and Medicaid certification requirements;

(iv) State licensing requirements;

(v) Applicable standards developed by other individuals, groups, or organizations with recognized expertise related to a proposed undertaking; and

(vi) The written findings and recommendations of individuals, groups, or organizations with recognized expertise related to a proposed undertaking, with whom the department consults during the review of an application."

[2] KG's exempt hospice was issued its license September 17, 2009. KG Hospice received its Community Health Accreditation Program (CHAP) on April 19, 2010.

WAC 246-310-290 contains service or facility specific criteria for hospice projects and must be used to make the required determinations.

To obtain Certificate of Need approval, each applicant must demonstrate compliance for their project with the applicable criteria found in WAC 246-310-210 (need) and 246-310-290(6) and (7) (hospice services standards and need forecasting method); 246-310-220 (financial feasibility); 246-310-230 (structure and process of care); 246-310-240 (cost containment) and 246-310-290(9). Additionally, each must demonstrate compliance with applicable standards outlined in WAC 246-310-290 (hospice standards and forecasting method).

APPLICATION CHRONOLOGY

As directed under WAC 246-310) 290(3) the department originally accepted this project under the year 2009 Concurrent Review Cycle. A chronologic summary of the review is shown below:

KG Hospice Date	Action	Odyssey Date
September 25, 2009	Letter of Intent Submitted	September 30, 2009
October 30, 2009	Application Submitted	October 30, 2009
November 30, 2009	Department's application screening	
December 31, 2009	Applicant Responses to Screening	No Response to Screening Questions
January 16, 2010	Beginning of Review	None
	Incomplete Application Returned	January 29,2010
February 16, 2010	End of Public Comment, no public hearing held	
March 2, 2010	Rebuttal Comments [3]	
April 16, 2010	Department's Anticipated Decision Date	
May 17, 2010	Department's Revised Decision Date	
October 6, 2010	Department's Actual Decision Date	

CONCURRENT REVIEW AND AFFECTED PERSONS

The concurrent review process promotes the expressed public policy goal of RCW 70.38 that the development or expansion of health care services is accomplished in a planned,

[3] No rebuttal comments received

orderly fashion and without unnecessary duplication. For hospice services concurrent review allows the department to review applications proposing the serve the same planning area as defined in WAC 246-310-290 and simultaneously to reach a decision that serves the best interests of the planning area's residents. KG Hospice is located in the King County Hospice planning area.

A competing application to provide hospice services to King County was submitted by Odyssey HealthCare Inc. On January 29, 2010 the incomplete application was returned under WAC 246-310-090(2)(e).

For each application, the other applicant sought and received affected person status under WAC 246-310-010. No other entity sought or received affected person status related to these two projects.

SOURCE INFORMATION REVIEWED

- KG Hospice's Certificate of Need application submitted September 25, 2009
- KG Hospice's supplemental information submitted December 30, 2009
- Public comment received during the review
- June 9, 2009 Hospice Surveys
- Washington 246-310-290 Hospices Services Standards and Forecasting Method based on 2005, 2006, and 2007 data.
- Washington 246-310-290 Hospice Services Standards and Forecasting Method based on 2006, 2007, and 2008 data.
- Licensing and/or survey data provided by the Department of Health's Investigations and Inspections Office.
- Population data obtained from the Office of Financial Management based on year 2000 census and published November 2007.

CONCLUSIONS

For the reasons stated in this evaluation, the application submitted on behalf of Kline Galland Hospice proposing to establish a Medicare certified Medicaid eligible Hospice Agency in the city of Seattle within King County is consistent with applicable criteria.

Term

Within 45 days of receipt of the Certificate of Need KG Hospice must provide a revised Admission Criteria and Process Policy, for revision and approval that clarifies that patients are not disqualified from receiving hospice care solely based on their lack of ability to pay for services.

A. Need (WAC 246-310-210) and WAC 246-310-290(6) and (7)

Based on the source information reviewed, the department determines that KG Hospice has met the need criteria in WAC 246-310-210(1) and (2) and WAC 246-310-290(6) and (7).

(1) *The population served or to be served has need for the project and other services and facilities of the type proposed are not or will not be sufficiently available or accessible to meet that need.*

KG Hospice's methodology and assumptions

To determine the numeric need for hospice agencies in King county, the applicant used the methodology from WAC 246-310-290(7) using data from 2005, 2006, and 2007 published in February 2009 by the department. [Source: Application p15, Exhibit 5] The applicant did not make any changes to the methodology and has the same results of 2.08 or 2 agencies projected as needed for King County. The applicant also stated that applying the methodology to the new 2008 data without the final 2008 death data resulted in a preliminary estimate of a continued need for 2 agencies in King County.

The applicant provided the following discussion relating to the utilization projections provided in the original application.

> *We did not produce a written report related to our analysis. However, the process that allowed us to conclude that we would serve approximately 250 patients in the first year of certificate of need (CN) approved (versus CN exempt) operation in 2011 involved both quantitative and qualitative data collection and analysis. In terms of qualitative data, we interviewed many of the major King County Jewish providers including Jewish Family Services, the Jewish Federation, the Jewish Community Center, and select King County synagogues. We also interviewed the larger housing providers for Jewish elderly including our own Summit facility, Council House, Marabella and Al Joya as well as several of the larger CCRC's such as Horizon House in which a significant Jewish population resides. What we found almost universally was a very high interest in a uniquely Jewish hospice program, and consistent underutilization of hospice by Jewish families, often attributable to the fact that the perception is that existing hospice programs in King County do not fully address the Jewish customs, laws, and intricacies involved in the dying process death, burial and mourning.*
>
> *In addition, as the Department is aware, our CN-exempt hospice agency is expected to be surveyed and therefore operational within the first quarter of 2010. Today- without any advertising or outreach, we are averaging 1.5 to 2 requests for admission per week. As we actively advocate for these families to utilize other high quality providers in the community, we are continually faced with the reality that many will choose to forego hospice care if a provider that is intimately familiar with Jewish laws regarding death and dying is not available.*
>
> *The bottom line of our qualitative analysis was that for a significant number of the County's Jewish families (and in fact, we know this to be true for non-Jewish as well), Kline Galland Center (Kline Galland) is the long-term care provider of choice, and that once operational our program will be highly regarded and utilized.*

In terms of quantitative data, we evaluated deaths within the Kline Galland system over the past several years. What we found on average, only 26.7% of patients in our system choose to enroll or once enrolled, choose to stay in hospice-despite our active encouragement and outreach to do so. In discussion with our social workers and rabbis we found that there are so many complex rituals and traditions that infuse the Jewish death and dying traditions that without a hospice agency familiar with those traditions patients don't have that sense of safety and trust needed to allow Hospice providers into their home.
Other quantitative data we collected and analyzed is summarized below:

- *As noted in the CN application, well more than 40,000 Jewish people resided in the greater Seattle area in 2000-2001, and with population growth, we estimate this number to be at 43,567 in 2009. Using available data, we estimated that the total Jewish population in King County is approaching 50,000.*
- *Keeping in mind that the bulk of King County's Jewish population lives in Seattle, the annual death rate for King County is 6.2 per 1,000, and for Seattle is 7.4 per 1,000, which would equate to approximately 310-370 deaths annually within King County's resident Jewish community.*
- *Per the Department's annual hospice survey data, the King County penetration rate for hospice was 43% in 2007. This would equate to approximately 133-139 Jewish King County residents using hospice. We estimate that once operational, we will achieve a 75% share of those deaths.*
- *Based on the interviews conducted with Jewish leaders and providers, we have estimated about 30 palliative care hospice patients per year will enter our program who are relocated her by King County families seeking quality, Jewish appropriate end of life care.*
- *Based on assumptions above, we estimate that in 2011 there will be approximately 119 King County hospice patients that choose Kline Galland Hospice (KG Hospice) and 30 more patients that will relocate to join family in King County and receive care, for a total of 149 patients.*
- *As noted in the application, and consistent with some of our other programs, we estimate that 60% of our patients will be Jewish and 40% non-Jewish resulting in approximately 250 KG Hospice admissions in 2011. [Source: Response to Screening questions dated December 30, 2009, pg1-2]*

Department Numeric Methodology

The determination of numeric need for hospice services is performed using the hospice services need forecasting method contained in WAC 246-310-290. The methodology is a six-step process of information gathering and mathematical computation. The first step examines historical hospice utilization rates at the statewide level. The remaining five steps apply that utilization to current and future populations at the service area level and are intended to determine total baseline hospice services needed and compare that need to the capacity of existing providers. The completed methodology is presented as an appendix to this section.

This portion of the evaluation will describe, in summary, the calculations made at each step and the assumptions and adjustments made in that process. The titles for each step are excerpted from the WAC.

Step1: Calculate the following four statewide predicted hospice use rates using CMS and department of health data or other available sources.

(i) The predicted percentage of cancer patients sixty-five and over who will use hospice services. This percentage is calculated by dividing the average number of hospice admissions over the last three years for patients the age of sixty-five and over with cancer by the average number of past three years statewide total deaths sixty-five and over from cancer.

(ii) The predicted percentage of cancer patients under sixty-five who will use hospice services. This percentage is calculated by dividing the average number of hospice admissions over the last three years for patients under the age of sixty-five with cancer by the current state wide total of deaths under sixty-five with cancer.

(iii) The predicted percentage of non-cancer patients sixty-five and over who will use hospice services. This percentage is calculated by dividing the average number of hospice admissions over the last three years for patients the age of sixty-five and over with diagnoses other than cancer by the average number of past three years statewide total deaths sixty-five and over with diagnoses other than cancer.

(iv) The predicted percentage of cancer patients under sixty-five who will use hospice services. This percentage is calculated by dividing the average number of hospice admissions over the last three years for patients under the age of sixty-five with diagnoses other than cancer by the current state wide total of deaths under sixty-five with diagnoses other than cancer.

For these sub-steps within Step 1, the department obtained utilization data for 2006 through 2008 from the licensed and Certificate of Need approved hospice providers throughout the state. The department asked providers to report their admissions by age groups (under 65 and 65 and over) and diagnosis (cancer/non-cancer) for each of the most recent three years. This information was to be provided by county of residence. The results of the survey were compared with data provided the Department of Health's Center for Health Statistics and Cancer Registry office to determine the percentages of death due to cancer and non-cancer causes for the two age groups. Although not all hospice providers in the state responded to the program's surveys, all providers in King County provided responses.

Step 2: Calculate the average number of total resident deaths over the last three years for each planning area.

This step was completed using death statistics from the Department's Center for Health Statistics. The total deaths in each of the planning areas for 2006 through 2008 were averaged for each planning area.[4]

Step 3: Multiply each hospice use rate determined in Step 1 by the planning area's average total resident deaths determined in Step 2.

In this step, the use rates from Step 1are multiplied by the applicable age group's death rate for each planning area to determine the number of likely hospice patients for each of the four age/diagnosis categories.

Step 4: Add the four subtotals derived in Step 3 to project the potential volume of hospice service in each planning area.

The numbers of likely hospice patients from each of the four categories derived in Step 3 are added together for each planning area. This number is described as the "potential volume" of hospice services in the area. This represents the number of patients expected to receive hospice services in the area.

Step 5: Inflate the potential volume of hospice service by the one-year estimated population growth (using OFM data).

The values derived in Step 4 above, were inflated by the expected populations for each planning area. The age-specific population projections for each county were obtained from the state's Office of Financial Management. The most recent age-specific data set is the population forecast as of November 2007. This age specific data is available for 5-year intervals only. The department has used these 5-year intervals to estimate population projections for the interstitial years.

The department applied the one-year estimated population growth to the potential volume of hospice services derived in Step 4 to estimate potential hospice volume in 2008, the first year following the three-year data range. In order to estimate need for hospice services in the first three years of this project under review, the department applied the use rates derived to the expected populations of each of the state's counties for the first three full years of the proposed projects (2011, 2012, and 2013).

Step 6: Subtract the current hospice capacity in each planning area from the above projected volume of hospice services to determine unmet need. Determine the number of hospice agencies in the proposed planning area which could support the unmet need with an ADC [average daily census] of thirty-five.

Current hospice capacity is defined in the rule as the average number of admissions for the most recent three years of operation for these agencies that have operated or have been approved to operate in the planning area for three years or more. For the remaining agencies that have not operated in the service area for at least three years, an average daily census (ADC) of 35 is assumed for that agency.

[4] In applying Step2, the department reads 'total 'to mean the total number of deaths for each of the four categories of patients identified in Step 1. The department adopts this reading because the various steps in the methodology build on each other and should be read together.

Each of the providers in King County has been in operation at least three years. The department calculated the ADC for each hospice by multiplying the state's most recent average length of stay (ALOS), calculated from responses to the agency's survey[5], by each hospice's average admissions for the past three years and divided that total by three hundred sixty five (days per year). The result of this calculation is an unmet need of an ADC of 95 in 2014 for King County. This is above the ADC of 35 which is the minimum in rules before a new hospice program can be approved. The numeric need for agencies in King County for the target year 2014 is 2.71 agencies. The detailed methodology can be found in Appendix A of this evaluation.

Further, to determine if there is need for another hospice agency in King County, the department reviewed the number of existing providers. Listed below in Table 6, are the names of the Medicare certified agencies providing hospice services in King County. The department notes that of the seven Medicare certified agencies listed in the table below five are located within the county.

Table 6
Hospice Agencies Serving King County

Medicare Certified Agencies	**Counties Served***
Evergreen Hospice	King, Snohomish
Group Health Coop. Home & Comm. Svcs.	King, Pierce, Snohomish
Highline Home Care Services	King
Franciscan Hospice[6]	Pierce, King,
Good Samaritan	Pierce, King,
Prov Hospice of Seattle	King, Snohomish
Swedish Home Care Services	King

*First County is the county where the Agency is located

As shown in the table above, the department has identified seven agencies serving King County. All of these agencies submitted data to the department in the 2009 Hospice Methodology survey.

Using the data supplied by agencies responding to the survey and the projections supplied by KG Hospice, the department calculated the market share percentages KG Hospice would capture if their projections were achieved. These results can be found in Table 7.

[5] The Department applied the calculated Average Length of Stay (ALOS) values, produced by dividing the total patient days by reported admissions, rather than the reported ALOS to establish the statewide ALOS applied in methodology

[6] On September 16, 2010 the department approved expansion in to Kitsap County. That decision remains under appeal.

Table 7
Hospice Agencies Projected admissions and Applicant Market Share

Name	Year 2008	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013
Total King County	**4909**	**5095**	**5162**	**5213**	**5264**	**5314**
K-G Hospice			225	253	309	337
Market Share (%) K-G Hospice			4.3	4.8	5.8	6.3

The data in Table 7 indicates the KG Hospice would capture a market share of 4.3 in 2010 to 6.3% in the third year of operation (2013) of the King County projected hospice admissions.

As part of this criterion, the applicant must demonstrate that other services or facilities of the type proposed are not or will not be sufficiently available or accessible to meet that need. Table 8 lists the Medicare certified agencies serving King County and shows their 2008 average daily census (ADC):

Table 8
Medicare certified agencies Serving King County
2008 Average Daily Census

Agency	**2008 ADC**
Evergreen Hospice	180
Group Health Cooperative Home & Community Services	116
Highline Home Care Services	41
Franciscan Hospice	134
Good Samaritan	13
Providence Hospice of Seattle	451
Swedish Home Care Services	109

Source: 2009 Hospice Methodology Survey Data

Table 8 provides a list of the Medicare certified agencies serving King County. All but Good Samaritan is above the 35 ADC that the methodology has as the minimum to add new agencies. Good Samaritan is located in Pierce County and Pierce County is the primary service area for this agency. Good Samaritan as a whole has a substantially higher ADC when you consider Pierce County. Good Samaritan had an ADC of 150 for Pierce County and 163 ADC for the Agency as a whole. Highline Home Care Services located in King County had an ADC of 41 for 2008. It is above the minimum. Highline has been reporting at a similar level for the last four years. While KG Hospice may impact Highline, the level cannot be determined. Highline did not provide any comments on the impact the KG Hospice project might have on its operation. In addition, Odyssey has been approved to establish a Hospice Agency in King County under a settlement agreement with the department. The settlement agreement is currently under appeal. The outcome of this appeal will not impact this decision.

Table 9
Medicare Certified Hospice Providers Serving King County
King County Patient Admissions

Agency	2005	2006	2007	2008
Evergreen Health Care	994	729	724	`1,424
Franciscan Hospice	359	426	561	517
Good Samaritan Hospice	124	84	82	54
Group Health Hospice	565	644	666	685
Highline Home Care	273	274	254	261
Providence Hospice	1,792	2,005	2,260	1,383
Swedish Home Care	520	512	457	550

There are 7 Medicare certified agencies in Table 9. Of the 7 agencies, there are 2 Medicare certified agencies in King County who have historical utilization of over 1,000 admits annually. Good Samaritan has a very low number of admits from King County, however it is located in Pierce County and Pierce County is its primary source of admissions. The total admissions for King County are increasing over the time period of 2005 to 2007. This data indicates that there is expanding opportunity for a new agency in King County.

In summary, if all the admissions proposed by the applicant came from King County the applicant would capture 4.3 to 6.6 % of the total hospice admissions for King County. The applicant is proposing to obtain part of their admissions from Jewish patients not currently accessing hospice services. KG Hospice also expects that some patients will move to King County to access their services. The applicant also expects to serve non Jewish patients. These patients are projected to be about 40% of the patients they serve.

Based on the information reviewed by the department, the department concludes that the numeric methodology showed a need for 2.71 hospice agencies in King County. Two agencies (Odyssey and KG Hospice) have received approval in King County after these projections were calculated. KG Hospice may have a minimal impact on one hospice agency currently in operation in King County that has a level of admissions slightly above the 35 minimum. This criterion is met.

(2) *All residents of the service area, including low-income persons, racial and ethnic minorities, women, handicapped persons, and other underserved groups and the elderly are likely to have adequate access to the proposed health service or services.*
Kline Galland is currently a provider of health care services to residents of Washington State including low income, racial and ethnic minorities, handicapped and other underserved groups. As a long term care provider, Kline Galland also currently participates in the Medicare and Medicaid programs. To determine whether all residents of the service area would continue to have access to Kline Galland proposed services, the department requires applicants to provide a copy of its current or proposed admission policy. The Admission Policy provides the overall guiding principles of the facility as to the types of patients that are appropriate candidates to use the facility, and any assurances regarding access. The admission policies provided by the applicant demonstrates that

patients would be admitted to the facility for treatment without regard to age, color, religion, sex national origin, or handicap, and will be treated with respect and dignity. However, the applicant's admission policy states that a patient must meet the eligibility requirements for one of the financing programs or have sufficient assets to qualify for services. This would appear to exclude any patients qualifying for charity care. This policy is further discussed below under charity care requirements. [Source: Application, p56]

The applicant states their intent is to serve the Jewish populations in King county but that 40% of their admissions come from the non Jewish population. [Source: Application, p7

To determine whether low income residents would have access to the proposed services, the department uses the facility's Medicaid eligibility or contracting with Medicaid as the measure to make that determination. Documents provided in the application demonstrate that it intends to maintain this status. For this project a review of the data provided for KG Hospice identifies the Agencies financial resources as including Medicaid revenues. [Source: December 30, 2009 Response to Screening Questions, p23]

To determine whether the elderly would have access to services, the department uses Medicare certification as the measure to make that determination. The application discussion submitted by K-G Hospice indicates that they have submitted applications for Medicare and Medicaid. For this project a review of the data provided for KG Hospice identifies the Agencies financial resources as including Medicare revenues. [Source: December 30, 2009 Response to Screening Questions, p23]

The applicant has also submitted a copy of their charity care policy and their process for notifying patients about the availability of charity care and how they can apply for charity care. The applicant's proformas include an adjustment to revenue for charity care. However, the applicant's Admissions policy is void of any mention that a patient may be eligible to be admitted for hospice care on a charity case basis. Two provisions in particular are:

- "*The patient must meet the eligibility criteria for Medicare, Medicaid or private hospice benefit.*
- *Hospice accepts patient based on a patient's ability to pay for hospice services either through state or federal assistance, private insurance or personal assets."* [Source: Application, p]

Therefore if this project is approved a term would be necessary to ensure the KG admission criteria and policies document and the Charity Care policy are coordinated and no confusion exists that patients are not disqualified from receiving Hospice care solely based on their lack of ability to pay for services.

Based on the information submitted by the applicant and with the applicant's agreement to the admission policy term on page 4 of this evaluation, this sub criterion has been met.

B. Financial Feasibility (WAC 246-310-220)

Based on the source information reviewed the department determines that KG Hospice has met the financial feasibility criteria in WAC 246-310-220

1. The immediate and long-range capital and operating costs of the project can be met.

WAC 246-310 does not contain specific WAC 246-310-220(1) financial feasibility criteria as identified in WAC 246-310-200(2)(a)(i). There are also no known recognized standards as identified in WAC 246-310-200(2) (a) (ii) and (b) that directs what the operating revenues and expenses should be for a project of this type and size. Therefore, using its experience and expertise the department evaluates if the applicant's pro forma income statements reasonably project the proposed project is meeting its immediate and long-range capital and operating costs by the end of the third complete year of operation.

KG Hospice is currently operating as a Medicare certified hospice[7] and therefore 2011 is the first full year of operation for the agency.

Using the financial information provided by the KG Hospice, Table 10 illustrates the projected revenue, expenses and net income for the first 3 years of operation of the proposed Medicare certified hospice agency. [Source: December 30, 2009 Response to Screening Questions, p23] The applicant is showing a profit in year one and an increasing profit through the third full year of operation.

Table 10
K G Hospice projected Revenues Years 2011 through 2013

	2011	**2012**	**2013**
Projected # Patients	253	309	337
Projected # Patient Days	16,426	20,075	21,900
Average Daily Census	45	55	60
Net Revenues	$2,450,275	$2,994,682	$3,267,034
Total Operating Expense	$2,291,205	$2,713,985	$2,908,626
Net Profit/Loss	$159,070	$280,697	$358,408
Operating Revenue per Pt, Day	$149.18	$149.17	$149.18
Operating Expense per Pt. Day	$139.49	$135.19	$132.18
Net Profit per Pt. Day	$9.68	$13.98	$16.37

Additionally, KG Hospice provided a copy of the Medical Director Agreement between itself and Scott Pollack, MD. The medical director service costs are also substantiated in the pro forma documents. [Source: December 20, 2009 Response to Screening Questions, p23]

KG Hospice projects that the Hospice will provide a profit by year 1. This sub-criterion is met

[7] KG Hospice is operating under an exemption granted October 20, 2009, and received its CHAP Certification on April 19.2010

2. The costs of the project, including any construction costs, will probably not result in an unreasonable impact on the costs and charges for health services.
Given that the proposed Medicare certified hospice is already operating, the capital expenditure associated with this project is zero dollars.

As it relates to costs and charges, since Medicare and Medicaid do in fact, reimburse on a per day basis for hospice services and the applicant reports that these two programs will provide 95% of the applicant's reimbursement. The addition of the proposed hospice agency would not generally result in an unreasonable impact on the costs and charges for these hospice services. This sub-criterion is met.

3. The project can be appropriately financed.
WAC 246-310 does not contain specific source of financing criteria as identified in WAC 246-310-200(2)(a)(i). There are also no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and b that directs how a project of this type and size should be financed Therefore, using its experience and expertise the department compared the proposed project's source of financing to those previously considered by the department.

The capital expenditure for his project is zero dollars, therefore there is no financing associated with this project. This sub-criterion is met.

C. Structure and Process (Quality) of Care (WAC 246-310-230)
Based on the source information reviewed, the department determines that KG Hospice has met the need criteria in WAC 246-310-230
Sufficient supply of qualified staff for the project, including both health personnel and management personnel, are available or can be recruited.

(1) At the time this application was submitted, KG Hospice was operating as a licensed only hospice agency and thus had staff available. The applicant expected to receive their Medicare certification in 2010. The applicant is currently limited to a maximum of 40 patients and is proposing to increase staff based on census increases.

As shown in table 11, KG Hospice is expecting to start with 15.83 FTEs in 2010 and is expecting to add 1.29 FTEs in year 2011, 3.48 FTEs in 2012, and 1.18 FTEs in 2013.

Table 11
KG Hospice Projected FTEs 2010 to 2013

Category	Current	Year 1	Year 2	Year 3	Total
Director	1.00	0.00	0.00	0.00	1.00
Nurse Manager	1.00	0.00	0.00	0.00	1.00
RN	4.60	0.40	0.60	0.40	6.00
Aide	2.88	0.32	1.00	0.10	4.30
Social Worker	1.45	0.16	0..35	0.18	2.14
Spiritual Care/ Bereavement	1.45	0.16	0.35	0.18	2.14
Receptionist	1.00	0.00	0.00	0.00	1.00
Subtotal	**13.38**	**1.04**	**2.30**	**0.86**	**17.58**
Allocated Staff					
Dietician	0.18	0.02	0.00	0.00	0.20
OT	0.23	0.02	0.25	0.00	0.50
PT	0.23	0.02	0.25	0.00	0.50
Volunteer Corr.	1.35	0.15	0.33	0.17	2.00
Medical Records	0.23	0.02	0.10	0.15	0.50
Accounting/Billing	0.23	0.02	0.25	0.00	0.50
Total FTEs	**15.83**	**1.29**	**3.48**	**1.18**	**21.78**

KG Hospice will on be making slight incremental staffing increases over the initial 3 year period. Kline Galland has experience recruiting staff for their existing facilities and has reputation for staff longevity. KG Hospice has already recruited key staff for the Agency without any difficulty. [Source: Application, pgs. 25, 26]

KG has identified Scott Pollack, MD as the medical director for the hospice agency and provided an executed contract for Dr. Pollack to provide medical director services as an independent contractor. The executed medical director agreement outlines the roles and responsibilities of the contractor and the Agency.

The executed medical director agreement provided to the department was formalized on September 9, 2009 and according to stipulation the duration of the contract is indefinite. [Source: Response to Screening Questions dated December 30, 2009, pgs 12-16] Additionally, the agreement also identified the compensation for the Contractor's medical director service. A review of Dr. Pollack's compliance history with the Department of Health reveals that his medical credential is current and there are no recorded sanctions.

Based on the information above, the department concludes that staffing for the proposed hospice agency is available or can be recruited by the applicant. This sub-criterion is met.

(2) The proposed service(s) will have an appropriate relationship, including organizational relationship, to ancillary and support services, and ancillary and support services will be sufficient to support any health services included in the proposed project.
Kline Galland's existing long term care operations will be able to provide the ancillary and support services for KG Hospice. The allocated staff will be performing some of these functions in support of the agency. Examples of this include accounting and billing, medical records, and physical therapy. [Source: Application, pg. 19] This sub-criterion is met.

(3) There is reasonable assurance that the project will be in conformance with applicable state licensing requirements and, if the applicant is or plans to be certified under the Medicaid or Medicare program, with the applicable conditions of participation related to those programs.
As stated in the project description of this evaluation, Kline Galland currently operates a skilled nursing facility, assisted living facility, adult day health facility, and a kosher meals-on-wheels service.

As an existing provider of hospice services, KG Hospice identified its current medical director. Scott Pollock, M.D. will be their medical director and will provide services under a contract with KG Hospice that was established in September 2009. A review Dr Pollock's compliance history with the Department of Health Medical Quality Assurance Commission did not reveal any recorded sanctions. [Source: DOH Medical Quality Assurance Commission]

The skilled nursing facility is licensed by the Department of Social and Health Services (DSHS). Since 2006 DSHS has conducted licensing surveys on the Kline Galland Home. The facility had no deficiencies in 2006 and 2008 and one deficiency in 2009 which was corrected in September 2009. The Summit at First Hill (assisted living facility) has no enforcement letters from DSHS, The adult day health facility and the meals on wheels are not surveyed by Washington State. The application has over 200 letters of support from community members attesting to the quality of services provided by Kline Galland.

Given KG Hospice compliance history and the compliance history of Kline Galland's other facilities, the department concludes that there is reasonable assurance that the project will be in conformance with applicable state licensing requirements and with the applicable conditions of Medicare and Medicaid. This sub-criterion is met.

(4) The proposed project will promote continuity in the provision of health care, not result in an unwarranted fragmentation of services, and have an appropriate relationship to the service area's existing health care system

Kline Galland currently offers skilled nursing, assisted living, independent living, day health, and community-based support services in King County. These services are designed to meet the specific needs of the Jewish population. Kline Galland staff currently work with local physicians, hospitals and other providers in the process of providing their current services [Source: Application, pg. 4, 6, and 27] KG Hospice would be an addition to the long term continuum of care currently offered by the applicant. KG Hospice is currently authorized to provide hospice services in King County with a cap on their average daily census. This sub-criterion is met.

(5) There is reasonable assurance that the services to be provided through the proposed project will be provided in a manner that ensures safe and adequate care to the public to be served and in accord with applicable federal and state Laws, rules, and regulations.

This subsection is addressed in subsections (2) and (3). The department concludes that there is reasonable assurance that the services to be provided ensure safe and adequate care to the public and those applicable federal and state laws, rules, and regulations would be adhered to. This sub-criterion is met.

D. Cost Containment (WAC 246-310-240)

Based on the source information reviewed, the department concludes KG Hospice has met the cost containment in WAC 246-310-240.

(2) *Superior alternatives, in terms of cost, efficiency, or effectiveness, are not available or practicable.*

To determine if a proposed project is the best alternative, the department takes a multi-step approach. Step one determines if the application has met the other criteria of WAC 246-310-210 through 230. If it has failed to meet one or more of these criteria then the project is determined not to be the best alternative and would fail this sub-criterion. If the project met WAC 246-310-210 through 230 criteria, the department would move to step two in the process and assess the other options the applicant or applicants considered prior to submitting the application under review. If the department determines the proposed project is better or equal to other options the applicant considered before submitting their application, the determination is either made that this criterion is met (regular or expedited reviews), or in the case of projects under concurrent review, move on to step three.

Step three of this assessment is to apply any service or facility specific criteria (tie-breaker) contained in WAC 246-310. The tiebreaker criteria are objective measures used to compare competing projects and make the determination between two or more approvable projects which is the best alternative. If WAC 246-310 does not contain any service or facility criteria as directed by WAC 246-310-200(2)(a)(i), then the department would look to WAC 246-310-240(2)(a)(ii) and (b) for criteria to make the assessment of the competing proposals. If there are no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b), then using its experience and expertise, the

department would assess the competing projects and determine which project should be approved.

STEP ONE

For this project, KG Hospice's project met the review criteria under WAC 246-310-210, 220, and 230. Therefore, the department moves to step two below.

STEP TWO

KG Hospice identified and evaluated only two alternatives prior to submitting this CN

(1) Not pursue a CN in the current 2009 cycle, or

(2) File a CN that would allow them to lift the 40 census lid imposed by the statute on their DNR

The applicant did not consider the first alternative to be the best alternative because they are expecting to reach the 40 patient per day ceiling by the fall of 2010. The applicant is basing this conclusion on an analysis performed prior to submitting the CN and discussed in detail in the December 30, 2009 Response to department screening questions. The applicant has stated it performed both a qualitative and quantitative survey to evaluate the potential for initially establishing an agency patient load. The applicant surveyed both existing service providers and the Jewish community organizations and leaders.

The applicant determined this data supported their premise that they could exceed 40 the maximum patient limitation imposed by the legislation giving them their exemption. Since the interviews and data indicated that the Jewish families were not using the existing hospice services, the applicant concluded that the agency would tend to attract new patients rather than taking patients from existing agencies, thus reducing the impact on existing agencies. Based on the information reviewed by the department, the department concludes that this project is the best alternative for the applicant. This sub criterion is met.

STEP THREE

For this project, only KG Hospice submitted an application to establish a Medicare certified/Medicaid eligible hospice agency in King County. As a result, step three is not evaluated under this sub-criterion.

(2) In the case of a project involving construction:

(a) The costs, scope, and methods of construction and energy conservation are reasonable;

This project does not require construction; this sub criterion does not apply.

(b) *The project will not have an unreasonable impact on the costs and charges to the public of providing health services to other persons*

This project does not require construction; this sub-criterion does not apply.

APPENDIX A

Department of Health
Hospice Numeric Need Methodology

Step 1. Calculate the following four statewide predicted hospice use rates using CMS and department of health data or other available data sources.

(i) The predicted percentage of cancer patients sixty-five and over who will use hospice services. This percentage is calculated by dividing the average number of hospice admissi
patients the age of sixty-five and over with cancer by the average number of past three years statewide total deaths sixty-five and over from cancer.

(ii) The predicted percentage of cancer patients under sixty-five who will use hospice services. This percentage is calculated by dividing the average number of hospice admissions
over the last three years for patients under the age of sixty-five with cancer by the current statewide total of deaths under sixty-five with cancer.

(iii) The predicted percentage of noncancer patients sixty-five and over who will use hospice services. This percentage is calculated by dividing the average number of hospice adm
over the last three years for patients age sixty-five and over with diagnoses other than cancer by the current statewide total of deaths over sixty-five with diagnoses other th

(iv) The predicted percentage of noncancer patients under sixty-five who will use hospice services. This percentage is calculated by dividing the average number of hospice admiss
over the last three years for patients under the age of sixty-five with diagnoses other than cancer by the current statewide total of deaths under sixty-five with diagnoses oth

i. Hospice Admissions 65+ w/cancer

2006	5520	Average
2007	6132	6027.00
2008	6429	

# of deaths 65+ w/cancer

2006	7638	Average
2007	8027	8767.00
2008	10636	

Hospice Use Rates by age and diagnosis

65+ w/Cancer	68.75%
<65 w/Cancer	67.64%
65+ w/o Cancer	40.87%
<65 w/o Cancer	10.68%

ii. Hospice Admissions <65 w/cancer

2006	2357	Average
2007	2378	2336.00
2008	2273	

# of deaths <65 w/cancer

2006	3365	Average
2007	3498	3453.33
2008	3497	

Rates of Cancer as cause of death

65+	25.15%
<65	28.03%

iii. Hospice Admissions 65+ w/o cancer

2006	9906	Average
2007	10946	10665.33
2008	11144	

# of deaths 65+ w/o cancer

2006	26227	Average
2007	26847	26093.00
2008	25205	

Hospice use rate by age only

<65	26.64%
65+	47.88%

iv. Hospice Admissions <65 w/o cancer

2006	830	Average
2007	955	946.67
2008	1055	

# of deaths <65 w/o cancer

2006	8647	Average
2007	8742	8867.00
2008	9212	

Sources: Vital Statistics reports for 2008 12/22/09

Prepared by M Thomas
August 2010

Step 2. Calculate the average number of total resident deaths over the last three years for each planning area.

0-64

County	2006	2007	2008	Average
Adams	20	32	39	**30**
Asotin	46	46	52	**48**
Benton	314	278	298	**297**
Chelan	122	101	121	**115**
Clallam	172	192	187	**184**
Clark	712	737	733	**727**
Columbia	14	7	10	**10**
Cowlitz	274	262	256	**264**
Douglas	62	67	63	**64**
Ferry	29	34	22	**28**
Franklin	95	88	114	**99**
Garfield	4	2	3	**3**
Grant	170	169	170	**170**
Grays Harbor	183	214	231	**209**
Island	148	137	121	**135**
Jefferson	76	69	77	**74**
King	3,014	3,044	3,071	**3,043**
Kitsap	428	457	486	**457**
Kittitas	72	47	70	**63**
Klickitat	40	65	38	**48**
Lewis	160	171	161	**164**
Lincoln	21	22	29	**24**
Mason	154	163	145	**154**
Okanogan	106	94	126	**109**
Pacific	63	71	79	**71**
Pend Oreille	35	39	36	**37**
Pierce	1,649	1,635	1,814	**1,699**
San Juan	37	21	28	**29**
Skagit	240	204	255	**233**
Skamania	26	21	27	**25**
Snohomish	1,129	1,200	1,195	**1,175**
Spokane	896	932	1,052	**960**
Stevens	120	112	106	**113**
Thurston	456	467	461	**461**
Wahkiakum	9	14	18	**14**
Walla Walla	105	120	130	**118**
Whatcom	306	354	330	**330**
Whitman	43	50	39	**44**
Yakima	462	502	516	**493**

65+

County	2006	2007	2008	Average
Adams	74	79	82	**78**
Asotin	156	165	176	**166**
Benton	767	887	883	**846**
Chelan	435	496	536	**489**
Clallam	692	748	728	**723**
Clark	1,941	1,911	2,027	**1,960**
Columbia	41	43	27	**37**
Cowlitz	739	739	747	**742**
Douglas	201	190	215	**202**
Ferry	45	59	44	**49**
Franklin	214	214	243	**224**
Garfield	24	20	26	**23**
Grant	436	399	430	**422**
Grays Harbor	548	610	546	**568**
Island	440	493	522	**485**
Jefferson	228	229	267	**241**
King	8,527	8,586	8,888	**8,667**
Kitsap	1,305	1,440	1,427	**1,391**
Kittitas	181	201	207	**196**
Klickitat	116	118	111	**115**
Lewis	561	571	557	**563**
Lincoln	87	82	103	**91**
Mason	429	441	433	**434**
Okanogan	256	259	291	**269**
Pacific	218	232	221	**224**
Pend Oreille	89	118	112	**106**
Pierce	3,777	3,981	4,038	**3,932**
San Juan	87	101	106	**98**
Skagit	778	785	875	**813**
Skamania	55	44	48	**49**
Snohomish	3,011	3,105	3,185	**3,100**
Spokane	2,823	2,874	3,022	**2,906**
Stevens	286	291	290	**289**
Thurston	1,387	1,379	1,367	**1,378**
Wahkiakum	31	38	42	**37**
Walla Walla	427	445	450	**441**
Whatcom	1,004	1,065	1,086	**1,052**
Whitman	171	173	190	**178**
Yakima	1,278	1,263	1,293	**1,271**

Step 3. Multiply each hospice use rate determined in Step 1 by the planning areas average total resident deaths determined in Step 2.

0-64	2006-2008	Cancer	Non-Cancer	65+		Cancer	Non-Cancer
County	Average Deaths	Projected	Projected	County	Average	Projected	Projected
Adams	30	6	2	Adams	78	14	24
Asotin	48	9	4	Asotin	166	29	51
Benton	297	56	23	Benton	846	146	259
Chelan	115	22	9	Chelan	489	85	150
Clallam	184	35	14	Clallam	723	125	221
Clark	727	138	56	Clark	1960	339	600
Columbia	10	2	1	Columbia	37	6	11
Cowlitz	264	50	20	Cowlitz	742	128	227
Douglas	64	12	5	Douglas	202	35	62
Ferry	28	5	2	Ferry	49	9	15
Franklin	99	19	8	Franklin	224	39	68
Garfield	3	1	0	Garfield	23	4	7
Grant	170	32	13	Grant	422	73	129
Grays Harl	209	40	16	Grays Harl	568	98	174
Island	135	26	10	Island	485	84	148
Jefferson	74	14	6	Jefferson	241	42	74
King	3043	577	234	King	8667	1498	2652
Kitsap	457	87	35	Kitsap	1391	240	425
Kittitas	63	12	5	Kittitas	196	34	60
Klickitat	48	9	4	Klickitat	115	20	35
Lewis	164	31	13	Lewis	563	97	172
Lincoln	24	5	2	Lincoln	91	16	28
Mason	154	29	12	Mason	434	75	133
Okanogan	109	21	8	Okanogan	269	46	82
Pacific	71	13	5	Pacific	224	39	68
Pend Oreil	37	7	3	Pend Oreil	106	18	33
Pierce	1699	322	131	Pierce	3932	680	1203
San Juan	29	5	2	San Juan	98	17	30
Skagit	233	44	18	Skagit	813	141	249
Skamania	25	5	2	Skamania	49	8	15
Snohomish	1175	223	90	Snohomish	3100	536	949
Spokane	960	182	74	Spokane	2906	502	889
Stevens	113	21	9	Stevens	289	50	88
Thurston	461	87	35	Thurston	1378	238	421
Wahkiakur	14	3	1	Wahkiakur	37	6	11
Walla Walk	118	22	9	Walla Walk	441	76	135
Whatcom	330	63	25	Whatcom	1052	182	322
Whitman	44	8	3	Whitman	178	31	54
Yakima	493	94	38	Yakima	1271	220	389

Prepared by M Thomas
August 2010

Step 4. Add the four subtotals derived in Step 3 to project the potential volume of hospice services in each planning area.

County	Average Deaths	<65 w/Cancer Projected	<65 w/o Cancer Projected	65+ w/Cancer Projected	65+ w/o Cancer Projected	Total Projected Patients
Adams	109	6	2	14	24	46
Asotin	214	9	4	29	51	92
Benton	1142	56	23	146	259	484
Chelan	604	22	9	85	150	265
Clallam	906	35	14	125	221	395
Clark	2687	138	56	339	600	1132
Columbia	47	2	1	6	11	20
Cowlitz	1006	50	20	128	227	425
Douglas	266	12	5	35	62	114
Ferry	78	5	2	9	15	31
Franklin	323	19	8	39	68	133
Garfield	26	1	0	4	7	12
Grant	591	32	13	73	129	247
Grays Harl	777	40	16	98	174	328
Island	620	26	10	84	148	268
Jefferson	315	14	6	42	74	135
King	11710	577	234	1498	2652	4961
Kitsap	1848	87	35	240	425	788
Kittitas	259	12	5	34	60	111
Klickitat	163	9	4	20	35	68
Lewis	727	31	13	97	172	313
Lincoln	115	5	2	16	28	50
Mason	588	29	12	75	133	249
Okanogan	377	21	8	46	82	158
Pacific	295	13	5	39	68	126
Pend Oreil	143	7	3	18	33	61
Pierce	5631	322	131	680	1203	2336
San Juan	127	5	2	17	30	55
Skagit	1046	44	18	141	249	451
Skamania	74	5	2	8	15	30
Snohomish	4275	223	90	536	949	1798
Spokane	3866	182	74	502	889	1647
Stevens	402	21	9	50	88	168
Thurston	1839	87	35	238	421	783
Wahkiakur	51	3	1	6	11	21
Walla Wall	559	22	9	76	135	243
Whatcom	1382	63	25	182	322	592
Whitman	222	8	3	31	54	97
Yakima	1764	94	38	220	389	740

Prepared by M Thomas
August 2010

Step 5. Inflate the potential volume of hospice service by the one-year estimated population growth (using OFM data).

County	Projected Patients	2006-2008 average population	2009	2010	2011	2012	3013	2014	2009 Potential volume	2010 Potential volume	2011 Potential volume	2012 Potential volume	2013 Potential volume	2014 Potential volume
Adams	46	17,550	18,101	18,376	18,614	18,853	19,091	19,330	47	48	48	49	50	50
Asotin	92	21,456	22,012	22,290	22,480	22,670	22,861	23,051	95	96	97	97	98	99
Benton	484	162,396	166,691	168,839	170,442	172,045	173,648	175,251	497	503	508	513	518	522
Chelan	265	71,557	73,914	75,093	76,081	77,068	78,056	79,043	273	278	281	285	289	292
Clallam	395	67,683	68,566	69,008	69,588	70,169	70,749	71,330	400	403	406	409	413	416
Clark	1132	409,456	427,413	436,391	444,483	452,575	460,666	468,758	1182	1207	1229	1251	1274	1296
Columbia	20	4,101	4,102	4,103	4,102	4,100	4,099	4,097	20	20	20	20	20	20
Cowlitz	425	100,730	105,559	107,974	109,790	111,606	113,421	115,237	446	456	464	471	479	487
Douglas	114	36,509	38,318	39,222	39,830	40,438	41,046	41,654	119	122	124	126	128	130
Ferry	31	7,687	7,974	8,117	8,203	8,289	8,375	8,461	32	33	33	34	34	34
Franklin	133	64,315	68,130	70,038	72,100	74,162	76,224	78,286	141	145	150	154	158	162
Garfield	12	2,405	2,410	2,412	2,428	2,445	2,461	2,478	12	12	12	12	12	12
Grant	247	82,816	86,531	88,389	89,255	90,121	90,987	91,853	258	264	266	269	272	274
Grays Harbor	328	70,658	71,516	71,945	72,498	73,051	73,604	74,157	332	334	336	339	341	344
Island	268	77,881	79,762	80,703	82,029	83,355	84,682	86,008	275	278	283	287	292	296
Jefferson	135	28,925	30,250	30,912	31,537	32,161	32,786	33,410	141	145	147	150	153	156
King	4961	1,858,630	1,908,959	1,934,124	1,953,110	1,972,096	1,991,081	2,010,067	5095	5162	5213	5264	5314	5365
Kitsap	788	243,860	247,320	249,050	251,650	254,251	256,851	259,452	799	804	813	821	830	838
Kittitas	111	37,873	39,146	39,783	40,312	40,840	41,369	41,897	115	116	118	119	121	123
Klickitat	68	20,356	21,212	21,640	21,922	22,204	22,485	22,767	71	72	73	74	75	76
Lewis	313	73,978	76,355	77,544	78,270	78,996	79,723	80,449	323	328	331	335	338	341
Lincoln	50	10,217	10,334	10,393	10,513	10,633	10,754	10,874	50	51	51	52	52	53
Mason	249	54,597	57,294	58,643	59,704	60,765	61,825	62,886	261	267	272	277	282	287
Okanogan	158	40,856	42,111	42,739	43,176	43,613	44,049	44,486	162	165	167	168	170	172
Pacific	126	21,288	21,277	21,271	21,358	21,445	21,531	21,618	126	126	126	127	127	128
Pend Oreille	61	12,793	13,386	13,683	13,886	14,089	14,291	14,494	64	65	66	67	68	69
Pierce	2336	788,215	820,530	836,688	849,188	861,689	874,189	886,690	2431	2479	2516	2553	2590	2627
San Juan	55	16,231	16,962	17,327	17,692	18,056	18,421	18,785	57	58	59	61	62	63
Skagit	451	116,095	121,290	123,888	126,228	128,568	130,909	133,249	471	482	491	500	509	518
Skamania	30	10,610	10,920	11,075	11,204	11,333	11,462	11,591	31	31	32	32	32	33
Snohomish	1798	683,865	711,930	725,963	738,066	750,168	762,271	774,373	1871	1908	1940	1972	2004	2035
Spokane	1647	448,470	460,639	466,724	472,682	478,640	484,597	490,555	1692	1715	1736	1758	1780	1802
Stevens	168	43,366	45,533	46,616	47,703	48,791	49,878	50,966	177	181	185	189	194	198
Thurston	783	236,905	249,710	256,113	262,126	268,140	274,153	280,167	825	846	866	886	906	926
Wahkiakum	21	4,009	4,118	4,172	4,218	4,264	4,310	4,356	22	22	22	23	23	23
Walla Walla	243	58,836	60,172	60,840	61,300	61,760	62,219	62,679	248	251	253	255	256	258
Whatcom	592	186,733	192,666	195,633	199,116	202,598	206,081	209,563	610	620	631	642	653	664
Whitman	97	42,700	43,001	43,151	43,376	43,600	43,825	44,049	98	98	98	99	100	100
Yakima	740	234,158	239,017	241,446	244,730	248,014	251,299	254,583	755	763	773	784	794	804

Prepared by M Thomas
August 2010

Step 6. Subtract the current hospice capacity in each planning area from the above projected volume of hospice services to determine unmet need.
(g) Determine the number of hospice agencies in the proposed planning area which could support the unmet need with an ADC of thirty-five.

	2009 Potential volume	2010 Potential volume	2011 Potential volume	2012 Potential volume	2013 Potential volume	2014 Potential volume	Current Capacity	2009 Unmet Need admits	2010 Unmet Need admits	2011 Unmet Need admits	2012 Unmet Need admits	2013 Unmet Need admits	2014 Unmet Need admits	Statewide Average Length of Stay	2009 Unmet Need Patient Days	2010 Unmet Need Patient Days	2011 Unmet Need Patient Days	2012 Unmet Need Patient Days	2013 Unmet Need Patient Days	2014 Unmet Need Patient Days	2009 Unmet Need ADC	2010 Unmet Need ADC	2011 Unmet Need ADC	2012 Unmet Need ADC
Adams	47	48	48	49	50	50	15	32	33	34	34	35	36	67.336	2,179	2,227	2,268	2,310	2,352	2,394	6	6	6	6
Asotin	95	96	97	97	98	99	31	63	64	65	66	67	68	67.336	4,254	4,334	4,389	4,444	4,499	4,554	12	12	12	12
Benton	497	503	508	513	518	522	541	(44)	(38)	(33)	(28)	(23)	(19)	67.336	(2,977)	(2,546)	(2,225)	(1,903)	(1,581)	(1,259)	(8)	(7)	(6)	(5)
Chelan	273	278	281	285	289	292	205	68	72	76	80	83	87	67.336	4,585	4,879	5,125	5,371	5,617	5,863	13	13	14	14
Clallam	400	403	406	409	413	416	326	74	77	80	83	87	90	67.336	4,992	5,165	5,393	5,621	5,849	6,078	14	14	15	15
Clark	1,182	1,207	1,229	1,251	1,274	1,296	1,577	(395)	(370)	(348)	(325)	(303)	(281)	67.336	(26,588)	(24,917)	(23,410)	(21,903)	(20,397)	(18,890)	(73)	(68)	(64)	(59)
Columbia	20	20	20	20	20	20	11	10	10	10	10	10	10	67.336	661	661	660	660	659	659	2	2	2	2
Cowlitz	446	456	464	471	479	487	581	(135)	(125)	(118)	(110)	(102)	(95)	67.336	(9,121)	(8,434)	(7,918)	(7,401)	(6,885)	(6,368)	(25)	(23)	(22)	(20)
Douglas	119	122	124	126	128	130	80	39	42	44	46	48	49	67.336	2,632	2,821	2,949	3,077	3,204	3,332	7	8	8	9
Ferry	32	33	33	34	34	34	25	7	8	8	9	9	9	67.336	494	533	557	580	604	627	1	1	2	2
Franklin	141	145	150	154	158	162	151	(10)	(6)	(2)	3	7	11	67.336	(669)	(403)	(114)	174	462	750	(2)	(1)	(0)	1
Garfield	12	12	12	12	12	12	5	7	7	7	8	8	8	67.336	494	494	500	505	511	516	1	1	1	1
Grant	258	264	266	269	272	274	69	189	195	197	200	203	205	67.336	12,751	13,125	13,299	13,473	13,647	13,821	35	36	36	37
Grays Harbor	332	334	336	339	341	344	137	194	196	199	202	204	207	67.336	13,090	13,224	13,397	13,570	13,742	13,915	36	36	37	38
Island	275	278	283	287	292	296	137	138	142	146	151	155	160	67.336	9,311	9,529	9,837	10,144	10,452	10,760	26	26	27	27
Jefferson	141	145	147	150	153	156	139	2	6	8	11	14	17	67.336	166	375	572	768	965	1,162	0	1	2	2
King	5,095	5,162	5,213	5,264	5,314	5,365	4,851	245	312	362	413	464	514	67.336	16,467	20,990	24,402	27,815	31,227	34,639	45	58	67	77
Kitsap	799	804	813	821	830	838	613	186	191	200	208	217	225	67.336	12,514	12,890	13,456	14,022	14,587	15,153	34	35	37	38
Kittitas	115	116	118	119	121	123	70	46	46	48	49	51	53	67.336	2,998	3,123	3,228	3,332	3,436	3,540	8	9	9	10
Klickitat	71	72	73	74	75	76	55	16	17	18	19	20	21	67.336	1,052	1,148	1,211	1,274	1,337	1,400	3	3	3	4
Lewis	323	328	331	335	338	341	267	56	61	64	67	70	73	67.336	3,772	4,111	4,318	4,525	4,732	4,939	10	11	12	13
Lincoln	50	51	51	52	52	53	7	44	44	45	45	46	46	67.336	2,944	2,963	3,002	3,042	3,081	3,121	8	8	8	8
Mason	261	267	272	277	282	287	191	70	76	81	86	91	96	67.336	4,734	5,149	5,474	5,800	6,126	6,452	13	14	15	16
Okanogan	162	165	167	168	170	172	17	145	148	150	151	153	155	67.336	9,794	9,957	10,070	10,184	10,297	10,411	27	27	28	28
Pacific	126	126	126	127	127	128	54	72	72	72	73	73	74	67.336	4,822	4,820	4,855	4,889	4,924	4,958	13	13	13	14
Pend Oreille	64	65	66	67	68	69	37	27	28	29	30	31	32	67.336	1,784	1,879	1,944	2,009	2,073	2,138	5	5	5	6
Pierce	2,431	2,479	2,516	2,553	2,590	2,627	2,645	(214)	(166)	(129)	(92)	(55)	(18)	67.336	(14,388)	(11,164)	(8,670)	(6,176)	(3,682)	(1,188)	(39)	(31)	(24)	(16)
San Juan	57	58	59	61	62	63	7	50	51	52	53	55	56	67.336	3,346	3,428	3,511	3,594	3,676	3,759	9	9	10	10
Skagit	471	482	491	500	509	518	513	(42)	(32)	(23)	(14)	(5)	5	67.336	(2,823)	(2,143)	(1,531)	(918)	(306)	307	(8)	(6)	(4)	(3)
Skamania *	31	31	32	32	32	33	270	(239)	(239)	(238)	(238)	(238)	(237)	67.336	(16,099)	(16,070)	(16,045)	(16,020)	(15,996)	(15,971)	(44)	(44)	(44)	(44)
Snohomish	1,871	1,908	1,940	1,972	2,004	2,035	2,275	(404)	(367)	(335)	(303)	(271)	(240)	67.336	(27,183)	(24,699)	(22,557)	(20,415)	(18,273)	(16,131)	(74)	(68)	(62)	(56)
Spokane	1,692	1,715	1,736	1,758	1,780	1,802	1,702	(10)	13	34	56	78	100	67.336	(663)	842	2,316	3,790	5,263	6,737	(2)	2	6	10
Stevens	177	181	185	189	194	198	86	91	95	100	104	108	112	67.336	6,138	6,421	6,705	6,990	7,274	7,558	17	18	18	19
Thurston	825	846	866	886	906	926	779	46	67	87	106	126	146	67.336	3,068	4,493	5,830	7,168	8,505	9,843	8	12	16	20
Wahkiakum	22	22	22	23	23	23	30	(8)	(8)	(8)	(7)	(7)	(7)	67.336	(543)	(523)	(507)	(490)	(474)	(457)	(1)	(1)	(1)	(1)
Walla Walla	248	251	253	255	256	258	209	39	42	44	46	48	50	67.336	2,652	2,837	2,965	3,092	3,220	3,348	7	8	8	9
Whatcom	610	620	631	642	653	664	723	(113)	(103)	(92)	(81)	(70)	(59)	67.336	(7,589)	(6,956)	(6,213)	(5,470)	(4,728)	(3,985)	(21)	(19)	(17)	(15)
Whitman	98	98	98	99	100	100	56	42	42	43	43	44	44	67.336	2,826	2,849	2,884	2,918	2,952	2,987	8	8	8	8
Yakima	755	763	773	784	794	804	733	22	30	40	51	61	71	67.336	1,492	2,009	2,708	3,406	4,105	4,804	4	6	7	9
							20,220																	

* County contains a hospice in first three years of project
Each hospice in first three years is assumed 35 adc at statewide ALOS or 246 admits