



October 30, 2008

Dayle Stepp  
Director of CON  
WV Health Care Authority  
100 Dee Drive  
Charleston, WV 25311

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WV HEALTH CARE  
AUTHORITY

Dear Mr. Stepp:

Recently the Health Care Authority met and subsequently has asked for written comments in regard to certificate of need review for home health and hospice services.

United Hospital Center recommends the continuation of reasonable certificate of need review in regard to the services of both home health and hospice. United Hospital Center believes that certificate need review will ensure the provision of needed home health and hospice service. Adequate certificate of need review will provide a better opportunity that sophisticated providers provide comprehensive and high quality services to our community regardless of the patient's ability to pay and insurance status.

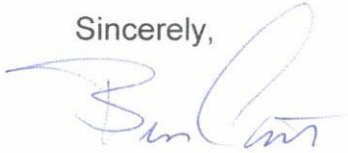
United Hospital Center is concerned that the elimination of certificate of need will allow the introduction of numerous providers which will result in the dilution of the market place. Like many healthcare services, a large portion of the cost for the provision of home health and hospice are fixed or semi-fixed costs. A low volume of patient results in a high cost to the patient. The result in the dilution of the market place and the related increase of cost per unit would place pressure for increased rates with existing and new providers including United Hospital Center. It is obvious that there is a cost crisis in both West Virginia and the United States generally. It is the opinion of United Hospital Center that vitally important and needed health services such as home health and hospice should be considered a public service and not a simple commodity. The elimination of the certificate of need allows numerous providers to enter the market and everything indicates that many providers will select patients by intensity of services and/or insurance status. This process, known as "cherry-picking", tends to punish providers like United Hospital Center who intend to care for all patients, regardless of intensity or ability to pay.

United Hospital Center understands the argument for competition in the provision of health services. United Hospital Center reminds the Authority that there is a distinct difference between competition in an open playing field vs. cherry-picking. It is the opinion of United Hospital Center that certificate of need will ensure adequate volume of patients cared for by a more limited number of providers in a region that results in lower

cost and higher quality. United Hospital Center is proud of its history of providing high quality and technologically advanced home care and hospice services to our community. We are proud of our mission of providing services to everyone in need. United Hospital Center is not concerned with legitimate competition. United Hospital Center is however concerned about the removal of certificate of need which allows the introduction of numerous for-profit providers who can legally select the best patients and drive other providers, like United Hospital Center, out of the market due to lack of financial feasibility. This can result in certain patients going without adequate care. This type of market approach reflects a philosophy that home health and hospice services are a simple commodity that is only provided for those who can pay for the service.

In summary, United Hospital Center considers home health and hospice to be a vitally needed, public service and reminds the Authority that approximately twenty percent (20%) of our community has no insurance coverage and many others have no ability to pay for these services. Therefore, United Hospital Center recommends that the Authority continue reasonable and appropriate certificate of need review to ensure that all patients get served and that providers provide those services at a reasonable cost and at a high quality. Thank you for the opportunity to comment on this important subject matter.

Sincerely,



Bruce Carter  
President

BC: dj