

## **Existing RI Facilities are Meeting Inpatient Rehabilitation Needs. There is no Need for Encompass.**

We write today with good news. Rhode Islanders in need of inpatient rehabilitation services can be sure our five existing licensed providers and skilled nursing facilities in the state are meeting the needs of patients both in terms of quality and capacity. As a result of our readiness, the proposal by the out of state company, Encompass Health, to build an additional facility in Johnston, is clearly not needed.

We can understand looking at this on the surface, some may believe it to be a simple economic development equation: more investment plus more jobs equals a good idea. But, a deeper look at the facts shows the addition of Encompass Health would actually be an economic drain on our health care system and our state's economy.

Thanks to existing state law, there is a clear path to showing the potential benefits and the potential damage.

In Rhode Island, any health care facility hoping to enter the state must apply to the Health Services Council for a Certificate of Need (CON). The prospective facility must prove a need or a gap in health care services exists in order to establish themselves here.

So, let's consider a couple of issues: First, to the question of need. Our rehabilitation centers have 109 available beds to care for those who have suffered injuries (stroke, brain injury or other debilitating health issue) and whom a doctor determines requires more than three hours of daily inpatient intensive therapy for five days a week.

A 2018 audit revealed a 54 percent daily use rate of the inpatient rehabilitation beds, meaning nearly half the 109 beds remain available each day. This leaves us with the capacity to nearly double the amount of patients, if ever needed. Our skilled nursing facilities provide rehabilitative care for hundreds more. In other words, we have an over-supply.

Another consideration is a new facility will not only result in a duplication of services, but also in the potential decimation of existing providers. The Health Services Council must consider the best and most efficient use of state and federal healthcare dollars and the overall impact on providers and their employees. Economic development is not replacing an existing facility with a new one just for sake of creating something new.

As health services providers, inpatient rehabilitation and skilled nursing facilities, together we employ a significant number of people and serve as economic drivers in our community. In fact, we pay taxes, make investments and ask for nothing in return.

Building an unnecessary facility would result in the loss of good paying jobs and potentially the closure of existing facilities.

The case is abundantly clear. Rhode Island has existing, high quality, nationally recognized rehabilitation resources already in place. We have more than enough capacity to meet current and future needs. The addition of a large, new facility not only would duplicate existing resources, but would likely degrade the ability of existing programs to maintain themselves. The state's own consultant, The Faulkner Consulting Group, has validated these conclusions.

On behalf of our employees and patients, we urge the Health Services Council and the Department of Health to deny this petition.