

**Long-Term and Behavioral Health Committee
Agency Report for Petition Regarding
Macon County Dialysis Adjusted Need Determination Petition
Proposed 2012 State Medical Facilities Plan**

Petitioner:

Macon County
5 West Main Street
Franklin, N.C. 28734

Request:

The Petition requests an adjusted need determination for a new dialysis facility to be located in Macon County, in Franklin, to serve the residents of Macon County.

Background Information:

The current dialysis methodology assesses individual “County Need” for each of North Carolina’s 100 counties on a semiannual basis. The methodology states that “if a county’s...projected station deficit is ten or greater...the county station need determination is the same as the projected...station deficit.” However, if “...the projected station deficit is less than ten...the county’s...station need determination is zero.” (NOTE: This portion of the methodology also references utilization of existing facilities, but those references have been excluded in this excerpt because the Macon County does not have an existing dialysis facility.)

The threshold of ten stations is taken from a “Basic Principle” of the dialysis methodology, which states that “[n]ew facilities must have a projected need for at least 10 stations (or 32 patients at 3.2 patients per station) to be cost effective and to assure quality of care.” This basic principle was intended to assure that new facilities would have a sufficient number of patients to establish quality services (i.e., an appropriate facility, with appropriate equipment, and hiring of a Nephrologist, Dialysis Nurses, Dialysis Technicians and other support staff) and to be financially viable.

Chapter 2 of the Plan allows persons to petition for an adjusted need determination in consideration of “...unique or special attributes of a particular geographic area or institution...,” if they believe their needs are not appropriately addressed by the standard methodology.

Analysis/Implications:

The “North Carolina Semiannual Dialysis Report - July 2011” indicates 23 residents of Macon County were receiving chronic outpatient dialysis services as of December 31, 2010 (based on data provided by the Centers for Medicare and Medicaid Services through the Southeastern Kidney Council, Inc.). The reported number of patients from

Macon County has varied from 2006 to 2010, ranging from a low of 20 to a high of 24 patients (*December 31st totals*). The average annual rate of change in total number of Macon County dialysis patients over the past five years indicates a modest growth of 3.8% per year.

Of the 23 Macon County residents reported on December 31, 2010, a total of 7 patients (30.4%) were receiving “home dialysis” rather than “in-center dialysis.” Data are not available to determine if this option was based on issues related to travel for in-center service, as opposed to patient’s preference or medical necessity/preference.

Application of the standard dialysis methodology to the December 31, 2010 patient data projects a need for 5 dialysis stations (*based on a projected December 31, 2011 total of 16.6 In-center Patients*). The standard methodology also projects 7.3 home-based patients for December 31, 2011. At present, there are only ten single-county dialysis service areas with no dialysis facility in North Carolina. Of these 10, only Pamlico County and Perquimans County (*both in the eastern portion of the state*) have a higher projected dialysis station need.

The petition cites dangerous commutes for in-center dialysis treatments, over treacherous mountain roads, often in adverse weather conditions (*particularly in the winter months*) as the principal basis for its request. Early start-up times for first shift patients exacerbate these issues. The Agency and the State Health Coordinating Council have previously made exceptions to the minimum facility size to address similar concerns in response to previous petitions.

In addition, most of the petition’s cited travel distances exceed the goal of “Basic Principle” #10a, which encourages the provision of End-Stage Renal Disease treatment “...in a facility no farther than 30 miles from the patients’ homes” (*see Petition, Section 9.A.iii, page 3*).

Agency Recommendation:

The Agency believes that a sufficient number of dialysis patients is essential to the development and maintenance of a quality dialysis facility; however, the Agency also acknowledges the extreme hardship of commuting three times a week for in-center dialysis treatment over difficult terrain and in adverse weather conditions. Therefore, the Agency recommends approval of the request for an adjusted need determination for a new dialysis facility in Macon County, with a minimum of 5 dialysis stations, as projected in the July 2011 Semiannual Dialysis Report and a maximum of the number “projected as needed” in the most recent “Semiannual Dialysis Report” available prior to the Certificate of Need application due date. The Agency encourages Macon County, and any prospective applicants to explore coordination of services, and perhaps sharing of staff, with existing providers in contiguous counties.