

**Long-Term Behavioral Health Committee
Agency Report
Petition to Correct Reported Errors
from being Reflected in Future
Semi-annual Dialysis Reports**

Petitioners:

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Contact:

Mr. Jim Swann,
Market Development and Certificate of Need

Request:

Bio-medical Applications of North Carolina (“BMA”), “a wholly owned subsidiary of Fresenius Medical Holdings, Inc.”, requests an adjustment be made to correct erroneous data totals of dialysis patients reported by dialysis providers that was incorporated by the Division into (1) the totals of dialysis patients by county of residence, and (2) the 5-year average annual change rate of each county’s total End-Stage Renal Disease (ESRD) patient population, both of which are used to calculate need for additional dialysis stations using the County Need methodology.

Background Information:

The dialysis methodology was established in 1993. It assesses individual “County Need” for each of North Carolina’s 100 counties on a semiannual basis. Beginning with the July Semiannual Dialysis Report, providers began reporting data directly to the Division of Health Service Regulation, with a submission due date of June 6, 2013, on all hemodialysis stations used for chronic outpatient dialysis patients, which was utilized in the methodology.

Chapter Two of the State Medical Facilities Plan (SMFP) provides an opportunity for “...people who believe that unique or special attributes of a particular geographic area or institution give rise to resource requirements that differ from those provided by application of the standard planning procedures and policies may submit a written petition requesting an adjustment be made to the need determination given in the North Carolina Proposed State Medical Facilities Plan.”

Analysis/Implications:

Several dialysis facilities operated by BMA inadvertently self-reported utilization data that contained errors regarding the counties of residence of patients receiving dialysis from locations in Nash, Edgecombe and Scotland Counties.

The BMA facilities that submitted data reports with errors include:

Facility Name	County
Rocky Mount Kidney Center/BMA of Rocky Mount	Nash
BMA of East Rocky Mount	Edgecombe
BMA of Laurinburg	Scotland

Even though the data reports received from each of the three facilities contained the correct total number of dialysis patients having received services at that location, the counties of residence for those patients were reported incorrectly. The three facilities reported all dialysis patients were residents of the county in which each facility was located. Based upon the agency’s historical data all three BMA facilities have served dialysis patients from multiple counties.

As indicated by the petition, “...the erroneous total of dialysis patients reported by BMA were incorporated by the Medical Facilities Planning Section into (1) the totals of dialysis patients by county of residence, and (2) the resultant 5-year average annual change rate of each county’s total ESRD patient population, both of which are used to calculate need for additional dialysis stations. Consequently, the accidental over-reporting of total dialysis patients in Nash and Scotland Counties resulted in erroneously high projected future populations of dialysis patients in those three [sic] counties, and erroneously low dialysis populations in other counties. In the case of Nash and Scotland Counties, the erroneous data resulted in projected deficits of dialysis stations and therefore triggered need determinations for new dialysis stations in Nash County (19 stations) and Scotland County (11 stations).”

Agency Recommendation:

Given available information and comments submitted by the August 15, 2013 deadline, and in consideration of factors discussed above, the agency supports the request to correct (1) the totals of dialysis patients by county of residency, and (2) the 5-year average annual change rate of each county’s total ESRD patient population, as reported in error by dialysis providers that were incorporated into the July 2013 SDR. This will improve accuracy in subsequent reporting cycles and future Semi-annual Dialysis Reports.