

ADDITIONAL SUPPORTING DISCUSSION

PETITION FOR CHANGE IN BASIC POLICIES AND METHODOLOGIES STATE MEDICAL FACILITIES PLAN

Raleigh, North Carolina
March 6, 2013

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Petitioner

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Back in 2005 when leading the gastroenterologists, the attached press release was perhaps critical in tipping the argument for CON exemption for GI endoscopy centers that resulted in H.B. 1060 and changes to G.S. 131E. Although it will be difficult to link mortality/morbidity rates to surgeries/procedures other than GI endoscopy, the high cost of outpatient surgery centers in HOPD settings and hospital owned ASC's clearly limits patient access. Affordability more than other factor gives rise to increased access. The high screening rates for colo-rectal cancer via colonoscopy are in large part due to the BCBSNC policy of co-pays versus deductible/co-insurance as well as the relatively low cost of GI endoscopy facility reimbursement/fees paid by BCBSNC to participating GI endoscopy centers. Increased access via lower cost leads to improved patient health. Therefore, this petition for equal protection across all medical/surgical specialties makes eminent sense from lowering Cost, improving Quality, and increasing Access perspectives, which can be termed CQA. CQA is the new currency required for reformation of our nation's health care system and is the essence of the three Basic Principles of the SMFP.

N.C. ADVISORY COUNCIL FOR GASTROINTESTINAL ENDOSCOPY

FOR IMMEDIATE RELEASE: June 2, 2005

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Study explores link between CON regulation of colonoscopy and colorectal cancer mortality

The N.C. Advisory Council for Gastrointestinal Endoscopy (NCAC-GE) has conducted a national analysis to examine the association of certificate of need (CON) regulation and the death rate for colorectal cancer.

North Carolina trails many other states in reducing the mortality rate for colorectal cancer, the second-leading cause of cancer death in the United States.

Results of the study were released against the backdrop of a recommendation today by the State Health Coordinating Council that North Carolina continue CON regulation for endoscopy. The SHCC recommendation will be forwarded to the state department of Health and Human Services for consideration.

The NCAC-GE leadership believes CON regulation often unnecessarily and inappropriately limits patient access and choice of health services. For instance, in North Carolina, CON regulation limits the development of endoscopy procedure rooms where colonoscopy screening is performed.

The keys to reducing the mortality rate for colorectal cancer are access to and affordability of colonoscopy screening, a form of endoscopy. Dr. Scott Brazer, an NCAC-GE board member, said those areas are critical if North Carolina hopes to improve its poor showing.

“In order to improve the care of our patients, we must address the cost, availability and access to colonoscopy,” said Brazer, a Durham gastroenterologist. “We should be doing better by our patients. We can get there, but we have a lot of work to do.”

CON regulation often unnecessarily and inappropriately limits patient access and choice of health services, according to the NCAC-GE leadership. For instance, in North Carolina, CON regulation limits the development of endoscopy procedure rooms where colonoscopy screening is performed.

In its analysis, the NCAC-GE compared health performance as measured in mortality rate reduction for colorectal cancer in all 50 states and the District of Columbia using data from the National Vital Statistics System. The study covers the years 1988-2001. The analysis

shows that, during that period, states without CON regulation for endoscopy reduced the mortality rate for colorectal cancer by 1.7 percent. States with CON regulation for endoscopy, along with the District of Columbia, reduced the mortality rate for colorectal cancer by only 1.1 percent.

Overall, North Carolina reduced the colorectal cancer mortality rate during this period by 1.3 percent, a performance that ranks it in the bottom third of all states.

Dr. Marty Pate, a physician in Sanford who is president of the NCAC-GE, said the state's ranking is not only disturbing, but also revealing.

"Clearly, North Carolina's citizens are being underserved in this area. We should be doing everything we can to make colon cancer screening more accessible and more affordable. Any efforts to more formally regulate endoscopy by CON — such as what the SHCC has done — now appear to have the opposite effect," said Pate. "We owe it to our citizens to fight this disease aggressively and effectively. The NCAC-GE is committed to doing its part. We hope others, including our leaders in state government, will show they are just as committed."

The best and most effective screening method for colorectal cancer is colonoscopy. Through this procedure, a doctor is able to screen a patient's colon for pre-cancerous growths and cancer. Often the doctor removes suspicious growths called polyps. Colorectal cancer is essentially a preventable disease if patients undergo colonoscopy screening. Therefore, increasing patient access and affordability of care are paramount in reducing the mortality rate.

The NCAC-GE believes that CON regulation should not be applied to endoscopy — specifically colonoscopy and upper gastro-intestinal endoscopy services. CON regulations increase costs to both patients and insurance payers and, as a result, make vital colorectal cancer screening procedures less accessible to citizens.

Colonoscopy and other endoscopy services can be performed safely with the highest levels of quality of patient care within accredited physician office facilities, resulting in increased affordability, accessibility, choice and privacy for patients.

Currently, some North Carolina physicians perform colonoscopies in office settings. However, many colonoscopies in North Carolina are still performed in hospitals, in part because of strict CON regulations. Many North Carolinians prefer being screened in an office setting because of privacy, convenience and cost. For instance, a typical in-office colonoscopy usually costs a patient a co-pay of about \$40 or \$50. The same procedure in a hospital can cost \$1,000 or more for patients with health insurance. Patients without adequate health insurance coverage may pay even more for screening colonoscopies.

"We regularly schedule patients without health insurance for colonoscopies in our office facility. We can do so, because our operating costs are lower than that of hospitals. It is important to ensure that people who need screening colonoscopies receive them," said Pate.

Most doctors urge all citizens over the age of 50 to be screened for colorectal cancer, regardless of gender. Still, only about 20 percent of those who should be tested are being screened by colonoscopy.

“We in North Carolina have some of the best medical facilities in the world. The state has put in place the Advisory Committee on Cancer Coordination and Control whose mission is ‘to facilitate the reduction of cancer incidence and mortality in North Carolina and to enhance access to quality treatment and support services.’ So there’s no excuse for our state lagging behind in this important area,” said Pate. “We can fight this disease. But to do it, we have to make screening affordable and available to as many North Carolinians as we possibly can. The office-based setting is most accessible and least costly for patients. CON regulation of endoscopy is not appropriate for a lifesaving and underutilized service such as colonoscopy as our analysis seems to indicate.”