

# LETTER OF TRANSMITTAL

## PDA

Cameron Village  
2016 Cameron Street  
P.O. Box 12844  
Raleigh, NC 27605

Nancy M. Lane, MA  
(919) 754-0303  
Fax (919) 754-0328  
[nlane@pda-inc.net](mailto:nlane@pda-inc.net)

**To:**

Medical Facilities Planning Branch, Division  
of Health Service Regulation  
2714 Mail Service Center  
Raleigh, NC 27699  
Kelli.Fisk@dhhs.nc.gov

**Date:** 3/20/2015    **Job Number:** 127-7010-15

**Attention:** Kelli Fisk

Knowles, Smith and Associates - OR Policy  
**RE:** Change - 2015 Spring Petitions - Comments

- WE ARE SENDING YOU:**
- Shop Drawings
  - Prints
  - Plans
  - Samples
  - Specifications
  - Change order
  - Copy of letter
  - Client Project Copy
  - 2015 Spring Petition - Policy Change - Comments

Copies	Date	No.	Description
1	3/20/2015		Comments and Attachments

**THESE ARE TRANSMITTED AS CHECKED BELOW:**

- For approval
- Approved as submitted
- Resubmit copies for approval
- For your use
- Approved as noted
- Submit copies for distribution
- As requested
- Returned for corrections
- Return corrected prints
- For review and comment
- 

**Remarks:** Submitted to Kelli Fisk via email 03.20.15

**Copy To:** Virginia Jones, COO

**Signed:** KI

**Comments on Petition to the State Health Coordinating Council  
Regarding Methodology/ Policy Adjustment for the  
2016 State Medical Facilities Plan**

March 20, 2015

<b>Commenter:</b>		<b>Contact:</b>	
<b>Name:</b>	Knowles, Smith & Associates, LLP	<b>Name:</b>	Virginia Jones, Chief Operating Officer
<b>Address:</b>	2015 Valleygate Drive Fayetteville, NC 28304	<b>E-mail:</b>	<a href="mailto:vjones@vfdental.com">vjones@vfdental.com</a>
		<b>Phone:</b>	910-485-7070, ext. 2612

During and after our presentation at the Public Hearing on March 4, 2015, SHCC members asked questions for which we did not have specific detail. The following Comments contain responses to those questions.

**1. Why is Knowles, Smith & Associates d/b/a Village Family Dental (Village Family) unable to provide the dental surgery cases in a procedure room?**

The cases in question require general anesthesia. General anesthesia, particularly for pediatric patients is best done with the supervision, support and back up of a licensed surgical setting. This means one of two places, a hospital or an ambulatory surgery center. It is up to the individual health care facility to decide where to schedule each surgical case; the facility can choose a procedure room or an operating room. Current North Carolina regulations make no distinction between design and staffing requirements for procedure and operating rooms. KSA has privileges at four hospitals that are close to its patients.

Most KSA patients live in Cumberland and Robeson Counties. When the hospitals in these counties reduced or eliminated KSA operating room block time, they did not offer procedure rooms as an alternative.

With a CON, licensure and certification, KSA dentists or other dentists faced with similar barriers, could perform dental procedures under general anesthesia in a procedure room in an ambulatory surgery center. However, to approve such an ambulatory surgery center CON, DHSR Planning and Certificate of Need Section requires at least one operating room.

KSA wants to avoid doing pediatric general surgery cases in an unlicensed procedure room. Patient safety is easier to assure when the facility is subject to the oversight associated with licensure and certification. NC Medicaid agrees. It does not cover the anesthesia cost or the facility cost associated with the cases no performed in licensed facilities.

**2. Why are some hospitals restricting operating room (OR) block time?**

KSA does not have a complete answer for this question. Dental cases are not well suited for standard operating room surgical tables, which put the patient in a horizontal, rather than an upright position. Hospitals and ambulatory surgery centers typically do not own dental operating instruments. Hospital surgical techs do not receive training in dental procedures. Dentists must adapt their technique for the hospital surgical tables; supply their personal instrument sets to the hospitals and surgery centers, in advance, so that the instruments can be sterilized according to the facility's protocol; and, it is not unusual to have dental instruments lost or broken. Dentists bring their own, trained, surgical assistants to staff the cases.

Demographics and the associated strain of Medicaid reimbursement in communities with high proportions of Medicaid may also affect the decision. Pediatric dental cases are long and Medicaid caps payment for dental OR and anesthesia time. This may cause hospitals and anesthesia groups to place lower priority on dental cases in the hospital OR setting. On the other hand, KSA has identified anesthesiologists who would be willing to provide anesthesia coverage, if KSA operated a dental ambulatory surgery center.

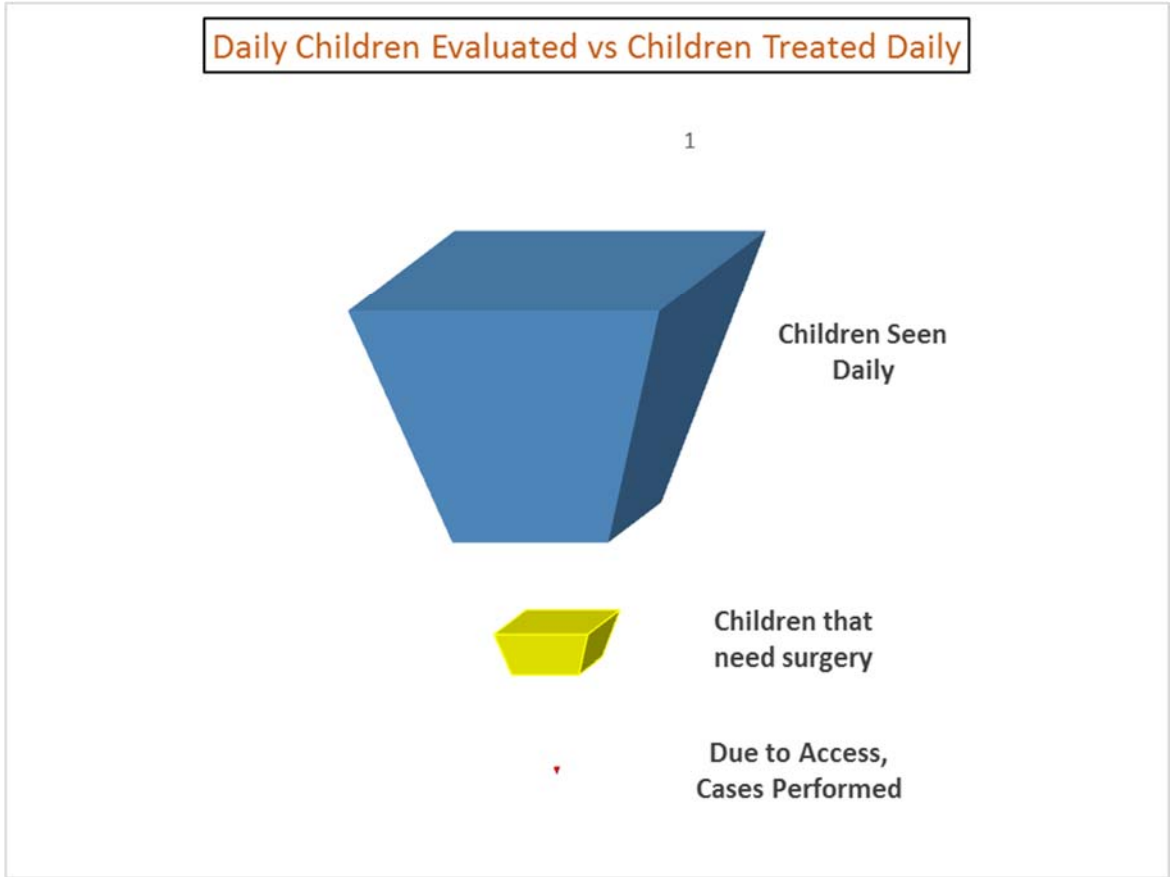
In addition, the pediatric dentist, by definition of the NC Hospital Act, is not a physician. Therefore, they require supervision by a physician of the hospital, and are unable to sit on any decision-making boards of the facility. This puts an extra burden on the hospital and its medical staff to arrange required supervision for the pediatric dentist.

**3. Can any other nearby hospitals or ambulatory surgery centers provide OR time for KSA patients?**

Following submission of the petition, First Health Hoke agreed to one day a month and Cape Fear Valley Health System offered one day a week at its Hoke hospital starting in August. Neither of these arrangements are complete. Central Carolina Hospital, in Lee County, has provided block schedule time for two years. These arrangements will provide limited access for patients who live near these facilities. The arrangements do not resolve the access problems for Cumberland, Robeson, Scotland, Columbus and Bladen County patients.

Thus, where local circumstances preclude operating room/ surgical suite access for dentists, North Carolina needs an alternative.

Practice wide, KSA sees an average of 100 children per day. Of those children, typically 17 to 20 percent, 17-20 children per day, need to be seen in the OR setting. However, currently, our OR time only accommodates 3 to 4 children a day. The following graphic illustrates the magnitude of the problem for KSA alone.



Source: KSA operating statistics 3/15

Extended to 2013 Medicaid eligible children in our counties, the data suggest overwhelming need.

### Medicaid Eligibles and Need for Pediatric Dental Operating Room Cases KSA Service Area

County	Data Current through December 2013			Data Current through December 2012	Total Medicaid Eligibles (A+B+C+D)	Estimated % of Total who need surgery (E*0.17)
	NC Health Choice for Children <= 150 % FP	Aid to Families with Dependent Children 18 and under	Infants and Children < 19	Health Check and EPSDT Mcaid Eligibles < 21		
	A	B	C	D		
Cumberland	2,988	16,848	23,393	43,885	87,114	14,809
Bladen	446	1,796	2,919	5,341	10,502	1,785
Columbus	806	2,675	6,461	9,748	19,690	3,347
Harnett	1,399	3,260	10,510	15,219	30,388	5,166
Hoke	544	2,347	4,779	7,277	14,947	2,541
Moore	853	1,963	6,040	8,613	17,469	2,970
Richmond	648	2,470	5,673	8,653	17,444	2,965
Robeson	2,173	10,631	16,483	28,735	58,022	9,864
Sampson	972	2,309	8,259	11,547	23,087	3,925
Scotland	418	2,886	4,026	7,144	14,474	2,461
<b>TOTALS</b>	<b>11,247</b>	<b>47,185</b>	<b>88,543</b>	<b>146,162</b>	<b>293,137</b>	<b>49,833</b>

Source: Division of Medical Assistance website [www.ncdhhs.gov/dma/elig](http://www.ncdhhs.gov/dma/elig) and [www.ncdhhs.gov/dma/healthcheck](http://www.ncdhhs.gov/dma/healthcheck)

**4. Would a single-specialty demonstration project solve the issue?**

If the SHCC adjusts the geographic criteria to include Fayetteville and makes provision for the longer time associated with pediatric cases, this option would provide an alternative for KSA. It would not solve problems for dentists elsewhere in the state who confront the same issue.

**5. What is the Medicaid mix at KSA?**

Overall, about 35 percent of KSA patients are Medicaid beneficiaries. In the pediatric practice, Medicaid represents over 80 percent. In a general dental surgery center, we expect that more than half would be Medicaid beneficiaries.

**6. What is the patient origin for KSA dental cases?**

KSA has eleven offices with eight pediatric dentists, in four counties Cumberland, Hoke, Robeson and Scotland. The patients are between the ages of 0 and 12, and typically under the care of Medicaid and DHHS.

**7. What is the Medicaid ASC facility reimbursement for dental cases?**

Medicaid facility fee is between \$307 and \$581 for a pediatric dental case that can last two hours or more.

**8. Can Village Family Dental afford to operate an ambulatory surgery center that has a large Medicaid pediatric dental case mix?**

Yes, Village Family Dental can do this for several reasons:

- For dental-only care, VFD can meet licensure and certification regulations with space that is less costly to build and equip than a multi-specialty ambulatory surgery center; lights, dental chair, electrical and gas outlets, sterilizer, imaging and instrumentation are less expensive and rooms can be smaller.
- Staffing in the operating room is less intensive
- Because of the economies gained from predictable schedules, dentists can afford to cross-subsidize the facility from the dental fees, if necessary.

**9. What percentage of patients that require sedation need general anesthesia?**

About 1,125 VFD patients a year require general anesthesia, approximately 17 percent of patients. With an open staff, VFD fully expects other dentists in the area would also use the facility.

**10. Why is the Carolinas Medical Center anesthesiologist group (and others) willing to do cases 5 days a week?**

Anesthesiologists at CMC consider it a cost of having the contract to provide anesthesia for other cases. Mecklenburg County is larger and has a higher median income and better health status than the Cumberland area. It is possible that pediatric dental cases put a proportionately smaller strain on operations in that county.

**11. Is VFD an owner in any ambulatory surgery center in any North Carolina county?**

No.

**12. Why are statewide practice patterns for dental surgery in hospitals varied?**

We cannot answer this question for the whole state. We are aware that some hospitals use procedure rooms for dental general anesthesia procedures and do not report them on the licensure renewal forms. Hospital and ambulatory surgery center license renewal forms do not have a clear category for capturing dental case information. As such, it is difficult to know what practice patterns are in different parts of the state. In Greenville and Wilmington, hospitals have arranged to accommodate dental surgery in procedure rooms or in a surgery center in which they have joint ownership. In Greenville, we understand that ECU Dental School is a joint owner.

Knowles, Smith and Associates thanks the State Health Coordinating Council and its staff for giving time and interest to its petition. The practice will be happy to provide answers to other questions, as well. This is an important issue for patients of Knowles, Smith and Associates and its resolution is critical to our capacity to attract and retain high quality professionals in this dental underserved area.