

COMMENT ON PETITION FOR AN ADJUSTMENT TO A NEED DETERMINATION

**Comment on Petition for an Adjusted Need Determination for
Demonstration Project for Vascular Access Ambulatory Surgery Centers for ESRD Patients in Each of
the Six HSAs in the *2018 State Medical Facilities Plan***

COMMENTER

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Carolinas HealthCare System (CHS) appreciates the opportunity to comment on the petition from American Access Care of NC, PLLC, Eastern Nephrology Associates, PLLC, Metrolina Nephrology Associates, PA, and North Carolina Nephrology, PA (the "Practices"), and Fresenius Vascular Care, Inc. d/b/a Azura Vascular Care ("Azura"), for a demonstration project to develop single-specialty vascular access ambulatory surgery centers (ASCs) in each of the six Health Service Areas (HSAs) in the *2018 State Medical Facilities Plan (SMFP)*. Based on its detailed review, CHS urges the State Health Coordinating Council (SHCC) to deny this petition.

The petitioners' primary argument for the adjusted need determination is based on changes in reimbursement for vascular access procedures for ESRD patients that were implemented in early 2017.

But despite the proven track record of purpose-built ESRD vascular access centers, this care model faces extinction as a result of severe cuts to CMS's physician fee schedule reimbursement for ESRD vascular access procedures. Reimbursement for these procedures was cut approximately 30% in the physician office setting effective January 2017.⁶ Office-based vascular access centers are staffed and operate very much like a single-specialty ASC, including high levels of specialized staffing, and the drastic reimbursement cuts make it impossible for office-based vascular access centers to maintain sufficient staffing to provide the quality of care that ESRD patients need.

Reimbursement reductions have been a recurring issue for healthcare providers of all types for many years. Providers have learned to adapt and adjust accordingly to new reimbursement models. There is no information provided to demonstrate any current lack of access ESRD patients face in receiving vascular access procedures.

The petitioners also reference the proposed changes to the OR methodology in the *Proposed 2018 SMFP*. As currently proposed there will be 30 new operating rooms available in six counties for applicants to propose to serve the ESRD patient population. The petitioners make the assumption that applicants

proposing to serve ESRD patients may not be approved and therefore need the demonstration project to ensure access for this patient population. CHS believes this assumption is flawed.

CHS was very involved in the OR Work Group efforts and is supportive of the OR need included in the *Proposed 2018 SMFP*. It would be premature to approve the petitioners' request for an additional 12 ORs to be developed in single specialty vascular access ASCs. CHS believes it would be prudent to allow the current changes in the OR methodology to be implemented and then reassess the access for the ESRD patient population rather than to make a rash decision that could result in duplication of services and add cost to the overall healthcare system

As demonstrated above, CHS strongly believes that the petition fails to demonstrate how the current providers are unable to meet the needs of the ESRD patient population in each of the six HSAs in the state and CHS urges the SHCC to deny the petition.