

**Acute Care Services Committee  
Agency Report  
Petition to Correct Table 9B (ESRD Dialysis Station Need  
Determination by Planning Area) for Orange County  
in the 2022 State Medical Facilities Plan**

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***Petitioner:***

Carolina Dialysis, LLC  
105 Renee Lynn Court  
Carrboro, NC 27510

***Contact:***

Ronald Falk, MD  
Chairman, UNC Department of Medicine  
Co-Director, UNC Kidney Center

***Request:***

The Petition requests a correction to Table 9B (ESRD Dialysis Station Need Determinations by Planning Area) for Orange County in the *2022 State Medical Facilities Plan (SMFP or “Plan”)*.

***Background Information:***

Chapter Two of the *SMFP* provides that “[a]nyone who finds that the North Carolina State Medical Facilities Plan policies or methodologies, or the results of their application, are inappropriate may petition for changes or revisions. Such petitions are of two general types: those requesting changes in basic policies and methodologies, and those requesting adjustments to the need projections.” The annual planning process and timeline allow for submission of petitions requesting adjustments to need projections in the summer. Any person may submit a certificate of need (CON) application for a need determination in the Plan. The CON review could be competitive and there is no guarantee that the petitioner would be the approved applicant.

The standard ESRD methodology used to project need for new dialysis stations has two components: county need and facility need. Projected need is determined annually. Determinations are made available in the *SMFP*. The Petitioner’s request involves the county need determination methodology. This component is based on the number of dialysis patients resident in each county, regardless of where they currently receive services. Patient counts are projected for 12 months into the future based on a five-year trend line. A need is triggered when each of the facilities in a county has at least 80% utilization, which is 3.2 patients per station. The threshold for a county need determination is a projected deficit of 10 stations.

The Petition requests a correction to Table 9B in the *2022 SMFP* to reflect the correct number of certified dialysis stations in Orange County. The Petition requests correcting the inventory from

37 dialysis stations to 41 in Column N, “Projected Total Available Stations.” The Petitioner’s rationale for correcting Table 9B is two-fold: first, a correction is necessary based on Policy ESRD-2 which governs relocations of dialysis stations; and second, a correction is necessary based on Assumption 2 of the methodology which allows facilities to receive approval to use at least one dialysis station dedicated to the training of home dialysis patients.

***Analysis/Implications:***

The Petition states that, “On February 22, 2021, DHSR approved CON Project ID # J-11995-20 allowing Carolina Dialysis to relocate 4 stations from Carolina Dialysis Carrboro to [a] new facility within Orange County. Once those stations are relocated, Orange County will continue to have 41 dialysis stations: 37 stations at the Carrboro facility, and 4 stations at the new facility. At no time will those stations be removed from the county or cease to be available in the county for dialysis patients.”

This project includes the development of a new dialysis facility (Carolina Dialysis Orange County Home Dialysis) in Hillsborough. This facility will be dedicated exclusively to home hemodialysis training and support services. The stations at the new center will consist of all home training stations from Carolina Dialysis Carrboro. Policy ESRD-2, as stated in the 2020 SMFP, explicitly allows for this relocation.

Dialysis facilities dedicated to home hemodialysis and peritoneal dialysis training and support services are not included in either the county or facility need methodology. Therefore, once the CON was approved, the four dialysis stations approved for relocation to Carolina Dialysis Orange County Home Dialysis were removed from Table 9A (inventory of dialysis stations of in-center facilities). Likewise, the four dialysis stations do not appear in the county total in Table 9B (dialysis stations for the county need determination methodology).

The *Proposed 2022 SMFP* Table 9A (see Table 1) accurately reflects removal of four dialysis stations from Carolina Dialysis Carrboro leaving the facility with a total dialysis station inventory of 37. Therefore, no correction is necessary.

**Table 1. Excerpt from SMFP Table 9A: Inventory of Dialysis Stations and Calculations of Utilization Rates**

A	B	C	D	E	F	G	J	K	L	M	N
County	Facility Identification Number	Provider Number	Facility	City	Certified	CON Issued/ Not Certified	Total	Certified Stations 12/31/2020	Number In-Center Patients 12/31/2020	Utilization by Percent 12/31/2020	Facility Station Need Determination
Orange	956088	34-2622	Carolina Dialysis Carrboro	Carrboro	41	-4	37	41	110	67.07%	0

Source: *Proposed 2022 SMFP*

***Agency Recommendation:***

The Agency supports the standard methodology for determining need for new dialysis stations as presented in the *Proposed 2022 Plan*. Given available information submitted by the August 11, 2021 deadline for comments, and in consideration of factors discussed above, the Agency recommends denial of the Petition.