

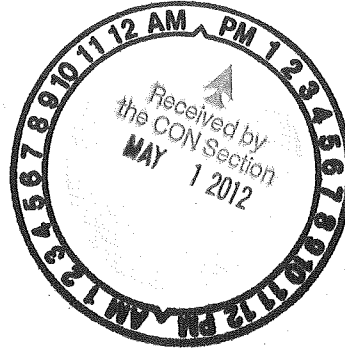
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DaVita "he/she that gives life"

William L. Hyland
Director of Healthcare Planning

April 30, 2012

Mr. Craig Smith, Chief
Certificate of Need Section
Division of Health Service Regulation
North Carolina Department of Health and Human Services
2704 Mail Service Center
Raleigh, NC 27699-2704



RE: Project #K-8798-12/Fresenius Medical Care Certificate of Need Application for Bio-Medical Applications of North Carolina, Inc. d/b/a FMC Franklin County/Establish a New 10 Station Dialysis Facility

Dear Mr. Smith:

The following are written public comments about the project referenced above:

The applicant presents a Certificate of Need application that cannot be approved due to the failure to comply with several of the review criteria and rules.

The applicant indicates on page 11 that two of the three facilities transferring patients to the proposed Franklin County facility are under-utilized facilities in Warren and Wake Counties.

The applicant states on page 16 of the application, "...BMA is providing treatment to a significant number of patients who reside in Franklin County. BMA therefore concludes that it is both reasonable and appropriate to develop a new 10 station dialysis facility in Louisburg to better serve the patient population of the area". That statement does not identify 32 in-center patients living in Franklin County. In fact, the applicant only presents 22 patient letters of support from patients living in Franklin County. And some of those patients live closer to a FMC facility than to Louisburg.

On page 16 under Assumptions the applicant states, "BMA assumes that the patient population of FMC Franklin County will be comprised of patients from Franklin County". Therefore, there is no assumption that patients living in counties outside of Franklin County will be served at the proposed facility. Therefore, the applicant provides only 22 letters of support from patients residing in Franklin County.

On page 17 the applicant states, "BMA is providing treatment for 30 in-center dialysis patients at its dialysis facilities in Wake and Warren Counties". This assumption provides no evidence of

in-center dialysis patients residing in Franklin County. It only states that there are 30 in-center patients dialyzing at its Wake and Warren County facilities.

On page 18 the applicant picks out of the air that they are serving 26 in-center patients. They offer only 22 patient letters of support from in-center patients living in Franklin County. They have already provided the assumption that the patient population at the proposed Franklin County facility will be comprised of patients living in Franklin County. Therefore, their methodology is flawed by at least four patients. If you counted the 25 letters of support, they are still one in-center patient short of meeting the required 3.2 patients per station and at least 80% utilization as of the end of Operating Year One.

On page 19 the applicant states, "BMA has projected that it will provide dialysis treatment for at least 32 in-center patients at the end of the first year of operation. The projections provided by BMA are reasonable and conservative". The applicant has failed to meet the need criteria because it has not documented or proven that the necessary patient population exists to meet the required patient census at the end of Operating Year One.

The applicant has failed to adequately provide assumptions and a methodology that are aligned. The application to establish a dialysis facility in Franklin County should be denied since the applicant has failed to meet the minimum need requirements.

Sincerely,

William L. Hyland
Director of Healthcare Planning