

Wake Forest Baptist Health
Comments on Healthcare Planning and Certificate of Need Section’s Recommended
Changes to End-Stage Renal Disease Need Methodologies in the 2020 SMFP
March 6, 2019

1. **NAME, ADDRESS, EMAIL ADDRESS, AND PHONE NUMBER OF COMMENTER**

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2. **COMMENTS ON PROPOSED NEED METHODOLOGY**

After careful analysis of the Healthcare Planning and Certificate of Need Section’s (“Healthcare Planning”) ESRD Modeling Tool and Proposed Methodology, Wake Forest Baptist Health (“WFBH”) offers the follow comments for review and consideration by the State Health Coordinating Council and the Acute Care Services Committee.

Proposed Facility Need Methodology¹

- A. Healthcare Planning’s model does not generate parity with the SDR in facility need determinations. Annual data appears to generate approximately 28% of the stations resulting from the SDRs. Parity is not achieved as detailed in the written comments submitted by WFBH on February 7, 2019, which are available at:
https://www2.ncdhhs.gov/dhsr/mfp/pdf/2019/esrd/0208_wfbh_comments.pdf .
- B. Healthcare Planning’s model prevents providers from meeting their current facility station needs because:
- 1) The nearly 700 new ESRD patients added annually to the statewide census are not included in statewide planning for a year or longer while patient numbers continuously grow.
 - 2) A facility that is ***eligible*** to apply for more stations is ***limited*** to one facility need application per year regardless of its current utilization rate.
 - 3) The ***eligibility*** to file a facility need application requires a utilization rate of at least 75% as of the data reporting date ***which is a full year prior to publication of the SMFP***. Annual data reporting misses the update in facility census provided by semi-annual data reporting that allows providers to keep up with ESRD patient growth.

¹ WFBH has separately filed a Petition with the SHCC proposing that the Facility Need Methodology be revised and converted to a policy.

- (a) Providers not in existence as of the data reporting date would be unable to file a CON for two years or more regardless of their current utilization rate. The wait time under the SDRs is between 6 and 12 months.
 - (b) Providers operating at less than the required utilization rate as of the data reporting date would be unable to file a CON for two years or more regardless of their current utilization rate. The wait time under the SDRs is between 6 and 12 months.
- 4) Facility station needs that are greater than 10 stations (11 – 20 stations) are mathematically impossible to prove with a single, annual facility need application.

Proposed Facility Need Methodology

WFBH recommends that Step c. of the County Need Methodology be revised to change the projected utilization rate of dialysis stations from 3.2 patients per station (or 80% utilization) to 3.6 patients per station (or 90% utilization), to account for the increased lag time between data reporting and the projected need determination, which would increase from 12 months to 24 months.

3. CONCLUSION

Through cooperative and coordinated efforts with Healthcare Planning and the Acute Care Services Committee, WFBH looks forward to achieving a solution that ensures ESRD services for all North Carolinians suffering with ESRD such that no patient will experience medical underservice.