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July 29, 2019

Valarie Jarvis Chair, Long-Term and Behavioral Health Committee

Christopher Ullrich, M.D. Chair, State Health Coordinating Council

North Carolina Division of Health Service Regulation Healthcare Planning and Certificate of Need Section 2704 Mail Service Center Raleigh, NC 27699-2704

RE: UNC Hospitals' Adjusted Need Petition for Four Outpatient Dialysis Stations in Orange County

Dear Ms. Jarvis and Dr. Ullrich:

I am writing on behalf of Fresenius Medical Care and our more than 100 dialysis facilities across the state, to extend our full support for UNC Hospitals' petition for an adjusted need determination for four outpatient dialysis stations in Orange County. Fresenius and UNC Health Care work closely together to ensure that end stage renal disease patients in Orange County and the surrounding area have access to outpatient dialysis services. Most of those patients are served in Carolina Dialysis—Carrboro facility, or another facility close to patient residence. However, as noted within the petition, some patients do receive treatment from UNC Hospitals. UNC Hospitals provides dialysis treatment to ESRD patients, but without certified outpatient stations, there is no opportunity to be reimbursed for any of those services. Approval of the petition would ultimately allow UNC Hospitals to bill third-party payors for providing care to these patients. This is clearly a fiscally responsible approach to providing the services.

As outlined in the petition, UNC Hospitals routinely works with Fresenius (and other providers) to transfer patients to outpatient dialysis facilities when possible. We do not believe that approval of the petition will result in unnecessary duplication, as these patients are already receiving dialysis care at UNC Hospitals, but using its inpatient dialysis program. As clearly shown in the petition, there are several types of patients that are appropriate for care at UNC Hospitals. We believe approval of the petition would allow these patients to continue being served in an appropriate environment at UNC Hospitals.

I strongly encourage you to approve UNC Hospitals' special need adjustment petition.

If you have any additional questions, please feel free to contact me.

Sincerely,

Jim Swann

Director, Certificate of Need