Petition to the State Health Coordinating Council to clarify and if appropriate to amend *2021 State Medical Facilities Plan* regarding Dental Single Specialty Ambulatory Surgical Facility Demonstration Project

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Petitioner		***Contact***	
Company:	Valleygate Dental Surgery Center Holdings, LLC	*Name:*	Virginia Jones, PhD, Chief Executive Officer
Address:	2028 Litho Place Fayetteville, NC 28304	*Email:*	vjones@vfdental.com
		Phone:	910.485.7070 ext. 2612

STATEMENT OF REQUESTED INTERPRETATION / CHANGE

This petition requests an interpretation of one condition imposed on Dental Single Specialty Ambulatory Surgical Facility Demonstration Projects in Chapter 6 of the State Medical Facilities Plan Table 6D. Specifically it asks that service in the centers include dental / oral procedures that involve participation of other surgical specialists. This interpretation could come in the way of a determination of material compliance by the Agency, or additional wording in the State Medical Facilities plan to clarify the meaning of Dental Single Specialty Ambulatory Surgical Facility.

REASONS FOR THE PROPOSED ADJUSTMENT

ADVERSE EFFECTS OF THE CURRENT SITUATION

Valleygate Dental Surgery Center Holdings, LLC ("Valleygate Holdings") provides management services to three Dental Single Specialty Ambulatory Surgical Centers approved as part of the Demonstration Project included in the 2016 State Medical Facilities Plan and listed in Table 6D. These include:

- Valleygate Dental Surgery Center (Fayetteville, Region 3: HSA V and VI);
- Valleygate Dental Surgery Center of the Triad (Greensboro, Region 4: HSA I and II); and,
- Valleygate Dental Surgery Center of Charlotte (Charlotte, Region 2: HSA III; formerly Carolinas Center for Ambulatory Dentistry).

All three facilities are open and operating. To date, they have served more than 5,000 patients. Valleygate Holdings has discovered a pattern that affects approximately 10 percent of patients. For those patients, dental surgery requires skills from other surgical specialties, most frequently otolaryngologist ("ENT"). In other settings, specialist surgeons work with dentists / oral surgeons during the case. This is standard practice in hospitals and multi-specialty ambulatory surgical settings.

Today, in an abundance of caution, the three dental surgery centers permit only dentists / oral surgeons to participate in cases. Patients have the dental repair at the dental surgery centers and go elsewhere to have a specialist complete the care or repair. If we could replicate practice that is standard in other settings, we could minimize the amount of anesthesia delivered to the patient and the number of trips to a surgery setting. The specialist surgeon would work with the dentist or oral surgeon and complete the repair during a single operating room case.

The affected cases differ from patient to patient; for example, the most common procedures – ENT – range from ear tubes to adenoids. Regardless of specialty or procedure, this means two registrations, two travel disruptions for families / caregivers, two facility surgical pre-screens, two patient recovery periods, and care in two different facilities – inefficient and expensive for the health care system, payers, and patients. When you consider time for full recovery, on average, the current arrangement disrupts patient life for up to three months rather than six weeks.

In general, we are very pleased with the dental ambulatory surgery demonstration. The centers are busy; Medicaid has evidence that the demonstration is saving money. Patients are getting needed care and continuity of care is good. Patient satisfaction scores at all three facilities are at 100 percent. We expected to learn from the demonstration. Some lessons will be subtle and noticed only when we look back over three years. This issue is obvious, consistent across all sites, and the state could address it with only a minor adjustment in interpretation.

ALTERNATIVES CONSIDERED AND REJECTED

Status Quo

We rejected the status quo as more costly and less effective for patient quality of life. In the status quo, some of these patients get the specialist part of their care in a hospital setting, which is much more expensive. Regardless of location, the status quo requires more health care delivery system resources, more out-of-pocket costs for patients and caregivers, and more cost for payors. The proposed alternative is far more effective, and involves completing care in a single trip to the operating room. The proposed alternative will reduce the total anesthesia bill and total patient exposure to anesthesia. Patients will have a single recovery and complete the entire case in a freestanding surgery center.

Waiting for Demonstration Project End

We rejected waiting for closeout of the demonstration because it creates an unnecessary delay for a solution that requires very little capital – just the cost of additional instrument trays. The capital cost would be too small to require a certificate of need. Health Planning and Certificate of Need will not file the final report on the Demonstration until about 2024. That is too long to wait.

Apply for Conversion from Single- to Multi-Specialty Ambulatory Surgical Program

We rejected applying for conversion from single- to multi-specialty ambulatory surgical program because the cases are *still dental cases*. Converting from single to multi-specialty surgical program would involve a certificate of need application with related costs and delays. As a multi-specialty surgical program, the centers would have to invest in staff training for additional types of surgeries.

EVIDENCE THAT THE REQUESTED CHANGE WOULD NOT RESULT IN UNNECESSARY DUPLICATION OF EXISTING RESOURCES

The proposed change would not increase the number of operating rooms or procedure rooms in these facilities. The cases would be a little longer, but not long enough to require additional facility capacity.

The proposed change would not cause a major exodus from existing providers. As mentioned, the majority of these cases require ENT surgeons. These providers, much like dentists and oral surgeons, compete for block time in multi-specialty ambulatory surgical and hospital settings. ENT patients are more likely Medicaid beneficiaries. Reimbursement is low and recovery time is a little longer, because patients are more likely to be children.

Most importantly, the request *does not change* the nature of the dental surgery centers. The cases would still be dental surgery cases. We believe that the Agency could make the change by means of an interpretation that involving an appropriate specialty in a dental case is materially compliant with the intent of a demonstration dental single specialty surgery program. The cases are dental cases. The reason for scheduling the procedures is the patients' underlying dental issues.

EVIDENCE THAT THE REQUESTED CHANGE IS CONSISTENT WITH THE THREE BASIC PRINCIPLES

SAFETY AND QUALITY

As required by the demonstration conditions, all three dental surgery centers obtained licensure by the state of North Carolina, certification by CMS, and accreditation from the Accreditation Association for Ambulatory Health Care ("AAAHC"). These conditions alone hold the centers to outside juried safety and quality standards. Other surgical specialty providers at the dental surgery center will be subject to the same credentialing for privileges and safety and quality policies currently in place for oral surgeons.

Permitting appropriate specialty surgeons, primarily ENT, to complete the repair during the dental procedure will minimize the risk associated with anesthesia procedures (tube placement, etc.), amount of anesthesia delivered to the patient and the number of trips to a surgery setting. Reduction in anesthesia risk improves patient safety regardless of age. Moreover, cases at our dental surgery centers are primarily pediatric, and limiting anesthesia exposure to children, whose airways are smaller, more fragile, and difficult, is an especially important safety goal.

The risk of patients failing to complete care increases when care requires more than one trip to a surgery setting. Most of these patients have limited resources and basic issues like arranging transportation can be the reason for deferring completion. With an incomplete repair, patient quality of life diminishes

ACCESS

This requested interpretation would enhance access to care. The Valleygate Dental Centers are CMS certified and accept all payors. They have generous charity programs as well. The same payors would cover patients needing specialist surgical procedures in conjunction with dental / oral procedures.

A single case means a single facility bill and a single co-payment where those apply. The proposed interpretation would remove the access barrier associated with the extra out-of-pocket cost to patients and their caregivers.

Completing the repair during a single trip to the dental case in the dental surgery center would mean much faster patient care. For example, because ENT surgeons' patients are primarily children and reimbursement in their specialty is often low, providers generally get lower preference for block time in multi-specialty ambulatory surgery programs and hospital settings. This can delay access to care for patients, often for weeks. Including ENT, and other appropriate specialties, in these dental cases provides better access to patients for life-changing procedures.

VALUE

With approval to include treatment by ENT or any appropriate specialty during the dental procedures, these centers can offer patients one surgical appointment. Patients will receive anesthesia one time and get only one bill. Patients and caregivers will lose less time away from work or school; providers will increase efficient use of resources at the surgery center; and health care costs will decrease for the health care system, payers, and patients.

CONCLUSION

We are asking for an interpretation that Dental Single Specialty Ambulatory Surgical Facility Demonstration Projects include dental / oral procedures that require participation of other appropriate specialists during the dental case. The request is in keeping with the governing principles in the *State Medical Facilities Plan* of maximizing quality, access, and value.

The proposed changes are consistent with and support the Basic Principles that govern the SMFP.