

**Presentation of Special Needs Petition for
Single Specialty Vascular Access Ambulatory Surgery Center in Nash
County,
Proposed 2023 State Medical Facilities Plan
Raleigh, July 20, 2022**

*Presented by:
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Hello, my name is Dr. Karn Gupta. I am a physician at Carolina Vascular Care, an independent vascular access medical practice. I would like to start with a true story.

Robert is an African American male, mid 60's, who lives in Nash County and has diabetes, hypertension and End Stage Kidney Disease, a condition that requires maintenance dialysis at least three times a week just to stay alive. The dialysis process requires access to the bloodstream to have blood removed, cleaned, and returned to a patient's body via specially created surgical shunts called vascular accesses. This vascular access essentially becomes his lifeline. Since these shunts are surgically created to divert blood from its normal flow pattern, they are highly prone to developing dysfunction due to blockages, blood clots and various other issues. They require frequent monitoring and maintenance to keep them functional. An average dialysis patient needs about 3-4 maintenance procedures per year

As with almost all dialysis patients, Robert develops dysfunction of his vascular access. He needs immediate evaluation and treatment to continue dialysis and avoid complications of missing dialysis or access failure. Since there are no vascular access specialists in and around Nash County, he only has 2 choices - go to a local hospital or travel about 50-60 miles one way to Raleigh to an outpatient vascular access surgery center.

Going to the local hospital, he will face lengthy wait times in the emergency room and eventually be admitted for a few days. Once admitted, he will likely not get his dysfunctional vascular access treated; and instead, he may get a temporary dialysis catheter placed. He would also miss timely dialysis and would be at higher risk of infection, morbidity and mortality in the hospital as demonstrated in various studies. Alternatively, given the absence of outpatient vascular access centers in Nash and surrounding Counties, he will need to arrange transportation to and from the center in Raleigh. Frequently, these far away centers have full schedules and cannot accommodate him immediately.

Robert's experience is typical and highlights why I am here today. Quite simply, we need a dedicated vascular access outpatient surgery center in Nash County to take care of the approximately 1200 dialysis patients in Nash, Edgecombe, Halifax, Northampton and Wilson counties. More importantly, these counties have very high population of African American, Hispanic and Native American residents who have a significantly higher prevalence of End Stage Kidney Disease.

For several decades, outpatient office-based centers have been providing these timely, cost efficient and safe vascular access procedures to dialysis patients. Unfortunately, starting in 2017, Medicare has significantly cut payments to office-based centers. In 2017 itself, Medicare cut payments by 39%. By 2018, reimbursement levels were so inadequate that 20% of the centers had to close. More recent data confirms a 30% decrease in office based vascular

access services. Most others have converted to an ambulatory surgery center to remain operational. Unfortunately, in 2022 Medicare finalized yet another round of huge 20% cuts. These reimbursement rates are slated to drop another 20% over the next 4 years. Due to these ongoing cuts, operating an office based vascular access center is no longer sustainable due to inherent high-cost structure to provide these services. Interestingly enough, the new reimbursement rules support performance of these procedures in an Ambulatory Surgery Center (ASC).

Quite simply, an Ambulatory Surgery Center is clearly a better solution than a hospital for people like Robert. We are asking for a special need determination for a one operating room, single specialty vascular access Ambulatory Surgical Center in Nash County. The request is in accordance with the governing principles in the State Medical Facilities Plan of maximizing quality, access, and value. These underserved dialysis patients need timely, cost efficient and lifesaving vascular access care in a local specialized ambulatory surgical facility. This solution would also keep the overall healthcare spending on dialysis patients down by avoiding needless hospitalizations.

Our request for a special need is reasonable. Our calculated need of procedures based on just a fraction of the dialysis patients in these counties is well above the 1312 hours of surgical OR time needed for a CON.

I am a specialist in vascular access but I am restricted by the Plan from helping our dialysis patients. A special need would provide relief for people like Robert in Nash and surrounding Counties. The Plan shows no need for operating rooms in 2023. Without a special need in the Plan, we cannot do for Nash what other vascular access applicants did in Wake and Mecklenburg Counties. Under the standard methodology, these rural counties will likely never show a need for more operating rooms and would therefore never be able to attain the ideal vascular access care that is now available in larger urban counties.

If granted the related CON, Carolina Vascular Care will be able to provide timely, lifesaving, and cost-effective vascular access services to the debilitated dialysis patients in Nash and surrounding counties.

Thank you for your time and consideration. I will be happy to answer any questions.

I have been asked as to why the current excess operating room capacity in Nash County cannot take care of these dialysis patients. Indeed, the draft plan shows a surplus of more than 5 operating rooms at Nash General hospital. There are no ambulatory surgery operating rooms in Nash County. So why not do these procedures in the surplus capacity at Nash General.

1. Since COVID, Nash has closed its day hospital where the focus is on outpatients alone.
2. In the main hospital operating room, even the scheduled outpatient is at risk of getting delayed to accommodate a more urgent hospital patient. Recall that many of these patients are diabetics who cannot fast for a prolonged time prior to their procedure. Also, an emergent patient will likely not be able to get accommodated for a same day procedure and would be at life threatening risks of missing dialysis.
3. There is no vascular access specialist in Nash and surrounding counties. I have met with the folks at Nash and the local nephrology group and they are excited that I would

consider offering vascular access services in Rocky Mount. Unfortunately, as I mentioned, I cannot afford to offer these services in Nash without an ASC.

4. Based on claims data of Nash County, the patient cost to get these procedures in the hospital outpatient department is about 5-6 times higher compared to an ASC. For example, a routine angioplasty in an ASC costs about \$1500 vs \$8000 in a hospital outpatient department. In addition, the patient would be charged for an anesthesia fee in a hospital setting. Because these are outpatient procedures, the patient must cover 20% of their medical costs which adds up significantly due to the frequent need of these procedures.

Questions

- How many procedures/patients will you need to break even? (Sandra Greene)
 - Approximately 600 patients visiting for 3 procedures per year would meet the 1312 hours requirements for OR's if each procedure is 40 minutes (1968 procedures exactly if operating at 40 minute rate)
- What will happen with patients after hours? If they had an emergency? (Lyndon Jordan)
 - They will be fit in the very next day if there's an emergency after hours.
- Is an ASC more economic than an OBL? Will you provide other services/procedures? (Robert McBride)
 - Yes due to CMS reimbursement cuts, ASC's are more financially viable for vascular access procedures. No other services.
- No OR need? Is there capacity in hospital? (John Young)
 - No specialist
 - Busy scheduling puts patients at risk when they have to wait multiple days for treatment (fasting, diabetes, dangerous)