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Elizabeth Brown, Planner
Amy Craddock, Assistant Chief
Micheala Mitchell, Chief
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
809 Ruggles Drive
Raleigh, NC 27603

Re: Liberty Healthcare & Rehabilitation Services – Petition for Adjusted Need Determination for Nursing Home Dialysis Pilot Demonstration Project in Mecklenburg County in the 2023 SMFP

To Whom It May Concern:

The following comments are submitted on behalf of Wake Forest University Health Sciences (WFUHS) dialysis centers in North Carolina. WFUHS owns over 20 dialysis facilities in North Carolina providing in-center hemodialysis (ICH), as well as home-hemodialysis (HH) and peritoneal dialysis (PD) training and support services. Health Systems Management, Inc., has managed the WFUHS facilities for more than 30 years.

Liberty Healthcare & Rehabilitation Services (LHRS) has submitted a petition requesting an adjusted need determination for Mecklenburg County for a nursing home dialysis pilot demonstration project. The request is for 6 dialysis stations and is fundamentally flawed as discussed below:

- 1) Mecklenburg County is home to 26 dialysis centers (existing and proposed) and 589 dialysis stations, which constitutes a 71-station surplus for the service area. The request for an adjusted need determination for Mecklenburg County would duplicate existing and approved healthcare services.
- 2) In its petition LHRS uses in-center and home dialysis descriptives interchangeably. This is a direct display of LHRS's lack of dialysis industry expertise.
- 3) Given the location of the three LHRS facilities within Mecklenburg County compared to the existing and approved ESRD facilities in the county, each is within a 5 to 10-minute drive of LHRS. Thus, geographic accessibility is not an issue. See **Exhibit A**.
- 4) LHRS proposes its need for 6 stations is partially due to its inability to capture reimbursement for contracted transportation services. There are at least 20 medical transport companies in Mecklenburg County, alone, with which LHRS could contract versus their current provider. The LHRS facilities are not located in rural nor remote areas. Thus, the reliability on a singular medical transport company at a rate that is cost prohibitive to LHRS is an internal issue and not grounds for a CON Adjusted Need Determination.
- 5) LHRS states the transport to off-site dialysis is disruptive and time-consuming. Yet, Google Maps demonstrates that the closest dialysis center to Royal Park of Matthews is 2 miles and only 6 minutes away. See **Exhibit B**.

- 6) Dialysis treatment schedules do not normally vary. Thus, the claim that dialysis treatment outside of LHRS prevents patients from receiving other care at LHRS is due to scheduling of those services at the LHRS facility and of no fault of the existing dialysis providers.
- 7) LHRS's petition would have the SHCC issue an adjusted need determination for which only LHRS could apply contrary to CON Rules for adjusted need determinations for dialysis stations.
- 8) LHRS, while relying upon their failure to contract with existing dialysis providers to offer dialysis services on site as grounds for their request for 6 dialysis stations, has failed to address the costs nor cost-savings that would result from approval of their proposal.
- 9) LHRS has failed to provide details on how it could provide dialysis care cheaper and more effectively than an experienced licensed ESRD provider, while meeting the criteria for participation in the Medicare and Medicaid programs from which it would seek reimbursement.
- 10) LHRS provides an Illinois statute to support how it could provide dialysis within an SNF. However, that statute appears to give a free-pass to SNF's proposing to offer dialysis services without requiring the proponent to demonstrate how the Basic Principles of CON in North Carolina are met.

Overall, the LHRS proposal is based in whole on monetary concerns of the proponent and not an intrinsic need for the services requested. There is no lack of dialysis services in Mecklenburg County. In fact, there is a 71-station surplus. There is no lack of medical transport companies from which to contract a better transportation rate, there are 20 such providers within Mecklenburg County. It is not a long haul for patients to travel to dialysis, the closest facility is 2 miles and 6 minutes from LHRS. Geographic accessibility is not at issue. A purported disruption in care provided at LHRS to dialysis patients is solely due to scheduling at LHRS and not due to off-site dialysis treatment, which is consistently scheduled for all ESRD patients week after week.

Approval of the LHRS Petition would up-end the Basic Principles of CON, introduce a new provider into a county with no need determination, duplicate services, and put patients at risk. LHRS chooses not to contract with an existing dialysis provider for dialysis care for its patients and chooses to use a transportation service that charges \$104 a treatment. Neither choice represents nor demonstrates a need for the services proposed by LHRS.

We strongly recommend that this petition be denied.

Respectfully,



William F. McDonald
Director of Development
Agent – Wake Forest Outpatient Dialysis
william@healthsystemsinc.com
(229) 387-3527



Kimberly J. Clark, BBA, MBA
Senior CON Specialist / Credentialing Coordinator
Agent – Wake Forest Outpatient Dialysis
kim@healthsystemsinc.com
(229) 387-3528

Exhibit A

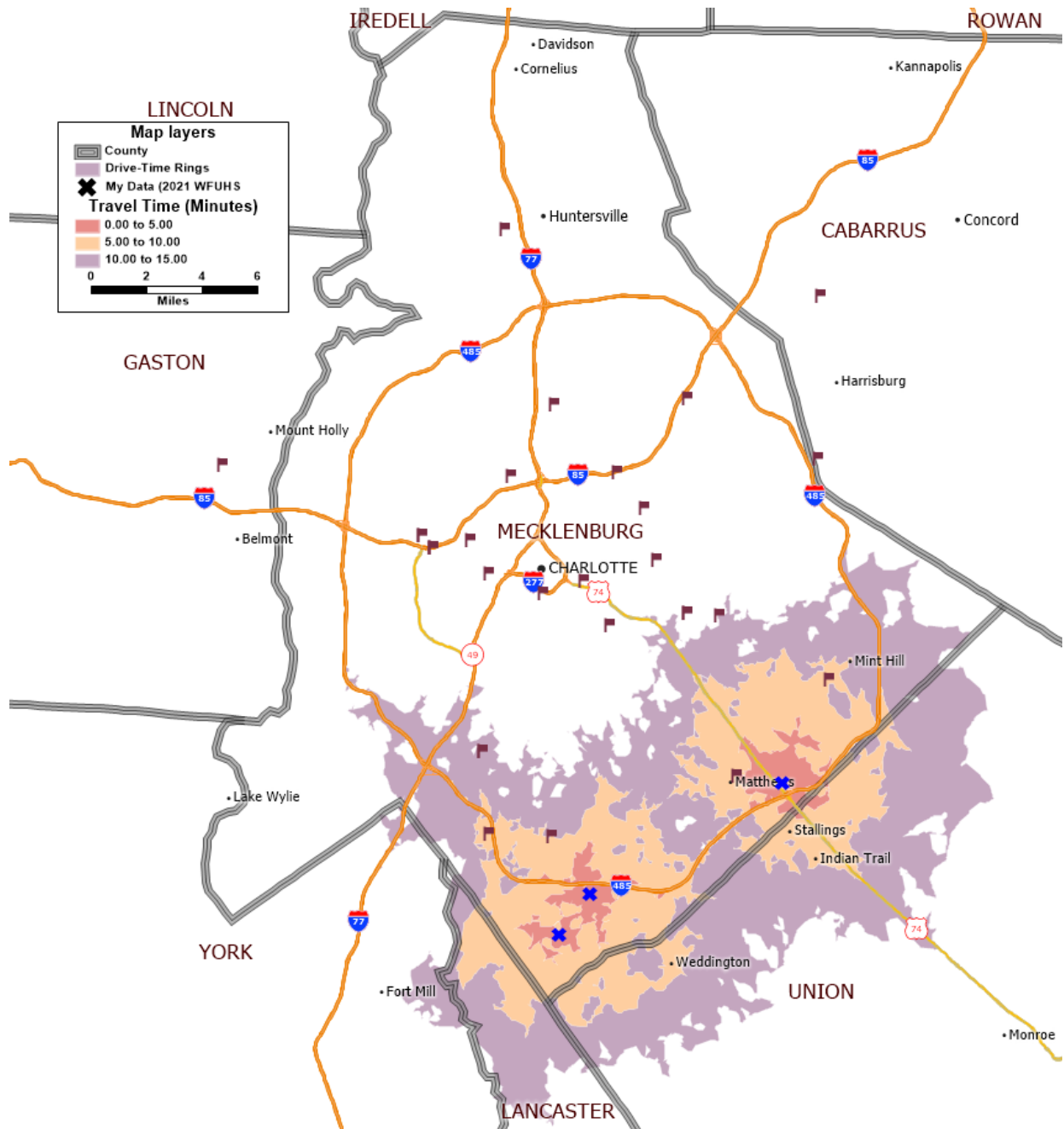


Exhibit B

Search: 2700 Royal Commons Ln, Matthews, NC
Fresenius Kidney Care Matthews, 910 Pa...

Route Options:

Route Description	Time	Distance
via Matthews-Mint Hill Rd Fastest route now due to traffic conditions	6 min	2.0 miles
via Matthews Township Pkwy	8 min	2.4 miles
via Matthews-Mint Hill Rd and E Charles St	8 min	2.5 miles

Map Labels: Gas, Groceries, Hotels, More, Harris Teeter, Paces Pointe Apartment Homes, Target, Inner Peaks Matthews, Golden Corral Buffet & Grill, Wendy's, Fullwood Plaza Shopping Center, Elevation Church Matthews, Soccer, Mecklenburg County Sportsplex at Matthews, Fountain Rock Park, Mac's Speed Shop, United States Postal Service, Harris Teeter Inc, Transcontinental Matthews, The Collective Cafe, Bowlero Matthews, Jekyll and Hyde Taphouse Grill, Brakemans Coffee & Supply, Walgreens, Fresenius Kidney Care Matthews.