

CDC Report

Friday June 16, 2006

Los Angeles, California

Legislative Report

Michael Arnold delivered the legislative report.

We are about to have 50 of the 120 brand new legislators due to term limits. Mike and other lobbyist are becoming the “institutional memory” for the legislature which gives significantly more power for influence in lobbying.

Mike distributed to those present the Legislative Status Report: the budget was hoped to be adopted on June 15th. Republicans are delaying. Hopefully a budget will be approved prior to July 1. The Budget bill is available on line. It is bill AB1801 changed from 1800. Portions having to do with health are in section 4260 and following.

New DHS surveyors are in the budget, but not yet approved. The new surveyors that will be hired will not be available to do surveys until they have had both DHS and CMS training. The “bureaucratic nightmare” has occurred due to budget difficulties, cut backs, those that retired were not replaced, a hiring freeze, and vacant positions disappeared. As soon as this budget passes DHS will be able to hire 79 surveyors for the newly approve positions. However, due to recruitment and training it will take some time before the situation is improved in all regions.

There is some possibility that facility licensure fees might change, and some possibility that Certified Hemodialysis Technicians will no longer pay a licensure fee to get their certification. That fee would be absorbed by the licensure fee for the dialysis facility. All of this is in discussion. The issue comes out of a federal requirement that they could be charged a fingerprinting fee. The biggest problem here is that these are all public policy issues that should be debated in public policy committees and the department has been trying to sneak it through this budget process. As soon as Mike receives all the information regarding this issue, he will report.

As of July 1 proof of citizenship will be required for Medi-Cal benefits. The impact to the renal community is not yet known. Mike feels DHS will have some sensitivity on this issue. Debbie Punch expressed concern over the impact to the hospital system and how patients will be processed. Under current federal and state law, patients are being covered under emergency medical care. Raffi Minasian stated he expects this to continue unchanged. Mike Arnold and Mike Paget have been following this issue closely, but are being very cautious about what is disclosed because ramifications and enforcement is still relatively unknown. Mike will keep all apprised.

Regulatory Report

Mark Chow from Satellite Dialysis asked the CDC for clarification and interpretation of the building code for existing and new facilities. Dialysis facilities must now be built to I 1.2 occupancy standard. A “B” occupancy standard with some modifications is no longer acceptable. A couple years ago there was some leniency, but now the code is being strictly enforced. The potential exists that the addition of dialysis stations to an existing facility may require the “whole” facility to be brought up to the I 1.2 standard. A facility embarking on such a project should consult with their local DHS and Planning Commission to see if the facility will need to be retrofitted or may be grand fathered in.

Dialysis in Nursing Homes: The Technical Expert Panel (TEP) met with CMS and came out with some proposals that appear to be favorable. They would tie dialysis and skilled nursing facilities to an adjunct activity performed by an existing dialysis clinic so that the existing clinic would be held responsible for the activities within the LTC facility. It will be dealt with at the federal level in a more comprehensive fashion. The intent is to make it part of the new Conditions for Coverage. Dr. Tom Paukert expressed some additional concerns. Mike Arnold asked that he draft an initial comment piece identifying key issues that continue to need to be addressed such as the training requirements for CHTs and the issue of a “full time nurse” being a requirement. This draft will be circulated to all Board members to additionally comment on by the end of June.

NRAA Report

Cindy La Munyon reported that NRAA in partnership with Renal Support Network (RSN) made over 126 visits with legislators during their joint Day-on-the-Hill in Washington, DC.

A call for nominations for open Board positions has been published in "Renal Watch" NRAA weekly electronic newsletter. Any interested parties should follow those instructions. The Western Region Director, which is Cindy's current position, is up for nomination.

The Annual Fall Conference is October 4-7 in Philadelphia.

ESRD Network: Doug Marsh reported that all Networks are currently engaging in negotiating new contracts starting July 1. Some Networks budgets will be less than the last three years.

Fistula First: the goal for this 3 year cycle was 4% improvement and over the next 3 years 13%. Most of the improvement was in the prevalent patient population. Most need for improvement is with incident patients. Doug reported that the dialysis community as a whole is doing well with the Fistula First initiative, but that individual facilities may not be. If your facility has a fistula rate of < 40%, expect to be hearing from the Network. And if your rate is >40%, but there is no improvement, you can also expect to be hearing from the Network. CMS has set an ambitious goal of 67% by 2009. A lot is going on at the federal level with reimbursement. Discussion about Pay for Performance at CMS has mostly been focused on the surgeons thus far, but the day is coming when it will be focused on the Nephrologist. If everyone else needs to be held accountable, then the Nephrologist should also need to increase accountability. The entire CKD system is under the microscope at this point.

CMS has raised the standards for submitting forms 2728 and 2746 from 80 to 90% compliance and is moving toward electronic forms.

Another CMS project is Barriers to Admission: started around involuntary discharge, but now extends to other barriers such as morbid obesity, psychiatric, and ventilator dependent patients. Patients are backing up in hospitals and Long Term Care Facilities.

Another big focus is on Emergency Preparedness. Surveyors are paying attention to emergency preparedness in educating patients and having a plan for how facilities will operate in the event of a disaster.

Recovery Audit Contractors are looking at ESRD closely for inappropriate billing of secondary payers. They see the ESRD program as a gold mine for potential recovery of claims. They are going back as much as three years and are looking most closely at New York, California, and Florida.

Hospice Benefit: Dr. Lurvey alluded that Hospices are fully aware that ESRD patients can be admitted to Hospice Programs. Doug reported that this does not seem to be the case. Many Hospice Programs are not willing to accommodate dialysis patients.

Medicare/Medi-Cal Report

Guest Speaker: Arthur Lurvey, MD, United Government Services gave an update on the new EPO reimbursement policy and the new MAC Reform.

The key points were that there may be changes to the new policy, codes and descriptions for renal disease next year. UGS will notify of such. UGS is looking for any unusual doses of EPO/Aranesp. Documentation is crucial. Follow KDOQI recommendations. Appeal any denial and keep track of what was submitted and when.

MMA Drug Bill Contract Reform: FIs will be replaced with MACs. Medicare Parts A and B will be combined for cost savings, and continuity (data can be coordinated and all regions will hence be identical). There will be a single place for all education, coordination of medical integrity, consistency with local policies and increased simplicity. There will be 15 A/B Contractors.

Region #1 is California, Nevada, and Hawaii jurisdiction and will bid toward the end of this year. UGS will be bidding for the contract.

When the change occurs, a potential problem that may arise will be disruption when the data gets electronically transferred. Otherwise, the transition should be relatively transparent to the dialysis community. All the FIs will be meeting with the Central Office in August.

Cindy LaMunyon interjected that the significant dose per treatment is an issue with CMS regarding the GS Modifier. CMS has not defined “significant” in terms of number of treatments missed per month. Dr. Barry Straube, CMS is aware that this is an issue and Kidney care Partners (KCP) is working with CMS to clarify this issue. Cindy suggested that if UGS were to publish a definition for significant, being one treatment, two treatments, or whatever, then the average dose per treatment would be able to be applied for UGS claims. Cindy also stated that it was not CMS’s intent to include home dialysis in EMP, but it occurred. So, as of now, home patients are being subjected to the 25% titration. This appears to be only for home patients who self administer EPO, not for those who receive EPO in center. There will be instructions from the contractors on how to handle claims thus far. Cindy has requested KCP also take this issue to CMS to ask for adjustments and clarification.

For EMP claims >500,000, KCP is speaking with CMS. There is a patient population out there (oncology, sickle cell, HIV) who may be allowed > 500,000. Anything in excess of the 500,000 can be billed in a separate field for non-covered services. Lastly, Cindy wanted to alert all members that there will be no payments made between September 22-30 of this year. Payment will therefore not be received until October 2. Claims will have to be to the FI by the 6th to avoid hitting that period of the 22nd-30th. It will be a snowball effect with each consecutive fiscal year.

MediCal Report: Cindy reported that everything is pretty quiet on the Medi-Cal front. She did warn that electronic submission of EPO claims has an 80 character limit in the remark section and if this is exceeded, there will be no payment made on the EPO claim.

Program Report

Mike Paget reported that the Annual Meeting was successful from both a content and attendance perspective. It was more successful than any previous year. The availability of meeting dates at the Wyndham Hotel for next year are limited. Mike will look into moving the meeting to the newly renovated Marquis which has a date available the 3rd week in April. The consensus was that this would be a better option.

Next Open Board Meeting

August 18, 2006 ~ Oakland

For more information and a registration form, please visit our web site at:
http://www.caldialysis.org/next_meeting.htm