



CDC Report

Board Meeting ~ Oakland

May 2008

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Below is a report from the California Dialysis Council's Board Meeting held May 16, 2008 in Oakland, California.

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• LEGISLATIVE REPORT

Michael Arnold delivered the legislative report. The May Revision was delivered by the Governor on May 14. \$17.2B deficit exists. The 10% cut remains across all State programs, including Medi-Cal, effective July 1, 2008. Additional proposals for significant cuts in Health and Human Services were included in this budget revision including:

- \$42 million decrease by implementing a monthly eligibility requirement for emergency services for undocumented immigrants.
- \$86.7 million decrease by limiting benefits for newly qualified immigrants and immigrants who permanently reside under the color of law (PRUCOL) to the same level as currently provided for undocumented immigrants. Benefits retained include emergency services, pregnancy-related services, long- term care in a nursing facility and breast and cervical cancer treatment.

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A proposal has been presented to securitize the State Lottery in order to borrow against it and generate \$15 B over 3 years. The structure of the current State Lottery will need to be modernized which will require a constitutional change that will need to be approved by a vote in the November election.

Basically there is no support for the Governor's proposed budget in Sacramento. It is unclear what the final budget will look like and when it will be finalized.

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Mike Arnold continues to work closely with the Alliance for Patient Care. The lawsuit is moving forward with the hope that a Temporary Restraining Order (TRO) will be issued by the judge hearing the case.

Several strategies were discussed regarding how to approach exempting the dialysis industry from the cuts. It was mentioned again that AB 214 is on the Senate Floor (Dialysis in SNF) that could be amended to serve as a vehicle to prevent cuts to dialysis services. A multi-prong approach will be considered to attempt to prevent the cuts.

Proposed Legislation: A Pilot Project for Community Based Intervention and Preventative Care in the Treatment of Chronic Kidney Disease was distributed. How to proceed will be addressed by the newly appointed subcommittee. More information on this issue will be available by the November meeting.

- **Legislative Status Report.** The legislative Status Report was distributed to those in attendance (see below for details on downloading your copy). Anyone with an interest in specific pieces of legislation can go to the CDC website at: www.caldialysis.org/status_report.htm to view the current Legislative Status Report. A click on the bill number will bring up a copy of the bill.

• REGULATORY REPORT

Karen Dyer discussed CDPH surveys regarding recalled heparin. All dialysis facilities were inspected in a 2 week period.

Karen Dyer, Kristy Foy and Mike Arnold met with Kathleen Billingsley (CDPH) in Sacramento on May 7 regarding the "Access to Care" letter being required for certifying new dialysis facilities. Mike Arnold and Kristy created a detailed letter outlining how this letter is in conflict with the November 2007 CMS release of Appendix A: CMS Priorities for Initial Surveys of Providers and Suppliers Newly Enrolling in Medicare. Ms. Billingsley will look into this and respond back to Mike Arnold.

The recommendation made at the April meeting for KCP to meet with CMS to clarify with States the intent of the letter was discussed by Marc Chow and KCC is already looking at how the prioritization of certification surveys is handled by each state. This can be added to the scope of the survey to clarify.

An email process has been created whereby questions can be submitted regarding the Conditions of Coverage. Karen Dyer submitted a question regarding the

prohibition of re-entering single dose vials and indeed, despite a previously released letter allowing this practice, it will no longer be allowed. As well, multi-dose vials need to be assigned to one particular patient

• **FEDERAL ISSUES ~ UPDATE**

Marc Chow presented a summary of Federal legislative Activities:

Legislative Advocacy: A number of groups (including NRAA, KCC and RSN) have done administrator and patient fly-ins to Washington, DC throughout the month to discuss ESRD reform. Although KCQEA will not pass, a number of provisions remain in the House version of the CHAMP Act and are believed to be included in an upcoming Senate Finance Medicare Package.

Senate/House: As of July 1, 2008, physicians are slated for Medicare reimbursement cut of nearly 10%. However, Congress is working on a Medicare package that is expected to be an extension of current rates for 18 months. ESRD provisions are still "in- play" with the Senate Finance Committee although the Senate Medicare package is expected to be small. The Senate may have a Medicare package complete before the May recess and the CBO can score the bill. The Medicare package may go directly to the Senate Floor and bypass the Senate Finance Committee. By the end of June, Medicare legislation will need to pass in order to avoid physician reimbursement cuts on July 1, 2008. The Senate will need to conference with the House since they continue to stand by their CHAMP Act, which already included the ESRD provisions.

Conditions of Coverage: The Interpretive Guidelines are expected to be released soon. CMS is allowing providers to ask questions regarding the new Conditions starting May 12, 2008 by emailing:
ESRD_Final_Rule_Rollout@cms.hhs.gov.

• **MEDICARE/MEDI-CAL REPORT**

Dr. Carol DiRaimondo has accepted an offer to serve as the CDC representative on advisory committees for Palmetto GBA the J1 AB Medicare Administrative Contractor (MAC) for California (among others) Medicare providers. This committee among other tasks will review the consolidation of Local Coverage Determinations (LCDs) in California as part of the transition from National Government Services (NGS).

For more general information on the J1 AB MAC transition please visit the Palmetto GBA web site at www.palmettogba.com/j1

Email: mail@caldialysis.org
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<http://www.caldialysis.org>

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• **NETWORK 17 REPORT**

Allison Kregness delivered the following report: Another CMS Open Door call regarding the Conditions of Coverage will be scheduled. Information will be forwarded to Mike Paget when available so that he can forward to membership.

A proposed Network 17 educational program to be held in conjunction with CDC was discussed. The topics of professionalism, infection control and disaster planning along with a legislative update by Mike Arnold will be presented. The date and place need to be determined. San Francisco will be explored as an option as well as Oakland.

- **PROGRAM REPORT**

Mary Brattich presented the following report: The final attendee count was 269 which makes this the second best attended conference in the last five years. Planning for the 2009 program to start in September. As always, recommendations for speakers and topics are welcomed.

- **NEXT BOARD MEETING**

June 20, 2008 ~ Los Angeles

For more information and a registration form, please visit our web site at:

www.caldialysis.org/next_meeting.htm

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