

**GOVERNOR'S ANNUAL REPORT
2004**

MARYLAND COMMISSION ON KIDNEY DISEASE

**4201 PATTERSON AVENUE
BALTIMORE, MD 21215**

**Jeffrey Fink, M.D., Chairman
Tracey Mooney, C.P.A., Vice-Chairperson
Jose Almario, M.D., Vice-Chairman**

**Eva Schwartz, M.S., M.T. (ASCP) SBB
Executive Director**

**MARYLAND COMMISSION ON KIDNEY DISEASE
REPORT TO THE GOVERNOR**

January 1, 2004-December 2004

“The Commission shall adopt physical and medical standards for the operation of dialysis and renal transplant centers...”

“The Commission shall adopt reasonable medical standards for acceptance of patients into the treatment phase of the Program...”

“The Commission shall annually evaluate the entire Kidney Disease Program. An annual report of such evaluation shall be made to the Governor...”

“The Commission shall survey periodically dialysis and transplant facilities...”

“The Commission shall evaluate patient complaints, including cases of verbally and physically abusive patients...”

“The Commission shall collect an annual certification fee from the facilities in order to meet its mandated responsibilities...”

Health-General Article, Title 13, Subtitle 3 Annotated Code of Maryland

Report on the Work of the Commission

MEMBERSHIP

Jose S. Almario, M.D.
Marianne Andrews, R.N.
Roland Einhorn, M.D.
Joseph Eustace, M.D.
Jeffrey Fink, M.D.
Isaac Joe, Jr., Esquire
Tracey Mooney, CPA
Margery Pozefsky
Dean Taylor, M.D.
Kenneth Yim, M.D.
Terencia Davenport

STAFF

During the calendar year 2004, Eva H. Schwartz, M.S., M.T., (ASCP) SBB held the position of Executive Director of the Commission. Joel Tornari served as the Assistant Attorney General assigned as Counsel to the Commission and Donna Adcock, R.N. served as the Commission Surveyor of the dialysis and transplant centers.

MEETINGS

The Commission met in January, April, July and November, 2004.

PHYSICAL AND MEDICAL STANDARDS COMMITTEE

The Physical and Medical Standards Committee reviews on-site inspections, and approves facilities requesting certification by the Commission on Kidney Disease for reimbursement purposes by the Kidney Disease Program of Maryland (KDP). The Committee is responsible for research, recommendation and presentation of physical and medical issues affecting the renal community and investigation of patient complaints in an expeditious manner. The recommendations for complaint resolution cases are then voted on by the full Commission and appropriate corrective action is implemented.

During the 2003 calendar year, the following new facilities were approved for certification by the Commission for KDP reimbursement purposes:

<u>Facility</u>	<u>Address</u>	<u>Medical Director</u>
Holy Cross at Woodmore	11721 Woodmore Rd. Mitchellville, MD 20721	Eleanor Daquiaog, M.D.
Davita Pikesville	1496 Reisterstown Rd. Baltimore, MD 21208	Ibikunle Koya, M.D.
DCA Rockville	11800-A Nebel Street Rockville, MD 20852	Steven Hellman, M.D.
FMC Anne Arundel	2032 Industrial Drive Annapolis, MD 21401	Edward Dudek, M.D.
Davita Germantown	20111 Century Blvd. Germantown, MD 20874	Raymond Bass, M.D.

Additional responsibilities of the Commission are to conduct on-site surveys of the dialysis and transplant facilities throughout the State of Maryland. The Commission surveyed the dialysis and transplant facilities to meet the regulatory standards. An annual certification fee collected by the Commission is an additional requirement for the facilities for eligibility for reimbursement from the Kidney Disease Program. Enclosed is the roster for all certified dialysis and transplant facilities and centers in Maryland. This informational roster is available upon request from the Commission.

COMMISSION ACCOMPLISHMENTS

- The Commission reviewed **twenty-six (26)** complaints between patients and facilities. Additionally, the Commission surveyed sixty-nine (69) facilities for compliance with standards of care, and addressed all corrective action plans that emerged from such surveys. The Office of Health Care Quality is mandated by law to survey 33 % of existing facilities on an annual basis. The Commission's policy is to survey and certify the remaining 60% - 70% of the facilities, ensuring that 100% of the dialysis and transplant facilities in the State are surveyed on an annual basis. In calendar year 2004 the Commission surveyed 69 dialysis facilities. Through the corrective action plan process all Federal and State regulations were enforced by the Commission. Through this process, the Commission has met its mandate, to enforce compliance with State, Federal and Commission regulations, thus enhancing the quality of care rendered to the ESRD population in the state of Maryland.
- The Commission finalized the task of updating the current Code of Maryland Regulations 10.30.01 Commission on Kidney Disease. These updates include provisions that will improve patient care and improve patient health and safety. The regulations became final on December 22, 2003. These regulations were distributed to the Renal Community in January 2004 and are available on the Commission website www.mdckd.org.
- The Commission continues to work with the Office of Healthcare Quality (OHCQ) to foster communication between the two offices. Presently, a wonderful cooperation between the Commission and OHCQ enables both entities timely responses to complaints, and therefore patients' welfare and safety is addressed through immediate intervention.
- The Commission completed and mailed a newsletter to the renal community. The newsletter is a tool to inform the community about the Commission's activities, and to provide educational information.
- Upon request by the Renal Social Workers in Maryland, the Commission is working with this group to address their responsibilities and changing roles in the dialysis facilities. Subsequently, a subcommittee has been formed, protocols were developed, facilities were surveyed and the findings were reported at a Commission meeting. The group continues to meet periodically to evaluate and address the issues vis a vis appropriate social work services rendered to the patients.
- The Commission subcontracted with a renal social worker to perform focus surveys of facilities to ascertain the adequacy of social services provided in the dialysis facilities.
- The Commission meetings are forums to inform and educate the renal community. Therefore, all Open Session minutes are distributed to the renal community and all dialysis facilities and their staff.
- The Commission launched their new website www.mdckd.org in January 2004. The website includes new facility information, complaint forms, and meeting dates, copies of the Commission newsletters, public meeting minutes and general information about the Commission.

- The Commission at the request of the renal community has been working to create awareness of the automatic external defibrillators and recommend each facility have one on-site.
- The Commission through the survey process is working with facilities to ensure their compliance with the Mid-Atlantic Renal Coalition's transplant objectives.
- The Commission worked very closely with the Department of Health and Mental Hygiene (DHMH) to make reasonable recommendations regarding mandated cuts to the Kidney Disease Program (KDP). The Commission was successful working with the Program to meet the budget requirements with minimal impact on renal patients in the State.
- The Commission worked proactively with the renal community to address deletions to the KDP medication formulary which was precipitated because the pharmaceutical companies failed to pay the rebate to the State, thus according to KDP regulations, those medications cannot be placed on a formulary for reimbursement purposes. The Commission worked tirelessly to address the community concerns regarding deletions to the medication formulary. Inversely, the KDP has worked with the drug manufactures to comply with the State regulations regarding participation in the drug rebate program, thus being able to reinstate some of the medications that were deleted from the KDP formulary.
- The Commission worked closely with the Maryland Patient Advocacy Group, its president, Pearl Lewis and Vice President, Alexis Southworth. This group was instrumental in establishing a mechanism by which ESRD patients can receive medications for an interim period while awaiting insurance coverage.

PATIENT GRIEVANCES

During the year 2004, the Commission resolved to the satisfaction of the patient and the dialysis facility **twenty-six patient** complaints. The Commission and staff have availed themselves to the renal community to help resolve in an expeditious manner problems between patients and facilities. Additionally, the Commission has mandated improvement in the quality of care provided at the facilities cited for deficiencies and violations during the End Stage Renal Disease (ESRD) Survey. These goals were accomplished to the satisfaction of the Commission, thus protecting the safety and welfare of this fragile patient population.

COMMUNITY EDUCATION

The Commission has fulfilled its community education responsibilities by surveying and educating all the facilities according to the promulgated regulations by the Commission on Kidney Disease, COMAR 10.30.01. The Community Education Subcommittee of the Commission, public member volunteers and patient advocates, have addressed numerous groups in the renal community regarding sources for reimbursement for renal care, prevention of renal disease, transplantation criteria, and methods for reimbursement for life saving medications. Additionally, the Commission has lobbied the Maryland Legislature and the U.S. Congress, for upgrades of health care benefits for the Medicare beneficiaries in the End-State Renal Disease Program.

STATUS OF THE KIDNEY DISEASE PROGRAM

The purpose of the Kidney Disease Program (KDP) is to provide financial assistance to certified beneficiaries for the treatment of end-stage renal disease (ESRD). This stage of renal impairment is almost always irreversible and requires dialysis or kidney transplantation to maintain life. As a payer of last resort, the Program may provide financial assistance only after all other medical and federal insurance coverage has been pursued. Covered services include chronic maintenance, in-center and home dialysis, renal transplantation, approved inpatient and/or outpatient hospital care, physician and laboratory fees, legend and OTC medications specified on the KDP Reimbursable Drug List and certain ancillary services which are directly attributable to the beneficiaries' ESRD.

PROGRAM STATISTICS

In Fiscal Year 2004, the Kidney Disease Program provided coverage to 2,420 beneficiaries for whom it processed approximately 187,059 hardcopy invoices and on-line claims totaling \$8,403,327. The KDP recovered \$297,975 in premiums and \$678,712 from its Drug Rebate Program in FY 2004. These recoveries are projected annually and are incorporated into the Program's reimbursement budget.

FISCAL YEAR 2004 ACCOMPLISHMENTS

The Kidney Disease Program (KDP) continues to work on the development of the electronic claims management system (eCMS) to electronically process claims of all service types, with the exception of pharmacy. Pharmacy claims are processed utilizing the First Health (FH) point of sale (POS) system. This system will allow KDP to accept and return HIPAA compliant transactions from Medicare trading partners and all participating providers. Enhancements will include an anticipated decrease in the batch processing of paper claims, electronic patient eligibility verification, electronic checking of claims status and speedier processing of electronic claims.

As a result of a reorganization of KDP staff, customer service in the area of patient certification has improved significantly. Additional personnel have been reassigned and trained in all aspects of patient certification, virtually eliminating the 60 plus day backlog of processing applications. In addition, applications that are returned to the Program, upon submission of requested additional information, experience **no** waiting period.

In addition, the ability to produce Adhoc reports thru the First Health system was produced. This will allow KDP to produce reports that may assist in requests for special reports regarding pharmacy payment information.

PROJECTIONS FOR THE KIDNEY DISEASE PROGRAM

The Program expects the average number of beneficiaries to be 2550 for Fiscal Year 2005. The Program continues to work with AT&T, Santeon, Opal Systems and data processing analysts and programmers to ensure timely compliance with federally mandated HIPAA requirements. The federal implementation date has been extended to accommodate providers with the time needed for system updates. Enhancements resulting from an electronic claims management system include the ability to verify patient eligibility through an electronic transaction, electronic checking of claims status, an anticipated decrease in the batch processing of paper claims and speedier reimbursement to providers.