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July 12, 2016

Alfred W. Redmer Jr., Commissioner
Maryland Insurance Administration
200 St. Paul Place
Baltimore, MD 21202

Submitted by email to: Lisa.Larson@Maryland.gov

RE: Network Adequacy Regulation Development - Establishment of Quantitative Standards for Dialysis Providers

Dear Commissioner Redmer:

DaVita appreciates this opportunity to comment on the Administration's effort to develop regulations regarding Network Access Standards pursuant to the provisions of House Bill 1318 / Senate Bill 929 and to offer suggestions on how to protect access for vulnerable patients with end-stage renal disease (ESRD). The DaVita patient population includes more than 175,000 patients who have been diagnosed with ESRD, a group representing approximately one-third of all Americans receiving dialysis services. Spanning 48 States and the District of Columbia, the DaVita network includes more than 2,225 locations. DaVita's nationwide network is staffed by 48,000 teammates (employees). DaVita has the privilege of providing dialysis treatment for over 5746 individuals with kidney failure throughout our 62 centers across Maryland. Our comprehensive, in-center care team includes nephrologists, nephrology nurses, patient care technicians, pharmacists, clinical researchers, dieticians, social workers, and other highly-trained kidney care specialists.

BACKGROUND

End Stage Renal Disease (ESRD), or kidney failure, is the last stage (stage five) of chronic kidney disease (CKD). This stage is reached when an individual's kidneys are functioning at ten to fifteen percent of their normal capacity or below and, therefore, cannot sustain life. Kidneys are vital organs that remove toxins from the blood and perform other functions that support the body, such as balancing fluid and electrolytes, and producing certain hormones. When kidneys fail, they cannot effectively perform these functions, and renal replacement therapy, such as dialysis or a kidney transplant, is necessary to sustain life.

The most common type of dialysis is hemodialysis, which is predominantly performed in specialized outpatient facilities. Hemodialysis is a therapy that filters waste products, removes extra fluid, and balances electrolytes (sodium, potassium, bicarbonate, chloride, calcium, magnesium and phosphate), replacing the mechanical functions of the kidney. Traditional in-center hemodialysis is generally performed a minimum of three times a week for about four hours each session. Due to the significant impact of dialysis treatment on the body, the resulting fragility of those with the disease, and the amount of time involved in treatment, access to the renal replacement therapy modality that is right for the individual is of critical importance.

Individuals under 65 years of age who are medically determined to have ESRD are eligible to enroll in Medicare the third month after the month in which a regular course of renal dialysis is initiated. At the same time, Medicare Secondary Payer (MSP) provisions require group health plans provide 30 months of primary coverage, with the 30-month period beginning with the first month in which the individual is eligible for Medicare.

DAVITA SUPPORTS QUANTITATIVE STANDARDS FOR DIALYSIS

Section 15-112(D) of House Bill 1318 requires that on or before December 31, 2017, the Commissioner shall, in consultation with interested stakeholders, adopt regulations to establish quantitative standards and, if appropriate, nonquantitative criteria to evaluate the network sufficiency of health benefit plans. In adopting such regulations, the Commissioner may take into account, among other things, geographic accessibility of specialty providers.

DaVita strongly supports network adequacy standards for dialysis providers which rely on quantitative standards relating to maximum drive times and distances. Individuals with kidney failure rely on life-sustaining dialysis treatment a minimum of three times per week. Inadequate networks, which force beneficiaries to drive long distances to and from treatment to access in-network providers, can discourage ESRD patients from health plan enrollment or incent an ESRD patient to enroll in Medicare earlier than desired. Peer-reviewed studies have shown that longer travel time for ESRD patients is associated significantly with greater mortality risk and decreased quality-of-life.[1]

Specifically, we would encourage Maryland to adopt already existing network adequacy standards for outpatient dialysis contained in Federal network adequacy standards applicable to Medicare Advantage plans. Table I below provide details to the maximum drive time and distance standards for dialysis for specific geographic areas in 2017 for Medicare Advantage.

Table I

2017 Medicare Advantage
Network Adequacy Standards for Dialysis

Specialty	Maximum Time and Distance Standards (Minutes/Miles)				
	Large Metro	Metro	Micro	Rural	Counties with Extreme Access Considerations (CEAC)
Outpatient Dialysis	20/10	45/30	65/50	55/50	100/90

CONCLUSION

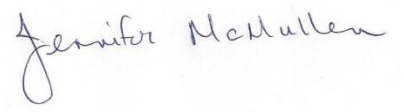
We appreciate your consideration of network adequacy standards for health benefit plans in Maryland which utilize quantitative metrics for outpatient dialysis. We believe such standards will help to protect the vulnerable ESRD patient population in Maryland. We also believe further standardization between Federal and State markets will reduce confusion for beneficiaries and providers and be easier to administer for insurers and regulators. To that end, we urge that Maryland adopt specific quantitative network adequacy standards for dialysis as discussed above.

I appreciate the opportunity to share our comments and recommendations with you.

[1] Moist, L. et al. (2008). Travel Time to Dialysis as a Predictor of Health-Related Quality of Life, Adherence, and Mortality: The Dialysis Outcomes and Practice Patterns Study (DOPPS), American Journal of Kidney Diseases, Vol. 51, No 4, pp. 641-650.

Please do not hesitate to contact me at (404) 352-5004 or Jennifer.mcmullen@davita.com if you would like to discuss these recommendations in detail or have any questions.

Sincerely,



Jennifer McMullen
Director State Government Affairs