

Minutes of Meeting
Health Services Council
Project Review Committee-II

DATE: 10 November 2005

TIME: 3:00 PM

LOCATION: Health Policy Forum

ATTENDANCE:

Committee II: Present: Raymond C. Coia, Wallace Gernt, Esq., Sen. Catherine E. Graziano, RN, Ph.D., Robert J. Quigley, DC, (Chair), Larry Ross, Reverend David Shire (Secretary)

Not Present: Rosemary Booth Gallogly, Maria R. Gil, Denise Panichas

Excused: Victoria Almeida, Esq. (Vice Chair)

Staff: Valentina D. Adamova, Michael K. Dexter, Bill Dundulis, Joseph G. Miller, Esq., Jacqueline Steiner (Intern)

Public: (see attached)

1. Call to Order and Approval of Minutes

The meeting was called to order at 3:05 PM. Minutes of the 20 October 2005 Project Review Committee - II meeting were approved as submitted. The Chairman noted that conflict of interest forms are available to any member who may have a conflict. The Chairman stated that due to the Open Meetings Act, the minutes of the meetings have to be available to the public by the next meeting date or within thirty-five days, which ever is sooner. The Chairman stated that because the next meeting might not occur within thirty-five days or the minutes might not be available by the next meeting time, he would ask the Committee members to vote to extend the availability of minutes beyond the time frame as provided for under the Open Meetings Act. A motion was made and seconded, and the motion passed by a vote of five in favor and none opposed (5-0) that the availability of the minutes for this meeting be extended beyond the time frame as provided for under the Open Meetings Act. Those members voting in favor were: Coia, Gernt, Graziano, Quigley, Ross.

2. General Order of Business

The first item on the agenda was the application of Roger Williams Radiation Therapy, LLC [New England Radiation Therapy Management Services, Inc. and Roger Williams Hospital] for a Certificate of Need for acquisition of two linear accelerators and

provision of radiation therapy services at 50 Maude Street in Providence. Staff reviewed the contents of the information mailed to the Committee. Staff read into the record from the advisory of the Health Insurance Commissioner, “it is not clear that the benefits of certain components of this application exceed their costs. Specifically, while the proposed Cyberknife provides potential additional functionality according to the applicants, Rhode Island Hospital indicates most of that functionality is met with its existing ‘Gamma Knife’ and new ‘Trilogy’ technology.; Moreover, Dr. Zimmerman’s analysis makes clear that insufficient demand exists in Rhode Island for two radiosurgery facilities. This unused capacity would place an additional cost burden on the Rhode Island’s Health Care System. Dr. Zimmerman’s analysis also makes clear that Rhode Island’s linear accelerator supply will significant exceed demand for the foreseeable future. The cost of upgrading and maintaining this excess capacity, or of inducing additional demand to be utilized by it, also accrue to Rhode Island’s health care payers. It is not immediately apparent that the community needs addressed by certain items in this project are pressing ones, given the additional costs that would be incurred.”

Staff noted that the applicant provided an alternate financing proposal with respect to Accuray, manufacturer of the CyberKnife®, and that letter and draft agreement have been handed out.

Steve Zubiago, legal counsel of Roger Williams Radiation Therapy,

LLC (“RWRT, LLC”), stated that the hospital would like to upgrade its equipment through a joint venture with Radiation Therapy Services, Inc. He noted that the Hospital has been granted a ‘one-for-one’ exemption to replace its equipment. He noted that in order to avoid capital expenditure the hospital entered into a join venture.

Mr. Zubiago introduced Dr. Quizenberry, director of the cancer program, who made a presentation to the Committee regarding the Roger Williams Hospital’s cancer program. He answered questions regarding the bone marrow transplant program.

The Chairmen noted that Roger Williams Hospital’s linear accelerators are being underutilized and one machine could handle the capacity. Dr. Quesenberry acknowledged the problem of underutilization but noted that twice a day, the machine is occupied for full body radiation which takes 45 minutes.

Mr. Zimmerman inquired how many bone marrow transplants are done each year. Dr. Quesenberry stated that 24 were done this year and the projected rate will be 36 next year, with a total capacity of 50-60.

Mr. Zubiago introduced Timothy Shaffman, physician working at the facility Southern New England Regional Cancer (SNERC). In response to Mr. Zimmerman’s statement about whether or not a radiosurgery center should be at Roger Williams, Dr. Schaffmen provided an

overview of what they envision the Cyberknife program to be. He explained that the Cyberknife will be able to treat all parts of the body, which is the benefit and what differentiates it from the GammaKnife. He stated that the program would involve various surgical subspecialties involved in the patient care. He stated that if surgeons believed that the Cyberknife treatment should be used on the patient they could be the operator of the treatment, which would expand the ability of this treatment throughout the state.

The Chairmen asked for further explanation regarding use of the CyberKnife by other surgeons. Dr. Schafman stated that there were guidelines that the physician must meet before they do it. He stated that they would follow a team approach (physicians, radiation oncologist, neurosurgeon, thoracic surgeon) to care for the patient. Dr. Schaffman then described the Cyberknife.

Staff asked as to what is the difference between the Cyberknife and the Gamma Knife. Dr. Schafman explained that the GammaKnife does one single fraction treatment of intracranial lesions. The Gamma Knife performs one dose of radiation to a certain part of the brain. He noted that the Cyberknife can do the same treatment multiple times and Cyberknife can treat other parts of the body that move when the lesion cannot be localized.

Staff mentioned the comments from Dr. Wazer and Health Insurance Commissioner regarding the Varian Trilogy System. Staff asked about

the length of the treatment. The doctor answered that the treatment takes about a half hour depending on how many pictures are taken and how much movement there is. Dr. Schafman referred to information from Accuray, the manufacturer of CyberKnife, in addressing the concern of whether there are enough patients.

Staff asked how the determination is made concerning Cyberknife as a mode of treatment versus the conventional radiation therapy. Dr. Schafman explained that a standard clinical treatment provides less ability to treat more “tightly” and that IMRT has the ability to provide tightly defined treatment with the least amount of doses.

The applicant provided an explanation of stereotactic radiosurgery and that the difference between Gamma Knife and Cyberknife is that Cyberknife could be applied to moving parts of the body. Greg Mercurio, consultant for Twenty-first Century Oncology, showed Accuray’s need analysis for stereotactic radiosurgery which identified an unmet need of 860 for the CyberKnife.

Staff asked Dr. Schafman to respond to the question as to whether or not Cyberknife is a similar treatment to Trilogy. Dr. Schafman stated they both provide image guided radiation therapy but are not similar in their delivery. It was noted that it is not known which is a better device because the two have not been compared.

Dr. Schaffman concluded the presentation and stated that the

sources came from Accuray. It was requested that the applicant provide Accuray's need analysis for the Cyberknife and related information.

Staff asked whether anyone present had received or will receive compensational benefits from the manufacturer to which the answer was no.

Staff requested a response to the advisory of the Mr. Koller, Health Insurance Commissioner, concerning healthcare in Rhode Island and insurance issues. Staff noted Mr. Koller's letter which specifically stated that this type of equipment is not needed because of the availability of the Trilogy System (at Rhode Island Hospital). The applicant answered that while Trilogy is a radiosurgical device it is not certain whether one device can treat better than the other.

Staff noted that in responses to questions the applicant project utilization rate for the Accuray's CyberKnife for 2006, 2007, 2008 as 18%, 20%, and 25%. The applicant was asked to comment on efficacy of bringing in Cyberknife with those projected level of utilization. The applicant stated that they believe that utilization will be higher however it based its projections on Accuray's disease incidence model and the novelty of the technology. The applicant stated that the financial model works based on these projections.

It was noted that the applicant was not aware of any patient

preference between Trilogy System and CyberKnife.

A member asked for more information on the cost per treatment and revenue per treatment of the Varian versus the CyberKnife units.

The Chairman stated that it would be appropriate for Rhode Island Hospital present to the Committee their defense of their comments with regards to this proposal. The Chairman stated that he does not believe a decision can be made without Rhode Island Hospital's and the Health Insurance Commissioner's presence.

There being no further business the meeting was adjourned at 4:40 PM.

Respectfully submitted,

Valentina D. Adamova