

Minutes of Meeting
Health Services Council
Project Review Committee-II

DATE: 21 February 2008 TIME: 2:30 PM

LOCATION: Health Policy Forum
Department of Health

ATTENDANCE:

Committee-II: Present: Victoria Almeida, Esq., (Vice Chair), Gary J. Gaube, Maria Gill, Sen. Catherine E. Graziano RN, PhD, Robert J. Quigley, DC, (Chair), Rev. David Shire (Secretary).

Not Present: Rosemary Booth Gallogly, Wallace Gernt

Excused: Denise Panichas, Raymond C. Coia, Esq., Robert Hamel, RN

Staff: Valentina D. Adamova, Loreen Angell, Michael K. Dexter, Robert Marshall, PhD., Joseph Miller, Esq.

Public: (Attached)

1. Call to Order, Approval of Minutes, Conflict of Interest Forms and Time Extension for the Minutes Availability

The meeting was called to order at 2:37 PM. The Chairman noted that conflict of interest forms are available to any member who may have a conflict. The Chairman requested a motion for the extension of time for the availability of minutes pursuant to the Open Meetings Act. A motion was made, seconded and passed by a vote of six in favor and none opposed (6-0) that the availability of minutes for this meeting be extended beyond the time frame as provided for under the Open Meetings Act. Those members voting in favor were: Almeida, Gaube, Gill, Graziano, Quigley, Shire.

2. General Order of Business

The next item on the agenda was the application of CarePoint Partners Holdings, LLC for a change in effective control of Clinical IV Networks Holdings, LLC and its subsidiary Clinical IV Network, LLC, a Home Nursing Care Provider Agency at 15 Hazel Street in Pawtucket.

Ms. Rocha, legal counsel for the applicant, introduced the representatives of CarePoint Partners Holdings, LLC, and offered to review the responses to the supplemental questions. Staff asked who would be the licensed administrator of the RI agency. The

applicant designated Mr. Paul Covellone, who is Director of Operations, as the local administrator and contact person for Clinical IV Network. The applicant also described the organization, explaining that Clinical IV Network, LLC and CIVN Holdings, Inc. was merged into Parenteral Infusion Associates, LLC, (PIA) the license holder, d/b/a Clinical IV Network. CarePoint Partners Holdings, LLC is the parent company with member ownership by various Waud Capital organizations (99%) and Dana Soper (1%). Waud's primary role is to provide funds for future investments and growth. In response to a question, the applicant indicated that PIA is the first acquisition by the organization but they are looking at other clinical therapy and pharmacy entities outside of Rhode Island. Ms. Soper described her qualifications as a pharmacist, her MBA degree and her long experience in infusion therapy services.

Sen. Graziano asked for an explanation regarding the payments for home infusion therapy. The applicant responded that the drug/chemotherapy is covered under Medicare part D while there is no typical coverage for the home services, such as nursing and supplies. Many patients rely on self-pay for these services. The average cost is \$50-70 per day. Medicaid does cover supplies for dual-eligible patients. However, if the patient has neither Medicare Part D nor Medicaid, there is typically no coverage unless the patient goes to a nursing facility for infusion therapy. In addition, chemotherapeutic agents can cost from \$5 to \$1000's per day; so the Part D "donut hole" often poses financial problems for patients.

The Chair asked how the applicant worked with patients experiencing a gap in coverage. The applicant said that the agency works with the patient and various pharmaceutical companies who offer financial assistance. The applicant agreed to accept a condition of approval stating that it would “continue to work with pharmacy assistance programs” for those patients.

The Chair asked about charity care involving the cost of home infusion program services in addition to those involving the drugs. The applicant said that it currently provides charity care and will continue to do so. Sen. Graziano asked about working with the oncologist regarding alternative services. The applicant stated that the Part D “donut hole” applies to all prescribed drugs and that real alternatives usually are not available.

Staff asked how coverage for home infusion therapy differs from that in a doctor’s office or hospital outpatient department. The applicant said that office treatment is covered at 80% under part B, with medi-gap covering the remainder. Part A covers hospital-based treatment. Part D applies only to non-hospital, non-facility drug treatment. Also, home infusion therapy deals primarily with the second stage of chemotherapeutic treatment—following the initial course of treatment in a hospital or outpatient environment. PIA works with local oncologists to make them aware of this service. PIA does not provide treatment services in nursing homes.

Mr. Gaube asked about the referral process and screening for coverage. The applicant said that PIA does the screening, but accepts patients even without coverage and will continue to do so. The applicant applies the 1% charity care condition to both the home services and the pharmacy services.

Sen. Graziano referred the applicant to the RI Cancer Council for assistance with channels of communication with local oncologists and cancer treatment facilities.

Staff commented that the conditions of approval applying to the subject application include that the applicant: continue to work with the pharmaceutical assistance programs; not turn patients away for lack of resources; the regulatory 1% charity care requirement; provide data to the state agency upon request.

A motion was made, seconded and passed by a vote of six in favor and none opposed (6-0) to recommend that the application be approved with the conditions of approval. Those members voting in favor of the motion were: Almeida, Graziano, Gaube, Panichas, Quigley, Shire.

There being no further business, the meeting was adjourned at 3:20 PM.

Respectfully submitted,

Robert Marshall, PhD