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**TITLE** RENAL DIALYSIS**DISTRIBUTION:** ALL PUBLIC HOSPITALS IN WESTERN AUSTRALIA

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**1. Purpose**

The purpose of this program bulletin is to describe how the Statewide Renal Dialysis Program will work in 2002/03. A detailed outline of the policy and funding directions for the program can be found in the *End Stage Renal Failure Mid-Term Review of Renal Dialysis Services* (HDWA, June 1998).

In November 2001, the Review of the Statewide Renal Dialysis Program and Renal Disease in Western Australia was completed. Appropriate recommendations from this review may be implemented towards the end of the 2002/03 financial year.

**2. Background**

Renal dialysis is a high volume and high cost specialty. In 1997/98, renal dialysis was identified as a special service program and removed from core episode payments in provider agreements. Renal dialysis will continue as a special service program during 2002/03. The Purchasing Division (PD) manages funding issues related to the Statewide Renal Dialysis Program.

The objectives of the Statewide Renal Dialysis Program are:

- to improve the coordination of renal dialysis service delivery;
- to increase activity monitoring and ensure that program funds follow patients as they move across dialysis modalities;
- to analyse population health needs in relation to renal dialysis care; and
- to develop satellite services which are closer to the homes of patients.

Dialysis treatment ranges from high dependency teaching hospital care to independent home self-care. The four treatment modalities are:

- In-centre Haemodialysis (HD);
- Satellite HD;
- Home HD; and
- Home Continuous Ambulatory Peritoneal Dialysis (CAPD).

Satellite services can be provided either in non-teaching hospitals or community settings.

The majority of End Stage Renal Failure (ESRF) patients remain in the program until they receive a kidney transplant or die. Patients characteristically enter and exit the program and shift between modalities within any given year. Patients typically require three HD treatments a week. Those dialysing at home may require more frequent daily treatments.

Royal Perth, Sir Charles Gardiner and Fremantle Hospitals provide in-centre HD, satellite HD, metropolitan and remote home CAPD and associated patient training services. Royal Perth Hospital provides metropolitan and remote home HD patient training and technical support on a statewide-basis. Princess Margaret/King Edward Memorial Hospital provides a paediatric HD and PD service on a clinical need basis.

Recent achievements within the program include the establishment of satellite HD services in non-teaching hospitals and community settings in order to increase equity of access. Satellite services are currently provided at Armadale, Joondalup, Midland, Melville, Peel, Geraldton, Kalgoorlie, Bunbury and Port Hedland. There is a community based home HD service in Albany. An additional satellite service is planned and commences in Broome in late 2002.

Funds for the Statewide Renal Dialysis Program are limited. The development of new satellites is dependent upon the successful reconfiguration and reduction of costs within existing in-centre or satellite services. The November 2001 review contains the basis for a five-year service delivery plan which will prioritise new satellite services.

Reconfiguration, associated with satellite developments, will necessarily require the closure of stations and the reorientation of traditional inner city providers towards the management of patients with multiple co-morbidities. The challenge lies in balancing reconfiguration with service need in order to maintain acceptable cost-efficiencies within the program.

Satellite services exist in both publicly and privately operated non-teaching hospital settings and community settings. All renal dialysis service providers are part of the Statewide Renal Dialysis Program service network. Referrals to satellite services are, therefore, based on clinical need and the proximity of the service to the patient's home.

### **3. Specifications**

In 2002/03, the Statewide Renal Dialysis Program will be defined as an admitted patient special service program within Service & Finance Plans (SFPs) with Health Services or contracts.

In 2002/03 renal dialysis services managed by the public sector will be provided at the following designated public hospital sites:

- Royal Perth Hospital (including Shenton Park)
- Sir Charles Gardiner Hospital
- Fremantle Hospital and Health Service
- Princess Margaret/King Edward Memorial Hospital
- Kalgoorlie Regional Hospital
- Geraldton Regional Hospital
- Armadale Hospital

- Port Hedland Regional Hospital
- Lower Great Southern Health Service (community based home HD service – primary fund holder RPH)

The following designated privately managed sites provide satellite services and are considered an integral part of the Statewide Renal Dialysis Program:

- Joondalup Health Campus (under contract to Sir Charles Gairdner Hospital)
- Peel Health Campus – Health Solutions
- South West Health Campus (Bunbury) – St John of God Health Care System
- Melville Satellite Dialysis Unit – Fresenius
- Midland Dialysis Centre – Baxter Health Care

An additional satellite service is planned to commence in Broome in late 2002 with the Broome Regional Aboriginal Medical Service (BRAMS).

Activity according to renal dialysis modality for each of these services will be specified within the SFPs.

The 2002/03 renal dialysis price schedule will be set according to the modality and paid on an episode basis.

**Figure 1 Price schedule for renal dialysis modalities (2002/03)**

<b>MODALITY</b>	<b>Unit of Measurement</b>	<b>Average Annual Episodes per Patient</b>	<b>Price per Episode (\$)</b>	<b>Average Annual Price per Patient (\$)</b>
In-Centre HD	Episodes	156	378	58,970
Home HD Training	Episodes		378	
Metro Satellite HD	Episodes	156	216	33,700
Rural Satellite HD	Episodes	156	379	59,125
Metropolitan Home HD	Episodes	156	126	19,660
Rural Home HD	Episodes	156	210	32,760
Metropolitan Home CAPD	Episodes	365	75	27,375
Rural Home CAPD	Episodes	365	77	28,105

## **4. Program Management**

### **4.1 Renal Dialysis Reference Group**

The Western Australian Renal Dialysis Reference Group (RDRG) will continue to provide expert input and advice related to the Statewide Renal Dialysis Program specifically in relation to policy and funding directions, the impact of allocation arrangements on service delivery and priority areas for investment.

The General Manager of PD chairs the RDRG. Membership includes key clinicians, teaching, non-teaching and rural providers. Executive support for the group is the responsibility of PD. In 2002/03, the RDRG will concentrate on the implementation of the recommendations of the renal review.

## 4.2 Funding Arrangements

As a general rule, the Corporate & Finance Division will arrange with the metropolitan and rural health services specifically negotiating individual provider activity levels on an episode basis. The Department of Health will hold separate purchasing arrangements with private satellite providers. Both public and private providers are considered part of the program network.

All satellite providers will be encouraged to establish sub-contractual arrangements with teaching hospitals for medical and technical support and supply of services. Satellite services will, therefore, become the contractor and teaching hospitals the contractee. Refer to Technical Bulletin 18/4 – Reporting Contracted Patients.

The Renal Dialysis Activity Pool will not exist in 2002/03. Instead individual providers will be allocated 100% of their program funds. Providers will be responsible for managing activity and costs within these allocations.

## 5. Reporting Requirements

The provision of services to patients receiving home HD or CAPD must be recorded as non-admitted patient activity. Clinical advice, technical support and supplies for patients caring for themselves at home are included in the allocation.

Technical Bulletin 18/4 (Reporting Contracted Patients) must be adhered to where sub-contractual arrangements exist for the provision of satellite HD.

All providers are responsible for collating and forwarding timely quarterly activity reports on actual activity by modality in the following format:

**Figure 2 Quarterly Activity Report Format (2001/02)**

MODALITY	Unit of Measurement	Average Annual Episodes per Patient	Quarterly Episodes	COMMENTS
In-Centre HD	Episodes	156		
Metro Satellite HD*	Episodes	156		
Rural Satellite HD	Episodes	156		
Metropolitan Home HD	Episodes	156		
Rural Home HD	Episodes	156		
Training – Home HD	Episodes			
Metropolitan Home CAPD	Episodes	365		
Rural Home CAPD	Episodes	365		
Training – Home CAPD	Episodes			

## 6. Business Rules

**6.1** The overall allocation for the Statewide Renal Dialysis Program will not include investment initiatives. Where identified as a priority, investment will be funded separately and under specific arrangement/contract with relevant providers.

**6.2 Activity**

- a) Admitted patient activity will be reported on an episode basis on the special services - renal dialysis SFP line (2.3.1.1).
- b) Non-admitted patient activity will be recorded under the allied health and other SFP line (2.4.3.9).
- c) **In-centre and satellite HD activity must be recorded under DRG L61Z.** Technical Bulletin 18/4 must be adhered to where sub-contractual arrangements exist for the provision of satellite HD.
- d) **Home HD training must be recorded as DRG L61Z, principal diagnosis Z49.1 and procedure 90352-00.**
- e) **Home CAPD training is accounted for under non-program episodes and must be recorded as DRG L67C, principal diagnosis Z49.2 and procedure 90352-00.**
- f) **The provision of services to patients receiving home HD or CAPD must not be recorded as admitted patient activity.** However, this activity will be collated by the provider and included in quarterly activity reports to the Corporate & Finance Division.
- g) The development of new satellite services is dependent upon the successful reconfiguration of activity and the associated funding allocation within existing in-centre or satellite services.
- h) **Providers will be responsible for collating and forwarding quarterly activity reports to the Purchasing Division within thirty (30) working days of the end of the quarter.**
- i) Regular audits of actual activity at the Renal Dialysis Unit level will be undertaken by the Corporate & Finance Division and reviewed by the RDRG.