

~U.S. Senate Committee on Finance~

For Immediate Release
Thursday, August 23, 2007
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Contact: Erin Shields (Baucus)
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Grassley, Baucus ask specialty hospitals about patient safety after 911 calls for 150 patients

WASHINGTON — Sens. Chuck Grassley and Max Baucus are asking specialty hospitals in Arizona about patient safety following an investigative report this summer by Phoenix-based KPHO-TV that revealed 911 was called to transfer 150 specialty hospital patients to community hospitals for emergency care.

“A hospital ought to be able to treat complications quickly and on-site, or it shouldn’t be called a hospital and allowed to perform serious surgery,” Grassley said. “The more I hear about surgery at specialty hospitals, the more concerned I am. Patients admitted to specialty often have no clue that they’re not in a traditional hospital until there’s a complication and then it can be too late.”

“I remain very concerned about specialty hospitals’ ability to provide emergency care,” Baucus said. “When hospital patients need emergency care, they absolutely should not have to be transported across town to receive it. I will continue to monitor physician-owned specialty hospitals to ensure that Medicare patients – and all hospital patients – receive only the highest quality care.”

Baucus is Chairman and Grassley is Ranking Member of the U.S. Senate Committee on Finance.

In 2005, they introduced the Hospital Fair Competition Act, which would have prohibited physicians from referring Medicare and Medicaid patients to new specialty hospitals in which they have an ownership interest.

In addition, the Finance Committee has conducted hearings on specialty hospitals and highlighted a report of the Medicare Payment Advisory Commission about problems caused by specialty hospitals. Grassley and Baucus have worked together to slow the growth in specialty hospitals with a 18-month moratorium that began in December 2003 and a subsequent suspension of Medicare enrollment for new facilities. The Finance Committee is responsible Medicare and Medicaid policy and oversight.

The text of the senators’ letter and a list of addresses follows here, along with the investigative report of KPHO-TV in Phoenix, Arizona.

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August 23, 2007

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Dear _____:

The United States Senate Committee on Finance (Committee) has jurisdiction over, among other things, the Medicare and Medicaid programs. The Medicare program alone spends in excess of \$120 billion for inpatient healthcare services at thousands of American hospitals annually—including physician-owned specialty hospitals. Therefore, as Chairman and Ranking Member of the Committee, we have a responsibility to protect the more than 80 million beneficiaries who receive health care from these programs.

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It is with this responsibility in mind that we write to you regarding our ongoing interest in specialty hospitals and the numerous problems related to them. Recently, we were disturbed by a report on specialty hospitals by KPHO-TV in Phoenix, Arizona. KPHO's investigative team discovered that in 10 Phoenix-area specialty hospitals, over 150 patients have been transported to full-service community hospitals for emergency care. In these cases, the specialty hospitals resorted to dialing 911 because they were unable to handle their patients' medical emergencies.

We are deeply disturbed by these events and want to find out more about what transpired. Accordingly, we request detailed written responses to the following:

- (1) Please provide detailed information regarding each of the patient transfers from your facility to full-service community hospitals during the past five years. Please be sure that your response includes the following information:
 - a. Was Medicare/Medicaid paying for any portion of the patient care?
 - b. What was the status of the patient when the 911 call was made?
 - c. Was a medical history of the transferred patient sent along with them?
 - d. Did the responsible specialty hospital physician accompany the patient to the full-service community hospital?
 - e. Please identify for each instance whether the patient suffered any permanent damage or other harm.
 - f. Was there a physician on duty at the time of the 911 call?

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- I. For each incident identified, did any investigation take place? If so, who conducted it, what were the findings and please provide a copy of the relevant report?

- II. Does your hospital have defined procedures and protocols for the treatment of patients in emergency situations? In your response, please be sure to include the following information:
 - A. Does your facility have an emergency room?
 - b. Does your facility have a doctor on site 24 hours a day?
 - c. Is there a plan for transferring patients to another hospital in an emergency situation?
 - d. Does your facility have arrangements with other hospitals for transfer? If so, please provide documents specifying the terms of each arrangement. .
 - e. Has your hospital ever transferred a patient outside the terms of such a transfer arrangement?
 - f. How is your staff trained to handle medical emergencies?
 - g. Is your staff competent in ACLS (Advanced Cardiac Life Support), and if so, what are their credentials?
 - h. If anesthesia is administered, during what hours are anesthesiologists staff present?

- III. Is your facility accredited by the Joint Commission? If so, when is the last time your facility underwent a Joint Commission survey and what was the result? Please provide all documents related to this survey.

- IV. How many physicians have an ownership interest in your facility?

- V. Have any physicians interest in acquiring an ownership interest in your hospital been offered more favorable financing options than were available to non-physicians?

We thank you in advance for your cooperation and request that your staff provide a point of contact for this matter no later than August 31, 2007. In complying with this request for information, please respond to each enumerated question by repeating the questions.

Sincerely,
Max Baucus
Chairman
Senate Committee on Finance

Charles E. Grassley
Ranking Member
Committee on Finance

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5 Investigates Hospitals Calling 911

<http://www.kpho.com/iteam/13770265/detail.html>

POSTED: 11:59 am PDT July 27, 2007

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PHOENIX -- Specialty hospitals promise top-notch care, private rooms and gourmet food. But there may be a problem: they don't always have the people or equipment needed to deal with complications.

CBS 5 investigated concerns about the number of 911 calls made by Valley specialty hospitals unable to handle their patients' medical emergencies.

DuWayne Nevius had back surgery to repair a degenerative disc at a specialty hospital in 2004.

By all accounts, the surgery went without a hitch. The problems started when the hospital staff couldn't wake Nevius afterward.

"They thought maybe I had a stroke or a heart attack," Nevius said.

After two hours of unsuccessful attempts to wake him, a nurse called 911.

"The firemen showed up and they didn't want to transport me because I had just had back surgery -- major surgery," Nevius said.

They did transport him, though, taking him by ambulance to the emergency room at Banner Desert Samaritan Hospital.

"Oh, was that a rough ride. With no pain medicine or anything, it was a very rough ride," Nevius said.

5 Investigates obtained the 911 records for 10 of the Valley's largest specialty hospitals and surgical centers. The records show more than 150 patients transported to Valley emergency rooms after undergoing procedures at those facilities.

"I think the problem is calling these places hospitals," said Dr. Jacob Amrani, a Valley spine surgeon. "There is a place for the surgery centers, but people need to understand that this is not a full-service hospital."

Amrani said specialty hospitals and surgical centers can be a good choice for relatively young and healthy patients, but older patients with multiple health issues may be at an increased risk of having trouble and ending up in an ambulance headed for an emergency room.

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The Arizona Board of Medical Examiners is rewriting its rules for surgeries that take place inside a doctor's office, following a string of deaths and complications involving office-based surgeries.

"Everybody just has to recognize that an office isn't going to be equipped in the same way a hospital is equipped," said Timothy Miller of the Board.

But the new rules will only apply to office-based procedures, not to operations that take place at specialty hospitals.

Doctors say the responsibility rests with the surgeon.

"The real issue here has to do with patient selection," Amrani said. "If you pick the right patients, I think that the procedures can be done safely at a specialty hospital."

In Nevius' case, despite his age and a heart condition, his doctor went ahead with the specialty hospital option.

The result is that, three years later, Nevius says he can't sleep, can't work and suffers from depression.

Nevius said his doctor never told him that if something went wrong at the specialty hospital, staff members would have to call 911.

One of the biggest points of contention with specialty hospitals is that the doctors who operate there are usually part owners. Critics say that gives them incentive to perform more surgeries in their hospitals because they'll make more money.

Those physicians counter by saying that a small doctor-owned hospital that concentrates on one specialty offers patients the type of care they won't find anywhere else.

[Click here](#) for the information on 911 calls from some of the Valley's specialty hospitals and surgery centers. Copyright 2007 by KPHO.com. All rights reserved. This material may not be published, broadcast, rewritten.

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