



Dialysis & Nephrology DIGEST

A biweekly report by Benesch on the
Dialysis & Nephrology Industry

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January 29, 2021

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Calendar of Events

FEBRUARY 17–21, 2021

ASDIN Goes Virtual!

Interesting cases—ASDIN Unmet/High Priority Needs in Vascular Access Research. For information, please click [here](#).

Registration now open. Click [here](#) to register.

FEBRUARY 17–21, 2021

Virtual ASDIN 17th Annual Scientific Meeting (Schedule Release)

For information, please click [here](#).

FEBRUARY 19–21, 2021

ASDIN 17th Annual Scientific Meeting

For information, please click [here](#).

ASDIN Announces Micro Research Grants

For information, please click [here](#).

MARCH 18-20

Renal Physicians Association Annual Meeting

For information, please click [here](#).

APRIL 6–9, 2021

12th Congress of the Vascular Access Society

For information, please click [here](#).



Please contact us if you would like to post information regarding your upcoming events or if you'd like to guest author an article for this newsletter.

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Nephrology Practice and Dialysis

JANUARY 15, 2021

[CMS to reprocess excepted off-campus provider-based outpatient claims following court ruling](#)

CMS [says](#) it'll begin reprocessing claims for outpatient clinic visit services provided at excepted off-campus provider-based departments (PBDs) during the 2019 calendar year. It's in response to a U.S. Court of Appeals [decision](#) which overturned a lower court's [decision](#) that a [rule](#) adopted by the CMS in 2018 which cut payments for some services performed at outpatients clinics was invalid. The reversal confirmed the site-neutral payment reduction, in which hospitals will be paid the same rate as non-excepted off-campus provider-based departments for clinic visits. CMS says it'll begin reprocessing claims beginning July 1.

SOURCE: Revcycle Intelligence

Nephrology Practice and Dialysis (cont'd)

JANUARY 20, 2021

Analysis finds markup on Epogen at some hospitals tops 500%

A senior researcher at Bernstein looked at prices hospitals charged for drugs as of Jan. 1 of this year and concluded healthcare facilities markup drugs on average two-and-a-half times over their normal sales price. However, his [analysis](#) also revealed that Epogen, used to treat anemia in patients with chronic kidney disease, is marked up by 533%. He added that these markups incentivize hospitals to use branded products instead of less-expensive biosimilars.

SOURCE: Becker Hospital Review

JANUARY 11, 2021

PCM to open free-standing dialysis clinic in central Okla.

Physicians Choice Management of Pottstown, Pa., states the addition of an outpatient dialysis clinic in Del City will improve services for patients in communities east of Oklahoma City. Besides dialysis stations and peritoneal dialysis suites, the facility will operate home hemodialysis and acute services.

SOURCE: Physicians Choice Management

JANUARY 14, 2021

CDC Acute Services to provide care at two Ohio health facilities

The Centers for Dialysis Care, based in Cleveland, will set up dialysis operations at the St. Vincent Charity Medical Center in the city, as well as at Concord Acute Rehabilitation in Concord. It expects volume at the latter location to be low but notes that many of its nephrology partners are served at the former. Both units should be online by the end of Jan.

SOURCE: Centers for Dialysis Care

JANUARY 8, 2021

U.K. company gets okay from FDA for portable dialysis machine

Quanta Dialysis Technologies piloted its technology in the U.K. and with FDA approval, will begin marketing its portable hemodialysis machine in the U.S. The unit is small enough to fit on a cart or desk and can be moved around healthcare facilities to wherever it's needed. The company plans a water purification upgrade to the machine that would eliminate the need to tap into a centralized water system. Quanta anticipates rolling out a cloud-based program to access medical data from its hemodialysis system and upload it to patients' digital health records.

SOURCE: Fierce Biotech

Nephrology Practice and Dialysis (cont'd)

2021 Medicare Fee Schedule Changes and the impact on Nephrology

Welcome to 2021! I know that many of us feel like 2020 was a blur and have never worked harder than we did last year. Well, we have made it to 2021, and now what?

There was a lot of movement this year with new kidney care programs being launched, ESCO is winding down, and you cannot go a week without hearing the term value-based care.

When the Medicare final rule was published we were disappointed at the large reduction of the conversion factor from \$36.09 to \$32.41, a 10.2% reduction.

Fortunately, the RVUs were adjusted for a number of E&M codes which helped to mitigate this reduction and still gave a decent increase (10-15%) in fees for nephrology office follow up visits and dialysis rounding codes-but offset by cuts to hospital visits and dialysis codes of about 10%.

Well, let's get to the end of the year when Congress seems to always have to pass something at the last minute. Fortunately, they reversed a good part of the cuts to the conversion factor by giving a one-year across the board increase of 3.75%. This moved the conversion factor from \$32.41 to \$34.89.

This has moved the codes that received a negative 10% adjustment to a downward adjustment of 2-4%. However, it moved the 99211-99215 and the dialysis rounding codes to a positive adjustment of 20-24%.

What action should you take?

Make sure that you review your charge master to ensure you adjust your charges up if needed to capture the increased fee. For example, the 4-visit rounding code goes up by approximately \$70, and a level 4 office visit increases by approximately \$20.

Finally, be sure to contact your commercial and Medicare Advantage payers to see if they are adopting the 2021 RVU and conversion factors. Many are stating they are staying with the 2020 fees, so you may need to open negotiations with them to update your fee schedule.

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VAC, ASC and Office-Based Labs

JANUARY 13, 2021

DOJ investigation leads to indictments against SCA for no-poach agreements with competitors

In an [indictment](#) filed in the U.S. District Court for the Northern District of Texas, the Department of Justice [alleges](#) that Surgical Care Affiliates an outpatient surgery provider based in Ill., and its CEO, engaged in conspiracies involving restraint of trade regarding the movement of senior employees with two competing healthcare companies. Under the so-called “no poach” agreements, it’s alleged that all parties agreed not to solicit each others’ employees below Director-level. SCA [replies](#) that it disagrees with the government’s position, saying it “represents a novel application of the antitrust laws as they relate to employee recruitment.” It’s the second such collusion case brought forward by the DOJ in recent weeks, with an [indictment](#) against a healthcare staffing company filed in the U.S. District Court for the Eastern District of Texas, perhaps signaling the federal government’s intention to focus on these types of antitrust investigations.

Related: [Surgical Care Affiliates indicted on charges of labor market collusion](#)
—Healthcare Finance

[UnitedHealth’s Surgical Care Affiliates indicted on allegations of collusion](#)
—Becker’s Payers Issues

SOURCE: The National Law Review

JANUARY 4, 2021

Flagship acquires SCA-affiliated ASC in Fla.

Panama City Surgery Center in western Fla. is affiliated with Surgical Care Affiliates of Ill. It has four operating rooms and two gastroenterology/pain management rooms and offers robotic and laser-assisted surgeries. For Flagship Healthcare Trust of Charlotte, N.C., it’s their second recent acquisition in Fla., as an ASC in Maitland was part of a [deal](#) in late Dec. that also netted the company surgical practices in Ala. and Va. in late Dec. Terms of the latest transaction weren’t announced.

SOURCE: Flagship Healthcare Trust

January 29, 2021

VAC, ASC and Office-Based Labs (cont'd)

JANUARY 18, 2021

NANI adopting Ellipsys VAS system for ESRD patients at all VACs

NANI, one of the largest nephrology groups in the U.S., began piloting the vascular access system known as endovascular fistula at its facility in Justice, Ill., in May and will now roll out the Ellipsys-developed technology at its five other outpatient VACs. The system uses a small needle puncture and catheter under ultrasound to create a fistula to connect the patient's bloodstream to the dialysis machine, eliminating the need for an incision or sutures. The entire procedure takes 30 minutes and NANI estimates 60% of patients who need a fistula will be able to use the Ellipsys procedure.

SOURCE: NANI

Other Interesting Industry News

JANUARY 6, 2021

UHC's Optum to acquire Change Healthcare for \$12.8B

Under the deal, Optum, part of UnitedHealth Group (UHG), will pay Change Healthcare \$7.8 billion and assume \$5 billion of the latter's debts. The move strengthens the health insurer's position in the medical data and analytics space. At acquisition, Change Healthcare had 30,000 customers and processed \$2 trillion worth of healthcare claims annually. It's the latest large acquisition for UHG, which is continuing its vertical integration push, having purchased Davita Medical Group and Surgical Care Affiliates in 2017.

SOURCE: Healthcare Dive

JANUARY 21, 2021

Haemonetics to acquire Cardiva Medical; deal could be worth \$510M

In a deal involving two medical technology companies, Haemonetics will acquire vascular closure systems maker Cardiva Medical. Cardiva will receive \$475 million upfront, with the possibility of receiving up to \$35 million more from Haemonetics should certain sales target be reached. Cardiva's Vascade system is used in small-bore femoral arterial and venous closure applications related to interventional cardiology and peripheral vascular procedures. Its Vascade MVP product is a mid-bore femoral venous closure used in electrophysiology procedures.

SOURCE: Medical Device Network

January 29, 2021

Other Interesting Industry News (cont'd)

JANUARY 13, 2021

Fresenius subsidiary initiates global project to gather genomic data from CKD patients

Through its research arm Frenova, Fresenius Medical Care is compiling a registry of the genetic sequences of chronic kidney disease patients around the globe. The goal of the effort is to provide researchers greater insights into the possible genetic underpinnings of certain kidney diseases with coding information from ethnically and pathologically diverse patients. Fresenius noted that similar data sets exist for other medical conditions such as oncology and cardiology but this is the first time it's been attempted at this scale in nephrology.

SOURCE: Fresenius Medical Care

Dialysis & Nephrology DIGEST

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