



Dialysis & Nephrology

A biweekly report by Benesch on the
Dialysis & Nephrology Industry

DIGEST

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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 17–21, 2021

Special Fellows Mentoring Session part of ASDIN 17th Annual Scientific Meeting

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](#).

FEBRUARY 24, 2021

Baxter to Present at SVB Leerink 10th Annual Global Healthcare Conference

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

MARCH 18-20

Virtual Renal Physicians Association Annual Meeting

JASON GREIS and SCOTT DOWNING are speaking at the virtual annual meeting on March 20 at 10:45am EST. Their talk is on practice governance and key document issues, including private equity investment in practices

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

APRIL 6–9, 2021

12th Congress of the Vascular Access Society

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

APRIL–MAY, 2021

Future Dates NKF Spring Clinical Meetings

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

MAY 2-5, 2021

Voices by Renal Healthcare Association 2021 National Symposium

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 26, 2021

IRC completes acquisition of kidney care provider ARA

In Oct., it was revealed that Franklin, Tenn.-based Innovative Renal Care (IRC), an affiliate of equity firm Nautic Partners, would purchase American Renal Associates (ARA) of Beverly, Mass., in a deal worth \$853 million. That transaction closed on Jan. 25, with ARA becoming a wholly-owned subsidiary of IRC but still operating clinics under its old banner. Nick Mendez, president and CEO of IRC, says the acquisition represents an “opportunity to advance the development of a comprehensive renal care model,” citing ARA’s infrastructure and geographic footprint. At closing, ARA operated 240 dialysis clinics in 27 states and D.C., serving more than 17,300 patients with ESRD.

SOURCE: Innovative Renal Care

FEBRUARY 9, 2021

Industry group NRAA rebrands as Renal Healthcare Association

The newly-minted [Renal Healthcare Association](#) says the rebrand from the National Renal Administrators Association (NRAA) reflects its more diverse membership and promotes greater inclusivity. Along with the new name, the association adopted a slogan, “Supporting Dialysis Facilities and Professionals.” The association’s president, Maria Regnier, notes the change comes as the industry faces challenges relating to regulations, care coordination and community evolution. She adds the group’s primary focus to provide advocacy, education and community building to industry players will remain under the new moniker.

SOURCE: Renal Healthcare Association

FEBRUARY 1, 2021

Judge signs off on \$50M settlement in private insurance push suit involving DaVita

In a [decision](#) filed in the U.S. District Court for the District of Delaware, final approval was granted for a \$50-million settlement in a derivative action that accused DaVita of facilitating an illicit scheme to push dialysis patients out of government-backed health insurance. As part of the deal, the company must adopt governance measures over the next five years to increase independence of board members and to foster accountability, which the judge claims will confer benefits to DaVita and its shareholders.

SOURCE: Bloomberg Law (sub. req.)

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Nephrology Practice and Dialysis (cont'd)

JANUARY 26, 2021

CMS withdraws rule concerning in-center dialysis coverage requirements for third-party payment programs

The Biden Administration **halted** all new or pending rules that were proposed under the former president so that the rules can be reviewed by the White House's Office of Management and Budget. As a result of the freeze, CMS decided to withdraw some Trump-era rules that hadn't been implemented, **including** one affecting in-center dialysis coverage requirements for third-party payment programs. It would have established requirements for third parties that provide patients with financial assistance for premiums so they can apply for coverage provided by an individual market health plan.

SOURCE: Becker's Hospital Review

JANUARY 25, 2021

ATA applauds reintroduction of bipartisan House legislation to eliminate telehealth restrictions for Medicare beneficiaries

The bipartisan Congressional Telehealth Caucus **reintroduced** a bill in the House that was first **proposed** last July that would authorize the HHS Secretary to "waive or modify application of Medicare requirements with respect to telehealth services during any emergency period, and for other purposes." The legislation would remove restrictions on telehealth in Medicare beneficiaries during the pandemic, including:

- Eliminating most geographic and originating site restrictions on the use of telehealth in Medicare and establishing the patient's home as an eligible distant site so patients can receive telehealth care at home and doctors can still be reimbursed;
- Preventing a sudden loss of telehealth services for Medicare beneficiaries by authorizing the CMS to continue reimbursement for telehealth for 90 days beyond the end of the public health emergency;
- Making permanent the disaster waiver authority, enabling HHS to expand telehealth in Medicare during all future emergencies and disasters; and
- Requiring a study on the use of telehealth during COVID, including its costs, uptake rates, measurable health outcomes and racial and geographic disparities.

The American Telemedicine Association (ATA), an industry group which also supported the measure when it was introduced in 2020, says the new bill addresses health delivery disparities faced by rural and underserved patients by permitting additional originating sites.

SOURCE: American Telemedicine Association

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Nephrology Practice and Dialysis (cont'd)

FEBRUARY 1, 2021

Fresenius predicts fallout from COVID-19 will negatively impact net income in 2021 by up to 25%

Fresenius Medical Care warns its adjusted net income is likely to drop significantly this year as the coronavirus pandemic takes a heavy death toll among its patients. The company noted a significant acceleration of excess mortality among dialysis patients in the last two months of 2020 that was attributed to COVID-19 and it anticipates that this trend will continue through this year. As a result, Fresenius expects revenue growth of up to mid-single percentage digits in 2021 with net income before restructuring measures seen falling by up to 25%.

SOURCE: Fresenius Medical Care

FEBRUARY 1, 2021

Fresenius to employ Descartes' software to ease logistics of home dialysis equipment deliveries

Fresenius Medical Care (FMCNA) states Descartes Systems Group's last-mile delivery solution will improve the logistics of delivering dialysis equipment and supplies nationwide. FMCNA's director of transportation says Descartes' software includes delivery appointment booking, route planning and execution, mobile proof-of-delivery (POD) and notifications processes and will bring efficiencies to the company's delivery network and support its strategy of increasing the adoption of home dialysis by patients with kidney failure. The program will be rolled out in select U.S. markets this month and expanded nationally by the end of the year.

SOURCE: Fresenius Medical Care

FEBRUARY 3, 2021

Northwest Kidney Centers appoints foundation board chair to board of trustees

The Seattle-based not-for-profit kidney dialysis provider named Russ Stepp to its board of trustees. Stepp was elected to the board of the Northwest Kidney Centers Foundation Board in 2015 and began a two-year term as that board's chair last year. Northwest says he'll continue to sit on both boards.

SOURCE: Sequim Gazette

Nephrology Practice and Dialysis (cont'd)

JANUARY 11, 2021

Satellite Healthcare COO to add role as president

Chief Operating Officer Bernadette Vincent added the title of president to her list of titles at San Jose's Satellite Healthcare. She'll assist recently-named CEO Jeffrey Goffman in promoting the company's goals of improving the quality and access to home dialysis care, reducing costs and introducing value-based care models. Vincent, a long-term healthcare administrator, was hired by Satellite Healthcare in 2018. Her previous experience includes nearly seven years in management roles at Fresenius Medical Care.

SOURCE: Satellite Healthcare

JANUARY 13, 2021

Global Nephrology Solutions accepts investment from PE company to further growth strategy

Tempe, Ariz.-based [Global Nephrology Solutions](#) (GNS) says the undisclosed infusion of capital from [Audax Private Equity](#) of Boston will enable it to unlock growth opportunities in the renal healthcare management space at what it terms a transformative time in the industry. It points to evolving models of care and advancements in medicine and technology in nephrology that will require practices to become more agile and adaptable. Claiming to have a growing national footprint, GNS offers AI-enabled practice management to over 300 providers, supporting practices in 10 states.

SOURCE: Global Nephrology Solutions

Whistleblower Lawsuit Against Fresenius Alleges Unlawful Arrangements with Hospitals and Nephrologists Intended to Induce Dialysis Referrals

On February 5, 2021 a long-time former Fresenius Medical Care North America ("Fresenius") employee, Martin Flanagan, filed a qui tam relator amended complaint ("Complaint") against Fresenius alleging that the company had entered into arrangements with hospitals and physicians in order to secure dialysis patient referrals for Fresenius outpatient dialysis clinics, and that such arrangements violated the Federal False Claims Act ("FCA") and the Federal Anti-Kickback Statute ("AKS").

The complaint provides a detailed account of Fresenius' acute care dialysis management business and alleges that it systematically used acute care dialysis management contracts with hospitals as loss leaders to secure patient referrals for Fresenius outpatient dialysis centers in violation of the FCA and AKS. Fresenius also allegedly provided free discharge planning services and in-service training to hospitals. The plaintiff further recounts various instances where Fresenius leadership was questioned about the fair market value of such relationships and the company's alleged failure to enforce annual contractual rate increases. The complaint describes a culture of doing whatever it takes to enter into hospital contracts to secure patient referrals for Fresenius' outpatient dialysis centers.

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FEBRUARY 3, 2021

[Report: SCA hit with class-action lawsuits relating to no-poach agreements with competitors](#)

The action from an anonymous former employee of Surgical Care Affiliates (SCA) is reportedly the second-such case to follow an indictment of the UnitedHealth subsidiary by the Department of Justice. Federal authorities allege the company had agreements with two of its competitors not to hire each others' upper-level managers. The latest suit was filed Feb. 3 in federal court in Chicago. The DOJ indictment accuses SCA of engaging in conspiracies involving restraint of trade.

Related: [Surgical Care Affiliates faces mounting civil claims over no-poaching allegations](#)
—Westlaw Today (sub. req.)

SOURCE: Reuters

Other Interesting Industry News

JANUARY 28, 2021

[BCBSNC introduces value-based kidney care program in partnership with Fresenius, Strive Health](#)

Blue Cross NC says the Blue Premier Advanced Kidney Care program is focused on commercial and Medicare Advantage members who have Stage 4-5 ESRD. Fresenius and Strive will work with primary care physicians and nephrologists in BCBS of North Carolina's network to avoid care gaps in care such as missed preventative appointments. It comes at no additional cost to members, with providers in the program reimbursed based on the total cost of care and quality performance measures.

SOURCE: Blue Cross Blue Shield North Carolina

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JANUARY 26, 2021

Monogram Health expands CKD/ESRD program delivery for Humana members to two more states

Nashville-based Monogram Health was already providing kidney care management services to CKD and ESRD patients who are Humana plan members in La. and Miss. The companies will expand their arrangement to cover Humana members in Ala. and Tenn. under Monogram's program, nurse case managers and social workers visit CKD and ESRD patients in their homes. Field staff coordinate with the patient's primary care physician and nephrologist to develop personalized care plans focused on medication and treatment compliance and the monitoring of comorbidities.

SOURCE: Monogram Health

JANUARY 26, 2021

VillageMD acquiring Primary Care Medical Associates; opening primary care practice in Chicago

Chicago's VillageMD says with the takeover of Primary Care Medical Associates, it'll open its 45th Village Medical primary care clinic, but the first in its home city. Terms weren't released. Village Medical offers primary care services including preventative care, treatment for illness and injury and management of chronic conditions such as kidney disease. VillageMD states it intends to continue its growth strategy in 2021 by opening more Village Medical clinics in several new markets. It currently operates in Atlanta, Austin, Houston, Phoenix and Murray, Ky.

Related: [VillageMD expands Houston footprint with more Village Medical practices](#)
— VillageMD

SOURCE: VillageMD

For more information regarding our nephrology and dialysis experience, or if you would like to contribute to the newsletter, please contact:

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