



Dialysis & Nephrology DIGEST

A biweekly report by Benesch on the
Dialysis & Nephrology Industry

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March 1, 2021

Calendar of Events

Dialysis & Nephrology DIGEST

MARCH 1, 2021

Webinar: Impact of the ETC Model on Participating Dialysis Facilities

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

MARCH 5–7, 2021

Annual Dialysis Conference

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

MARCH 15–18, 2021

Dialysis Tech ConneXion (DTX21)

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

MARCH 18-20, 2021

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](#).

MARCH 18–20, 2021

RPA: 2021 Annual Meeting Exhibit and Sponsor Application

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](#).

SEPTEMBER 29, 2021

National Kidney Foundation of Illinois (NKFI) Golf Classic

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

FEBRUARY 17, 2021

Fresenius to defend itself from FCA suit following whistleblower allegations

A former employee alleges Fresenius engaged in arrangements with hospitals and nephrologists to ensure patient referrals to its dialysis facilities. The suit contends the company violated the False Claims Act (FCA) and Anti-Kickback Statute (AKS) in its dealings. Specifically, Fresenius is said to have used loss-leaders—underpricing certain goods or services—to induce hospitals to refer patients to its facilities. It would then recoup that money by inflating the costs of other goods or services. With nephrologists, the suit claims the company had MDAs with specialists that provided compensation at higher-than-market rates and included language prohibiting doctors from using dialysis centers other than those affiliated with Fresenius as first providers.

SOURCE: Becker's Hospital Review

FEBRUARY 11, 2021

SCOTUS asked to overturn rulings cutting payments for outpatient services at hospitals

The U.S. Supreme Court is being asked to consider two separate lawsuits relating to outpatient payment cuts at hospitals. In the [first](#), the American Hospital Association, the Association of American Medical Colleges and several hospitals sued HHS over a final rule implemented in 2019 that reduced payments for some outpatient off-campus provider-based departments. They claim the rule violates Medicare's budget neutrality provisions. However, HHS says it has the power to control outpatient services costs but whatever method it deems appropriate. A District Court judge ruled against the government but that was overturned on appeal. In the second [petition](#), hospitals are asking the Supreme Court to consider the HHS' cuts to outpatient drug payments in 2018 and 2019 at hospitals participating in the 340B drug pricing program. A district court upheld the hospitals' arguments but in a split decision, the U.S. Court of Appeals ruled in favor of the government.

SOURCE: Becker's Hospital Review

March 1, 2021

Nephrology Practice and Dialysis (cont'd)

FEBRUARY 9, 2021

Federal judge denies hospitals' petition for interest regarding payment cuts relating to Medicare's inpatient admission rule

In dismissing litigation brought by a number of hospitals, a U.S. District judge said they were not entitled to any interest payments relating to inpatient payment cuts under Medicare because they filed suit rather than going through official channels. He noted the plaintiffs did not ask the CMS or its review board for a remedy before filing. At issue is a reduction to inpatient payment rates by 0.2% annually between 2014 and 2018. HHS later reversed course, and in 2017, it increased inpatient rates by 0.6% to compensate for the earlier cuts. Some hospitals contended the increase in 2017 would not recoup losses from the previous three years dollar-for-dollar and asked for interest. Hospitals that asked for relief from CMS initially or filed lawsuits prior to April 2016 were granted the payments by an earlier court ruling but the rest, including those involved in this latest decision, were denied compensation. The U.S. District judge declined to remand the case.

SOURCE: Becker's Hospital Review

FEBRUARY 8, 2021

Dialysis providers look to CDC to implement direct allocation to mitigate problems with COVID-19 vaccine rollout

The chief medical officer for DaVita Kidney Care, Dr. Jeff Giullian, says the distribution of COVID-19 vaccines in the jurisdictions it operates is a mish-mash as it negotiates with various state and local governments with differing agenda and protocols, all to ensure its dialysis patients are inoculated. To streamline the process, the company contacted the Centers for Disease Control and Prevention (CDC) about direct access: turning dialysis centers into distribution hubs for the vaccines. Giullian contends dialysis patients will be reluctant to get vaccinated if it's administered by a third party, even though data suggest individuals with kidney disease would be far more likely to require hospitalization if they become infected with coronavirus. Dr. Jeffrey Hymes, EVP and chief medical officer at Fresenius Kidney Care points out its facilities already administer other vaccines, so dialysis clinics should be well-equipped to provide shots against COVID-19. Direct allocation of the vaccine is allowed at Fresenius locations in four states but the CDC would need to sign off on any national venture.

SOURCE: Renal & Urology News

March 1, 2021

Nephrology Practice and Dialysis (cont'd)

FEBRUARY 5, 2021

[NKF initiates committee to address equity issues in nephrology care delivery](#)

The National Kidney Foundation's (NKF) says the newly-developed Health Equity Advisory Committee (HEAC) will meet over the next two years to advance health equity, community health and social justice efforts through research, education and key partnerships. The NKF acknowledges the disparity in chronic kidney disorder incidence among certain groups, noting Black or African American people represent 13% of the country's population but over one-third of patients with kidney failure or undergoing dialysis or transplantation.

Related: [American Diabetes Association and the Baxter International Foundation partner in health equity initiative to address barriers to diabetes management](#) — **Baxter**

SOURCE: National Kidney Foundation

FEBRUARY 16, 2021

[Calif. health plan invests in kidney care management company Monogram Health](#)

SCAN Group operates SCAN Health Plan, a not-for-profit Medicare Advantage plan focused on older Californians. SCAN says its investment into Nashville-based Monogram Health reflects the needs of its clientele for CKD and ESRD care and represents the first time it's partnering with an outside entity. Monogram's business model is to develop personalized care plans and at-home solutions. Ninety percent of Monogram's patients are Medicare Advantage clients, which aligns with SCAN Health Plan's traditional focus. The value of the investment by SCAN Group in Monogram Health was not disclosed.

SOURCE: Scan Health Plan

FEBRUARY 16, 2021

[Baxter appoints dean of UVA medical school to board of directors; names lead independent director](#)

Dr. David Wilkes was named dean of the University of Virginia's School of Medicine in 2015 and since led the institution's transformation by spearheading diversity programs and initiatives to improve funding and research. He'll serve on Baxter's Quality, Compliance and Technology Committee. Baxter also appointed Albert Stroucken as lead independent director. He was named to Baxter's board in 2004 and replaces Thomas Stallkamp, who will remain a director at the company.

SOURCE: Baxter

March 1, 2021

Nephrology Practice and Dialysis (cont'd)

FEBRUARY 9, 2021

Monogram Health initiates in-home, virtual care kidney clinic

The [Monogram Kidney Care Clinic](#) provides remote access to kidney specialists, nurse practitioners and registered nurses through in-home and virtual visits, creating personalized care plans for patients with CKD or ESRD. The clinic operates in 10 states for clients who are enrolled in Medicare Advantage and managed Medicaid plans. Monogram co-founder Chris Booker says the program provides upstream care to patients dealing with early onset of kidney disease and should enable better access to care for all patients, particularly those in remote or rural areas where nephrology specialists are in short supply.

SOURCE: Monogram Health

FEBRUARY 22, 2021

Carolina Kidney Partners and BlueCross Join in Innovative Value-Based Approach To Improve Outcomes for Patients with Chronic Kidney Disease

Hoping to achieve higher quality care at a lower cost by prevention rather than treatment, [Carolina Kidney Partners](#) (CKP), a five practice, physician-owned organization in South Carolina and BlueCross BlueShield of South Carolina announce an innovative partnership. Through a value-based arrangement, which is an approach that rewards agreed upon quality metrics rather than payment for individual tests and treatments, CKP's fully committed physicians' groups anticipate being able to provide an enhanced level of care and improved outcomes to commercial BlueCross members who have chronic kidney disease.

CKP will be responsible for care management of patients. That includes responsibility for best in class data analytics and care coordinators embedded in each practice location. Other material oversight of personalized patient care could include more intensive patient outreach, patient education and nutrition counseling. All of which supports a multi-faceted approach that focuses on delaying progression of kidney disease, improving the transition to dialysis, increasing the use of transplantation and increasing the number of patients with home dialysis.

Dr. Shawn Stinson, senior vice president of healthcare innovation and improvement at BlueCross, said, "We are fortunate in South Carolina to have physicians like those in Carolina Kidney Partners who are willing to think progressively about maximizing health for their patients and our members. We are pleased to be able to partner with them, and to invest in their efforts to halt or delay disease progression, thus helping people lead healthier lives."

Dr. David Mahvi, CEO of Carolina Kidney Partners, agreed. He said, "We are eager to get started. Our partnership with BlueCross will free CKP's physician partners to deliver more individualized patient care. Under this agreement, physicians can focus on delivering the best care to their patients. We hope to achieve higher quality care at a lower cost by prevention rather than treatment."

(Continued on page 7)

March 1, 2021

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Nephrology Practice and Dialysis (cont'd)

Dr. Joseph Brannigan, chief medical officer of Carolina Kidney Partners said, "The platform our physicians developed anticipates which patients are most at risk for disease progression allowing us to focus our attention on that subset of patients. I have been impressed that our mix of software, and care coordination results in more personalized treatment. We share the vision of BlueCross to prevent disease progression."

SOURCE: Carolina Kidney Partners

VAC, ASC and Office-Based Labs

FEBRUARY 9, 2021

SCA acquiring majority stakes in two Conn.-based ASCs

Deerfield, Ill.-based Surgical Care Affiliates (SCA) have controlling shares of Specialty Surgery Center of Connecticut, based in Stamford, and the Bloomfield Ambulatory Surgery Center located in that town. Terms of the transaction weren't released. The two SCAs perform procedures related to orthopedics, podiatry, ENT, gastroenterology, general surgery, pain management, plastic surgery and urology. SCA now operates over 230 surgical centers in at least 35 states.

SOURCE: Becker's ASC Review

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

FEBRUARY 17, 2021

Report: Payers like UnitedHealth, Humana expected to be big players in ASC consolidation trend

A principal at ECG Management Consultants, Naya Kehayes, suggests health insurance companies will be at the forefront of the ongoing ASC consolidation trend. She points out how UnitedHealth Group unit Optum owns Surgical Care Associates, which operates over 230 surgical clinics. By investing in ASCs, payers not only control patient data, they create a more integrated healthcare network and channel members to their own facilities. Kehayes adds that for some procedures, insurers are requiring preauthorization if performed in a hospital but not in their ASC, with the effect that more surgeries are migrating to ASCs. UnitedHealthcare is not alone in jumping on the ASC bandwagon, with Kaiser having ownership of several surgery centers and Humana expected to make a sizable investment in primary care centers for Medicare beneficiaries.

SOURCE: Becker's ASC Review

March 1, 2021

Other Interesting Industry News

FEBRUARY 9, 2021

[NKF unveils online tool to assess kidney disease risk in children](#)

The National Kidney Foundation claims the [Pediatric Risk Calculator](#), an online resource developed by an NKF board member and Chief of Nephrology at Children's Mercy Kansas City and the Chronic Kidney Disease in Children study. Although rare in children, the NKF states identifying and managing kidney disease early can postpone or prevent the progression to kidney failure. Using the tool, clinicians can assess children for kidney disease and make predictions about disease progression through a series of questions designed for pediatric patients.

SOURCE: National Kidney Foundation

Dialysis & Nephrology DIGEST

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