

Modern Healthcare

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Insurers are partnering to offload the costs of kidney failure patients

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Blue Cross Minnesota is the latest example of an insurer looking to unload—or at least, better manage—the risk of patients suffering from permanent kidney failure, who are now eligible to enroll in Advantage plans for the first time this year.

Blue Cross and Blue Shield of Minnesota inked a new value-based care plan with a DaVita Kidney Care affiliate on Monday, in a move to provide more cost-effective treatment to its new cohort of Medicare Advantage members.

The partnership represents the latest example of an insurer rushing to offload—or at least, better manage—the risk of patients suffering from permanent kidney failure, who are now [eligible to enroll in Advantage plans](#) for the first time this year.

In March, Cigna partnered with kidney care startup Monogram Health to help slow kidney disease progression to full-on failure. The same month, the Denver-based Strive Health announced it raised a Series B round, bringing total investment in the chronic kidney management platform to \$220 million, with backing by big names in the health tech space, including Ascension Health Ventures. Cricket Health also launched a platform explicitly devoted to helping Medicare Advantage plans care for end-stage kidney disease patients at the end of last month, announcing that it was now responsible for managing 10,000 lives.

"It's definitely a burgeoning market just because I don't think that the traditional insurance companies were prepared for the potential onslaught of new [end-stage renal disease] beneficiaries that they now have on their beneficiary roles," said Jason Greis, a partner at Benesch Law.

Individuals suffering from ESRD, including those under age 65, have long been eligible to enroll in the traditional Medicare program, which covers dialysis treatments, kidney transplants and other services. Dialysis removes waste and fluid from the blood when the kidneys are no longer working. But these patients were barred from enrolling in Medicare Advantage, except in limited circumstances, until 2016 when former President Barack Obama signed the 21st Century Cures Act into law. The mandate gave commercial insurers five years to figure out how to care—and control costs—for these patients at scale. Now, the deadline is up: 2021 represented the first year ESRD patients could enroll in private Medicare plans.

While no data yet exists on how many patients suffering from kidney failure enrolled in Advantage plans, the CMS expected 83,000 ESRD patients to switch to Advantage offerings, with half of those enrolling in 2021 alone. During Humana's most recent fourth-quarter earnings call in February, the insurer's chief financial officer Brian Kane said the company had approximately 30,000 patients suffering from ESRD on its rolls. He said these members are near the point of breaking even for the insurer.

"These are not profitable members," Kane said during the call. "Over time, as we continue to manage them and work with partners and really try to get them before they get to ESRD and slow their disease progression, we think they're real opportunities to drive profitability."

The Louisville, Ken.-based insurer has partnered with DaVita Kidney Care and Fresenius Medical Care—the nation's two largest dialysis providers, which make up about 80% of the market—in a value-based payment model. The company also continues to focus on coordination of care for these members and working to provide care for enrollees at home.

Its efforts mimic moves by the rest of the industry and have been accelerated by the COVID-19 pandemic.

DaVita recently announced it was expanding its use of home hemodialysis machines supplied by Fresenius, allowing patients to perform hemodialysis by themselves, in some instances while they're sleeping. HHS last week named Outset Medical the winner of an accelerator venture for providing innovative care during the pandemic—the company's Tablo Hemodialysis System uses sensors to track patient home dialysis. During its most recent fourth-quarter earnings call in February, Aetna CEO Karen Lynch said the insurer's home kidney program is now available to more than 7.5 million members.

"We are bringing dialysis services into the home to better manage chronic kidney disease," Lynch said during the call. "This program offers a simpler more patient-centered approach. It

delays the onset of end-stage renal disease, reduces hospital admissions and supports people with treatment options."

Inline Play

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