



# Dialysis & Nephrology DIGEST

A monthly report by Benesch on the Dialysis & Nephrology Industry

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July 10, 2023

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# Dialysis & Nephrology DIGEST

## Calendar of Events

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SEPTEMBER 10–16, 2023

### **ANNA: 2023 Nephrology Nurses Week**

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

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OCTOBER 4–6, 2023

### **2023 RHA Annual Conference**

Memphis, TN

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

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OCTOBER 14–16, 2023

### **ANNA: 2023 Nephrology Nursing Practice, Management, & Leadership Conference**

Chicago, IL

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

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SEPTEMBER 22–24, 2023

### **10th Asian Pacific Chapter Meeting of the International Society for Peritoneal Dialysis**

New Delhi, India

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

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APRIL 14–17, 2024

### **ANNA National Symposium**

Orlando, FL

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

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APRIL 25–27, 2024

### **OEIS 2024 Annual National Scientific Meeting**

Las Vegas, NV

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

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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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July 10, 2023

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## Nephrology and Dialysis

JUNE 14, 2023

### **[Benesch: NLRB decision overturns use of ‘entrepreneurial opportunity’ super factor for classifying employees](#)**

Benesch explains the labor board’s [decision](#) retains the 10-point test to determine who can be considered an employee and who’s an independent contractor. However, it overturns a Trump-era ruling which [required](#) the concept of “entrepreneurial opportunity,” rather than actual entrepreneurial activity, to take precedence. The Trump NLRB considered the original precedent to be too policy-driven and “diminished the significance of entrepreneurial opportunity.” The ruling of the Biden board turns that argument on its head, contending the Trump board’s reliance on “opportunity” supposed an economic reality “where workers are deemed ‘entrepreneurs.’”

**SOURCE: Benesch Law**

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JUNE 27, 2023

### **[CMS proposes 1.6% increase in dialysis services payments for 2024](#)**

CMS is [proposing](#) to increase the ESRD prospective payment base rate to \$269.99 for 2024, increasing total payments to free-standing facilities by \$4.42, or approximately 1.6% compared to this year. For hospital-based ESRD facilities, CMS projects an increase in total payments of 2.6%. In 2024, Medicare expects to pay \$6.4 billion to approximately 7,800 ESRD facilities for renal dialysis services.

**SOURCE: Healio (sub. rec.)**

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JUNE 27, 2023

### **[DaVita, Fresenius stock prices fall on lower-than-expected increase in Medicare rate](#)**

The dialysis industry was hoping Medicare payments for its services would increase by between 3% and 4% for 2024. With CMS proposing only a 1.6% increase for next year, share prices at the two largest dialysis providers fell by over 5%. Analysts note the actual payment adjustment tends to be slightly higher than what is initially proposed. The final rate decision is expected by fall.

Related: [Davita Inc \(DVA\) has fallen 5.18% Tuesday in premarket trading](#)—Investors Observer

**SOURCE: Reuters**

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## Nephrology and Dialysis (cont'd)

JUNE 27, 2023

### **[Court orders SCA to surrender documents to former workers pursuing no-poach class action against firm, DaVita](#)**

A U.S. District Court [ruled](#) UnitedHealth Group subsidiary Surgical Care Affiliates (SCA) must turn over 10.5 years of documents to plaintiffs in a proposed class action against SCA and DaVita. SCA will be compelled to share material on possible “wage-fixing between the defendants and documents discussing information-sharing between rival employers,” while the judge also refused to let the company limit discovery only to senior-level employees. Former senior workers at SCA allege the company agreed with DaVita to limit the hiring of each others’ workers in a scheme meant to limit wages.

Related: [Analysis: Acquittal of no-poach defendants aligns with antitrust principles](#) — Bloomberg Law (sub. rec.)

**SOURCE: Law360 (sub. rec.)**

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JUNE 15, 2023

### **[DaVita CEO says company declined federal COVID money as it didn't align with values](#)**

Javier Rodriguez [appeared](#) on *Fortune's* Leadership Next podcast to provide an overview of DaVita's position within the kidney dialysis care sector. One question centered on the company's refusal of \$250 million in federal pandemic relief money. Washington's rationale was that the healthcare system was in danger of collapse but patients still needed dialysis services, so the cash was meant as a safety net. Rodriguez believes the offer was done with the best of intentions but he and the board decided it wasn't necessary. He explains that as the pandemic wore on and revenues continued to suffer, the decision came under some scrutiny but DaVita management was satisfied it acted in concert with its values.

**SOURCE: Fortune (sub. rec.)**

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MAY 31, 2023

### **[CVS among investors in Strive Health's \\$166M funding round to expand value-based renal care to new markets](#)**

The Series C round supports the Denver value-based kidney care company's efforts to expand into new markets. It currently serves 80,000 CKD and ESKD patients across 30 states. Strive Health will also expand partnerships with commercial and MA payers, as well as with Medicare, health systems and physicians. It'll also continue refining its clinical value-based care model.

**SOURCE: Strive Health**

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## Nephrology and Dialysis (cont'd)

JUNE 8, 2023

### **Somatus, Kidney Care Center extend collaboration with JV arrangement, enrolment in federal CKCC program**

[Somatus](#) and [Kidney Care Center](#) (KCC) established a value-based kidney care partnership a year ago, with the former providing access to a multidisciplinary team of providers to KCC's clients. Under the latest arrangement, the two organizations will embark on a long-term, JV to improve outcomes for patients with CKD and ESKD living in six states: FL, GA, IL, IN, PA and TN. Additionally, Somatus will administer Medicare's CKCC payment program on KCC's behalf.

**SOURCE: Somatus**

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JUNE 5, 2023

### **InterWell CEO says kidney health behind other specialties in seeing value in value-based care**

Bobby Sepucha explains one of the industry's greatest challenges is convincing payers the scope of kidney ailments is much higher than they suspect. Renal diseases often present with no outward symptoms, so InterWell developed predictive algorithms to determine who may be sick and at what stage they're at, based on claims data. Sepucha notes nephrology is five-to-seven years behind primary care in implementing value-based care, so partnerships with providers have been slow to materialize. However, he adds InterWell recently signed collaborations with Providence Health and Oak Street Health, indicating partnerships will drive growth for value-based care models.

**SOURCE: Modern Healthcare (sub. rec.)**

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JUNE 12, 2023

### **InterWell names Daymon Smith to newly-created role of Chief Product & Technology Officer**

[Daymon Smith](#) joins Interwell from [Verily Life Sciences](#), Alphabet's life sciences research arm, where he was head of product. At InterWell, Smith will lead development of technologies that support people living with CKD. Included in his mandate is enhancing Interwell's clinical model, promoting patient and provider engagement, improving remote care platforms and fostering uptake of the nephrology-specific EHR system, Acumen Epic.

**SOURCE: InterWell Health**

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July 10, 2023

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## Nephrology and Dialysis (cont'd)

JUNE 21, 2023

### **Monogram Health longtime healthcare exec to lead expansion of value-based kidney care model**

[Aashish Shah](#) joins the Nashville-based risk-bearing specialty provider from HCA Healthcare, where he was most recently Corporate VP for Payer Advocacy, Engagement and Innovation. As Chief Growth Officer at Monogram Health, Shah will lead the company's efforts to expand its geographic footprint. Monogram Health is a leading value-based specialty provider of in-home evidence-based care and benefit management services for patients living with polychronic conditions, including chronic kidney and end-stage renal disease. The company deploys an innovative in-home care delivery model and technology-driven array of evidence-based clinical services, including complex case and disease management, utilization management, and medication therapy management to transform the way health care is delivered for those with polychronic conditions.

**SOURCE: Monogram Health**

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MAY 30, 2023

### **Renal Care 360 names medical advisory board to inform value-based polychronic care**

Based in Franklin, TN, [Renal Care 360](#) operates 13 clinics in GA and SC. It's seven-member medical advisory board to guide the company's foray into value-based kidney care. For example, the company's [Connected Care Program](#) partners with nephrologists and other physician groups to provide patients with a customized care coordination and education program.

**SOURCE: Renal Care 360**

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JUNE 19, 2023

### **Research finds healthcare costs for MA recipients with kidney disease about \$15K higher than other patients**

Duke University School of Medicine analyzed over 400,000 MA enrollees with Stage G2 CKD between 2014 and 2017 and found for the 3% of patients with an accelerated loss of kidney function, medical costs were exorbitant. That group incurred healthcare costs that were between \$9,500 to \$11,500 higher in the year before the study, and \$13,000 to \$15,000 higher two years after. For the purposes of the study, total healthcare costs were defined as "the average sum of medical and pharmacy health plans (payer costs) and enrollee spending (out-of-pocket costs such as copays, deductibles and coinsurance) for inpatient, outpatient, pharmacy and other services.

**SOURCE: Healio (sub. rec.)**

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July 10, 2023

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## Nephrology and Dialysis (cont'd)

JUNE 12, 2023

### **KidneyX: Eight applicants awarded at least \$1M each for innovations in artificial kidneys**

The KidneyX program is a partnership between HHS and the American Society of Nephrology to accelerate innovations leading to artificial kidney technology. Now in Phase 2, the program **awarded** a total of \$9.2 million to researchers from the regenerative medicine, cellular engineering, tissue engineering, systems biology and synthetic biology disciplines. Two awardees received \$1.6 million each for their work on bioartificial kidney prototypes, while six more got \$1 million apiece to develop tools or components that enable advances in the field.

**SOURCE:** [HHS.gov](https://www.hhs.gov)

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## VAC, ASC and Office-Based Labs

JUNE 3, 2023

### **Bipartisan bill introduced to mitigate expense cuts at office-based practices**

Reps. Gus Bilirakis (R.-FL), Tony Cardenas (D.-CA), Danny Davis (D.-IL), Neal Dunn (R.-FL) and Gregory Murphy (R.-NC) are co-sponsoring the **bill** meant to counter cuts in CMS reimbursements for office-based specialty services. Bilirakis contends patient access to interventional radiology, vascular surgery, radiation oncology, venous medicine and nephrology might be imperiled as offices unable to cope with the revenue loss shut their doors. H.R.3674 would provide financial relief for specialist providers most affected by the CMS decision and require the Government Accountability Office to report on the impact of provider reimbursement cuts. The bill has the support of the 25-member United Specialists for Patient Access.

**SOURCE:** [Florida Daily](https://www.floridadaily.com)

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## Dialysis & Nephrology DIGEST

For more information regarding our nephrology, dialysis  
and office-based lab experience, or  
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