

## **The Dialysis PATIENTS Demonstration Act could harm the future of care for patients with kidney disease**

Dialysis Clinic, Inc., the nation's largest non-profit dialysis provider, opposes the Dialysis PATIENTS Demonstration Act of 2017. The Act, [H.R. 4143/ S. 2065](#), was introduced into the U.S. House on October 26, 2017 and Senate on November 2, 2017 and proposes "to establish a demonstration program to provide integrated care for Medicare beneficiaries with end-stage renal disease, and for other purposes."

"Dialysis Clinic, Inc. is wholly supportive of integrated care and finding new methods to improve the care for people with kidney disease," said Doug Johnson, MD, vice-chairman of Dialysis Clinic, Inc. "Yet, there are significant flaws in the proposed legislation which we've conveyed to our representatives so that they and the broader public understand why we can't support something that we believe could harm the future of care for patients with kidney disease."

Concerns were detailed in letters to the [House of Representatives](#) and the [Senate](#) on November 2 and November 8, respectively. The letters, posted on DCI's website, outline several reasons for DCI's opposition.

"At first glance, it appears that the proposed legislation is designed to improve care coordination for patients. However, on closer review, it becomes clear that the bill doesn't improve patient care, rather it creates a new payment method that would only benefit the largest providers in the industry," said Johnson.

DCI asks individuals to evaluate the impact of the Dialysis PATIENTS Demonstration Act by considering the following questions:

**Will patients really have a choice?** If the model were to go into effect, patients of participating dialysis providers would be **involuntarily** enrolled in a plan and then required to opt-out if they chose not to participate in the plan. However, if a patient missed the 75-day opt-out window, he/she could not leave the plan later in the year, even if he/she had concerns about the quality of care.

**Don't patients deserve to choose among a variety of dialysis providers?** The legislation could further increase consolidation in a sector that is already highly consolidated. Only large corporations could easily re-structure themselves from a provider organization into an entity that could also administer an insurance plan, with complete risk of all of the patient cost, which averages over \$80,000 per year, as envisioned in the bill. If the legislation were to pass, the largest dialysis providers could have a competitive advantage over smaller providers, many of which are not-for-profit, and there could be a risk of further increasing consolidation in care of patients on dialysis.

“One important way to encourage... innovation is to roll back over-consolidation in the dialysis industry. While nonprofit and smaller dialysis providers still exist, their numbers are dwindling,” reported Anne Kim in her recent article, [The Dialysis Machine](#).

**Why create a new demonstration model when there is a Comprehensive ESRD Care model that exists and works?** The Center for Medicare & Medicaid Innovation launched the [CEC model](#) in October 2015 that created a model to improve care for dialysis patients and allows providers of different sizes to be able to participate. The risk-sharing model limits the geographic size of ESCOs, so that large dialysis organizations cannot use the demonstration to expand their markets. Providers are encouraged to find innovative ways to improve patient care while reducing cost to CMS. Many providers, including DCI, have focused on care coordination, medication therapy management, and chronic kidney disease (CKD) education and have seen positive results. The [financial results](#) for the first year of operations of the ESCO show that every ESCO decreased the cost of care.

Claims have been made that the proposed legislation is good for patients, good for taxpayers and good for the health care system. Is it really? Patients are already seeing the benefits of improved care coordination in the ESCOs. Avoiding new legislation and instead recommending that the ESCO be revised to add a third track with capitated payment could save taxpayer money and legislative time.

**If this is really about patient care, then why would it be possible to exclude patients from the model during their most vulnerable times?**

An innovative, integrated kidney model should include CKD care, palliative care, transplantation, medical management, and hospice. Unfortunately, the Dialysis PATIENTS Demonstration Act covers none of those critical services and requires a patient to leave the organization if that care is needed. Creating silos of care is not integrated care and is not in the best interest of the patient. Any model addressing integrated care for patients on dialysis should keep all patients in the model, regardless of the needed care, so that these patients will not risk being abandoned by their expanded care team at these critical times.

“DCI is deeply grateful to Representatives Smith, Blumenauer, McMorris Rodgers, and Cardenas and Senators Young, Nelson, Heller, and Bennet for expressing interest in integrated care for kidney patients,” stated Johnson. “However, we feel strongly that the Dialysis PATIENTS Demonstration Act is not in the best interest of all dialysis patients and may, in fact, harm the future of care for patients with kidney disease.”