THIRD WAY

REPORT *Published October 6, 2016 • 4 minute read*

Executive Summary: How to Make Life Better for People with Kidney Disease

Jacqueline Garry Lampert

David Kendall
Senior Fellow for Health and Fiscal Policy
@DavidBKendall

In the spring of 2008, Mike Guffey became ill while visiting his parents in Arizona. Thinking that he had a bad case of the flu, Mike headed to an urgent care center. Little did he know, he would be hospitalized as a result of kidney failure. And just like that, Mike's life changed overnight.

Mike was diagnosed with End-Stage Renal Disease (ESRD) and began receiving dialysis, which is a type of treatment that filters waste, salt, and fluid from the blood like well-functioning kidneys. For nearly four years, he took multiple trips each week to a dialysis center while continuing to work full-time as a vice president at a bank. He also had to arrange for medical evaluations and financing to be eligible for the kidney transplant waiting list. Then, in early 2012, Mike received a transplant.

Innovative dialysis providers and health plans are offering patients with ESRD better options through coordinated care and personalized support for all of their health care needs. Expanding these innovative models throughout Medicare could improve the lives of people living with ESRD and save Medicare money.

This idea brief is one of a series of Third Way proposals that cuts waste in health care by removing obstacles to quality patient care. This approach directly improves the patient experience—when patients stay healthy, or get better quicker, they need less care. Our proposals come from innovative ideas pioneered by health care professionals and organizations, and show how to scale successful pilots from red and blue states. Together, they make cutting waste a policy agenda instead of a mere slogan.

What is stopping patients from getting comprehensive quality care?

People with ESRD face three major barriers to accessing quality care:

1. *Managing their treatment regimen*. ESRD patients go to a hemodialysis center generally three times per week for a 3-5 hour visit or use in-home dialysis options. For them, missing one treatment over a three-day period increases the risk of hospitalization, an emergency room visit, an intensive care or cardiac care unit admission, and death.

2. *Getting the right care for other health care problems.* ESRD patient care is also complicated because they typically have, and are at risk for, a number of additional medical conditions as well as physical, behavioral, social, and socioeconomic challenges.

3. *Navigating a fragmented system of care driven by fee-for-service payments.* The current fee-for-service payment system makes it very difficult for patients with kidney disease to receive the care that would prevent the onset and progression of the disease, improve medical conditions that accompany the disease, and improve a person's quality of life while on dialysis. ESRD patients benefit from the enhanced coordination of services available from many Medicare Advantage plans or third-party organizations that offer such services.

Where are innovations happening?

Despite these challenges, innovative care coordination and disease management efforts to improve health outcomes and quality of life for ESRD patients are occurring throughout the country. For example:

- A partnership between VillageHealth, the renal population health management division of DaVita, Inc., and SCAN Health Plan is one the ESRD-focused Medicare Advantage Chronic Condition Special Needs Plans (C-SNPs). It has reduced costs while achieving extremely high patient satisfaction.

- Another innovative example is CareMore's ESRD C-SNP, which receives a 4-star rating from Medicare. CareMore, a subsidiary of Anthem, Inc., has redesigned care causing inpatient admission rates to drop 22% below the national average and inpatient bed days to fall to 73% below the national average.

- Medicare is testing ways to improve payments, care delivery, and outcomes for ESRD beneficiaries. The Center for Medicare and Medicaid Innovation partners with groups of health care providers and suppliers who assume clinical and financial responsibility for all care provided to Medicare beneficiaries.

How can we bring solutions to scale?

The key to coordinating care for people with chronic kidney failure is to let providers and plans take full responsibility for the quality and cost of all the health care each person needs along with engaging patients as full partners in the decisions and responsibility for their care. This means expanding the use of an all-inclusive payment for providers, which Medicare already pays to private plans under the Medicare Advantage program, in four ways:

1. Congress should test paying providers a complete payment for all of the health care needs of people with ESRD, as proposed in the Dialysis Patient Access to Integrated-care, Empowerment, Nephrologists, and Treatment (PATIENTS) Demonstration Act of 2016 (H.R. 4143 and S. 2065).

2. Congress should expand successful models.

3. Congress should permanently authorize Medicare Advantage Special Needs Plans.

Potential Savings

The provision of care coordination and additional benefits to beneficiaries with ESRD will not increase Medicare spending in the short term, and those investments may produce federal savings in the long term by reducing the need for hospital care for ESRD patients.