

CMMI ESRD Demonstration Projects: Impact on Transplant Providers

Last month, CMS issued a final rule implementing the End-Stage Renal Disease (ESRD) Treatment Choices (ETC) Model, a mandatory model that will impact Medicare payment for nephrologists who manage patients on dialysis (Managing Clinicians) and for dialysis facilities that provide services in 30% of the Hospital Referral Regions in the country. Unlike the Kidney Care Choices Models — voluntary models for which CMS solicited applications late last year — the ETC Model is mandatory and does not require the participation of a transplant provider. The intent of the ETC Model is to test whether adjusting the current Medicare fee-for-service (FFS) payments for dialysis services will incentivize ESRD facilities and clinicians managing adult Medicare beneficiaries with ESRD to work with their patients to achieve increased rates of home dialysis utilization and kidney transplantation.

In the ETC Model, CMS will adjust Medicare payments under the ESRD Prospective Payment System (PPS) to dialysis facilities and payments under the Medicare Physician Fee Schedule (PFS) to Managing Clinicians who are selected for participation in the Model. The payment adjustments will include an upward adjustment on home dialysis and home dialysis-related claims with claim service dates during the initial three years of the ETC Model (January 1, 2021 - December 31, 2023). In addition, during the demonstration, CMS will make an upward or downward performance-based adjustment on all dialysis claims and dialysis-related claims, with the amount of the adjustments dependent on the rates of home dialysis, living donor transplantation, and transplant waitlisting of the Model Participant's patients.

What does the ETC Model Mean for the Transplant Community?

Many of the provisions of the ETC Model will be of little relevance for the transplant community. However, because the Medicare payment for ETC Model participants may be adjusted upward or downward based in part on the kidney transplant waitlist status and living donor transplant rates of their patients, Model Participants' interest in Transplant Centers' waitlisting practices and in living donor transplantation may increase. (Please note that performance adjustments will not take into account deceased donor transplants, since Model Participants have little to no control over deceased donor organ availability in their areas.) In addition, "pre-emptive transplant beneficiaries" will be included in the transplant rate of nephrologists who are Model Participants, which may increase interest among Model Participants in preemptive transplantation as well. During the first two years of the demonstration, a Model Participants Medicare payment be increased by up to 4% or decreased by up to 5% based on its performance with respect to home dialysis and transplantation, with scoring weighted more heavily toward performance with respect to home dialysis.