

## **PRESS RELEASE**

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## STUDY REVEALS BENEFITS FROM VA PAYMENT REFORMS FOR DIALYSIS

Changes have led to lower costs and improved access to care for Veterans with kidney failure.

## **Highlights**

- Over the last decade, the Department of Veterans Affairs implemented payment changes to reduce spending on community dialysis treatments and to improve access to care for Veterans with kidney failure.
- The changes led to reduced costs for dialysis sessions and less variation in payments for dialysis.
- The changes led to improved access to dialysis care without change in the quality of that care.

**Washington, DC** — A new analysis indicates that recent changes in how the Department of Veterans Affairs (VA) pays for community dialysis services has improved access to care for Veterans with kidney failure and lowered costs, without compromising quality of care or patient health. The findings appear in an upcoming issue of *CJASN*.

Veterans with kidney failure are one of the fastest growing and most costly segments of the Veteran population. Because VA dialysis facilities cannot accommodate the needs of all Veterans who need dialysis and dialysis needs to be delivered relatively close to home to minimize travel, the VA has a long history of relying on community dialysis providers.

Over the last decade, the VA implemented a series of payment changes to reduce spending on community dialysis treatments and to improve access to care for Veterans undergoing dialysis in community settings. These changes included standardizing payments to align more closely with Medicare pricing and establishing national contracts with community dialysis providers. To assess the impact of these efforts, Virginia Wang, PhD (Durham Veterans Administration Health Care System and Duke University School of Medicine) and her colleagues examined information on Veterans who received VA-financed dialysis treatments in community-based dialysis facilities before (2006–2008), during (2009–2010), and after (2011–2016) the reforms were enacted.

"We studied payments for dialysis, access to dialysis, survival, and quality of dialysis care over the time period when these policies went into effect," said Dr. Wang.

The team found that before the reforms, the unadjusted average per-treatment reimbursement for non-VA dialysis care varied widely (\$47 to \$1,575). After the reforms were enacted, there was a 44% reduction (\$44 to \$250) in the adjusted price per dialysis session and less variation in payments for dialysis (\$73 to \$663).

Also, there was a rise in the number of community dialysis facilities contracting with the VA to deliver care to Veterans with kidney failure, and there were no changes in either the quality of dialysis care or in the 1-year mortality rate of Veterans.

"Our goal was to describe the impact of policies to centralize and standardize the way in which dialysis services are purchased by the VA. We found that there were marked reductions in the average payments for dialysis and the variability of these payments without any adverse unintended consequences," said Dr. Wang.

The authors noted that the findings support the feasibility of implementing payment strategies that lower costs without jeopardizing VA partnerships with community providers or compromising access to care or patient health.

Study co-authors include Shailender Swaminathan, PhD, Emily A. Corneau, MPH, Matthew L. Maciejewski, PhD, Amal N. Trivedi, MD, Ann M. O'Hare, MD, and Vincent Mor, PhD.

Disclosures: Drs. Wang, Swaminathan, Maciejewski, O'Hare, Trivedi, and Mor have received funding from AHRQ and NIH. Dr. Maciejewski reports ownership of Amgen stock due to his spouse's employment. Dr. O'Hare has received funding from CDC and VA HSR&D, as well as honoraria/speaker/travel fees from UpToDate, Fresenius Medical Care, Dialysis Clinic, Inc., the Hammersmith Hospital, The Japanese Society of Dialysis Therapy, Chugai Pharmaceutical Co., the American Society of Nephrology, UpToDate, Kaiser Permanente Southern California, the University of Alabama, Birmingham, the University of Pennsylvania, Philadelphia, the University of California, San Francisco, the New York Society of Nephrology, the Devenir Foundation and the Coalition for the Supportive Care of Kidney Patients. Mrs. Corneau reports no potential conflicts of interest.

The article, titled "Association of VA Payment Reform for Dialysis with Spending, Access to Care and Outcomes for Veterans with End-Stage Kidney Disease," is online at <a href="https://cjasn.asnjournals.org/content/early/2020/09/21/CJN.02100220">https://cjasn.asnjournals.org/content/early/2020/09/21/CJN.02100220</a>, doi: 10.2215/CJN.02100220.

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