

ASN DIALYSIS ADVISORY GROUP

ASN DIALYSIS CURRICULUM

FINANCIAL CONSIDERATIONS AND HOME DIALYSIS IN THE ERA OF THE BUNDLING: Part 1

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DISCLOSURES: current position (6/1/2014)

**Professor of Medicine/Nephrology at Wake
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CMO Health Systems Management

- **Manages 19 outpatient dialysis units**
 - 16 at Wake Forest University
 - 3 at Emory University

In Past, I had been medical director for 16 units

- **Since CFC now medical director for 1 unit**
 - Approved for 60 stations
 - Includes Home unit

Outline (Part 1)

Home therapy reimbursement in the bundle

Monthly capitation payment

ESRD REIMBURSEMENT and HOME THERAPIES in the BUNDLE

MD – fee for service and monthly MCP

Hospital – DRG with adjusters

- Had included access related costs

Dialysis unit –

- Bundled rate for all
- Other Misc.

Monthly Capitation Payment (MCP) BILLING

Historically Physicians were paid one monthly rate,

- no specific documentation or # visits needed.

CMS changed reimbursement - now activity related:

- Now based on number of visits for CHD (up to 4/ month)
- A monthly fee for PD
- **To bill for the “comprehensive” monthly component**
 - The “MCP” MD must do a visit, exam and lab review
 - Without the “comprehensive” visit you can not bill anything
 - These do not need to all occur during some visit but must be by the same (one) person
- Other group members (PA, NP, MD) can count for visits 2-4

CMS PHYSICIAN-RELATED REIMBURSEMENT FACTORS WHICH FAVOR HOME DIALYSIS

HOME DIALYSIS MCP PAYMENTS:

- If Medicare eligible but not a participant, CMS starts paying for the entire month dialysis starts (i.e. day 1) vs waiting 90 days
- \$500 training fee
- Monthly payment (CPT 90966) for just one visit
 - About the same dollar amount as CHD 2 or 3 visit charge

BUT WITH CENTER HD:

- You can see many patients at once
- Have the potential to make more/month (if 4 visits)

MCP REIMBURSEMENT

Based on Pay for North Carolina

CPT Code	# of visits	2010	2011	2012	2013	2014
90960	4	\$294.96	\$285.00	\$277.58	\$272.00	
90961	2 or 3	\$237.07	\$234.39	\$228.23	\$226.25	
90962	1	\$170.70	\$175.28	\$170.58	\$171.90	
90966	HOME	\$235.96	\$233.03	\$226.93	\$225.30	

Zero sum game – as number of patients with ESRD increase, payment amounts decrease

OTHER FINANCIAL ISSUES

For those patients who are Medicare-eligible but not a participant

What if patient is: non insured, less than 65

No medicare payments for 3 months:

	<u>Payment</u>	<u>PD/HHD</u>	<u>CHD</u>
• Month 1	\$500 +	monthly	0
• Month 2		monthly	0
• Month 3		monthly	0
So by end of month 3		+1176	0
• Month 4 to 24		monthly	1,2/3, or 4*

Note:
visits/month
For PD
Not Specified

* = (\$272 vs. 225.30/month based on # visits)

In 2013 ---- HD \$272/month vs PD (1st 3 months then 225.30/month+500 = 1176)
At \$46.70/month difference, it would take 25 months of 4 visits/month on HD
to catch up to PD with one visit every month!!!

PD CATHS and the NEPHROLOGIST

PD catheter placement

- Increased trend on having Nephrologist (IN) or interventional radiologists (IR) place the catheters
- Recent increase in reimbursement for this

Exteriorizing Catheter if using Moncrief-Popvavich catheter approach

- **Billing 49436**

MCP PAYMENT - FYI

Possible/Projected Further modifications of bundle

- There is some movement to have entire MCP payment included in the Bundle payment to the provider and then have provider reimburse physicians
- As of 2014 not in Bundle

ESRD REIMBURSEMENT and HOME THERAPIES in the BUNDLE

Dialysis Unit/Providers

Historical Payments:

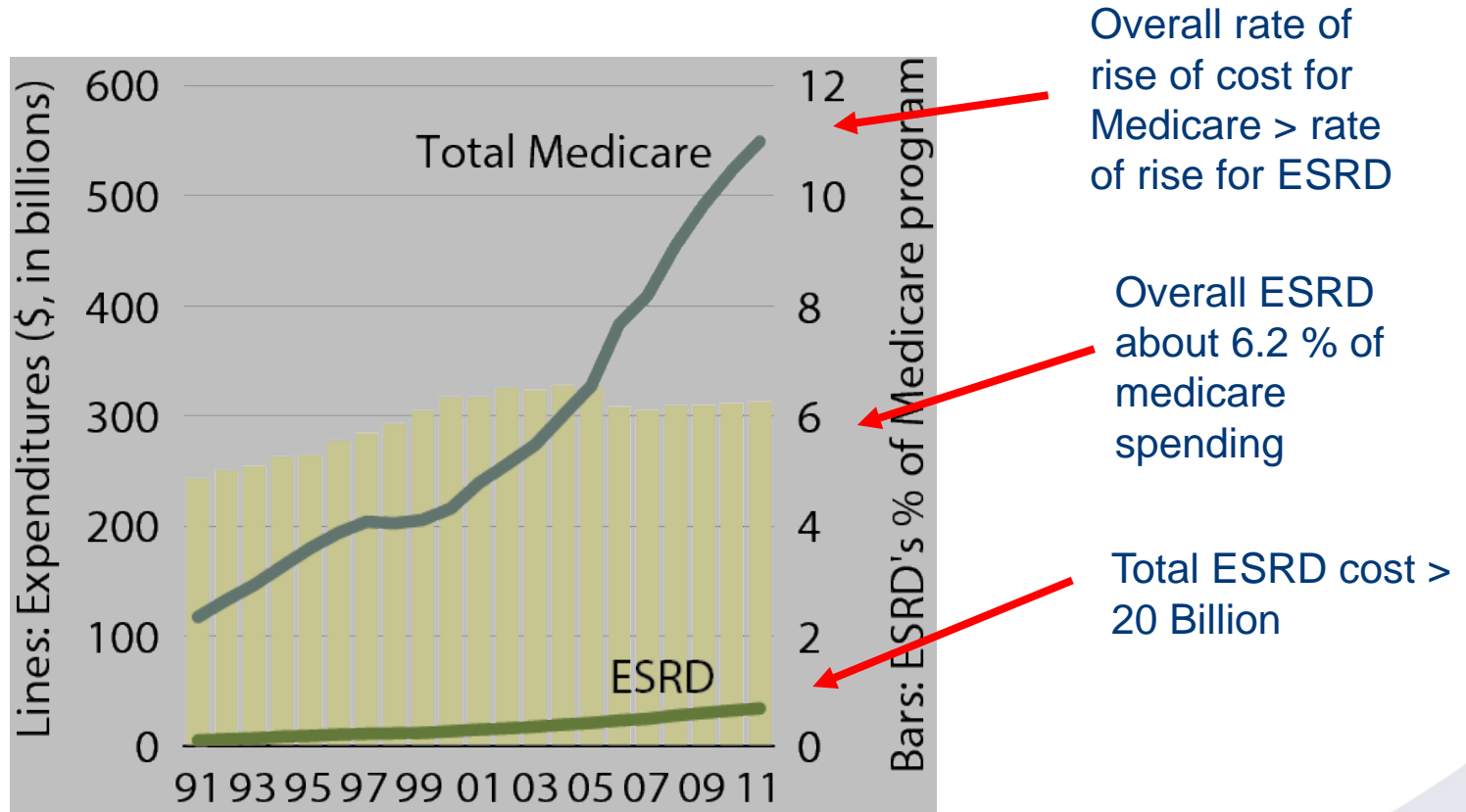
- Composite rate, plus
- Injectables, plus
- Other Misc.

Current Payment:

- The bundled amount

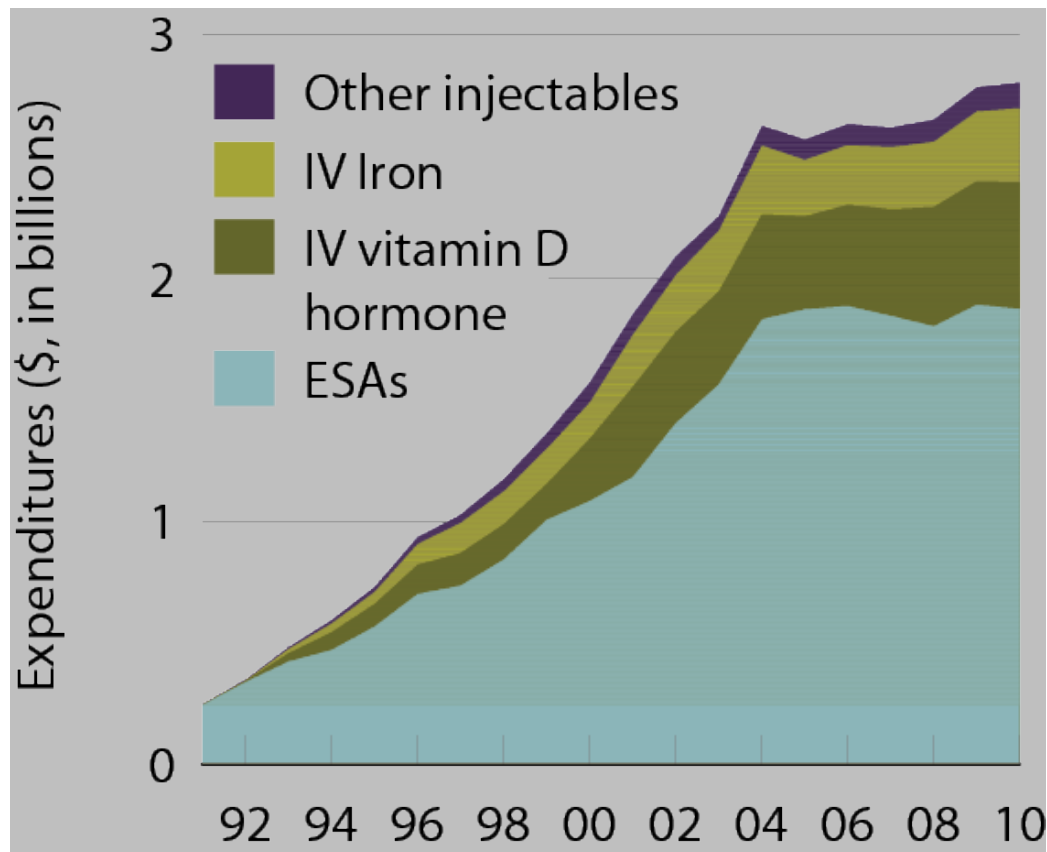
COSTS of the MEDICARE & ESRD PROGRAMS

Figure 11.2 (Volume 2)

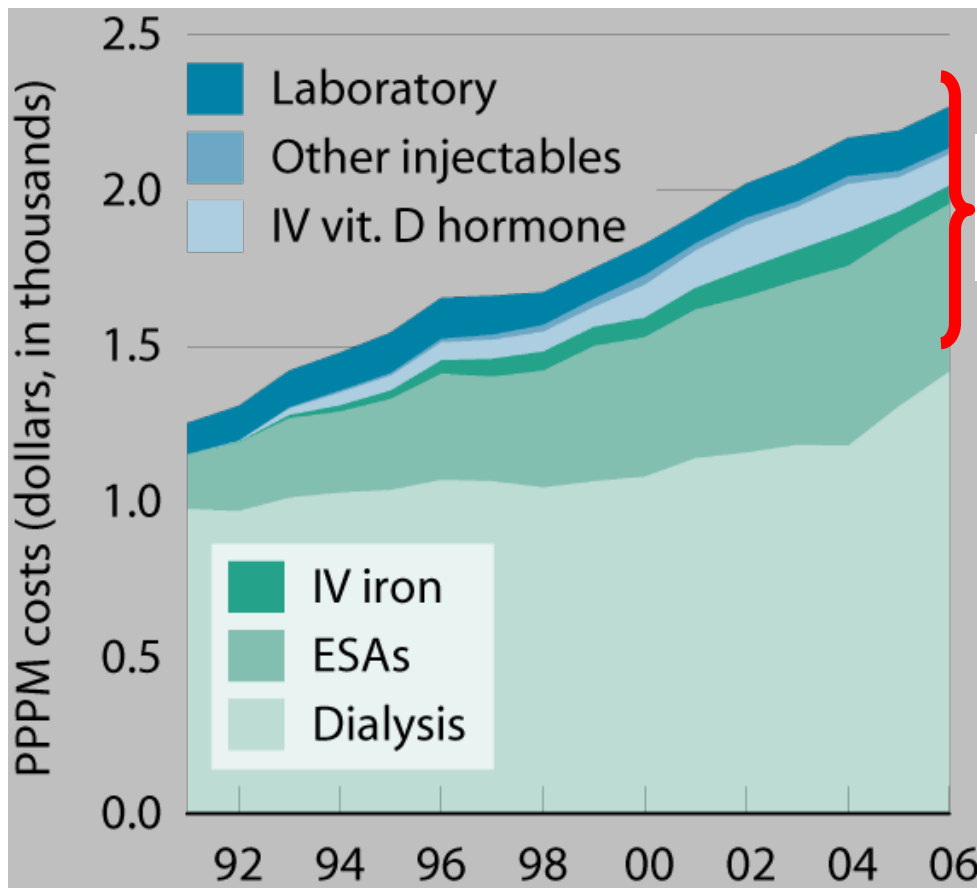


Costs (inflated by 2 percent) include estimated costs for HMO & organ acquisition; includes Part D

Total Medicare spending for injectables USRDS 2012 Figure 11.9 (Volume 2)



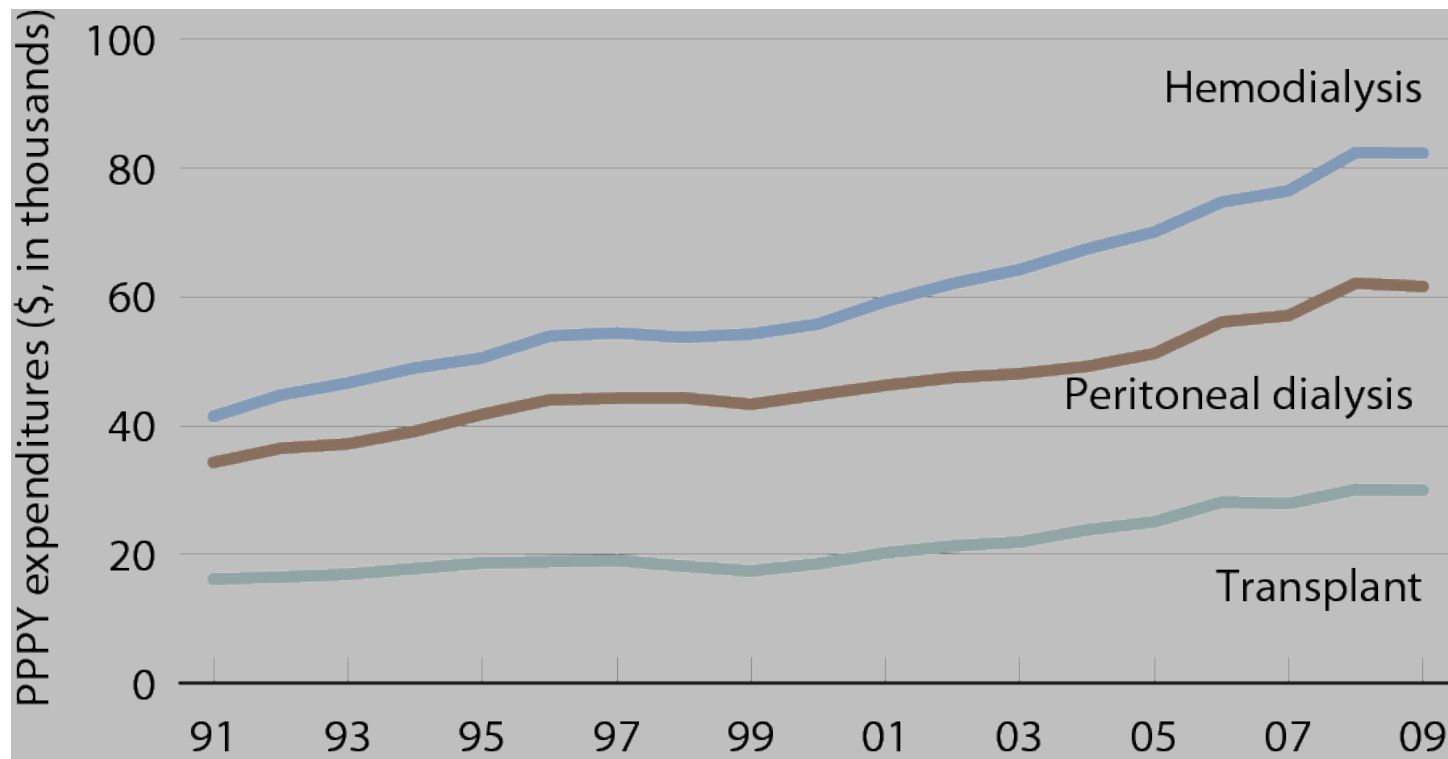
MONTHLY PER PATIENT COST TO CMS FOR SERVICES



period prevalent
dialysis patients;
non-Medicare,
Medicare HMO, &
Medicare as
secondary payor
patients excluded.
As-treated model.

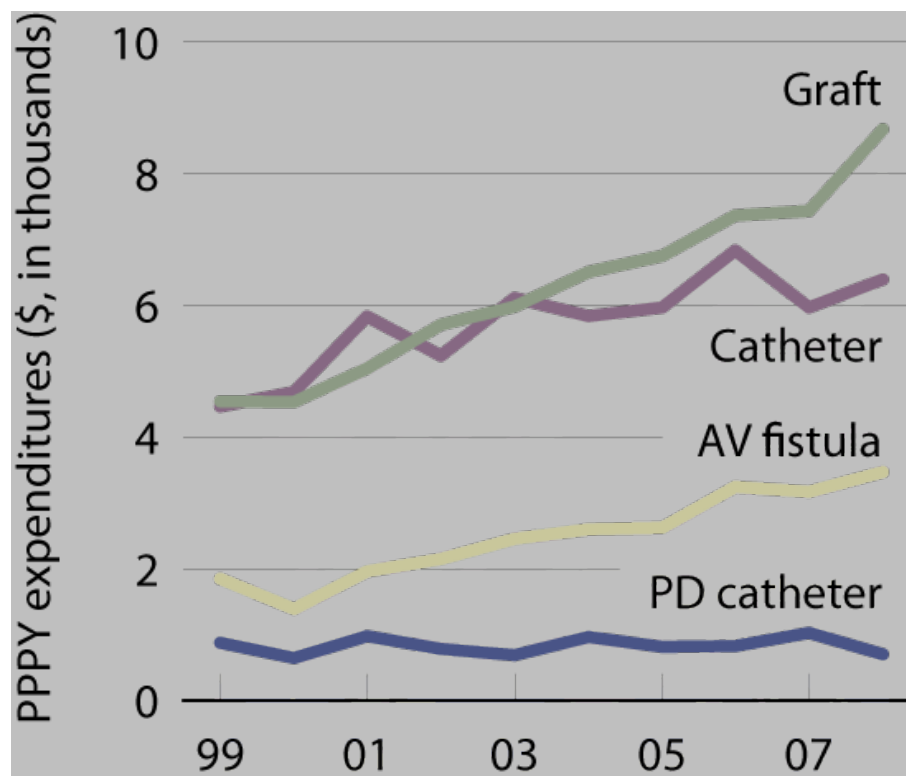
Total Medicare ESRD expenditures *per person per year (PPPY), by modality*

USRDS 2011 Figure 11.7 (Volume 2)



ACCESS RELATED EXPENDITURES

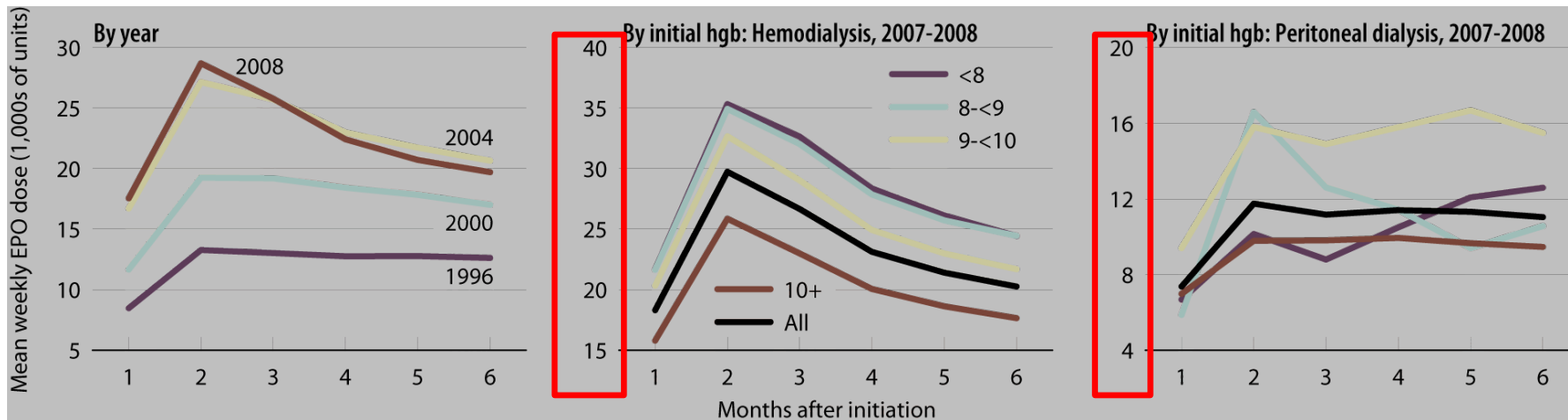
Per person per year (PPPY) costs, by access type



Dialysis patients from the 1999–2008 ESRD CPM data with Medicare as primary payor & vascular access data. Intent-to-treat model. Vascular access type in use in December prior to cost years 1999–2008. Costs include “pure” inpatient & outpatient claims & physician/supplier access costs.

MEAN EPO DOSE/WEEK, 2010

REPORT *by year, modality, & initial hemoglobin*



2007-2008 mean weekly EPO dose at month 6: HD 20,263 PD 11,041

Incident dialysis patients with a first EPO claim within the first 30 days of ESRD start date & at least one EPO claim in each of the first six months. Graphs by modality, 2007–2008 combined. Hemoglobin group determined by patient’s hematocrit on the Medical Evidence form. EPO doses adjusted for inpatient days.

See Financial Considerations: Part 2 for...

Dialysis facility payments

CMS and “the bundle”