CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES
CENTER FOR MEDICARE & MEDICAID INNOVATION
Findings at a Glance

Comprehensive End-Stage Renal Disease (ESRD) Care (CEC) Model

Evaluation Years 1 through 2 (through December 31, 2017)

MODEL OVERVIEW

The Comprehensive End-Stage Renal Disease (ESRD) Care (CEC) Model tests whether the creation of ESRD Seamless Care Organizations (ESCOs) can reduce Medicare expenditures while maintaining or improving quality of care. Each ESCO, which is made up of dialysis facilities, nephrologists, and other providers, is a specialty-oriented accountable care organization (ACO) that assumes responsibility for the quality of care and Medicare Part A and Part B spending of their aligned beneficiaries.

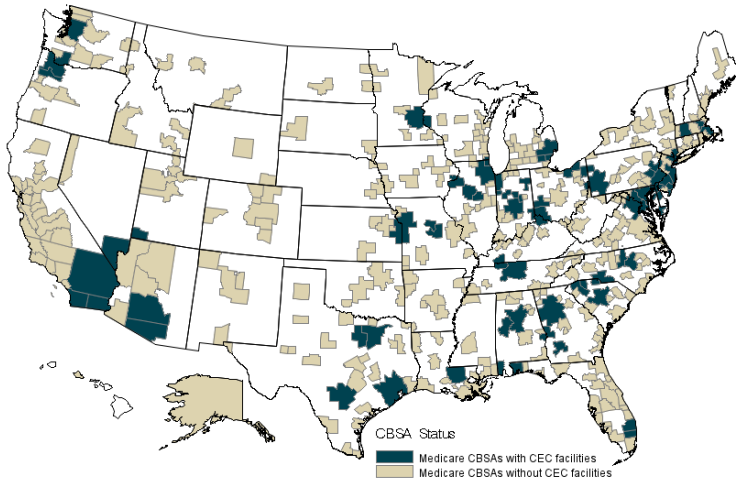
These ESCOs represent a variety of geographic regions, ownership structures, and sizes.

PARTICIPANTS

The CEC Model began October 1, 2015 with 13 ESCOs (Wave 1). At the start of the second performance year (PY2) on January 1, 2017, 24 new ESCOs (Wave 2) joined the model, for a total of 37 ESCOs.

Seven dialysis organizations participated in the model in PY2. These included three large dialysis organizations (LDOs), Fresenius, DaVita, and Dialysis Clinic, Inc. (DCI), and four small dialysis organizations (or non-LDOs), Rogosin, Atlantic, Centers for Dialysis Care (CDC), and Northwest Kidney Care (NKC).

Location of CEC Participants, by Medicare CBSA



CEC Model, by the numbers

7	Total dialysis organizations participated in CEC during PY2
685	Dialysis facilities participated in the model in PY2
12%	of all dialysis facilities in the United States (US) were in the model in PY2
18.5	Average number of dialysis facilities included in each ESCO
71,677	Approximate number of Medicare beneficiaries with ESRD who participated in the first two years (PY1+PY2) of the CEC Model
14%	of Medicare beneficiaries with ESRD were in the model in PY2

This document summarizes the evaluation report prepared by an independent contractor. For more information about the CEC Model and to download the evaluation report, visit https://innovation.cms.gov/initiatives/Comprehensive-ESRD-care/

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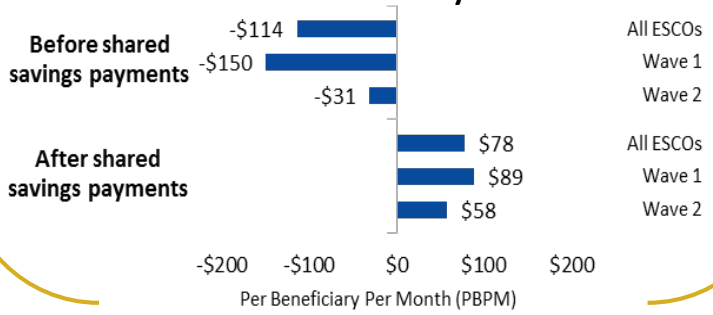
FINDINGS

PAYMENTS

Total Medicare Part A and Part B risk-adjusted payments decreased for CEC beneficiaries compared to non-CEC beneficiaries. The CEC Model **reduced Medicare spending by $68 million** during PY1+PY2, or 1.8%. These results were primarily driven by Wave 1 ESCOs. However, Medicare experienced **aggregate net losses of $46 million** after taking into account shared savings payments made to ESCOs.

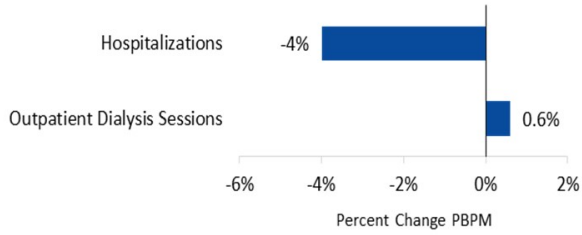
Impact Estimate on Total Medicare Payments for All ESCOs and by Wave



UTILIZATION

There was a **4% decrease in the number of hospitalizations** and nearly a **1% increase in the number of outpatient dialysis sessions** for CEC beneficiaries relative to non-CEC beneficiaries. These results may be due to ESCOs targeting patients at a high risk of hospitalization, increasing access to urgent dialysis care at facilities, and coordinating care to reduce avoidable hospital admissions.

Impact Estimate on Select Utilization Outcomes for All ESCOs

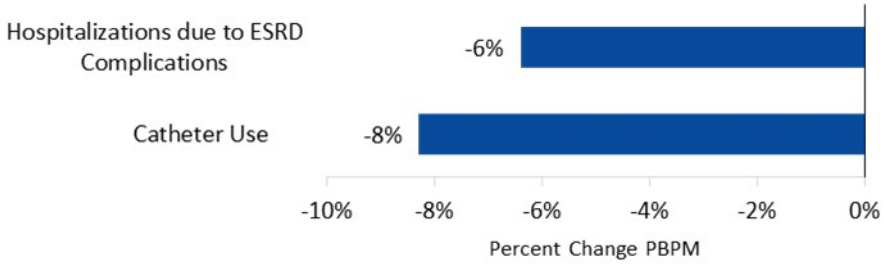


QUALITY

CEC beneficiaries experienced **6% fewer hospitalizations from ESRD complications** and were **8% less likely to use a catheter** compared to non-CEC beneficiaries.

Overall, there was no evidence that the relative reductions in cost and utilization compromised quality.

Impact Estimate on Select Quality Measures for All ESCOs



KEY TAKEAWAYS

The CEC Model is the first Medicare ACO model that targets a particular clinical population. Results from the first two performance years of the CEC Model show specialty-oriented ACOs for beneficiaries with ESRD can reduce spending while improving key quality outcomes. Findings from the CEC evaluation can inform the development of future models focused on kidney disease as well as specialty-oriented ACO models focused on other chronic conditions.