Kidney Care Choices (KCC) Model
Innovation models

Overview

The KCC Model (or the Model) builds upon and improves the structure of the financial and payment elements used in the Comprehensive ESRD Choices (CEC) Model to address areas for potential improvement that have been identified through testing the CEC Model. The KCC Model has four Model Options fitting in with the Center for Medicare and Medicaid Innovation's (the Innovation Center's) suite of total cost of care models, all of which are voluntary. These Model Options will test whether these design elements reduce Medicare spending and improve the quality and coordination of care for beneficiaries with late stage Chronic Kidney Disease (CKD), ESRD, and kidney transplants.

Under the CMS Kidney Care First (KCF) Option, CMS will make adjusted capitated payments to participating nephrology practices (KCF Practices) for managing beneficiaries with CKD Stages 4 and 5 and ESRD. CMS will additionally make performance-based payment adjustments to both participating nephrology practices and, separately, to their nephrology professionals based on how well the practice performs on specified quality measures. The KCF Option is designed to emulate the basic design of the Primary Care First (PCF) Model, in which participating practices are accountable for managing the care of attributed Medicare beneficiaries. The KCF Option further includes Benefit Enhancements and Beneficiary Engagement Incentives that participating nephrology practices may choose to make available in order to support high-value services and allow the practices to more effectively manage the care of their aligned beneficiaries. The KCF Option is a Merit-based Incentive Payment System (MIPS) Alternative Payment Model (APM) and an Advanced Alternative Payment Model (Advanced APM) beginning in 2022.

For the three Comprehensive Kidney Care Contracting (CKCC) Options, nephrology professionals must partner with transplant providers, and may partner with dialysis facilities and other providers and suppliers to become Kidney Contracting Entities (KCEs). KCEs will receive adjusted capitated payments for managing beneficiaries with CKD Stages 4 and 5, ESRD, and kidney transplants. The KCE will select a total cost of care accountability framework, and its payments under the Model will be adjusted based on its performance on quality measures. KCEs participating in the CKCC Options select one of following three options: the Graduated Option, the Professional Option, and the Global Option. The CKCC Options are currently Advanced APMs for PY2022, with the exception of the one-sided Level 1 of the Graduated Option. KCEs affiliated with Large Dialysis Organizations (LDOs) may not participate in the Graduated Option. For the purposes of the KCC Model, CMS defines an LDO as an entity that as of the effective date of the applicable Participation Agreement, owns in whole, or in part, more than 500 dialysis facilities. All of the CKCC Options, including the one-sided Level 1 of the Graduated Option, are MIPS APMs beginning in 2022. KCEs will also have access to Benefit Enhancements and Beneficiary Engagement Incentives to strengthen care coordination for aligned beneficiaries and alternative payment mechanisms to manage cash flow.

Is participation in the KCC Model be required for health care providers?

Participation is optional for health care providers.

What are the model's goals and how will the model achieve these goals?

The model is designed to incentivize better management of kidney disease. A single set of health care providers will be responsible for a patient's kidney care from the late stage of CKD (i.e., stages 4 and 5) and through dialysis, transplant, or end of life care. This set of health care providers will have their financial incentives aligned with the beneficiary's health needs, incentivizing them to best guide the beneficiary through their disease. Continuity of care across stages of the disease and beneficiary choice are top priorities; the model is designed to align health care provider incentives with achieving these priorities.

The patient is a key component of the Model's design. The tendency now is for patients with kidney disease to follow the most expensive path, with little prevention of disease progression and an unplanned start to in-center hemodialysis treatment. By increasing education and understanding of the kidney disease process, aligned beneficiaries may be better prepared to actively participate in shared decision making for their care.

The Model will avoid the potential for care stinting through risk adjustment and application of quality measures, as well as monitoring activities that will ensure beneficiaries receive needed services, while retaining freedom of choice of providers.

How does this model build upon the CEC model?

This model builds on key lessons and areas for improvement recognized during the CEC Model by:

- Including Medicare beneficiaries with CKD stage 4 and 5 before they progress to ESRD, to promote later and better starts on dialysis, or to avoid dialysis entirely.
- Including beneficiaries after they receive a transplant and incorporating financial incentives to promote greater utilization of transplants.
- Empowering nephrologists to take the lead in coordinating care for beneficiaries across the care spectrum.
- Incorporating Medicare Benefit Enhancements to support improved utilization of skilled nursing facilities (SNFs), increase telehealth utilization, and increased utilization of the kidney disease education (KDE) benefit.
- Altering nephrologist payment policy in order to reduce burden and better align payments with care.

What is the timeline for implementation of the KCC Model?

The KCC Model performance period began on January 1, 2022, and will continue through December 31, 2026. CMS solicited applications for the first cohort of KCC Model participants in October 2019. The first cohort of KCC Model participants began their participation in the Model performance period on

January 1, 2022. CMS is now soliciting applications for a second cohort of KCC Model participants to begin participation on January 1, 2023.

CMS invites interested applicants to submit their applications to CMS by March 25, 2022. If selected to participate in the Model, the second cohort of KCC Model participants would begin Model participation on January 1, 2023, after executing performance period participation agreements that will set forth the terms of the KCF Option or the CKCC Options of the KCC Model, as applicable. The performance period participation agreements for these KCC Model participants will have a term of four Performance Years (PYs) (2023, 2024, 2025, and 2026). CMS does not plan to conduct any further solicitations for KCC Model participants.

Who is eligible to participate in the Model?

In the KCF Option nephrology practices are the only entities eligible to apply. KCF Practices include nephrology professionals, which refers collectively to nephrologists and non-physician clinicians – such as Nurse Practitioners and Physician Assistants – who specialize in nephrology or primarily provide nephrology services. Dialysis facilities and other non-nephrologist supplier and provider types cannot to participate in the KCF Option. The Kidney Care First Option will be open to participation by nephrology practices and their nephrologists only, subject to meeting certain eligibility requirements.

In the CKCC Option, all KCEs are required to have at least one nephrology professional and at least one transplant provider. Transplant providers may participate in multiple KCEs as KCE Participants or Preferred Providers. All other providers and suppliers can only be in one KCE. In addition to the required types of KCE Participants noted above, a KCE may include any of the following optional Medicare-enrolled providers or suppliers as KCE Participants:

- Medicare-certified dialysis facilities, including facilities owned by large dialysis organizations (LDOs), facilities owned by small dialysis organizations (SDOs), or independently-owned dialysis facilities. LDOs may only participate in the Professional and Global options of CKCC.
- Other Medicare-enrolled providers and suppliers.

All types of providers and suppliers other than nephrology professionals and transplant providers, are optional KCE Participants, including dialysis facilities, dieticians, and SNFs. DMEPOS suppliers, ambulance suppliers, and drug/device manufacturers are prohibited from participating in a KCE. While the KCE will not be required to be a Medicare-enrolled provider or supplier, KCE Participants under the KCE must be a Medicare-enrolled provider or supplier by a date specified by CMS.

How will beneficiaries be aligned to the model?

The beneficiary alignment process is the same for both the KCF and CKCC Options. Beneficiaries who meet the following criteria will be eligible to be aligned to these Models:

- Have either CKD Stage 4 or 5, or ESRD, or be a transplant recipient with a functioning kidney who was previously aligned to the KCF Practice/KCE while the beneficiary had CKD Stage 4 or 5 or ESRD;
- Be enrolled in Medicare Parts A and B;
- Not be enrolled in a Medicare Advantage plan, cost plan, or other non-Medicare Advantage Medicare managed care plan;

- Reside in the United States;
- Received greater than 50% of their nephrology services and MCP claims within the KCF Practice's/KCE's Service Area during the Alignment Lookback Period;
- Be 18 years of age or older;
- Be alive;
- Not have already been aligned to another participant in a Medicare program/demonstration/model involving shared savings or another participant in a Medicare program/demonstration/model where overlap is not allowed as of the date of alignment for the KCF/CKCC Option.
- Not have Medicare as a secondary payer;
- Not had a kidney transplant in the last 13 months (initial alignment only);
- Not in an active election period of hospice care at the time CMS conducts alignment; and
- Not received hospice care at any time during the last three months of the 12-month period that ends 3 months prior to the start of the quarter for which CMS is conducting alignment to the Practice ("Alignment Lookback Period") or during the period between the end of the Alignment Lookback Period and the alignment run date (initial alignment only).

Please reference the KCC Request for Applications (RFA) or email the KCC help desk at KCF-CKCC-CMMI@cms.hhs.gov for the full beneficiary alignment criteria.

What will be the payment methodology for the Kidney Care First Option?

CMS will make the following payments to KCF Practices for aligned beneficiaries with CKD Stages 4 and 5, ESRD, and kidney transplants:

- CKD Quarterly Capitation Payment (CKD QCP)
- Adjusted Monthly Capitation Payment (AMCP)
- Kidney Transplant Bonus (KTB)

What is the payment methodology for the Comprehensive Kidney Care Contracting Option?

KCEs will be eligible for the following payments:

- CKD Quarterly Capitation Payment (CKD QCP)
- Adjusted Monthly Capitation Payment (AMCP)
- Kidney Transplant Bonus (KTB)
- Shared savings/shared losses under one of the following Options:
    - Graduated
    - Professional
    - Global

Are there be any Medicare benefit enhancements under the model?

Under the KCC Model, CMS has included a number of benefit enhancements including Kidney Disease Education (KDE), telehealth, post-discharge home visit, home health, and Skilled Nursing Facility (SNF) 3-Day Rule waivers.

How will the Model be evaluated?

In accordance with Section 1115A(b)(4) of the Act, an evaluation of the KCC Model will be conducted to determine whether the Model results in improved quality of care and reduced Medicare spending. Pursuant to section 42 CFR 403.1110(b), participants must cooperate with CMS's evaluation contractor and provide data as requested. CMS's model evaluation contractor will perform rigorous quantitative and qualitative analysis to assess the impact of the KCC Model. A combination of administrative, claims, and registry data, beneficiary surveys and focus groups, and interviews with providers and suppliers will inform the research questions for the Model. The CMS Office of the Actuary (OACT) and the HHS Secretary will take into account this evaluation in determining whether the criteria have been met to expand the scope and duration of the Model through rulemaking in the future. Specifically, in accordance with section 1115A(c) of the Act, the Secretary may expand the Model if: (1) the Secretary determines that expansion is expected to either reduce Medicare expenditures without reducing care quality or improve the quality of care without increasing spending; (2) the chief actuary of CMS certifies that such expansion would reduce (or would not result in any increase in) net Medicare program expenditures; and (3) the Secretary determines that such expansion would not deny or limit the coverage or provision of benefits for applicable individuals.