



Dialysis & Nephrology

A biweekly report by Benesch on the
Dialysis & Nephrology Industry

DIGEST

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Calendar of Events

FEBRUARY 17–21, 2021

ASDIN Goes Virtual!

Interesting cases–ASDIN Unmet/High Priority Needs in Vascular Access Research. For information, please click [here](#).

FEBRUARY 19–21, 2021

ASDIN 17th Annual Scientific Meeting

For information, please click [here](#).

ASDIN Announces Micro Research Grants

For information, please click [here](#).

ASDIN Accepting Applications Until December 31 for the \$25K Research Grant in Vascular Access

Click [here](#) for more information.

OCTOBER 6–8, 2021

NRAA 2020 Annual Conference

For information, please click [here](#).

Dialysis & Nephrology DIGEST



Please contact us if you would like to post information regarding your upcoming events or if you'd like to guest author an article for this newsletter.

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Nephrology Practice and Dialysis

OCTOBER 14, 2020

[Circuit Court revives DaVita claim that Ohio health plan violated MSPA discrimination provision](#)

DaVita and DVA Renal Health sued the Marietta Memorial Hospital, its employee health plan and Medical Benefits Mutual Life Insurance, alleging the defendants discriminated by reimbursing renal dialysis providers at low rates so that patients would switch to Medicare. In tossing the lawsuit in 2019, a District Court judge ruled the plan's failure to cover dialysis didn't constitute discrimination under the Medicare Secondary Payer Act (MSPA). However, the Sixth Circuit's decision that the MSPA's anti-discrimination provision is broader than just different individual treatment means at least three of the original seven counts will be sent case back to the district court for further consideration.

SOURCE: Law 360 (sub. req.)

Nephrology Practice and Dialysis (cont'd)

OCTOBER 8, 2020

Fresenius growth strategy includes renal care continuum, critical care

Fresenius unveiled a three-pronged [strategy](#) for growth through 2025 at its Capital Markets Day. Under what they're calling the renal care continuum, the company identified the following four components:

1. New [renal care models](#) that leverage AI and Big Data to develop renal therapies such as personalized medicine or holistic home care;
2. [Value-based care](#), highlighted by Fresenius' switch from a fee-for-service payment model to one based on fee-for-performance;
3. CKD and transplantation, as the company expands beyond dialysis to other pillars of kidney care; and
4. [Renal care innovations](#), in which the company pledged to invest in start-ups and early-stage companies involved in renal care developments.

The other pillars in Fresenius' growth strategy are critical care solutions, whereby it expands to other extracorporeal intensive care therapies like heart, lung and multi-organ failure, and complementary assets, in which the company will expand its network through partnerships, investments and acquisitions. To that end, Fresenius is [partnering](#) with digital health company [Livongo](#) to deliver technologies such as remote monitoring, biometrics to enable patients with late-stage CKD to better manage their condition and comorbidities.

SOURCE: Fresenius Medical Care

OCTOBER 19, 2020

Report: Unions may be playing long game in revisiting Calif. ballot measure meant to change how dialysis centers operate

Politico reports Calif.'s [Proposition 23](#) is the third most expensive ballot initiative this year, with \$120 million spent, including \$110 million by opponents to the measure that would require a physician to be onsite at dialysis clinics whenever it's in operation. The initiative is nearly identical brought forward by a healthcare union two years ago and a Democratic party strategist states the SEIU-UHW could be using the ballot box as a bargaining chip to get dialysis operators to the negotiating table in an effort to organize workers at the facilities. That tack is echoed by opponents to the ballot measure who contend the union's rationale is less about improving healthcare than getting major players like Fresenius and DaVita to spend millions to defend the status quo. An assistant professor of nephrology at USC's Keck School of Medicine, Dr. Eugene Lin, [notes](#) dialysis facilities with 25 stations wouldn't generate enough profit from Medicare to cover the cost of a physician, adding over two-thirds of centers in the state have fewer than 25 stations. He estimates nearly half of dialysis facilities would operate in the red should Prop 23 pass and up to one-third of centers could close. Proposition 23 faces long odds of passing Nov. 3 because it involves a regulatory matter on a crowded ballot, which typically leads to voter rejection.

SOURCE: Politico

November 5, 2020

Nephrology Practice and Dialysis (cont'd)

OCTOBER 20, 2020

[Start-up Diality raises \\$12.5M to back FDA application for portable dialysis technology](#)

Calif.-based [Diality](#) says the Series B financing round will enable it to apply to the FDA for a 501(k) clearance for its hemodialysis system. CEO Dr. Osman Khawar claims the technology will be suitable in acute, sub-acute and home settings and will be capable of delivering a range of dialysis dosages, from patients receiving three dialysis treatments per week, to those requiring lower-intensity doses suitable for more frequent dialysis.

SOURCE: Diality

OCTOBER 20, 2020

[Surgeons' group elicits support from 229 Congress members to stop Medicare cuts](#)

The Surgical Care Coalition (SCC) says a [letter](#) sponsored by eight Congress members addressed to the Speaker of the House of Representatives and the House Minority Leader calls on Congress to overturn Medicare payment cuts due to take effect Jan. 1. Those include a 9% reduction in payments for surgical care. The SCC criticized Washington for cutting payments in the middle of the COVID outbreak because of the negative financial impact that'll have on surgical practices, adding that even without the fee reductions, one-in-three private surgeons may have to close their practices because of the pandemic.

SOURCE: Surgical Care Coalition

NOVEMBER 2, 2020

[SBA develops questionnaires for for-profit, non-profit borrowers to justify PPP loans of at least \\$2M](#)

The Small Business Administration (SBA) unveiled two forms that PPP lenders are supposed to provide to borrowers of \$2 million or more to provide supplemental information to SBA's loan reviewers to justify the loan. [Form 3509](#) is for for-profit entities, while [Form 3510](#) is reserved for non-profit organizations. Borrowers will have 10 days to complete the forms and send it, plus all supporting documentation, to the lender. Failure to complete the forms within the prescribed time period will result in the SBA determining the borrower was ineligible for the PPP loan. While the government's stated case is to ensure program integrity and protect taxpayers, critics believe the forms are an attempt to retroactively apply provisions in the CARES Act to borrowers who couldn't know the full extent of the negative implications on the COVID-19 outbreak on their organizations at the time of borrowing.

SOURCE: JD Supra

November 5, 2020

Dialysis & Nephrology DIGEST

VAC, ASC and Office-Based Labs

OCTOBER 12, 2020

NANI acquires IKS in Ind., including VAC

NANI has acquired Indiana Kidney Specialists (IKS) including 15 providers in 10 office locations as well as a VAC. The Indiana Surgery and Vascular Center in Indianapolis performs diagnostic and interventional procedures such as fistulograms, angiograms, stent placement and thrombectomies. Vascular access surgeries at the center are conducted in an outpatient setting.

SOURCE: NANI

OCTOBER 14, 2020

National survey finds two-thirds of hospitals, health systems plan increased ASC investments

An [annual survey](#) of senior executives and clinical leaders at health systems and hospitals by Avanza finds between 2019 and 2020, those planning investments in ASC rose from 44% to 67%. Furthermore, three-fourths of larger hospitals indicate they'll invest more in ASCs moving forward. As it is, Avanza reports 75% of hospitals with 200 or more beds already have more than one ASC. One trend that appears to be on the decline is JVs, with 58% of hospitals and health systems with ASCs being in at least one joint venture. That number is down from previous years, which Avanza attributes to a desire by hospitals to own the facilities outright. Also trending downward is the outsourcing of ASC management, which dropped from 23% in 2019 to 16% in 2020, another indication of hospitals' using in-house resources to oversee their growing investment in ASCs.

SOURCE: Avanza Healthcare Strategies

OCTOBER 8, 2020

Survey suggests patients at ASCs under no increased risk of contractin coronavirus during initial stage of pandemic

In a survey of 709 ASCs in eight states, the ASC Quality Collaboration (ASC QC) reports that during the months of Mar. and Apr., only 16 patients out of a total of 84,446 tested positive for COVID-19 within 14 days of their procedures, an infection rate of 0.02%. Of those who became infected with coronavirus, only two required hospitalization for respiratory issues and none suffered cardiac issues, blood clotting or kidney failure. The ASC QC says the results point to protocols put in place prior to the pandemic to control the spread of infections, adding that subsequent safety measures specific to coronavirus were implemented to counter the new threat posed by COVID-19.

Related: [The Advancing Surgical Care Podcast: Monitoring Patient Safety during the Pandemic—ASCA](#)

SOURCE: ASCA

Other Interesting Industry News

OCTOBER 20, 2020

PHM program of Tenn.'s Monogram Health receives NCQA accreditation

NCQA accredited the population health program of Nashville-based managed services company [Monogram Health](#). The firm says the decision acknowledges its commitment to its AI-driven, value-based kidney care management services for patients with CKD and ESRD. The accreditation is for three years.

SOURCE: Monogram Health

OCTOBER 6, 2020

Surgical supplies provider Steris acquires rival Key Surgical for \$850M

Irish medtech firm Steris says the purchase of U.S.-based Key Surgical not only expands its product focus to areas such as sterile processing, and OR and endoscopy products, it also strengthens Steris' reach in the U.S. and other markets. A [report](#) points out the medtech industry saw a number of mergers in the past few months, including Siemens' planned acquisition of Varian Medical Systems for \$16.4 billion and Illumina's decision to buy all remaining shares in Grail for \$8 billion. However, Steris CEO Walter Rosebrough says the timing of the announcement isn't tied to other developments in the industry, saying discussions on a takeover of Key Surgical were ongoing over several years before finally being consummated. The deal is expected to be finalized by year's end.

SOURCE: Steris

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