



Dialysis & Nephrology

A biweekly report by Benesch on the
Dialysis & Nephrology Industry

DIGEST

In This Issue

PAGE 2

Calendar of Events

PAGE 3

Nephrology and Dialysis Practices

Study contends lifestyle, chronic ailments to drive 56% growth in value of global peritoneal dialysis market through 2027

NKF, ASN seek removal of race as modifier for kidney function measure

PAGE 4

NephCure's health equity initiative to focus on kidney disease in Black Americans

CMS delays first performance period for Kidney Care Choices model's to next year

PAGE 5

Updated KDIGO guideline to BP management in CKD includes patients not on dialysis

Bipartisan House measure introduced to expand Medigap coverage to patients under age 65 with ESRD

PAGE 6

Monogram Health expanding in-home kidney management program to Cigna members in 11 states, D.C.

USRC latest industry player to demand expansion of COVID-19 vaccines to dialysis facilities

PAGE 7

Kidney care company Strive Health's \$140M funding round led by Google-backed investment

Healthcare providers form Moving Health Home alliance to advance home-based clinical care policies

PAGE 8

MedPAC recommends Congress extend emergency telehealth rules for several years post-pandemic

VAC, ASC and Office-Based Labs

DOJ wants stay in private litigations in criminal no-poaching case against SCA to not hinder its own proceedings

PAGE 9

Report suggests five-largest ASCs added nearly 500 facilities since 2011

VillageMD continues expansion with practices in R.I., Mich.

PAGE 10

Other Interesting Industry News

Calif. judge grants preliminary approval of \$575M settlement in antitrust suit against Sutter Health

March 23, 2021

Calendar of Events

APRIL 6–9, 2021

12th Congress of the Vascular Access Society

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

APRIL–MAY, 2021

Future Dates NKF Spring Clinical Meetings

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

MAY 2–5, 2021

Voices by Renal Healthcare Association 2021 National Symposium

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

MAY 2–5, 2021

2021 ANNA Annual Symposium

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

SEPTEMBER 29, 2021

National Kidney Foundation of Illinois (NKFI) Golf Classic

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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COMPLIMENTARY WEBINAR

Preparing for Private Equity Investment in Nephrology

Thursday, April 8, 2021
11:00 A.M. CST—12:00 P.M. CST

Healthcare private equity firms continued investing in a variety of physician specialties at a fever pitch in 2020 as certain specialties proved to be particularly resilient, even during the pandemic. This accelerating trend extended into the nephrology sector in 2021 for the first time when a private equity firm made a sizable investment in this space. Significant additional private equity investment is anticipated in the nephrology space in years to come. Please join us for a complimentary webinar discussing:

- Considerations for evaluating private equity and other consolidation scenarios
- Preparing for private equity investment
- Common private equity deals structures

Speakers include:

SCOTT DOWNING
Partner,
Benesch Healthcare+

JASON GREIS
Partner,
Benesch Healthcare+

CHRIS DEGRANDE
Attorney,
Benesch Healthcare+

MATTHEW PHILLIPS
Managing Director,
City Capital Advisors

We anticipate that attendees will have a number of questions so please feel free to submit your questions in advance of the webinar by sending them to jgreis@beneschlaw.com.
Please register by clicking [HERE](#).

March 23, 2021

Nephrology and Dialysis Practices

MARCH 5, 2021

Study contends lifestyle, chronic ailments to drive 56% growth in value of global peritoneal dialysis market through 2027

A [report](#) (available for purchase) from Canadian research firm Emergen Research suggests the global peritoneal dialysis (PD) market will grow at an annual rate of 5.6%, so that by 2027, it will be worth \$5.73 billion. In 2019, the worldwide PD market was estimated to be worth \$3.68 billion. Emergen says the growth will be driven by human factors such as higher incidences of kidney diseases, lifestyle diseases and chronic diseases that affect kidney function. Also contributing to industry growth will be investments in healthcare delivery, diagnostics and medical equipment advances, such that innovative firms in the peritoneal dialysis space should be favored. The report anticipates the global market landscape will remain fragmented between small start-ups, medium enterprises and large conglomerates. In the U.S., key players will include Baxter International, Covidien, DaVita, Dialysis Clinic, Inc., Diversified Specialty Institute Holdings, Fresenius Medical Care, Medical Components, Inc., Northwest Kidney Centers, NxStage Medical, Satellite Healthcare and U.S. Renal Care.

Source: Emergen Research

MARCH 9, 2021

NKF, ASN seek removal of race as modifier for kidney function measure

The NKF and the ASN note estimated glomerular filtration rate (eGFR) is a common method for measuring kidney function when managing kidney diseases. eGFR uses age, sex, race and/or body weight in arriving at an estimate, however, the two groups believe it is time to remove race from the equation, arguing it is a social construct rather than a biological one. They also contend that any race-based equations that measure kidney function should be “accurate, representative, unbiased.” The NKF and the ASN [formed](#) a joint task force to address the disparities in diagnosing kidney diseases in African American, Hispanic, Asian and Native American individuals, despite the higher prevalence for those types of illnesses in those communities. One of the issues they were exploring was how the eGFR is arrived at. The full scope of recommendations from the task force is expected to be released by this summer.

Source: National Kidney Foundation

March 23, 2021

Nephrology and Dialysis Practices (cont'd)

MARCH 9, 2021

NephCure's health equity initiative to focus on kidney disease in Black Americans

The charitable group [NephCure Kidney International](#) is working with HEAL Collaborative on a health equity initiative to encourage better research in, and diagnosis and treatment of, kidney disease in underrepresented groups. The initial focus for the endeavor will be kidney disease in Black Americans. To that end, a 12-month pilot will be undertaken, in which HEAL—a community-based organization focused increasing availability of health services in under-served minority populations—will engage with faith-based groups in Atlanta and Chicago to raise awareness of CKD and FSGS within the African-American community. To raise awareness of the genetic causes of kidney disease, a marketing campaign will provide education and guidance about how to access specialized care and clinical trials.

Source: NephCure Kidney International

MARCH 8, 2021

CMS delays first performance period for Kidney Care Choices model's to next year

The Centers for Medicare & Medicaid Services (CMS) Innovation Center [delayed](#) the inception of the Kidney Care Choices (KCC) model's first performance year until Jan. 1, 2022. The voluntary options dubbed Kidney Care First (KCF) and Comprehensive Kidney Care Contracting (CKCC), were introduced by the Trump Administration. They would incentivize healthcare providers to manage the care of Medicare beneficiaries with Stage 4 or 5 CKD and ESRD. Following an implementation period, KCC's performance year period was scheduled to start Apr. 1. However, a delayed start date to the performance year period means the implementation period will be extended through the end of the year. The Renal Physicians Association (RPA) is critical of what it considers a last-minute move by the government, [saying](#) many nephrology practices were making substantial investments ahead of the initial Apr. 1 launch. The RPA is asking CMS to:

- Allow automatic qualification for a Merit-based Incentive Payment System (MIPS) hardship exception for CY 2021; and
- Allow participation in the ESRD Seamless Care Organization (ESCO) model in Q1 2021 to fulfill the MACRA/Advanced Alternate Payment Models requirement for the purposes of the MACRA bonus. If that's not possible, RPA recommends CMS ensure ESCO practices have two years of access to the MACRA bonus beyond the conclusion of the ESCOs.

Source: Fierce Healthcare

March 23, 2021

Nephrology and Dialysis Practices (cont'd)

FEBRUARY 23, 2021

Updated KDIGO guideline to BP management in CKD includes patients not on dialysis

Global non-profit [Kidney Disease: Improving Global Outcomes](#) (KDIGO) developed a [supplement](#) to a clinical practice guideline designed to manage blood pressure (BP) in patients with chronic kidney disease (CKD). The latest document focuses on:

- Techniques of BP measurement;
- Lifestyle changes that lower BP; and
- BP management in patients who are not on dialysis and/or are recipients of a kidney transplant.

KDIGO adds the guideline serves as a jumping off point for researchers looking to fill knowledge gaps relating to the management of BP in CKD patients.

Source: KDIGO

MARCH 9, 2021

Bipartisan House measure introduced to expand Medigap coverage to patients under age 65 with ESRD

The [bill](#), introduced by Cynthia Axne (D-Ia.) and Jaime Herrera Beutler (R-Wash.), would enable patients under the age of 65 to apply for Medigap plans to cover ESRD treatments. Current legislation guarantees that only Medicare beneficiaries 65 or older have access to Medigap. This despite 61% of patients receiving Medicare benefits who have ESRD are under the age of 65. While almost half of the states permit Medicare patients at any age to apply for Medigap, H.R. 1676 would extend that possibility for coverage for ESRD patients nationally. The bipartisan bill has the [support](#) of Dialysis Patient Citizens, a nationwide, non-profit, patient-led organization with membership for dialysis and pre-dialysis patients.

Source: U.S. Congresswoman Cindy Axne

March 23, 2021

Nephrology and Dialysis Practices (cont'd)

MARCH 10, 2021

Monogram Health expanding in-home kidney management program to Cigna members in 11 states, D.C.

Cigna MA members in Colo., Del., Ill., Kan., Md., Mo., N.Car., N.J., Penn., S.Car. and Tex., as well as D.C. and parts of Fla. can participate in [Monogram Health's](#) in home care management system for patients with ESRD and CKD. That's in addition to Cigna MA participants in Ala., Ariz., Ark., Ga., Miss., Tenn. and north Fla. who were already eligible. Monogram's nurse case managers and social workers conduct home visits to patients with CKD and ESRD and work with its own physicians and nurses to develop individualized care plans. Strategies include medication management, co-morbidity management, collaboration with specialists and physicians on renal care pathways, plus addressing SDOH measures that impact kidney health.

Source: Monogram Health

MARCH 18, 2021

USRC latest industry player to demand expansion of COVID-19 vaccines to dialysis facilities

Dialysis provider U.S. Renal Care (USRC) says the Biden Administration should designate its more than 350 centers as dispensaries for COVID-19 vaccines. The company notes the patient vaccination rate at facilities administering the shots is 45%, three times higher than the figure for the overall population. USRC contends patients are comfortable being vaccinated at dialysis centers as they have a long-term working relationship with the facility and staff and develop strong bonds of trust. Regular appointments for dialysis means scheduling patients for a vaccine is easier and the shot can be administered while the individual is being treated. USRC points out its kidney dialysis facilities already provides flu and other vaccines regularly and safely.

Source: U.S. Renal Care

Dialysis & Nephrology DIGEST

March 23, 2021

Nephrology and Dialysis Practices (cont'd)

MARCH 16, 2021

[Kidney care company Strive Health's \\$140M funding round led by Google-backed investment](#)

Among the company's participating in the funding round for Denver-based Strive Health was CapitalG, a growth fund controlled by Alphabet. The financing will cover Strive's ambition to advance its kidney care solutions that combine AI-enabled technology with on-staff clinicians to predict CKD progression and slow the illness' advance, while managing co-morbidities associated with compromised kidney function. Strive claims its programs improve outcomes for patients with CKD and ESRD and reduce healthcare spend by nearly 30%. The company counts partnerships with major health systems like Humana, Blue Cross and Blue Shield of North Carolina, SSM Health and Conviva Care Centers and plans to aggressively pursue further opportunities this year.

Source: Strive Health

MARCH 3, 2021

[Healthcare providers form Moving Health Home alliance to advance home-based clinical care policies](#)

Founding members of [Moving Health Home](#) include Amazon Care, Landmark Health, Signify Health, Dispatch Health, Elara Caring, Intermountain Healthcare, Ascension, Home Instead and Amwell. The coalition was formed to expand home-based clinical care, which is becoming more mainstream because of pandemic restrictions. The group will encourage lawmakers to allow reimbursement of home health services delivered through telehealth, remote monitoring and digital therapeutics and encourage technologies like electronic health records. Provider home visits can also augment primary care, behavioral health and chronic disease management. The coalition contends that home-based care services can rival hospital settings in providing positive health outcomes for certain issues and provide patients with a more holistic care experience.

Source: Moving Health Home

Dialysis & Nephrology DIGEST

March 23, 2021

Nephrology and Dialysis Practices (cont'd)

MARCH 16, 2021

MedPAC recommends Congress extend emergency telehealth rules for several years post-pandemic

A [report](#) from the Medicare Payment Advisory Commission (MedPAC) calls on Congress to go slow on implementing permanent coverage solutions around telehealth services. The commission recommends that some telehealth expansions be continued for one or two years after the public health emergency (PHE) is declared over. About 100 telehealth services were covered by CMS pre-COVID and over 140 more services were added to the list since the pandemic struck last year. Of the latter group, nine were made permanent, while close to 60 will be covered during the PHE. MedPAC declares that maintaining temporary coverage beyond the end of the PHE will enable lawmakers to gather more data that could inform a long-term telehealth policy.

Source: mHealth Intelligence

VAC, ASC and Office-Based Labs

MARCH 15, 2021

DOJ wants stay in private litigations in criminal no-poaching case against SCA to not hinder its own proceedings

While it conducts its criminal case, the U.S. government is asking for a stay in civil lawsuits against UnitedHealth Group's surgical unit over alleged agreements with competitors to not poach senior-level employees. The Department of Justice charged Surgical Care Affiliates, which is part of UnitedHealth Group's Optum division, with collusion for alleged non-compete agreements. A federal grand jury charged SCA which operates outpatient medical care centers, with entering and engaging in conspiracies with other healthcare companies to suppress competition between them for the services of senior-level employees. In a [motion](#) filed with the Northern District of Illinois, DOJ requested a nine-month stay in one of the civil cases and any cases that are consolidated with it in order to protect the government's ongoing criminal process and allow the case to proceed through trial. A trial date for the federal charges is scheduled for Nov. 2.

Related: [Former Surgical Care Affiliates director sues UnitedHealth, others over alleged 'no-poach' agreements](#) — **Becker's Hospital Review**

Source: Law 360 (sub. req.)

March 23, 2021

VAC, ASC and Office-Based Labs (cont'd)

MARCH 3, 2021

Report suggests five-largest ASCs added nearly 500 facilities since 2011

As of the end of 2020, VMG Health reports 30.8% of Medicare-certified ASCs belong to multi-site operators, up from 25.7% in 2011. The biggest five ASC companies all saw growth over the decade and collectively account for 1,795 centers nationwide. Here's the breakdown:

- USPI of Dallas went from 204 ASCs in 2011 to 310 in 2020, a 52% increase;
- AmSurg of Nashville went from 223 ASCs in 2011 to 250 in 2020, a 12% increase;
- SCA of Deerfield, Ill., went from 145 ASCs in 2011 to 230 in 2020, a 59% increase;
- SurgCenter of Towson, Md., went from 56 ASCs in 2011 to 155 in 2020, a 177% increase; and
- Surgery Partners of Brentwood, Tenn., went from 11 ASCs in 2011 to 180 in 2020, a greater than 15-fold increase.

Source: VMG Health

MARCH 9, 2021

VillageMD continues expansion with practices in R.I., Mich.

VillageMD opened 12 clinics in R.I., providing primary care services such as chronic disease management (including kidney disease) to patients in Providence and surrounding communities. The company will also **expand** into Mich., with two facilities in Westland, a Detroit suburb. VillageMD plans to open more than 15 new clinics in Mich. this year. It operates 65 clinics in eight markets.

Source: VillageMD

March 23, 2021

Other Interesting Industry News

MARCH 11, 2021

Calif. judge grants preliminary approval of \$575M settlement in antitrust suit against Sutter Health

A judge in the Superior Court of California **granted** plaintiff's renewed motion for preliminary approval of settlement in an antitrust case brought against Sacramento-based Sutter Health. The state Attorney General, unions and employers sued after allegations the healthcare provider overcharged patients and employer-funded health plans by \$756 million. Besides the agreed to settlement of \$575 million, Sutter Health must also agree to oversight of its business operations for 10 years and to divulge pricing, quality and cost information. Final approval of the settlement is expected in July. Meanwhile, a separate antitrust lawsuit alleges Sutter Health imposed contracts that forced employers and beneficiaries of the plan to overpay by hundreds of millions.

Source: Becker's Hospital Review

Dialysis & Nephrology DIGEST

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