



Shifting Practice Landscape For-Profit Companies Move into CKD Care

By Katie Westin Kwon and Eugene Lin

The past few years have seen a number of for-profit companies seeking to partner with nephrologists to manage their patients with later stage chronic kidney disease (CKD). Kidney disease is an expensive medical condition to treat: Medicare's total cost of care for patients with kidney disease in 2018 was \$81.8 billion (1). Both Medicare and private payers have advanced care models that reduce that cost. New value-based care (VBC) initiatives focus on the patient population that is at risk for developing end stage kidney disease (ESKD). These programs will financially reward providers who successfully slow kidney disease progression and increase home dialysis and transplantation rates. Companies that succeed will profit by capturing some of the resulting savings to payers.

Previously, the reimbursement structure for nephrology has primarily focused on dialysis. This, in turn, has created a landscape where an outsized portion of the nephrologist's income derives from dialysis at the expense of other aspects of kidney care. This has been cited as a contributing factor to the nephrology workforce crisis; residents perceive nephrology to be overly focused on the complicated care of patients with ESKD (2). Additionally, misaligned financial incentives prioritize keeping in-center hemodialysis chairs filled rather than guiding patients toward alternative therapies, like home dialysis or kidney transplant (3).

The new VBC models have introduced incentives to focus on patients with advanced CKD not yet on dialysis (4). For-profit companies have noticed. Start-up companies, larger for-profit healthcare providers, and venture capital firms have formed a marketplace of new products aimed at helping nephrologists improve their management of CKD at a population level (Table 1).

Population-based care requires a different set of tools compared to traditional fee for service. Enhanced data analytics allows providers to risk stratify patients so they can target care-coordination efforts to patients most at risk for poor outcomes. A practice may evaluate its entire cohort of patients to make sure they are all appropriately prescribed medications to slow progression of their CKD or may hire a care manager to see every patient post-hospitalization for care coordination. However, the indiscriminate application of intensive disease management can be expensive, especially among patients without albuminuria (5). Traditionally, such care-management tools are beyond the reach of a small- or mid-sized nephrology practice. The for-profit companies seek to meet this need. Some companies are even aggregating the patient panels of multiple practices to help smaller practices spread risk and meet the required numbers to participate in the various VBC models.

The benefit to the practicing nephrologist is a clinical rebalancing, such that the CKD clinic is no longer a "loss leader" but instead, a significant source of income. For the for-profit companies investing in nephrology, VBC represents a big growth opportunity. The challenge, as our patients' advocates, is to ensure that VBC incentives remain aligned with patients' best interests. We have been given substantial flexibility to achieve the desired outcome

of fewer people needing in-center dialysis care. Our role as nephrologists will be to direct the dollars being invested in an efficient and focused manner to create CKD care that best supports our patients. ■

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Table 1. Notable for-profit companies innovating in nephrology

Companies	Investors	Notable characteristics
Cricket	Valtruis	Virtual multidisciplinary team to support enrolled CKD patients at no cost to practice; payer contract negotiations
InterWell	Fresenius	VBC contracts; aggregates smaller practices to participate
Global Nephrology Solutions	Audax	Participating physicians own equity in GNS; services include practice management and VBC
Somatus	Longitude Capital; Anthem Healthcare	Partners with payers and nephrology practices; also with health systems to provide inpatient/outpatient dialysis
Strive	Capital Group (Division of Alphabet)	Partners with health systems, nephrologists, and primary care
CVS Kidney Care	Partnership with Satellite Healthcare	Developing a home hemodialysis machine
Evergreen Nephrology	Rubicon Founders	Partners with nephrologists for the management of full-risk Medicare patients; focuses on dialysis preparation, home dialysis, and transplantation

CKD, chronic kidney disease; VBC, value-based care; GNS, Global Nephrology Solutions.