

## How will bundling impact dialysis units nationwide?

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The proposed Medicare "bundled" payment system for dialysis is likely to reduce government reimbursements for dialysis units in certain regions of the United States and for some types of facilities, according to research being presented at the American Society of Nephrology's 42nd Annual Meeting and Scientific Exposition in San Diego, CA.

"Our facility-level analysis suggests considerable geographic variation in the impact of bundled payments on dialysis centers across the country," comments Sumit Mohan, MD (Columbia University/Harlem Hospital). "Dialysis centers in the east and southeast are particularly likely to feel an adverse financial impact."

The researchers used data from the Centers for Medicare & Medicaid Services (CMS) and other federal sources to estimate the financial effects of the bundled payment model on different categories of dialysis units. Under the proposed system, dialysis centers will receive "bundled" payments covering dialysis, medications, and laboratory tests.

"Our analysis suggested unanticipated geographic variation in facility reimbursement payments," according to Mohan. The percentage of dialysis centers likely to receive lower payments under the new plan varied widely between states. Estimates suggested that in several states, no dialysis centers would be at risk of receiving lower reimbursements. In contrast, in one state (Delaware), 100 percent of centers are likely to see an adverse financial impact.



The plan would have a greater financial impact on dialysis centers in some parts of the country, especially the south and east. On average, 59 percent of <u>dialysis</u> centers would be affected in states east of the Mississppi River, compared to 33 percent in states west of the Mississippi. "The impact appeared to disproportionately affect the South census region, which also has the highest intensity of poverty," Mohan added.

The study adds to other recent reports raising concerns about potential inequities under the proposed payment system. According to a CMS statement, public comments on the proposed payment plan will be accepted through November 16, 2009, with a final plan to be issued in 2010.

The study was limited in that it used only publicly available, facility-level data. In contrast, the analysis used to develop the proposed bundled payment model also included patient-level data.

Source: American Society of Nephrology (<u>news</u>: <u>web</u>)

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