

# Kidney care conflicts of interest: Experts call for transparency on joint-venture dialysis clinics

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Penn Medicine experts in nephrology and health policy call for more transparency about joint-venture ownership of dialysis clinics to better understand what impact these arrangements may have on patient referrals and clinical outcomes. Currently, physicians who enter into these ventures, in which they share in the management, profit, and losses of a dialysis facility, are not required to disclose the relationship nor discuss it with patients. And no information about dialysis clinic joint-venture arrangements is publicly available. The lack of transparency poses a major barrier for evidence-based health care policy research and deprives patients of critical information, the researchers write in a new Perspective published in the *New England Journal of Medicine*.

Dialysis—the treatment that filters blood for patients with kidney complications—is a profitable business in the United States. The Centers for Medicare and Medicaid Services spent \$34 billion in 2014 on beneficiaries with end-stage renal disease, and the two largest dialysis companies, DaVita Kidney Care and Fresenius Medical Care, which control 70 percent of the market, reported an annual net income in the range of \$1 billion in recent years.

"There are a variety of different joint-venture arrangements between dialysis clinics, both for-profit and non-profit, and physicians, but we have no idea what consequences for patients, good or bad, come from such arrangements," said first author Jeffrey S. Berns, MD, a professor

of Medicine and associate chief of Renal Electrolyte and Hypertension in the Perelman School of Medicine at the University of Pennsylvania. "It's only fair to patients that this information be made available so the relationship between joint-venture ownership of dialysis clinics and outcomes of patients with kidney failure who are on dialysis can be studied." What's more, ethically speaking, patients should be aware of these ties to make an informed decision about their care, he added.

Joint ventures are promoted as a way of aligning the interests of nephrologists with those of dialysis providers in order to improve [clinical outcomes](#) and patient satisfaction. However, that assertion has never been studied. The authors said that such ventures create financial incentives for participating nephrologists that may inappropriately influence decisions about patient care.

They ask, "might a nephrologist with a financial stake in a dialysis facility be more likely to recommend that a patient start dialysis? Could there be pressure to refer a patient to a facility in which the nephrologist is a partner, even though other facilities might be closer to the patient's home, have more convenient dialysis shifts, offer better services or treatment modes, or provide higher-quality care?"

"It is certainly possible that these concerns are not borne out in practice and that joint ventures actually improve outcomes and patient satisfaction," the authors wrote. "The only

way to find out is with independent, empirical research comparing the outcomes

and costs of care among patients receiving treatment at joint-venture facilities with those at other facilities. Unfortunately, such research is not only nonexistent, it is currently impossible to conduct."

Berns and co-authors Aaron Glickman and Matthew S. McCoy, Ph.D., both from the department of Medical Ethics and Health Policy, also recommend nephrology specialty societies follow the lead of the American Medical Association and other professional organizations by developing guidelines mandating disclosure of joint-venture arrangements and any other financial ties between nephrologists and dialysis providers to [patients](#) and their families before initiation of dialysis at a particular facility.

Berns calls the issue one of the most important, but also one of the least discussed and understood, in the [dialysis](#) industry today.

Provided by Perelman School of Medicine at the University of Pennsylvania

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