

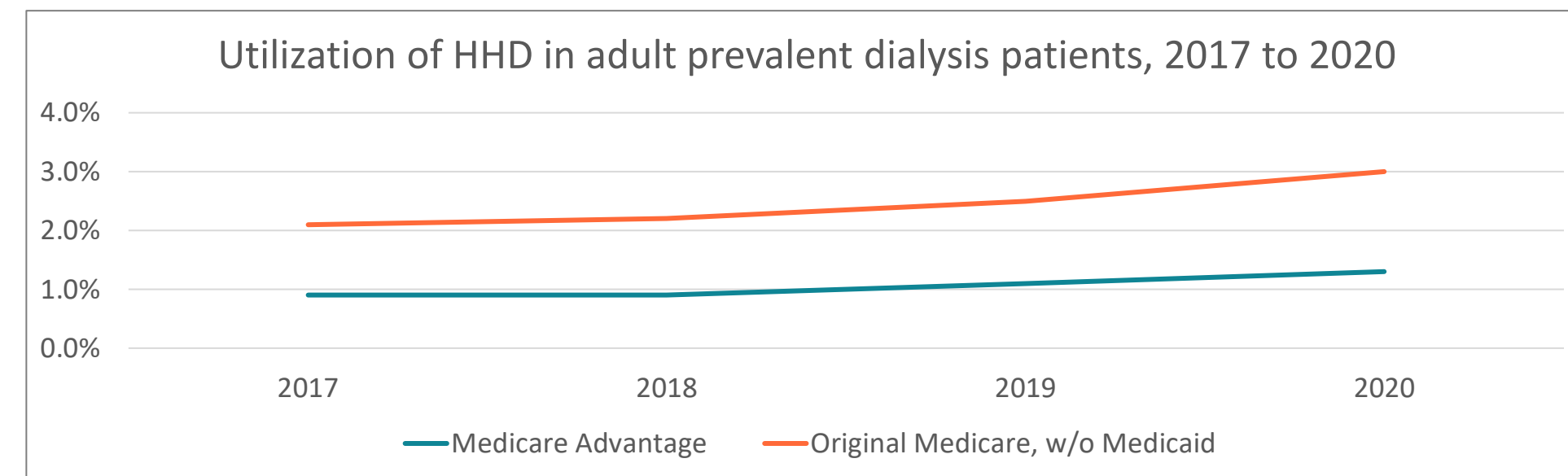
Home Hemodialysis Can Help Providers Reduce Total Cost of Care in Risk-based Contracts with Medicare Advantage Organizations

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BACKGROUND

- The Advancing American Kidney Health (AAKH) Executive Order set a goal of 80% of new ESRD patients initiating on home dialysis or with a transplant.
- Home hemodialysis (HHD) has lower hospitalization vs. in-center hemodialysis (ICHD), yet Medicare Advantage (MA) HHD use other payers.¹



OBJECTIVES

- To estimate the per member per month (PMPM) costs and **five-year savings generated by establishing a Tablo[®] HHD program vs. ICHD, for a health system with full risk for a dialysis population delegated by a MA health plan.**

METHODS

We modeled a health system with full risk on 500 dialysis members.

Modeling was performed in MS Excel and included inputs in Tables 1 and 2

Table 1. Population Inputs, Years 1-5

Dialysis Member Years	500-580
Death & Transplant ¹	19%
Incidence ¹	22%
New Tablo HHD starts	20%-50%
New PD starts	18%-30%
HHD to ICHD at 1 year	7%-10%
PD to ICHD at 1 year ¹	17%-18%

Table 2. Medicare Advantage Plan Inputs, Years 1-5

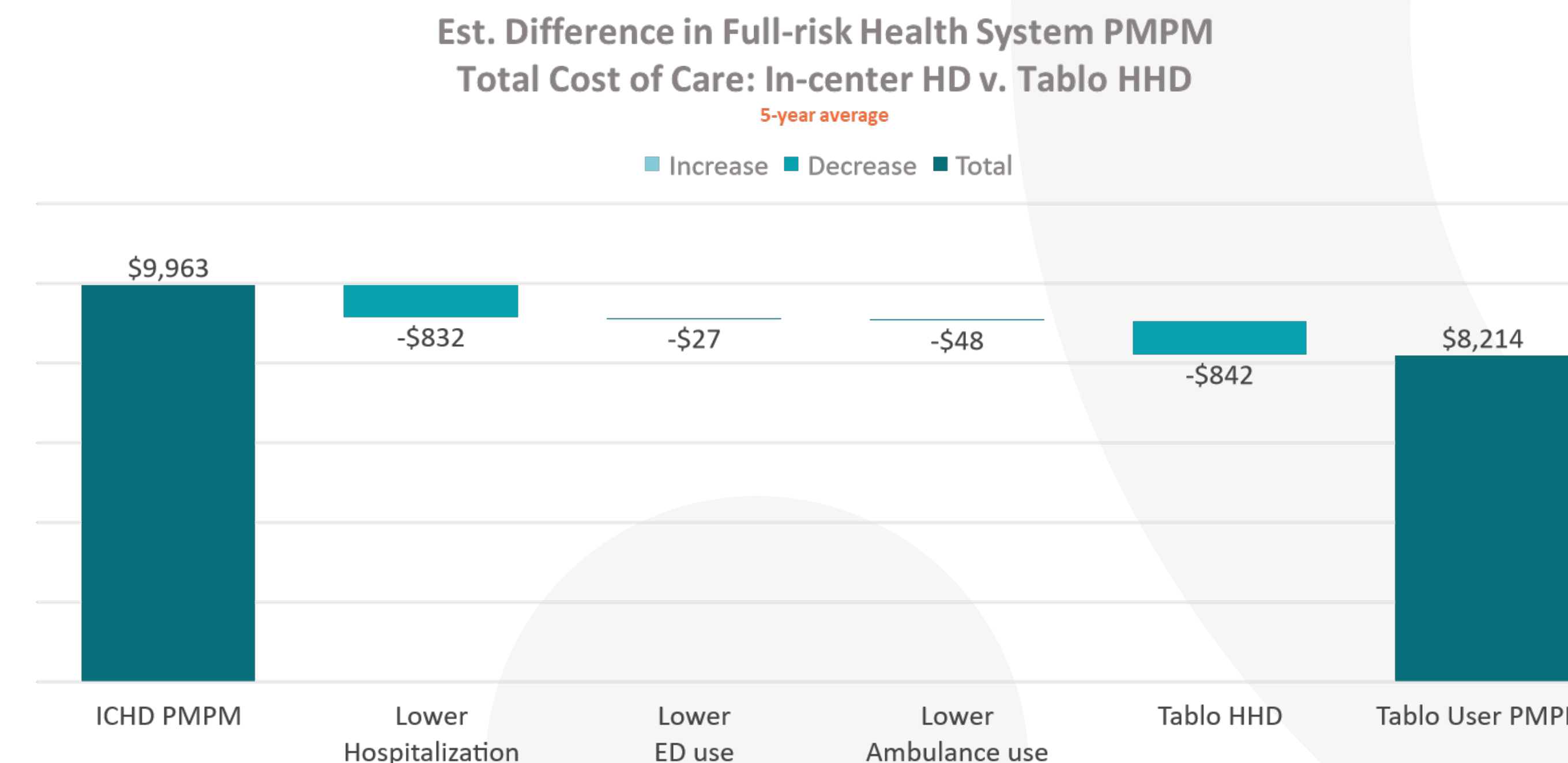
Delegated PMPM Capitation	\$7,992-\$9,714
Max out-of-pocket (OOP)	\$5,000
Risk-adjustment Factor	1.00
In-center HD & PD Rate per Tx ²	\$338-\$380
Tablo HHD Cost per Tx	\$237-\$267
Dialysis Frequency ICHD & PD	3.0x weekly
New Tablo HHD starts	3.5x weekly
Hospitalization costs Tablo HHD:ICHD ³	0.7:1

RESULTS

At the end of the modeled five years, we estimated that 172 members would be on Tablo HHD (30%), and a total of 508.2 member years over the 5-year term of the model.

The five-year average HHD PMPM provided \$1,749 in savings vs. ICHD, yielding \$10.7M total cost of care savings over the five years. (Figure 1)

Figure 1. Tablo HHD could yield a \$1,749 PMPM Reduction in Costs vs. In-Center HD



DISCUSSION

- Medicare Advantage plans are increasingly delegating population risk to providers through VBCs.
- This analysis demonstrates substantial cost savings to health systems by taking full risk from private payers while improving patient choice and care quality with an innovative home dialysis technology, like Tablo.

CONCLUSION

- A health system taking full-risk on MA dialysis members could reduce costs by \$1,749 PMPM and drive \$10.7M in savings over five years, achieving AAKH goals by growing Tablo HHD utilization.**

1. USRDS 2022 ADR, ESRD Volume. Figure 2.1b.
 2. Lin et al, Health Affairs, Aug 2022
 3. Plumb et al, HDI 2019