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May 1, 2017

Physician-Focused Payment Model Technical Advisory Committee C/o U.S. DHHS Asst. Secretary for Planning and Evaluation Office of Health Policy 200 Independence Avenue S.W. Washington, D.C. 20201

PTAC@hhs.gov

Dear PTAC Members,

The National Kidney Foundation is pleased to announce our intent to submit a physician focused payment model (PFPM) for the comprehensive care of chronic kidney disease (CKD) patients. We intend to submit our full proposal around August 1, 2017.

Payment Model Overview

CKD affects 26 million adults in the United States, 90% are unaware of their condition because of CKD under-diagnosis, even among those at the highest risk -- those with diabetes and hypertension. Total Medicare expenditures for all stages of kidney disease were nearly \$103 billion in 2014, not including prescription medications. Approximately \$70 billion of the total expenditures was spent caring for those with CKD who did not have kidney failure. Furthermore, CKD is a disease multiplier that leads to cardiovascular disease, bone disease, and other chronic conditions; further contributing to poor health outcomes and increased health spending for this population across public and private health insurers.

Payments tied to performance measures will be provided separately to primary care physicians and nephrologists that cover the resources needed to provide evidence based care management services that address patients' needs at each stage of their disease. Payments to primary care will be contingent upon an appropriate plan to identify patients at risk for CKD, provide evidence based care management to patients with CKD stage 3 and care collaborate with nephrology practitioners. Payments to nephrology practitioners will require appropriate coordination among each of their patients' healthcare providers including other specialists. The model may include upside and a downside risk track for both PCPs and nephrologists.

Goals of the Model

The primary goal of the payment model is to facilitate a **Patient** Focused Payment Model that addresses patients' quality of life goals and focuses on delivering the right care, to the right patient at the right time. The payment model is expected to facilitate care that will support

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practitioners to detect and manage CKD in its earlier stages (3a/b-5 not on renal placement therapy). Practitioners will be expected to provide longitudinal care to prevent CKD progression, reduce cardiovascular risk, mortality and other adverse events, and ease care transitions for those who progress to advanced CKD, including end-stage renal disease (ESRD). The model will allow flexibility in care delivery - including use of telehealth/telecommunications and encourage a multi-disciplinary team based approach. It will also allow patients the opportunity to participate in their care and make informed decisions about treatment options.

Expected Participants

We expect internists, family physicians, geriatricians, and nephrologists involved in large health systems, or small and independent practices to participate. Only practitioners with access to electronic health records (EHR) would have the ability to participate. However, we believe rural and independent physicians with EHRs would be interested in participating as payment in the model is made upfront rather than in shared savings on the backend.

Implementation Strategy

NKF is the largest, most comprehensive and longstanding, patient centric organization dedicated to the awareness, prevention and treatment of kidney disease in the US. In addition, NKF has provided evidence-based clinical practice guidelines for all stages of chronic kidney disease (CKD), including transplantation since 1997 through the NKF Kidney Disease Outcomes Quality Initiative (NKF KDOQI). We will remain committed to providing education and outreach to support this model throughout its implementation.

Timeline

We plan to submit the model around August 1, 2017. To develop the model NKF convened a diverse workgroup of multidisciplinary healthcare practitioners and patients. Healthcare professionals that work with major specialty societies in nephrology and primary care were represented in the workgroup. Prior to submission we expect to have received and incorporated feedback from additional practitioners and commercial payers with whom we will share the model. Since we are undertaking our own efforts to gain insights from payer and primary care and nephrology practitioners and payers we believe this will reduce the time needed to launch the model. However, we expect that implementation and recruitment for participation will take at minimum 12 months.

Sincerely,

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