

# Proposed ETC Model



End-Stage Renal Disease (ESRD) Treatment Choices (ETC) Model is proposed to be a mandatory payment model that would encourage greater use of home dialysis and kidney transplants for Medicare beneficiaries with ESRD in order to preserve or enhance their quality of care while reducing Medicare expenditures. One of the model goals is to provide beneficiaries the choice of ESRD treatment best fit for their lifestyles.



Approximately **37 million Americans** have kidney disease.<sup>1</sup>



Over 100,000 Americans begin dialysis each year<sup>2</sup>, yet the rate of home dialysis in the US—**about 12%** in 2016—falls far below that of other developed nations.<sup>3</sup>



**Only 29.6%** of prevalent ESRD patients in the US had a functioning transplant in 2016.<sup>4</sup>

CMS's proposals for the ETC Model are included in the Medicare proposed rule for Specialty Care Models to Improve Quality of Care and Reduce Expenditures. View the [Notice of Proposed Rule Making](#) to learn more.

## Proposed ETC Model Participation



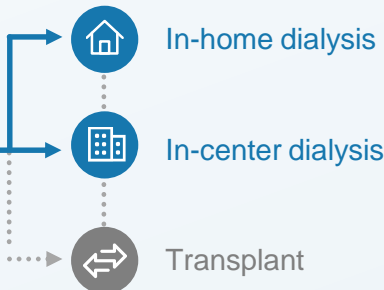
### CMS Would Select and Notify Participants

CMS would randomly select model participants—including ESRD facilities and Managing Clinicians\*—based on their location in selected geographic areas. They would account for approximately 50% of adult Medicare beneficiaries with ESRD in the 50 States and District of Columbia†.



### Participants Would Deliver Patient-Centered Care

ETC Model participants would support ESRD beneficiaries in choosing greater use of home dialysis and kidney and kidney-pancreas transplants.



\* Under ETC, a Managing Clinician would be a Medicare-enrolled physician or non-physician practitioner who furnishes and bills the monthly capitation payment (MCP) for managing one or more adult ESRD beneficiaries.

† CMS proposed to exclude certain ESRD facilities and clinicians from certain parts of the model's interventions due to serving low volumes of adult ESRD beneficiaries.



### Trump Administration Goal

80% of new ESRD beneficiaries dialyze at home or have a transplant by 2025

The United States Renal Data System (USRDS) estimates that the current rate is 37%.<sup>2</sup>



### CMS Would Adjust Certain Payments to Participants

CMS would make two different payment adjustments to encourage greater use of home dialysis and kidney transplants for Medicare beneficiaries with ESRD.

**Home Dialysis Payment Adjustment (HDP)**  
Upward payment adjustment on all home dialysis and home dialysis-related claims for participants during the initial three years of the Model, decreasing over time as the Performance Payment Adjustment (PPA) increases

**ESRD facilities:** Payment would be adjusted on the Adjusted ESRD Prospective Payment System (PPS) per Treatment Base Rate for home dialysis claims

**Managing Clinicians:** Payment would be adjusted on the Physician Fee Schedule (PFS) Monthly Capitated Payment (MCP) for managing beneficiaries on dialysis

**Performance Payment Adjustment (PPA)**  
Performance-based upward or downward payment adjustment for participating ESRD facilities and Managing Clinicians

**ESRD facilities:** Payment would be adjusted to the Adjusted ESRD PPS per Treatment Base Rate for all dialysis claims, with certain exclusions

**Managing Clinicians:** Payment would be adjusted on the MCP for managing beneficiaries on dialysis for all dialysis claims, with certain exclusions

The payment adjustments for selected ESRD facilities and Managing Clinicians would apply to Medicare claims during the following:  
**HDP:** January 1, 2020 through December 31, 2022 | **PPA:** July 1, 2021 through June 30, 2026

For more information on the proposed ETC Model, please visit [innovation.cms.gov/initiatives/esrd-treatment-choices-model](https://innovation.cms.gov/initiatives/esrd-treatment-choices-model)

<sup>1</sup> Centers for Disease Control and Prevention. Chronic Kidney Disease in the United States, 2019.

<sup>2</sup> United States Renal Data System. USRDS Annual Data Report Reference Tables 2018; Volume 2; D. Treatment Modalities; Tab D.1.

<sup>3</sup> United States Renal Data System. Annual Data Report, 2018. Volume 2, Chapter 11: International Comparisons. Figure F11.12.

<sup>4</sup> United States Renal Data System. Annual Data Report, 2018; Volume 2. Chapter 1: Incidence, Prevalence, Patient Characteristics, and Treatment Modalities.