

VA



U.S. Department of Veterans Affairs

Veterans Health Administration
Providence Healthcare System

Improving the Value of Care for Veterans: Impacts of VA Payment Reform for Community-Based Dialysis

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Outline

- Background
- Study Design
- Results
- Conclusions/Next Steps



Acknowledgements

- HSR&D Funded Study IIR 15-301

- Study Team

Providence: Vincent Mor, Amal Trivedi, Shailender Swaminathan, Emily Corneau, Christine Liu

Durham: Virginia Wang, Matthew Maciejewski, Caroline Sloan

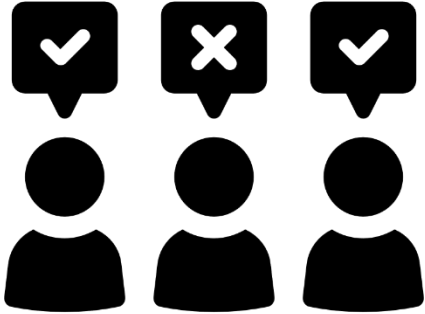
Seattle: Ann O'Hare

- Research Advisor

VHA National Kidney Disease & Dialysis Program: Susan Crowley



Poll Questions



What is your familiarity with VA community-based care? (check all that apply)

- Am involved in referrals or payment for community-based services.
- Am involved in research / analysis on community-based care.
- Heard of VA community-based care, but no experience.
- Never heard of it.

What is your role? (check all that apply)

- Clinician
- Investigator
- Research Staff
- Health Administration
- Other



ESRD Care in the VA

CKD Population

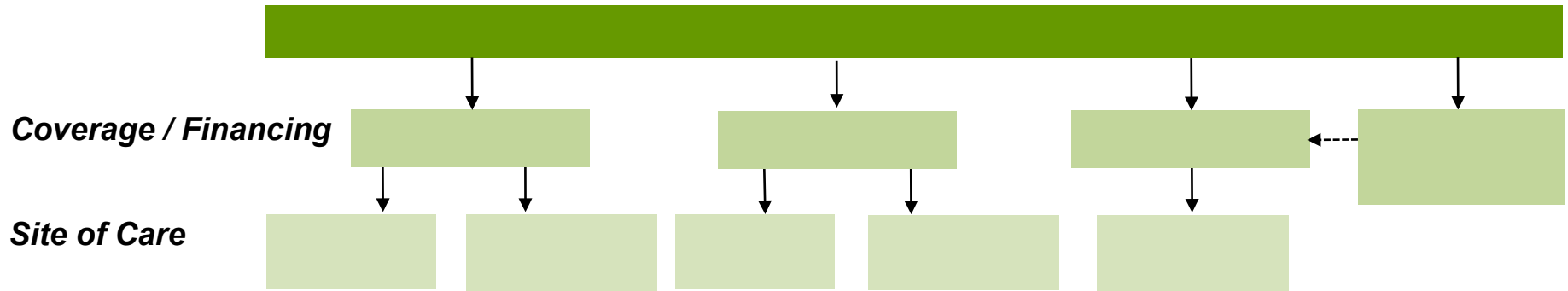
- 200,000 Veterans (eGFR < 50)
- 34% higher prevalence than in general population

ESKD Population

- ~30,000 Veterans
- 3x higher prevalence than in the general US population
 - Younger
 - Rural
 - Differential access to care



FYI: Coverage and Access for Veterans



	VA	Medicare
Insurance Coverage	Variable	80% **
Patient Copayment per treatment	\$0 – 15	20% (~\$40)
Capacity (facilities)	In-house: 67, hospital-based (IP and OP) 4+, off-campus (OP-only, <i>“new”</i>) Outsourced/Purchased Care: community, non-VA	> 6,000 units



ESRD Care in the VA

Limited VA Capacity → VA Purchases Dialysis in the Community

- Largest outpatient expenditure for VA Purchased Care
- Variable payment to community-based dialysis providers
- **Concerns: cost, quality, value**



VA Re-Pricing Policies for Dialysis

VA purchasing policy for community-based dialysis

- 2011: Standardized payment (i.e., Medicare fee schedule)
- 2013: National contracts for dialysis care
 - ✓ Standardized payment (moderately higher than Medicare bundle)
 - ✓ Participating community-based dialysis facilities

↓
VA \$\$ on
dialysis?

↓
Patient access to
care?

↓
Quality of
participating
non-VA providers?

↓
Clinical
outcomes?



VA HSR&D-funded IIR-15-301

Effects of Reduction and Standardization of Reimbursements in the VA Fee-Basis Program

1. Describe changes in VA prices for VA-purchased community dialysis care between 2006 and 2016
2. Assess the impact of VA pricing and contracting practices on Veteran access to high-quality community dialysis
3. Examine the impact of VA price and contracting practices on Veteran outcomes



Methods

Study Design: Interrupted Time series

Sample: Veterans receiving VA-financed community-based (non-VA) dialysis treatment, 2006-2016 (n=24,870)

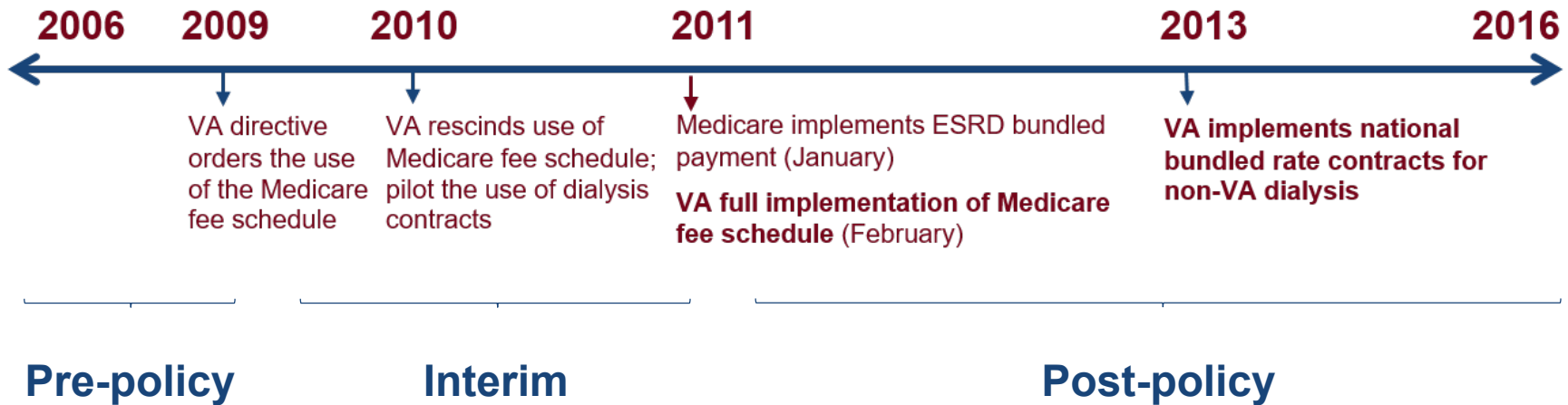
Setting: National

Data: US Renal Data System (national patient registry)
VA enrollment, vitals, inpatient/outpatient, PC claims
Medicare (dialysis facility performance reports)

Observation period: January 2006 – December 2016



Timeline (Policy, Study Design)





Outcomes & Analysis

Outcomes:

- VA price for non-VA dialysis session (\$ 2016)
- Veterans' access to care:
 - 1) # participating non-VA dialysis facilities
 - 2) non-VA dialysis facility quality: standardized hospitalization rate, standardized mortality rate
 - 3) patient distance to nearest non-VA dialysis facility
- Veterans' 1-year mortality

Analysis: Interrupted time series analysis (interrupted at 2011), adjusted for Veterans' demographic, clinical, and access characteristics and VAMC-or VISN-fixed effects.



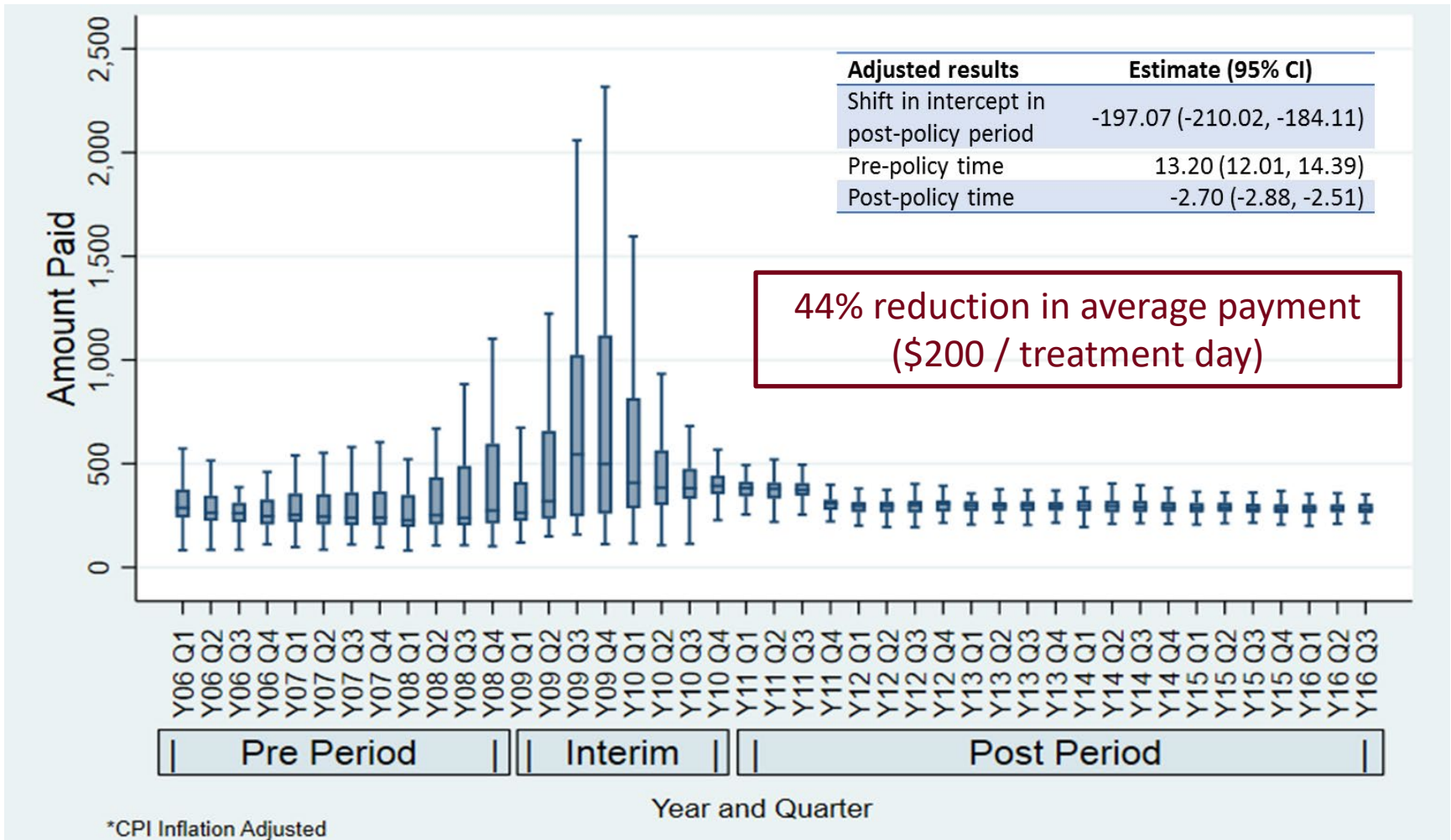
Patient Demographics

N= 24,870 Veterans receiving VA Community Dialysis

Age, mean (SD)	64.4 (10.6)
Race: White	56.6%
Black	33.2%
Hispanic	8.0%
Other	2.24%
Insurance: Medicaid	13.6%
VA reliance (outpatient care): No VA	3.9%
0-50%	10.9%
>50%	85.1%
Nearest VA dialysis <30 miles	44.0%
Primary Cause of ESRD: Diabetes	50.7%
Hypertension	27.1%
Other	22.2%
% baseline kidney function (eGFR): <10	42.5%
10-15	41.8%
≥15	15.7%



Outcomes: Policy & Dialysis Prices



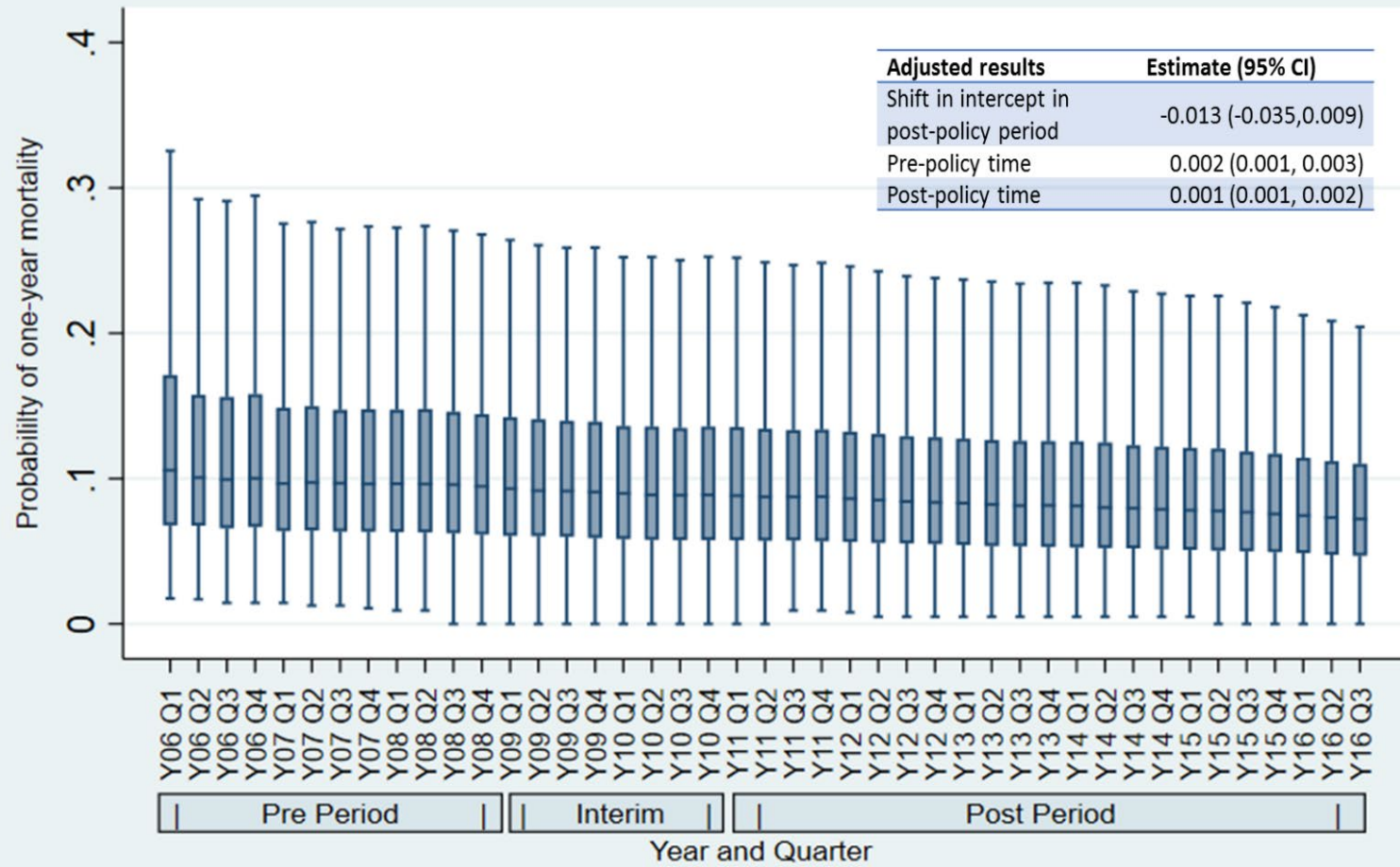


Results: Policy & Access to Care

	# Participating Comm Dialysis	Comm Dialysis: Hospitalization Rate	Comm Dialysis: Mortality Rate	Veteran Distance to Comm Dialysis
Unadjusted VAMC Mean, by policy period				
Pre (2006-2010)	19 facilities	0.94	1.03	19 miles
Post (2011-2016)	37 facilities	0.95	1.03	15 miles
Adjusted changes				
Interim-period (2009-2010)	-0.31 (-4.22, 3.59)	0.01 (-0.04, 0.06)	-0.006 (-0.05, 0.04)	-1.12 (-3.11, 0.87)
Intercept shift, post- policy (2011 – 2016)	-4.15 (-10.17, 1.88)	0.025 (-0.04, 0.09)	0.006 (-0.06, 0.07)	-1.23 (-3.96, 1.49)



Results: Policy & 1-Yr Mortality





Summary & Significance

VHA implementation of Medicare-based pricing and national contracts for community dialysis resulted in

- significant reductions in price variability and 44% reduction in average treatment prices for community dialysis care
- no adverse impact on Veterans' access to care or mortality

Net: VA pricing policy changes was associated with a *substantial increase in the value of VA's community care for dialysis services.*



Policy Implications

Community Dialysis Care

- Attests to the purchasing power of VA?
- Price setting did not deter participating providers, despite near simultaneous cost containment in Medicare in 2011.

General Community Care

- Feasibility of implementing payment strategies that lower costs
 - without jeopardizing VA partnerships with community providers or
 - compromising access to care or clinical outcomes
- National contract mechanism may support national price setting to improve the value of other kinds of community care.



Ongoing and Next Steps

- Dissemination – main findings, currently under review for publication
- Refining analysis on comparative outcomes of Veterans utilizing VA dialysis vs. non-VA dialysis



Questions?



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