

**Measurement Year 3** (January 1, 2022–December 31, 2022)

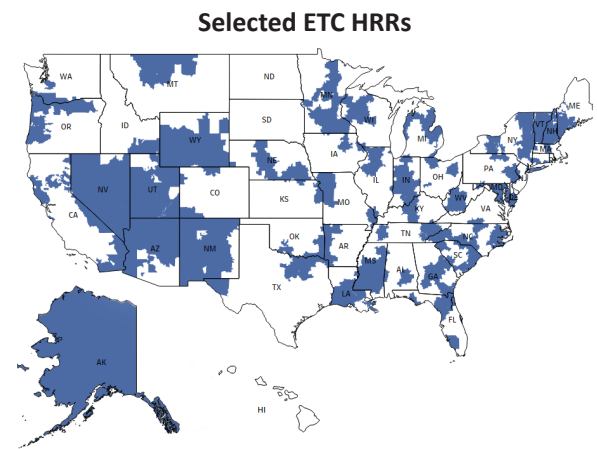
**Performance Payment Adjustment Period 3** (July 1, 2023–December 31, 2023)

## MODEL OVERVIEW

- The ETC Model is intended to **encourage greater use of home dialysis and kidney transplants** for Medicare beneficiaries with ESRD, while reducing Medicare expenditures and preserving or enhancing the quality of care furnished to beneficiaries with ESRD.
- The model, **which began on January 1, 2021**, is a mandatory payment model.
- **ETC Participants** are all ESRD facilities and Managing Clinicians in Selected Geographic Areas.
- Selected Geographic Areas are all **Hospital Referral Regions (HRRs)** for which at least 20 percent of the component zip codes are located in Maryland, and a random sample of 30 percent of HRRs, stratified by Census-defined regions (Northeast, South, Midwest, and West). CMS excludes all U.S. Territories from the Selected Geographic Areas.
- **Payment Adjustments:**
  - **Home Dialysis Payment Adjustment (HDP):** A positive +3%, +2%, and +1% adjustment to home dialysis claims during the first three Calendar Years of the ETC Model.
  - **Performance Payment Adjustment (PPA):** A positive or negative adjustment based on the ETC Participant’s home dialysis and transplant rate in a Measurement Year (MY). Adjustments are made to the adjusted ESRD Prospective Payment System (PPS) per treatment base rate under the ESRD PPS for selected ESRD facilities and to the Monthly Capitation Payment (MCP) for selected Managing Clinicians during the applicable Performance Payment Adjustment Period (PPA Period).
- **Health Equity Policies:**

Beginning in MY3, CMS implemented policies to reduce disparities in access to home dialysis and kidney transplants.

  - **Health Equity Incentive:** For significant improvement in the home dialysis rate or transplant rate of beneficiaries who are dual-eligible for Medicare and Medicaid (DE) or Low Income Subsidy (LIS) recipients during an MY.
  - **Achievement Benchmarks:** Stratified by the proportion of DE/LIS recipient beneficiaries attributed to an ETC Participant during an MY.



## MY3 ETC PARTICIPANTS



**2,416**  
ESRD facilities



**83,654**  
Beneficiaries attributed  
to ESRD facilities



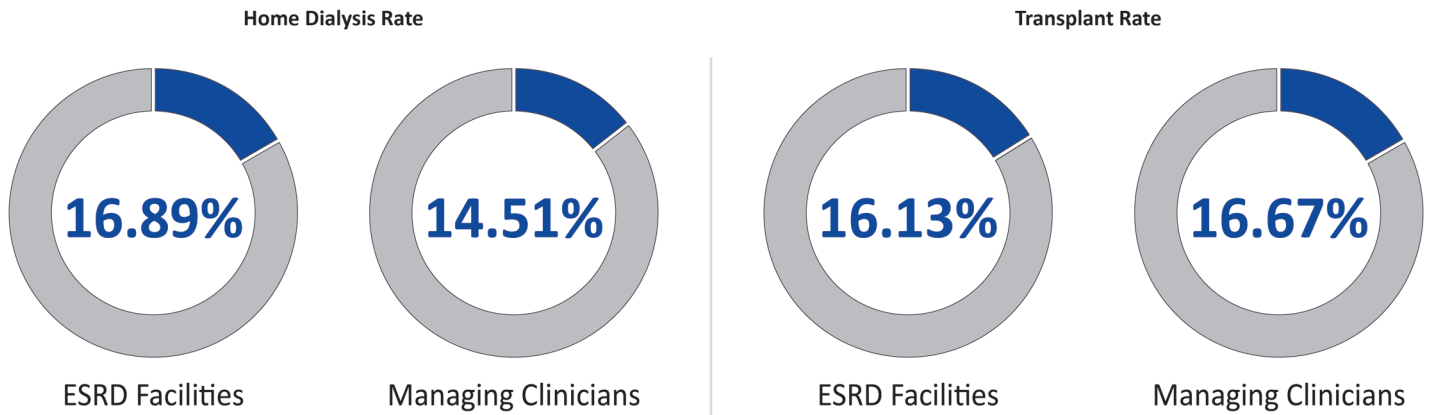
**3,100**  
Managing Clinicians



**85,555**  
Beneficiaries attributed  
to Managing Clinicians

# MY3 PERFORMANCE

## Average Home Dialysis Rate and Transplant Rate Among ETC Participants in MY3



## Performance in MY3 Versus Achievement Benchmarks

(Benchmark Year 3: July 1, 2020–June 30, 2021)

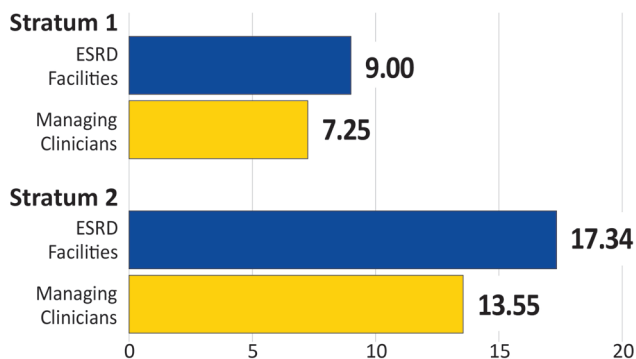
### PERFORMANCE RATES

#### Home Dialysis Rate

Share of ETC Participants with rates higher than the applicable 50th percentile achievement benchmarks

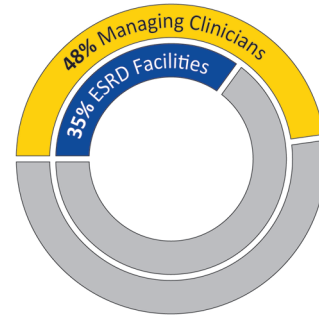


Achievement Benchmarks for ETC Participants by Stratum

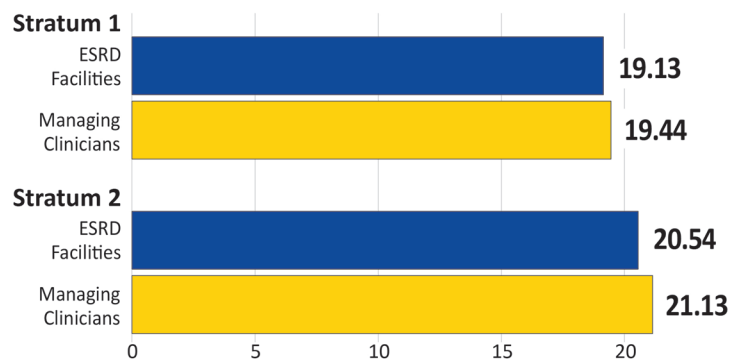


#### Transplant Rate

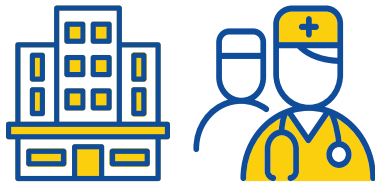
Share of ETC Participants with rates higher than the applicable 50th percentile achievement benchmarks



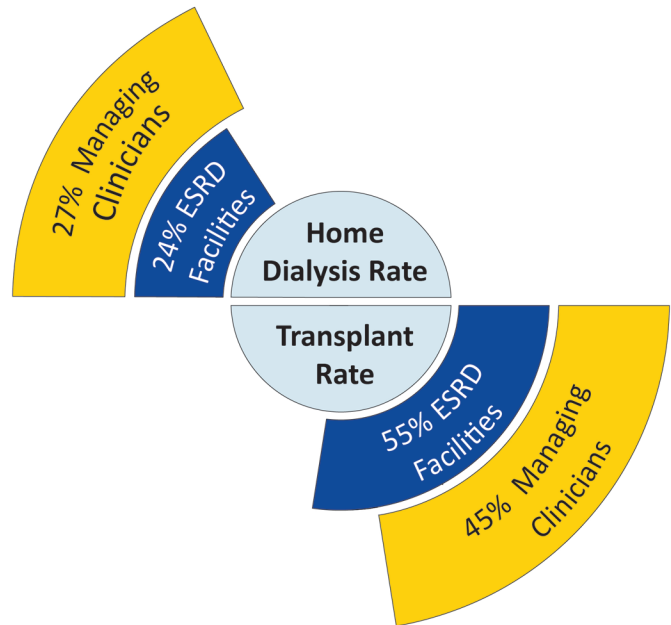
Achievement Benchmarks for ETC Participants by Stratum



Stratum 1: DE/LIS percentage is 50% or more | Stratum 2: DE/LIS percentage is less than 50%



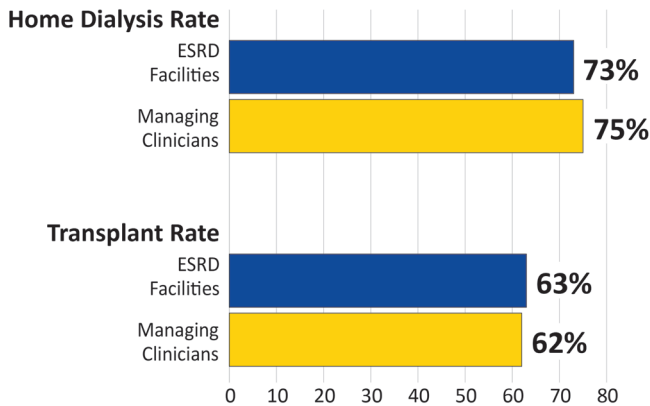
Share of ETC Participants with 50% or more attributed beneficiary years for DE/LIS beneficiaries



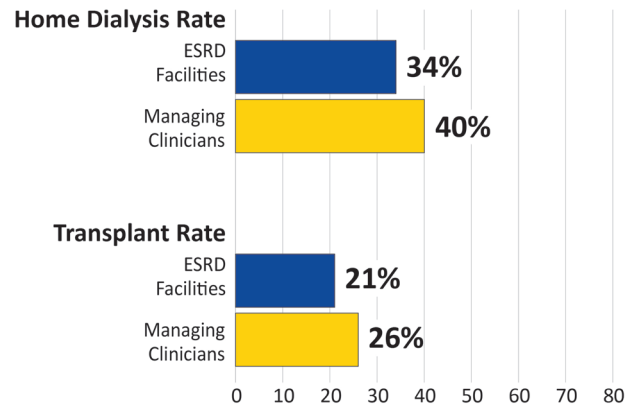
### Performance Over Time

(from BY3 to MY3)

#### Share of ETC Participants With Improvement in Rate Over Time



#### Share of ETC Participants Who Received the Health Equity Incentive



## MY3 PERFORMANCE PAYMENT ADJUSTMENT

53% of ESRD facilities and 65% of Managing Clinicians eligible for PPA received a positive PPA.

#### PPA by Participant Type

