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**End-Stage Renal Disease Treatment Choices (ETC) Model  
Achievement Benchmarks for Measurement Year 1 (January 1, 2021 – December 31, 2021)  
Updated March 31, 2022**

*Disclaimer: The contents of this document do not have the force and effect of law and are not meant to bind the public in any way, unless specifically incorporated into a contract. This document is intended only to provide clarity to the public regarding existing requirements under the law.*

Note: This document provides updated Achievement Benchmarks for Measurement Year 1.

### **Introduction**

The End-Stage Renal Disease (ESRD) Treatment Choices (ETC) Model is a mandatory payment model 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.<sup>1</sup> The Centers for Medicare and Medicaid Services (CMS) randomly selects Hospital Referral Regions (HRRs) for inclusion in the ETC Model. All eligible ESRD facilities and Managing Clinicians located in selected HRRs are required to participate in the ETC Model.

Following each measurement year (MY), CMS separately calculates the home dialysis rate and the transplant rate at the ESRD facility and Managing Clinician aggregation group levels<sup>2,3</sup> using the methodologies described in the ETC final rule.<sup>4</sup>

CMS defines home dialysis and transplant rates as follows:

- **Home Dialysis Rate** is the percent of dialysis treatment beneficiary years during the MY for which attributed ESRD beneficiaries received dialysis at home. The rate's numerator includes both home dialysis and in-center self dialysis which is equal to one-half the value of home dialysis.

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<sup>1</sup> <https://innovation.cms.gov/innovation-models/esrd-treatment-choices-model>

<sup>2</sup> Aggregation is intended to promote the reliability of performance rate calculations and the accuracy of comparisons between performance rates and benchmarks. The aggregation group for subsidiary ESRD facilities is all ESRD facilities located within the ESRD facility's HRR owned in whole or in part by the same company. For ESRD facilities that are not subsidiary ESRD facilities, there is no aggregation group and the ESRD facility's home dialysis and transplant rates are based on the independent facility's data. A subsidiary ESRD facility is an ESRD facility owned in whole or in part by another legal entity.

<sup>3</sup> The aggregation group for Managing Clinicians in group practice is all Managing Clinicians located within the same HRR who bill through the same Taxpayer Identification Number (TIN) appearing on Monthly Capitation Payment (MCP) claims. If a Managing Clinician is associated with multiple TINs on MCP claims, the Managing Clinician belongs to multiple aggregation groups. For solo practitioners who are not part of a group practice, the Managing Clinician's home dialysis and transplant rates are based on the solo practitioner's data.

<sup>4</sup> <https://www.federalregister.gov/documents/2020/09/29/2020-20907/medicare-program-specialty-care-models-to-improve-quality-of-care-and-reduce-expenditures>

- **Transplant Rate** is the sum of the transplant waitlist rate and the living donor transplant (LDT) rate. Transplant waitlist rate is the percent of dialysis treatment beneficiary years during the MY in which attributed ESRD beneficiaries were represented on a kidney transplant waitlist. LDT rate is the rate of ESRD Beneficiaries and, if applicable, Pre-emptive LDT Beneficiaries<sup>5</sup> attributed to the ETC Participant who received a kidney transplant from a living donor during the MY. This rate is the share of beneficiary months between the beginning of the MY up to and including the month of the transplant out of the total beneficiary months attributed to the ETC Participant.

CMS compares the aggregation group's home dialysis and transplant rate to achievement and improvement benchmarks and assigns a Modality Performance Score (MPS). CMS will determine the magnitude of the aggregation group's Performance Payment Adjustment (PPA) based on the MPS according to the schedule in the ETC final rule. The PPA applies to all aggregation groups located within selected geographic areas with at least 11 attributed beneficiary years or 132 attributed beneficiary months during the MY.

The purpose of this document is to present achievement benchmarks for the ETC Model MY1 that begins on January 1, 2021.<sup>6</sup> The document also describes the methods that CMS uses to calculate the achievement benchmarks and how CMS uses these benchmarks to assess the performance of ESRD facilities and Managing Clinicians participating in the ETC Model.

### **Achievement Benchmarks**

Achievement benchmarks for the ETC Model are based on historical home dialysis and transplant rates for non-participating ESRD facilities and Managing Clinicians who provide care in comparison geographic areas, i.e., HRRs that were not selected to participate in the ETC Model. Achievement benchmarks are based on a 12-month time period, referred to as the benchmark year (BY), that begins 18 months before the start of the MY and ends 6 months prior to the MY. The BY for MY1 is July 1, 2019 through June 30, 2020.

CMS calculated BY1 home dialysis and transplant rates for ESRD facilities and Managing Clinicians in comparison geographic areas at the aggregation group level as described in the ETC final rule. CMS then calculated the 30<sup>th</sup>, 50<sup>th</sup>, 75<sup>th</sup> and 90<sup>th</sup> percentiles of the distributions of home dialysis and transplant rates. The rates corresponding to each percentile cut-point will serve as benchmarks for assessing the performance of aggregation groups of ETC Participants during MY1. All ETC Participants are subject to the same achievement benchmarks.<sup>7</sup> Achievement benchmarks for MY1 are shown in **Exhibit 1**.

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<sup>5</sup> Pre-emptive LDT transplants are attributable only to Managing Clinicians.

<sup>6</sup> CMS will distribute improvement benchmarks used to score the improvement of each aggregation group following the end of MY1.

<sup>7</sup> By contrast, improvement benchmarks are ETC Participant aggregation group-specific, and based on the ETC Participant's own historical performance in the BY.

**Exhibit 1: ETC Model MY1 Achievement Benchmarks**

Performance Rate	MY1 Benchmarks (Percentiles)			
	30 <sup>th</sup>	50 <sup>th</sup>	75 <sup>th</sup>	90 <sup>th</sup>
<b>ESRD Facilities</b>				
Home dialysis rate	5.41%	12.60%	19.08%	33.07%
Transplant rate	13.31%	18.28%	26.47%	37.12%
<b>Managing Clinicians</b>				
Home dialysis rate	1.18%	8.46%	16.16%	26.45%
Transplant rate	12.68%	18.76%	28.87%	42.49%

**Achievement Scoring**

Following the end of MY1, CMS will use a method similar to the one used to calculate BY1 home dialysis and transplant benchmark rates to calculate MY1 home dialysis rates and transplant rates for aggregation groups of ETC Participants.

CMS then compares ETC Participants’ MY1 rates to the percentile-based benchmarks and assigns points using the achievement score scale for MY1 shown in **Exhibit 2** below. An ETC Participant may receive up to 2.0 points when its aggregation group’s home dialysis or transplant rate is at or above the 30th percentile of the corresponding benchmark distribution. If the aggregation group’s rate for a given measure is below the 30<sup>th</sup> percentile, it receives zero points for that rate.

CMS combines the achievement score with the improvement score to calculate the ETC Participant’s MPS, the approach for which is explained in the ETC final rule. The MPS is a weighted sum of the higher of the achievement score or the improvement score for the ETC Participant’s home dialysis rate and transplant rate. The MPS represents the aggregation group’s relative performance in providing home dialysis and in-center self dialysis as an alternative to in-center hemodialysis and promoting access to kidney transplants.

**Exhibit 2. Achievement Score Scale and Applicable Points for MY1**

Achievement Score	Points
90 <sup>th</sup> + percentile of rates for comparison geographic areas during the benchmark year	2
75 <sup>th</sup> + percentile of rates for comparison geographic areas during the benchmark year	1.5
50 <sup>th</sup> + percentile of rates for comparison geographic areas during the benchmark year	1
30 <sup>th</sup> + percentile of rates for comparison geographic areas during the benchmark year	0.5
<30 <sup>th</sup> percentile of rates for comparison geographic areas during the benchmark year	0