

Managed Kidney Program

Fully-insured risk solution for end-stage renal disease



Kidney disease is a complex and costly medical condition that requires effective care and disease management. With the increasing prevalence of obesity and diabetes, chronic kidney disease (CKD) is becoming so prevalent that one in seven adults in the U.S. suffer from deteriorating kidney function.¹ At the same time, half of adults aged 30–64 is expected to develop CKD in their lifetime.²

With growing prevalence comes higher costs. A health plan with 200,000 commercial lives spends an estimated \$16M annually on kidney disease.³ Once kidneys fail completely, quality of life deteriorates and costs escalate as members in end stage renal disease (ESRD) require dialysis or transplantation to survive. Members can live many difficult, unproductive years on dialysis — with an annual medical expense of \$260,000⁴ for an average of nearly three years.⁵

Kidney disease presents a challenge to health plans in a number of ways.

- **Cases are complex to manage.** Not all health plans have the capacity or clinical expertise to manage care for members with kidney disease. It is a condition that requires specialized expertise not usually available from a generalized disease management program.
- **High claims exposure.** The estimated costs for late-stage CKD (stages 4–5) and ESRD are \$11 per member per month (pmpm) for commercial and \$60 pmpm for Medicare.⁸
- **Cost volatility.** Spending for members in late-stage CKD and in ESRD can be unpredictable. Spikes in inpatient admissions, readmissions, ER visits and specialty visits can cause wide variability in claims — in addition to the enduring high cost of dialysis.

40% Members in late-stage CKD who are undiagnosed⁶

65% Members with ESRD who have more than four comorbidities⁷

New option for health plans

The Managed Kidney Program from Optum® is a fully-insured risk solution for ESRD. This integrated, evidence-based disease management program closely manages care for members in CKD Stages 4–5. It also reinsures ESRD on a population basis, covering all medical benefit expenses for members in ESRD. This total cost of care starts for ESRD members when the member initiates dialysis and ends with the month of member death, plan eligibility term, or month before transplantation (unless bundled with the Optum Managed Transplant Program). Health plans retain contracts and claims while Optum wraps value as needed on dialysis network.

Our proactive approach to managing late-stage CKD and ESRD is designed to improve patient outcomes and manage medical spend across the full continuum of care. Our proven results in managing these complex medical conditions translate into guaranteed savings for health plans that cede risk to Optum. Following is how our program works.

Early identification and referral

Early engagement is critical for managing CKD. Our proprietary data analytics expertise and specialized identification software scrutinizes claims and lab data. This enables us to identify and engage members before their kidneys fail and prioritize members whose condition is deteriorating. This timely intervention may include referral for accurate diagnosis, education on CKD and referral to a nephrologist.

Overlay care management

Our dedicated kidney nurse care management team enhances physician care with one-on-one, individualized plan of care for members. Optum nurses support aggressive management to identify and prevent complications that lead to hospitalizations, help plan for lifestyle changes, and coordinate care to address comorbidities. Nurses also coordinate with members for transplantation and end-of-life support.

Advanced preparation for ESRD

Education and intervention help delay disease progression by maintaining member health and protecting members' remaining kidney function. Optum nurses encourage outpatient initiation of dialysis and guide members to preferred dialysis facilities. The nurse team promotes timely non-catheter vascular access, and encourages home therapies and pre-emptive kidney transplant as appropriate.

Preferred dialysis network

Members gain better accessibility and outcomes through the Optum network of more than 5,500 dialysis facilities. We also contract services for members who cannot access in-network facilities. Our preferred network supports National Kidney Foundation guidelines for kidney disease management, resulting in improved treatment consistency and better outcomes for members.

Opportunity for health plans

The Managed Kidney Program offers health plans fixed premiums and guaranteed savings by contracting with Optum to manage the highly complex cases of late-stage CKD and have Optum assume full risk for members in ESRD. With this unique program, health plans can:

- **Reduce management of complex cases.** Late-stage CKD and ESRD cases are managed by a team of specialized Optum kidney nurses who provide members with individualized plans of care.
- **Limit claims exposure.** The program reinsures on a population basis, protecting you from changes in prevalence and utilization.
- **Decrease cost volatility.** Fixed premiums negate the unpredictable costs of inpatient admissions, readmissions, ER visits and specialty visits that often come with kidney disease.

Sources:

1. Overall prevalence of CKD in the general population is approximately 14%. Chapter 1. volume 1. US Renal Data System (2015). USRDS 2015 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States. National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Disease. Bethesda, MD. 2015.
2. Hoerger, Thomas J., et al. The future burden of CKD in the United States: a simulation model for the CDC CKD Initiative. *American Journal of Kidney Diseases*. 65.3 (2015).
3. LaCombe, P. analysis of annual total spend for a payer client with 200,000 lives. Internal client book of business data. Analyzed in 2014.
4. LaCombe, P. medical expense figure based on Optum Healthcare Analytics (HCA) analysis of large health plans, 2015 data.
5. Currently, commercial payers pay for 33 months of dialysis treatment for hemodialysis, the most common type of dialysis. After 33 months, Medicare becomes responsible.
6. Figure 1.16, introduction, US Renal Data System. 2015 USRDS Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States. National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Disease. Bethesda, MD. Accessed 12/10/2015.
7. US Renal Data System. USRDS Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States. National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Disease. Bethesda, MD.
8. Optum Book of Business analysis August 2015.



We help members:

Our intensive renal care management helps members:

- Preserve kidney function
- Manage comorbidities
- Adhere to medications
- Follow their diet
- Plan for dialysis
- Reduce inpatient stays

To learn more, contact your Optum sales representative. Call 1-866-427-6845, email us at engage@optum.com or visit optum.com.

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