

VARIATIONS IN SMALL DIALYSIS ORGANIZATIONS (SDOs) HAVE IMPLICATIONS FOR BUNDLING. Whalen J, Bhat JG, Agarwal J, Boleyn DR, Gehling J, Hollenbeak C, de Lissovoy G. Tri-State Dialysis, WI; Atlantic Dialysis Management, NY; Pennsylvania State Univ. College of Medicine, PA; United BioSource Corp, MD. Congress has focused on “bundling” dialysis & injectable medications into a single composite rate do decrease costs. The impact of this on SDOs is unknown. We examined patient characteristics the treatment costs in two SDOs: 1) rural Midwest and 2) urban Northeast.

CHARACTERISTICS	Rural Midwest	Urban Northeast
# of patients (stations)	54 (12)	120 (24)
# of treatments per year	8,527	16,992
Patient to RN ratio	12.6 to 1	23.1 to 1
Patient Characteristics		
% male	58%	64%
% > 65 years	65%	56%
% White/Caucasian	100%	25%
% AV fistula	78%	58%
Mean treatments/month	13.4	11.8
Mean HCT	36.5%	35.2%
Median Epoetin alfa dose	2500 Units	7,500 Units
Total costs per session	\$174	\$242
Fixed costs		
Personnel	42%	32%
Rent	2%	10%
Facility administration	17%	5%
Outside services	1%	7%
Other	3%	1%
Variable costs		
Epoetin alfa	15%	27%
Dialysis supplies	11%	8%
Other pharmaceuticals	6%	7%
Other supplies	2%	3%

The urban unit had more nonwhite patients, comorbidities (data not shown), missed sessions, and fewer AV fistulas. Urban unit patients required a threefold greater median dose of Epoetin alfa to attain HCT levels slightly lower than the rural unit. For both units, the majority of costs were fixed. These results highlight the complexity of creating a case mix adjuster that will adequately reimburse diverse SDOs under a proposed Medicare bundled payment.