American Kidney Fund®
FIGHTING ON ALL FRONTS

Medicare Shared Savings: How Congress Can Help Employers Lead on Kidney Disease Prevention

The Problem

Chronic kidney disease (CKD) is a life-threatening condition that quietly gets worse until it's often too late. Millions of working-age Americans are heading toward kidney failure without knowing it.

When they have end-stage renal disease, Medicare eventually becomes the primary payer regardless of age.

Here's the catch: **employers and private insurers are often best positioned to catch kidney disease early, n addition to a person's medical team, but most of the financial benefit from its prevention goes to Medicare, not the employer.** So employers and private insurers have little financial incentive to invest in early detection and disease prevention, even though it works so well.

A Simple Fix

Congress can align these incentives — allowing employers and private plans to share in Medicare savings from prevention — by authorizing a **voluntary Medicare shared-savings demonstration.** The idea is straightforward: when private health plans invest in prevention and it works, Medicare shares some of its savings with them.

This does not mandate new benefits or coverage changes. It simply **rewards what works**: early screening, coordinated care and treatments that keep people healthier and working longer.

Why This Matters

Prevention pays. Independent analysis shows preventing end-stage renal disease could **save employers up to $35 billion annually** and **reduce Medicare spending by $9 billion** each year.[1]

A small group drives big costs. Employees with advanced kidney disease make up about 1% of the workforce but account for roughly 8% of employer health spending.

Healthier workers stay at work. Earlier care improves productivity, reduces absenteeism and helps people avoid dialysis and transplants when possible.

[1]American Kidney Fund & National Alliance of Healthcare Purchaser Coalitions, Healthy Workforces, Sustainable Futures (2025), kidneyfund.org.

What We're Asking For

A **time-limited, voluntary demonstration program** that:

- Allows Medicare to **share verified savings** with participating private health plans
- **Incentivizes early kidney disease screening,** prevention and coordinated care
- **Protects beneficiaries and ensures accountability** to taxpayers through clear guardrails and program evaluation

Why Now?

We're at a turning point in kidney care. Better screening tools and treatments can slow – or even stop – disease progression. But without the right incentives, these advances are deployed too late, after Medicare costs are already locked in.

A shared-savings demonstration lets the private sector move faster and ensures everyone benefits: **workers stay healthier, employers control costs and Medicare saves money.**

How Would It Work?

- Congress would establish a voluntary demonstration program through the Centers for Medicare & Medicaid Services that allows employer-sponsored private health plans to participate.
- The health plans would receive initial start-up money to create models of care that identify and treat people with early-stage kidney disease.
- The plans would then recruit physician groups in their network to participate in the program.
- The physician groups would identify and treat kidney patients early to stop the progression of the disease.
- If patients are identified early and kidney failure is avoided, Medicare would share some of the savings with the health plan because the patient avoids dialysis and the Medicare coverage that typically follows kidney failure.

The Bottom Line

Employers want to invest in prevention, but they cannot do it alone. By aligning incentives through a voluntary Medicare shared-savings demonstration, Congress can accelerate early diagnosis and prevention kidney care, reduce kidney failure and improve outcomes across the health system.

Prevention works. The question is whether we'll reward it.

For more data and policy context, see *Healthy Workforces, Sustainable Futures: Why Employers Should Invest in Early Kidney Care* from the American Kidney Fund.