KIDNEY CARE
PARTNERS

The Honorable Max Baucus
Chairman
Committee on Finance
U.S. Senate
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Charles Grassley
Ranking Member
Committee on Finance
U.S. Senate
135 Hart Senate Office Building
Washington, DC 20510

Dear Chairman Baucus and Ranking Member Grassley:

As Congress works through the difficult issues related to health care reform, we wanted to share with you Kidney Care Partners' issues and concerns related to the various legislative proposals pending in Congress. Kidney Care Partners (KCP) is a broad-based organization representing the entire kidney community, including patients, physicians, nurses, providers of services, providers of pharmaceuticals, and those engaged in efforts to advance the quality of kidney care in America.

The kidney care community applauds many of the initiatives undertaken in health care reform, including better preventive services, creation of accountable care organizations, and expanded coverage of immunosuppressive drugs. We also appreciate that key Committees are considering accelerating the process of bringing new dialysis facilities on line and looking at ways that the dialysis community can provide a broader range of services to its patients.

KCP has a number of legislative goals that we would like to see accomplished as part of health care reform. Among them are:

- Creation of accountable care organizations to meet the needs of dialysis patients;
- Elimination of the prohibition against dialysis patients who are under 65 years old from purchasing Medigap policies; and
- Extension of Medicare secondary payor (MSP), which Congress has wisely done several times in the past. This extension will eliminate barriers that currently deprive patients with kidney failure of wellness services that are available to other patients with chronic diseases.

KCP strongly urges Congress to fund the very vital coverage for immunosuppressive drugs through an extension of MSP. The MSP extension raises scorable revenue of approximately $1.2 billion that would cover the cost of immunosuppressive drugs and also provide patients who wish to continue to rely on their private insurance coverage the ability to do so.

Several principles guide our policy on the issue of including in the dialysis payment bundle additional kidney-related oral drugs that do not have intravenous equivalents. First, patients with kidney failure must have full access to all medications prescribed by their physicians, and physicians should have autonomy to prescribe the most appropriate drugs within classes of medications. Dialysis patients take

numerous kidney-related oral medications that do not have separately billable intravenous equivalents. Second, these oral drugs currently are provided by the patient's pharmacy and are covered under the patient's pharmacy benefit. Changes in Medicare policy must not adversely impact patients – both those receiving their kidney-related oral drugs through private payers and those receiving drugs through Medicare Part D. Third, complex delivery issues exist at the local and state level. For example, dialysis clinics are not licensed pharmacies. In almost all states, dialysis clinics would need to meet state pharmacy licensure requirements or contract for a licensed pharmacy to take on that role. Fourth, appropriate data would have to be available for determining the use and cost of kidney-related oral drugs. Finally, tracking systems and relevant metrics create another significant challenge that must be overcome to ensure that patients receive their drugs at the correct frequency and duration.

KCP remains opposed to including in the dialysis payment bundle additional oral drugs until these principles and the community's quality, dispensing, licensure, and reimbursement concerns have been addressed. Consequently, we believe that when initially implementing the kidney care provisions of the Medicare Improvements for Patients and Providers Act of 2008, oral drugs that do not have intravenous equivalents should not be included in the bundle due to the potential for adverse impact on patients and the difficulty of implementing such a requirement.

We commend all in Congress who are working so hard to reform our health care system and hope the final legislation will contain improvements for this critical patient population.

Sincerely,

Kent Thiry
Chairman
Kidney Care Partners

AMAG Pharmaceuticals
American Kidney Fund
American Nephrology Nurses' Association
American Renal Associates, Inc.
American Society of Diagnostic and Interventional Nephrology
American Society of Pediatric Nephrology
Amgen
Board of Nephrology Examiners and Technology
California Dialysis Council
Centers for Dialysis Care
DaVita, Inc.
Dialysis Patient Citizens
Genzyme
Kidney Care Council
National Association of Nephrology Technicians and Technologists
National Kidney Foundation
National Renal Administrators Association

Nephrology Nursing Certification Commission
Northwest Kidney Centers
Renal Advantage Inc.
Renal Physicians Association
Renal Support Network
Renal Ventures Management, LLC
Satellite Healthcare
U.S. Renal Care
Watson Pharma, Inc.