June 9, 2008

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

Dear Chairman Baucus:

On behalf of the Kidney Care Partners (KCP), I write to express our appreciation and strong support for the End-Stage Renal Disease (ESRD) provisions contained in your Medicare legislation. KCP is a broad alliance of patient advocates, dialysis care professionals, providers, and manufacturers who have joined together to improve the quality of care for individuals with kidney failure. Your Medicare package contains critical reforms that will substantially improve the Medicare ESRD program. We appreciate and commend your dedication to and continued support for improving the lives of individuals with kidney disease.

We applaud you for including chronic kidney disease (CKD) demonstration projects in your bill to enhance awareness of the disease and screening programs to identify those at greatest risk. While 20 million Americans have CKD and millions more are at risk for it, awareness of the disease and meaningful interventions to delay or prevent it are lacking. The demonstration projects contained in your bill are vital to educate and inform Americans about this devastating disease.

Adequate access to patient education can have a positive impact on the Medicare program and patient quality of life. Patients with CKD can delay the onset of kidney failure with proper education and disease management. Doing so leads to improved outcomes and savings to the Medicare system. Medicare coverage of pre-dialysis patient education is a major step toward providing the tools patients need to confidently undertake treatment. KCP is grateful for your recognition of this important Medicare improvement.

KCP also appreciates your recognition of the need for an annual update mechanism for dialysis providers. Despite annual recommendations from the Medicare Payment Advisory Commission (MedPAC) to adjust the composite rate to account for inflation, the ESRD prospective payment system (PPS) remains the only Medicare PPS without an annual update mechanism. Lack of an annual update creates difficulties for providers who face increasing costs for technology, labor, and other inputs. An annual update will allow providers to innovate with certainty and to focus greater resources on quality treatments. Ultimately, such an update will lead to improved patient outcomes. KCP appreciates the updates and the permanent mechanism contained in your bill.

Your bill also establishes an expanded bundled payment system for ESRD services by 2011. KCP believes that your plan to allow facilities to phase-in to this system is a prudent and reasonable approach. Implementation of a bundled system is a significant change in dialysis reimbursement, and patients and providers will need significant time to adjust to the new system. In addition, the effort will take considerable regulatory time and attention. KCP supports the proposed phase-in of the bundled payment system.
Finally, your legislation continues to place the ESRD program at the forefront of quality outcomes, rather than merely requiring data reporting, it links payment to quality. Both MedPAC and Kidney Care Partners agree that the community is well positioned to engage in a program with incentives for high performance. We appreciate your acknowledgement of quality outcomes as a component of reimbursement.

We appreciate your continued efforts to ensure access to high quality, lifesaving therapy for ESRD patients. As you have recognized, better patient care leads to better quality of life, improved rehabilitation, fewer medications and hospitalizations, and benefits to the Medicare system itself. We applaud the inclusion of critical ESRD reforms in your Medicare legislation, and look forward to working with you to ensure passage of these provisions.

Sincerely,

Edward R. Jones, M.D.
Chairman

AMAG Pharmaceuticals, Inc
American Kidney Fund
American Nephrology Nurses’ Association
American Regent, Inc.
American Renal Associates, Inc.
American Society of 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
DSI, Inc.
Fresenius Medical Care North America
Fresenius Medical Care Renal Therapies Group
Genzyme
Kidney Care Council
National Association of Nephrology Technicians and Technologists
National Kidney Foundation
National Renal Administrators Association
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.