



December 3, 2012

Dear Member of Congress:

As you consider solutions to address the economic challenges facing the country, the Alliance for Home Dialysis urges you to protect Medicare beneficiaries' access to home dialysis by refraining from making any additional payment reductions to the Medicare End Stage Renal Disease (ESRD) Prospective Payment for dialysis.

The Alliance for Home Dialysis is a coalition of kidney dialysis stakeholders, representing patients, clinicians, providers and industry, that have come together to promote activities and policies that will facilitate treatment choice in dialysis care while addressing systematic barriers that limit access for patients and their families to the many benefits of home dialysis. Congress has long recognized the importance of ensuring beneficiaries have access to a choice of modalities, which include peritoneal dialysis (PD) and home hemodialysis (HHD), because they offer some patients significant quality of life advantages, including clinically meaningful improvements in physical and mental health.

The Alliance is concerned that reductions to the ESRD Prospective Payment System (PPS) could jeopardize Medicare beneficiaries' access to home dialysis. The implementation of the new ESRD bundled payment—the first value-based purchasing program under Medicare—has been successful in making progress towards one of its stated goals i.e., to “encourage patient access to home dialysis”¹ and to “make home dialysis economically feasible and available to the ESRD patient population.”² Today, only about 10% of U.S. dialysis patients receive treatment at home. Yet, the most recent annual survey of the ten largest providers found that between 2010-2012 home patients represented about 20% of the growth in ESRD patients. This is significant given that in years prior there had been little growth in home dialysis.

We are concerned that payment reductions risk reversing the progress that has been made toward increasing access to home dialysis, as facilities may not be able to invest in the development and ongoing management of home dialysis programs. Dialysis facilities were already subject to a two percent payment reduction under the new bundled payment and are facing a two percent cut through sequestration next year. Because nearly 80% of dialysis patients are Medicare beneficiaries, facilities do not have the same ability to spread costs to other payers as broadly as other Medicare providers. Most importantly, the ESRD PPS system is still in its infancy, with full implementation not taking effect until 2014. More experience with the system is necessary to understand the full impact of the program before any fundamental changes are made.

¹ 75 Fed. Reg. 49,030, 49,058 (Aug. 12, 2010).

² *Id.* at 49,060.

Congress should maintain its commitment to the approximately 400,000 Americans on kidney dialysis by preserving current payment rates and ensuring continued access to home dialysis.

If you have any questions or need additional information, please contact Lindsay Punzenberger at lindsay@homedialysisalliance.org or 202-466-4721. For a list of organizations participating in the Alliance's working groups, please visit our website at www.homedialysisalliance.org.

Sincerely,

A handwritten signature in black ink that reads "Stephanie Silverman". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Stephanie Silverman
Director