

June 17, 2009

The Honorable Max Baucus
Chairman
Senate Finance Committee
Washington, DC 20510

The Honorable Charles Grassley
Ranking Member
Senate Finance Committee
Washington, DC 20510

RE: Support for Immunosuppressive Drug Coverage under Medicare

Dear Chairman Baucus and Ranking Member Grassley:

The undersigned organizations representing the “Immunosuppressive Drug Coalition,” a working coalition of transplant patients, professionals, and research foundations, request the inclusion of S.565, the Comprehensive Immunosuppressive Drug Coverage for Kidney Transplant Patients Act of 2009, in the Finance Committee’s health reform package. This bill will enable more kidney patients to afford transplants and reduce the likelihood of organ rejection among transplant recipients, thereby saving the government money, in the long term.

Organ transplant recipients must take immunosuppressive drugs daily for the rest of their lives to reduce the likelihood of organ rejection. Failure to take these drugs is associated with occurrence of rejection in most patients, which may contribute directly to failure of the transplant and death of the patient (or return to dialysis in the case of kidney transplant recipients).

The Medicare End Stage Renal Disease (ESRD) program pays for dialysis and transplantation for over 400,000 kidney disease patients. Medicare spends an average of \$71,000 annually for each individual who is on dialysis. A kidney transplant costs Medicare \$106,000 on average during the first year following the transplant. Thereafter, Medicare spends only \$17,000 annually on average for individuals with a functioning kidney transplant.

Every year, approximately 17,000 kidney transplants are performed in the U.S. Medicare is the primary payer for over one-half of these transplants. Recipients are eligible for Medicare benefits for the first 36 months following their transplant, including coverage for the cost of their immunosuppressive drugs. Full Medicare benefits continue without time limits for aged or disabled beneficiaries. However, those who qualify for Medicare solely because of ESRD status face the challenge of enrolling in private health insurance. Often these people are left uninsured and rely on a patchwork of state and pharmaceutical assistance programs to obtain their immunosuppressive drugs. Reducing care and treatment places their transplant at greater risk of rejection. If the transplanted kidney fails, they return to Medicare-covered dialysis, receive another Medicare transplant, or die. Each of these outcomes costs the Medicare program more money than maintaining a functioning transplant.

Extending immunosuppressive coverage beyond the 36 month ESRD limit would improve transplant outcomes, and enable more kidney patients who lack private insurance to consider transplantation. No one should lose a transplant because of inability to pay for the

drugs to maintain it. There is also a higher quality of life with a transplant, and recipients are more likely to return to work than dialysis patients.

The transplant community has long advocated for ESRD kidney recipients to receive coverage of immunosuppressive drugs for the life of the transplant through Medicare Part B. Recipients would pay the Part B premium, and Medicare would be extended beyond 36 months only for recipients who lack other health care coverage. All other health care needs for transplant recipients who are not Medicare aged or disabled would remain subject to the current ESRD 36-month coverage limit.

We thank you for your leadership in the Senate on health care and Medicare reform. We hope to work with you to ensure passage of S.565. Providing coverage for these medications is sound public policy that will reduce transplant failures for patients who cannot afford them. Please give these concerns all appropriate consideration as you develop your final bill.

Sincerely,

**American Association of Kidney Patients
American Association of Tissue Banks
American Society of Pediatric Nephrology
American Society of Transplant Surgeons
American Society of Transplantation
Association of Organ Procurement Organizations
Dialysis Patient Citizens
Juvenile Diabetes Research Foundation
NATCO, The Organization for Transplant Professionals
National Kidney Foundation
The PKD Foundation
Renal Physicians Association
Transplant Recipients International Organization
United Network for Organ Sharing**

cc: All Finance Committee Staff