



February 7, 2013

Dear Members of Congress:

On behalf of Kidney Care Partners, the broad-based organization representing the kidney care community, I am writing to express our concerns about the significant cuts to the end-stage renal disease (ESRD) program adopted as part of The American Taxpayer Relief Act of 2012 (ATRA) and to seek your help in preventing any further reductions to the program, including those contemplated in the pending sequestration.

ATRA's dialysis provision is estimated by the Congressional Budget Office to result in cuts of \$4.9 billion. This provision alone represents 17.5% of all of the health care spending reductions enacted in the legislation, while the ESRD program represents only 7.5% of all Medicare expenditures. Moreover, this provision directly affects 85% of the 400,000 Americans with kidney failure who rely on Medicare coverage for life-sustaining dialysis treatments.

The ATRA cut comes on the heels of numerous other recent cuts in dialysis funding:

- Reduction of 2% in overall payments when the ESRD bundled payment system was implemented in 2011;
- Potential reduction of up to 2% tied to the Medicare's first true quality-based payment system;
- Reduction in payments linked to implementation issues with the new bundled payment system; and
- Threat of 2% sequestration beginning in March 2013.

During its January 2013 meeting, MedPAC Commissioners unanimously recommended holding dialysis payments constant – at 2013 levels. Citing the recent implementation of major payment system reforms and the need for more data, the MedPAC Chairman said more time is required “to assess... implications for patients, [and therefore] the prudent thing to do is to hold rates constant...” To the extent other policies, such as sequestration, will reduce dialysis payments, the lesser rate would be inconsistent with the MedPAC's recommendation.

Forty years ago, Congress committed to providing access to life-saving dialysis treatments through the Medicare program to individuals with kidney failure, regardless of age. Given the nearly \$5 billion contribution to savings in the recent legislation, we need your support to guard against any additional cuts to the Medicare ESRD program.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronald Kuerbitz", written in a cursive style.

Ronald Kuerbitz
Chairman
Kidney Care Partners