The Chronic Kidney Disease Improvement in Research and Treatment Act of 2019

(H.R. 3912)

The Chronic Kidney Disease Improvement in Research and Treatment Act (H.R. 3912) is bipartisan legislation designed to protect the delivery of high-quality care for patients with kidney disease. Representatives John Lewis (D-GA) and Vern Buchanan (R-FL), introduced the bill in July 2019. The Senate companion bill (S. 1676) was introduced in May 2019 by Senators Benjamin Cardin (D-MD) and Roy Blunt (R-MO). The legislation supports improvements in the research and treatment of chronic kidney disease to benefit more than 726,000 Americans living with kidney failure. The legislation would do the following:

Increase Awareness, Expand Preventative Services, and Improve Care Coordination

KCP supports efforts to improve the lives of people with Chronic Kidney Disease (CKD) across the care continuum through increased awareness, expanded preventative services, and improved care coordination. The bill will increase access to the Medicare Kidney Disease Education benefit. The bill requires a Government Accountability Office study on palliative care for individuals with end-stage renal disease (ESRD). The bill includes language clarifying that nephrology health professionals in underserved rural and/or urban areas may participate in the National Health Service Corps loan forgiveness program. It also requires hospitals to provide dialysis facilities with an individual's health and treatment information.

Incentivize Innovation

Eighty-five percent of ESRD patients rely on Medicare to pay for dialysis. Given the oversized role Medicare has in covering this population, it is critical that the Medicare bundled payment adequately and fairly reimburses the cost of providing care. The bill would fix unresolved problems with the current method for calculating the PPS bundled payment amount.

The bill aims to maintain the economic stability of the dialysis infrastructure. The Medicare Payment Advisory Commission estimates a -1.1 percent overall Medicare margin for dialysis facilities in 2017. For 2019, the projected margin is -0.4 percent. The average Medicare margin for dialysis facilities remains negative, despite the successful rollout of the ESRD Prospective Payment System (PPS) in 2011. There are a series of technical fixes that, if made, would help to better align payment rates with the cost of providing care.

It would:

- Eliminate application of co-morbid case-mix adjusters;
- Eliminate the outlier adjustment;
- Require HHS to use the age adjustor from CY15;

- Require the Centers for Medicare & Medicaid Services (CMS) to reassess the weight adjusters;
- Mandate an update the standardization factor based on the most recently available data; and
- Require CMS to consider reasonable costs for setting the bundled rate.

The Secretary would also be required to include the network fee as an allowable cost or offset to revenue in the ESRD cost report. The bill repeals the Medicare Improvements for Patients and Providers Act of 2008 bad debt rule and requires the Department of Health and Human Services (HHS) to apply bad debt to the total PPS, putting the ESRD payment model on par with other Medicare payment models.

The legislation would also establish an ESRD-specific productivity rate and limit the amount for a short period if Medicare margins are below 3 percent. The bill would also promote the adoption and incorporation of innovative drugs, biologicals, and devices by establishing a pass-through period for new drugs, biologicals, and devices. It would also require the Secretary to establish a process for identifying and determining appropriate payment amounts for incorporating new devices and technologies into the bundle.

Taken together, these provisions would make the bundled payment rate more accurate and stop funding designated for dialysis payment from being inappropriately removed from the system.

Improve Accuracy and Transparency of Quality Programs

There are a great deal of inconsistencies and redundancies in the current quality programs related to kidney disease. These redundancies and inconsistencies are costly and burdensome without providing additional benefit for patients. The proliferation of individual measures leads to questions of whether the Secretary is focusing on measuring the most important aspects of dialysis care. This section would provide more transparency to the measure adoption process, ensure that resources are being efficiently directed at meaningful metrics, and make sure that the measures adopted can and will influence in a positive manner the delivery of care to improve patient outcomes.

Empower Patients

The legislation seeks to improve care, access, and the ability of ESRD beneficiaries to make decisions about their care by guaranteeing access to Medigap policies. The bill would guarantee ESRD beneficiary access to Medigap plans. Medigap coverage is guaranteed only for Medicare beneficiaries age 65 and over and is not available in every state to those 64 and younger, leaving some ESRD Medicare beneficiaries under 65 facing the serious financial strain of having to afford Medicare Part B's 20 percent cost sharing.

Additionally, the House bill would further patient access and choice by allowing individuals who have commercial insurance through an employer to retain that insurance for an additional 12 months, giving these individuals the ability to decide whether to keep their insurance for up to 42 months.