



NORTH WEST  
**KIDNEY CENTERS**

October 4, 2010

Jay Angoff  
Director, Office of Consumer Information and Insurance Oversight  
Department of Health and Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

Re: OCIO-9989-NC Planning and Establishment of State-Level Exchanges; Request for Comments Regarding Exchange-Related Provisions in Title I of the Patient Protection and Affordable Care Act

Since 1962,  
a nonprofit,  
community-based  
health care provider

Dear Director Angoff,

Dialysis facilities  
located in:

- Auburn
- Bellevue
- First Hill
- Kent
- Lake City
- Northgate
- Port Angeles
- Renton
- SeaTac
- Snoqualmie
- Totem Lake
- West Seattle

Thank you for the opportunity to submit comments on Health Exchanges. Northwest Kidney Centers is the world's first out-of-hospital dialysis program, based in Seattle Washington, founded in 1962. We are a non profit organization dedicated to promoting the optimal health, quality of life and independence of people with kidney disease. We are champions for kidney transplantation and, according to CMS Dialysis Facility Reports, collectively have a transplant rate that is 67% higher than the national average.

**We believe it is extremely important for Health Exchanges- federal and State level- to assure coverage for immunosuppressant drug therapy for people who have had a kidney transplant. Such coverage is essential to preserve the health of patients with transplanted kidneys, to encourage more transplants, and to lower the cost of healthcare overall.**

**Background**

Currently, the Medicare ESRD Program provides health coverage for qualified individuals, regardless of age or disability, with kidney failure requiring either dialysis or transplant services. This coverage extends to physician services and medications (immunosuppressive drugs are covered under Part B of Medicare.) However, full Medicare coverage ceases 36 months post kidney transplant for individuals less than age 65 or not disabled. When this happens, individuals must purchase individual insurance or be covered under Employer Group Health Plans (EGHP).

Dialysis services  
also provided in:

- 200 Homes
- 11 Hospitals

We are aware that many dialysis patients choose to forgo seeking a kidney transplant because of the fear of Medicare insurance loss three years post surgery. They are scared of being without EGHP coverage due to the uncertainty of employment, and they wish to avoid the tragedy of losing the gift of a kidney donated by a loved one or deceased individual. Thus, the individual remains on dialysis.

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Kidney transplantation in this country is being held back by the lack of coverage for immunosuppressant medications and nephrology services to ensure the transplant is successful long term. Only a small number of dialysis patients, less than 6%, receive a transplant, even if a living donor option is available to them (CMS, Dialysis Facility Report, Table 3.) The result is that qualified dialysis patients forgo optimal therapy- a kidney transplant- and the Medicare system

funds annual total treatments at an average of \$77,506 a year for each hemodialysis patient (with lifetime eligibility) instead of much more cost effective long term care of \$26,668 a year for people with a transplant (USRDS, 2010.)

### **Comment on Proposed Questions**

#### *C. State Exchange Operations*

*2. For which aspects of Exchange operations or Exchange standards would uniformity be preferred?*

#### *D. Qualified Health Plans*

*2. What factors should be considered in developing the Section 1311(c) certification criteria? To what extent do States currently have similar requirements or standards for plans in the individual and group markets?*

*5. What factors are important in establishing minimum requirements for the actuarial value/level of coverage?*

Northwest Kidney Centers recommends that Health Exchanges- federal and State level- should provide uniformity of coverage of immunosuppressive drugs and doctor visits required to follow individuals with kidney transplants.

This past summer 2010, the Washington State Health Insurance Pool (WSHIP) approved language to its plan that makes clear that pre existing conditions which are approved for coverage include Chronic Kidney Disease (which includes all stages of kidney disease, Stage 5 is kidney failure.) As well, WSHIP approved this language: "No lifetime maximum on benefits except for transplant surgery which has a \$350,000 lifetime limit, **excluding immunosuppressive therapy and related clinical care, with no cost sharing.**"

### **Conclusion**

We urge HHS to adopt language in the federal Exchange and to require State level Exchanges to ensure coverage for immunosuppressive drugs and related clinical care. Then, once an ESRD patient ceases to have Medicare coverage 36 months post transplant, they will have the option of purchasing health insurance via the Exchange and will be assured they can afford their immunosuppressive drugs.

We believe it is possible we will see an upsurge in kidney transplants in the near future, especially from living donors who have been waiting for their loved one on dialysis to be assured of coverage three years hence. This will be a wonderful, cost effective outcome of health reform.

Sincerely,

Joyce F. Jackson  
President and CEO