



Statement Submitted for the Record

American Society of Transplant Surgeons

**United States House of Representatives
Committee on Energy and Commerce, Subcommittee on Health**

“Examining Reforms to Improve the Medicare Part B Drug Program for Seniors”

**Washington, D.C.
June 28, 2013**

On behalf of the American Society of Transplant Surgeons (ASTS), we greatly appreciate that the Subcommittee on Health is holding a hearing to examine reforms to improve the Medicare Part B program for America’s seniors and people with disabilities under the Medicare program. We were especially pleased to see H.R. 1428, the “Comprehensive Immunosuppressive Drug Coverage for Kidney Transplant Patients Act of 2013” among the three bills the Committee will consider.

This critically important legislation seeks to provide Medicare coverage for immunosuppressive drugs for kidney transplant recipients by eliminating Medicare’s arbitrary 36-month limit on immunosuppressive drug coverage that is imposed on end stage renal disease (ESRD) beneficiaries. The time for action on this legislation is now. During the last decade, it has been carefully crafted and thoroughly reviewed and has earned the strong support of all interested parties.

Correcting Medicare’s irrational immunosuppressive drug coverage policy will save lives, allow others on the transplant list a better chance to receive scarce organs, save the Medicare program unnecessary costs of returning patients to Medicare-covered dialysis or additional surgery for re-transplantation, and honor the sacrifice made by donors to improve the lives of others.

H.R. 1428 is a Lifeline for Transplant Recipients and Families

Immunosuppressant drugs are a life-long commitment for transplant recipients. The 36 month limit on immunosuppressive drug coverage under Medicare Part B is unfair and harmful to patients, living donors, donor families, and taxpayers. For Medicare to cover the costs of a kidney transplant and then stop immunosuppressive drug coverage after 36 months makes no sense from a medical perspective and financial perspective. After coverage ends and many of these patients cannot find alternative resources to help pay for their medications, they will often either reduce their use of the medication or stop taking immunosuppressive drugs altogether. As a result, these beneficiaries risk unnecessary failure of the transplanted kidney and placement back on the kidney wait list. Further, Medicare patients without reliable access to immunosuppressant coverage are at a significant disadvantage over others when organ allocation decisions are made.

H.R. 1428 Safeguards Scarce Resources and Potential Recipients on Waiting List

The 36-month limit also means that other Medicare patients with ESRD will incur a longer waiting time for life-sustaining kidney transplants. With nearly 100,000 Americans on the kidney wait list, we must ensure that recipients have access to the drugs that prevent their immune systems from rejecting the new organ.

H.R. 1428 is Fiscally Sound, Responsible Policy

Medicare's current 36 month coverage cliff for immunosuppressive drugs is poor fiscal policy as it takes a short-sighted view of Medicare costs. While Medicare spends more than \$86,000 per year on average for each dialysis patient, the average annual Medicare expenditure for a kidney transplant recipient is far less expensive (i.e., \$24,000 according to the U.S. Renal Data System 2012 Annual Report). Even when the costs of the transplant itself are factored into the equation, removing the arbitrary time limit on immunosuppressive drug coverage is very likely to result in savings to the federal government in the near term.

H.R. 1428 Eliminates "Penny Wise, Pound Foolish" Policy

The New England Journal of Medicine (NEJM) published an article entitled, *Penny Wise, Pound Foolish? Coverage Limits on Immunosuppression after Kidney Transplantation* on February 1, 2012. The article, attached to this statement, highlights compelling new data concerning the value of extending lifetime Medicare immunosuppressive drug coverage. The article concludes that "this simple policy change would actually reduce net expenditures for ESRD care." The NEJM article joins a growing body of evidence demonstrating that lifetime immunosuppressive coverage would generate savings for Medicare.

H.R. 1428 Honors the Gift of Life

With so many Americans waiting for life-saving and life-enhancing donated organs, every gift is precious and should be respected and supported for as long as the organ is capable of functioning. Imposing a Medicare coverage cliff on immunosuppressive drugs disrespects the sacrifice that individuals and families make when they choose to donate an organ.

We are strong supporters of H.R. 1428 and its companion Senate legislation S. 323 because of these reasons and because the legislation is tightly crafted for those beneficiaries that are not otherwise able to obtain adequate coverage and who face the loss of immunosuppressive drugs. As the legislation is a “coverage backstop,” these beneficiaries will only use this option as a last resort.

Patients and taxpayers cannot wait another year to pass legislation that protects Medicare's investment in kidney transplants as well as the lives of people with kidney disease. We commend you for your review of this legislation and hope to work with the committee toward swift passage of this legislation.

For further information, please contact ASTS via our national office; Kimberly A. Gifford, Executive Director, 703-414-7870, kim.gifford@asts.org or www.ASTS.org.

Established in 1974, the American Society of Transplant Surgeons (ASTS) serves more than 2,000 surgeons, physicians, scientists, pharmacists, coordinators, and advanced transplant providers. ASTS is committed to fostering the practice and science of transplantation for the benefit of patients and society; guiding those that make policy decisions; increasing organ donation; defining and promoting training and career-long education of our members and advancing professional development. We aim to be the authoritative resource in the fields of organ and cell transplantation by representing our members and their patients as we advocate for comprehensive and innovative solutions to their needs.