



February 3, 2020

The Honorable Andrea Salinas
Chair, House Committee on Health Care
State Capitol, Room E
Salem, Oregon 97301

RE: Northwest Kidney Council opposes HB 4114 and its consequences for patients

Dear Chair Salinas and members of the House Committee on Health Care,

The Northwest Kidney Council is a nonprofit organization dedicated to increasing access to safe, high-quality care, driving innovation and ensuring policy decisions are in the best interest of patients battling kidney disease in the Northwest. We recognize that factors like access and quality of care not only directly impact a patient's quality of life, but can also help prevent long-term complications that result in costly hospitalizations and increased health care costs. On behalf of the kidney community, we urge you to reject a policy that would decrease access to lifesaving dialysis treatment, disrupting the patient care network.

End-stage renal disease (ESRD), or kidney failure, is a life-altering health condition. There is no cure, and patients have only two pathways forward: dialysis treatment and/or transplantation. Dialysis treatment is highly specialized, and for several hours three to four times a week, patients are hooked to machines that filter the toxins and excess fluid from their bodies. Without dialysis, Oregon's 6,575 ESRD patients wouldn't survive. Missing even a single treatment can increase a patient's mortality rate by as much as 30 percent.¹

To assure that no patient goes without treatment, Congress created an entitlement through the Medicare program in 1972. While all ESRD patients now have access to Medicare before the age of 65, they are only able to access private insurance coverage for 30 months before Medicare becomes their primary payer. Roughly 90 percent of ESRD patients are enrolled in Medicare, and only 10 percent utilize commercial insurance at any given time.

Public health plans, like Medicare and Medicaid, do not cover the full cost of providing care for dialysis or any other medical service.² Providers rely on commercially insured patients to subsidize the cost of care for the remaining populations. Otherwise, they may be forced to limit or simply not accept patients on public health plans.

HB 4114 would allow the insurance industry to reimburse dialysis providers at the Medicare rate – below the cost of providing care – regardless of a patient's health plan. It's likely for this reason that no other health care service is capped at the Medicare rate. If this legislation were to pass, it would have disastrous consequences for patients and our health care system.

- The bill would jeopardize clinics' ability to operate, forcing many clinics to close (especially in rural areas) and others to make significant cuts to community outreach, education and prevention programs, staffing and operating hours.
- Clinic closures and cuts would have a profound impact on patients who may have to travel farther to dialyze or skip treatment altogether, increasing their mortality rate.³
- With limited access to dialysis clinics, some patients may dialyze at hospitals that do not have trained professionals, social workers or the equipment that provides the specialty care and education outpatient dialysis facilities do.
- Patients may experience serious complications from not adhering to their treatment regimen, forcing them to visit an emergency room.
- Receiving dialysis treatment in an emergency room is nearly four times more expensive than receiving treatment at clinic.⁴
- By setting Medicare rates for reimbursement, this legislation disrupts the operation of public and private health care systems mandated by federal policymakers to protect and ensure access to care for all dialysis patients. This also allows for further consolidation of the industry, as smaller clinic operators will be forced to leave, and others will be unable to enter the market.
- The bill would allow the insurance industry to increase their profit margins with no requirement that they pass along savings to patients.

By targeting dialysis providers and their treatment model, Oregon is suggesting that there should be a different standard of care for patients with ESRD, who are among some of our state's most vulnerable populations. These patients deserve access to high-quality care, but, unfortunately, they find themselves in the crosshairs of the insurance industry and special interests.

We urge you to vote "NO" on HB 4114 and ensure patients aren't harmed at the expense of insurance industry profiteering.

Sincerely,

Samantha Siegner
Executive Director
Northwest Kidney Council

¹ [https://www.kidney-international.org/article/S0085-2538\(15\)49314-7/fulltext](https://www.kidney-international.org/article/S0085-2538(15)49314-7/fulltext)

² <https://www.mgma.com/data/data-stories/2019-medicare-reimbursement-rates>

³ Moist, Louise & Bragg-Gresham, Jennifer & Pisoni, Ronald & Saran, Rajiv & Akiba, Takashi & Jacobson, Stefan & Fukuhara, Shunichi & Mapes, Donna & Rayner, Hugh & Saito, Akira & Port, Friedrich. (2008).

Travel Time to Dialysis as a Predictor of Health-Related Quality of Life, Adherence, and Mortality: The Dialysis Outcomes and Practice Patterns Study (DOPPS). American journal of kidney diseases : the official journal of the National Kidney Foundation. 51. 641-50. 10.1053/j.ajkd.2007.12.021.

⁴ <https://www.npr.org/2019/05/12/721800514/transplants-a-cheaper-better-option-for-undocumented-immigrants-with-kidney-fail>