

January 27, 2009

Melanie Giese, Bureau Chief of Health Services
South Carolina Department of Health and Human Services
POB 8206
Columbia, SC 29202

Dear Ms. Giese,

We are writing today to discuss recent changes to South Carolina's Medicaid program that will directly impact dialysis patients—a reduction in the SC Medicaid rate for dialysis and the removal of Medicaid coverage for renal vitamins and renal supplements. Currently there are 7,199 South Carolinians with End Stage Renal Disease (ESRD) who are on dialysis. ESRD patients are individuals that have lost kidney function and must either receive regular life sustaining dialysis treatments, typically three times a week for up to four hours, or a kidney transplant to survive. Medicare pays for the treatments of approximately 85% of dialysis patients—regardless of age, and Medicare and Medicaid typically cover dialysis costs for 30% of patients who are dual eligible.

DPC is concerned about the \$10 decrease in Medicaid reimbursement for dialysis treatments. Dialysis treatments already are reimbursed by Medicare and Medicaid at a rate lower than it costs to provide the treatment. Further reducing the reimbursement rate could place additional strain on the dialysis system and cause dialysis facilities to close—possibly reducing dialysis access, especially in rural and minority communities that are more heavily dependent on Medicaid patients.

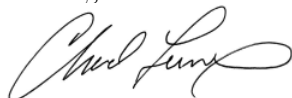
Renal vitamins and renal supplements provide dialysis patients with many of the needed nutrients they need to remain healthy while on dialysis. Because many dialysis patients are on disability or have limited incomes, they often are not able to comply with their renal diet. According to the United States Renal Data Systems, 76% of dialysis patients do not eat sufficient amounts of protein and 86% do not meet daily energy intake levels. Removing the Medicaid coverage of renal vitamins and supplements would make it more difficult for patients to meet proper nutritional needs. Studies have shown that even a small increase in albumin can reduce hospitalizations by up to 41%. An increase in hospitalizations could result if access to supplements and vitamins for dialysis patients was reduced, costing the state additional resources.

We recognize the difficult budgetary situation the state is facing. However, we feel the changes to the Medicaid program could negatively impact dialysis patients' access to treatment and increase the number of dialysis patients who are malnourished. We are hopeful that you will reinstate the cuts to the state's Medicaid rate and the payment for renal vitamins and supplements.

As America's largest dialysis patient organization, Dialysis Patient Citizens (DPC) is proud to represent over 23,000 pre-dialysis and dialysis patients and their families nationwide. On a wide variety of issues, we seek to ensure that the patients' point of view is heard and considered by policy makers so that continued progress may be made in the quality of care and life for patients with kidney disease.

If I can provide any additional information or be of any assistance, please feel free to contact me.

Sincerely,



Chad Lennox
Executive Director