

Protect Life-Sustaining Dialysis Care from Budget Sequestration

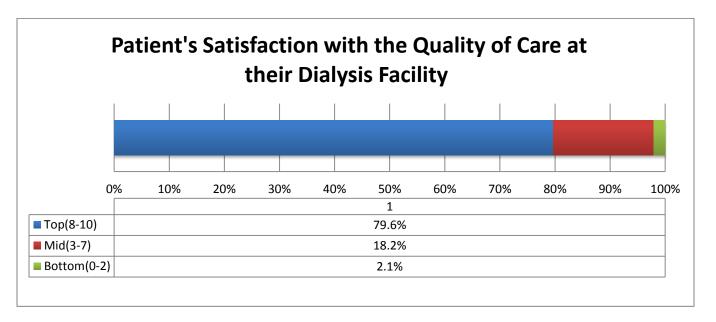
As Members of Congress look toward solutions to balance the national budget, DPC urges Congress to exempt Medicare programs from budget sequestration.

How would potential budget sequestration impact dialysis patients?

Currently, there are approximately 400,000 Americans diagnosed with end stage renal disease (ESRD) on dialysis, of which nearly 80% are Medicare beneficiaries. As proposed, sequestration will cut up to 2% from Medicare programs, placing access to necessary, life-saving dialysis treatments in jeopardy. This cut would be in addition to recent decreases of more than 2% caused by the shift to a new bundled payment system in the ESRD Medicare program (known as the prospective payment system) and reductions through the Quality Incentive Program. These cuts to Medicare widen an increasing gap between payment rates and the true cost of care. Further, dialysis facilities are disproportionately impacted by "across the board" Medicare payment decreases because they do not have payment streams. They offer only dialysis care and most people on dialysis are covered by Medicare, regardless of their age. Another 2% reduction could reduce access to necessary treatments and result in increased costs to the overall healthcare system.

Survey data

Recently, **DPC partnered with <u>Ipsos</u>**, a global independent market research firm, to disseminate and compile the results of its membership survey and discovered encouraging results. When asked, *How would you rate the quality of care you currently receive at your dialysis facility?*, members responded with a mean score of 8.5 on a scale of 1-10, with 10 being the highest rating. As the chart below demonstrates, nearly 80% of respondents are currently highly satisfied with their care. Only 2% gave a score of 0-2 for quality of care.



Patient satisfaction cannot be ignored

Cutting funds from the already fragile Medicare program could reduce the incentive to provide quality care for dialysis patients, placing them at risk. In a recent study, patient satisfaction was positively associated with health related quality of life and was related to better treatment compliance, consequentially leading to decreases in mortality rates.¹

Additionally, CMS recently released an analysis of the impact of the first year of the prospective payment system (PPS) that states, "While the ESRD PPS impacted utilization of certain ESRD-related services and procedures, no sustained changes in beneficiary health status were observed in 2011." Given the importance of dialysis treatments, we encourage Congress to create an exemption in sequestration for Medicare services to preserve the integrity of the program and ensure healthcare access for the ESRD patients.

¹ Choi, Ji-Young, Kim, Bokyoung, Kim, Chan-Duck, et al. Health-related quality of life with KDQOL-36 and its association with self-efficacy and treatment satisfaction in Korean dialysis patients. *Quality of Life Research Journal*. 2012. Available at: http://www.springerlink.com/content/g54u22h23686w4q6/fulltext.

² Centers for Medicare and Medicaid Services. ESRD Prospective Payment System (ESRD PPS) Overview of 2011 Claims based Monitoring Program. August 2012. Available at: http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/Spotlight.html.