

# Comprehensive Immunosuppressive Drug Coverage for Kidney Transplant Patients Act

## Why is this legislation necessary?

- Since 1972, Medicare has covered people with irreversible kidney failure, or end-stage renal disease (ESRD). There is no Medicare time limit for a patient dialysis patient. However, kidney transplant recipients lose their Medicare coverage 36 months after a transplant.
- Extending immunosuppressive coverage beyond the 36 month limit would decrease the risk of allgraft failure due to patients not taking their immunosuppression following loss of immunosuppressive coverage. When renal allografts fail, patients require dialysis and may be candidates for retransplantation, both of which would be covered by Medicare. In addition, transplant recipients have a higher quality of life, and are more likely to return to work than dialysis patients.
- In 1972, it was estimated that the program would cost \$250 million. In 2008, the Medicare ESRD program cost nearly \$27 billion.
- This legislation will allow individuals who are eligible for immunosuppressive drugs whose insurance benefits under Part B have ended due to their 36 months running out to remain in the program only for the purpose of receiving immunosuppressive drugs. If they have group health insurance with this benefit, they would not qualify for coverage beyond the 36 months.

## Cost benefits for the continuation of immunosuppressant coverage

- Medicare spends **\$77,500 per year on a dialysis patient**, which Medicare covers indefinitely.
- Medicare incurs an average first year cost of more than \$100,000 for renal transplantation and will pay for both dialysis and re-transplantation in the case of organ failure.
- However, Medicare only spends an average of **\$19,100 on a kidney transplant recipient** per year after the year of the transplant.

## How is the premium determined for individuals eligible due to ESRD?

- A monthly premium rate will be determined based on the monthly actuarial rate for enrollees age 65 and over.

## How does this affect those with private insurance?

- Coverage by private insurance varies widely; this legislation ensures Medicare is still the payer of last resort and will not usurp coverage offered by private insurers.

## Does this open transplant recipients up to the full benefits of Medicare?

- No, this legislation would only eliminate the time limitation and extend coverage for transplant recipients *for the purpose of immunosuppressive drugs only*. Beneficiaries would pay the Part B premium. All other Medicare coverage would end 36 months after the transplant.