



## **NATCO, THE ORGANIZATION FOR TRANSPLANT PROFESSIONALS POSITION STATEMENT**

### **Medicare Coverage for Immunosuppressive Drugs**

**NATCO**, *The Organization for Transplant Professionals*, is committed to the advancement of organ and tissue donation and transplantation. NATCO's members are a diverse group of approximately 2,500 transplant specialists including:

- Procurement coordinators who manage the care of the donor to ensure organ viability, consult with families in their donation decision, arrange for the surgical recovery of organs and match donor organs with recipients, and
- Clinical coordinators who manage the pre-transplant evaluation process, monitor the patient's level of wellness, adjust the patient's priority listing with a national computerized tracking system and manage the care of the recipient post-transplantation, and
- Hospital development specialists, social workers, pharmacists and transplant center administrators.

In these roles, NATCO members have witnessed the amazing impact of organ donation and transplantation, allowing individuals to live long, healthy, and productive lives. However, the continuing viability of those organs is dependent upon the recipient's access to immunosuppressive drugs, which must be taken for the rest of their lives to prevent organ rejection.

Medicare coverage for immunosuppressive drugs is often confusing, because it is determined by a number of factors, including the transplant recipient's Medicare eligibility at the time of transplant, disability status, whether the recipient received dialysis treatment, the type of organ being transplanted, and whether the transplant was performed in a Medicare-approved facility. Adding to the confusion is the new (January 2006) Medicare Part D drug benefit which is providing additional drug coverage to many Medicare beneficiaries. While this new drug benefit may help many Americans, it will not provide the necessary comprehensive immunosuppressive, anti-infection and disease management drugs to all transplant patients that require these treatments to maintain organ function and survive several years after receiving an organ transplant.

Most transplant recipients requiring immunosuppressive drugs receive coverage through Medicare Part B or through private insurance. However, Medicare Part B provides coverage only for immunosuppressive drugs, the beneficiary is responsible for 20% of the costs, and the duration of coverage is only 36 months for kidney transplant recipients under the ESRD program. The risk of rejection and subsequent organ loss is still a considerable risk after 36 months. After the immunosuppressive drug coverage expires, the transplant recipient's cost for transplant-related medications averages between \$300 and \$3,000 each month. Not every kidney recipient is able to return to gainful employment which may come with health insurance benefits. The reality for many recipients after losing Medicare or insurance drug coverage is organ dysfunction, or worse case, organ loss, requiring the individual to return to dialysis. For those kidney recipients within the 36 months of Medicare Part B coverage post-transplant or transplant recipients receiving other organ transplants, the 20% co-pay can be prohibitive and lead to nonadherence with the prescribed medication regime, potential organ dysfunction, organ loss or even death.

Medicare will pay for retransplant if there is organ rejection (with an average cost of \$100,000). It does not make sense to risk rejection due to inability to pay for the medications and every retransplant deprives another potential organ recipient the opportunity for an organ. If retransplant does not occur, rejection of a kidney results in the individual returning to dialysis, which Medicare covers indefinitely. Medicare spends an average of more than \$55,000 annually for each patient on dialysis. For Medicare beneficiaries who receive immunosuppressive coverage under Medicare Part B, non immunosuppressive drug coverage can be accessible through enrollment in Medicare Part D. The combined impact of the 20% co-pay for Medicare Part B drugs and the financial impact of Part D benefits (see next paragraph for specifics) is beyond the reach of most Medicare beneficiaries.

In theory, transplant recipients not eligible for Medicare B will have access to immunosuppressive and non immunosuppressive drugs through the Part D program *if a plan in their region has a drug formulary that includes immunosuppressive drugs*. In the event that it does, these transplant recipients will still incur \$420 in monthly premiums, a yearly deductible of \$250, as well as significant coverage limits. Most transplant recipients who enroll in Medicare Part D will hit the “doughnut hole” each year and therefore be responsible for 100% of their medication coverage until they hit the catastrophic drug coverage threshold (which is a total annual drug cost of \$5,100). Most Medicare beneficiaries cannot afford this cost in and of itself, let alone with additional drug costs described above.

### **Recommendation:**

NATCO believes that all transplant patients who receive a life-saving organ should have **life-time insurance coverage for the life-sustaining immunosuppression medications** required to prevent rejection of the transplanted organ, and anti-infection and disease management drugs essential to overall recovery and health of organ transplant recipients.

There should be no time limit to Medicare coverage for organ transplant recipients; therefore, NATCO urges your support of *The Comprehensive Immunosuppressive Drug Coverage for Transplant Patients Act of 2005 - Senate Bill 173* (sponsored by Senators Mike DeWine and Richard Durbin) and *H.R. 2051* (sponsored by Representatives Dave Camp and Ted Strickland).

Additionally, NATCO feels that **limitations to the immunosuppression formulary for Medicare Part D should be amended** so that transplant programs can prescribe medications appropriate for each transplant recipient based on their medical condition and scientific data rather than a formulary dictated by an insurance carrier. Furthermore, NATCO is concerned that Medicare Part D, which was implemented with the goal of providing Medicare beneficiaries with comprehensive drug coverage, has not helped transplant recipients. Therefore, NATCO believes that **a true assessment of the impact of Medicare Part D on transplant recipients needs to be undertaken**, given the unique and complex aspects of this patient population.

There are currently more than 90,000 patients waiting for organs, and an estimated 3,000 will die each year without receiving a transplant. Given this dire need, it is unconscionable to lose a successful transplant and to lose human lives due to a lack of immunosuppressive and comprehensive drug coverage. In addition, the economic costs associated with organ rejection add further stress to our nation’s health care expenses that can and should be avoided.