



February 3, 2020

Oregon House of Representatives  
900 Court St. NE  
Salem, OR 97301

Re: In Opposition to HB 4114, “A Bill for an Act Relating to Dialysis; Creating New Provisions; and Amending ORS 441.094”

Dear House Committee on Health Care Member:

Aimed Alliance is a 501(c)(3) nonprofit health policy organization that seeks to protect and enhance the rights of health care consumers and providers. On behalf of Aimed Alliance, I am writing to you in opposition to Oregon HB 4114, “A Bill for an Act Relating to Dialysis; Creating New Provisions; and Amending ORS 441.094.” This legislation would fix the price of dialysis treatment at the Medicare payment rate, which would be harmful to patients living with chronic kidney disease and acute renal failure.

Patients living with chronic kidney disease and acute renal failure rely on dialysis to remove excess fluid and toxins from their blood when their own kidneys can no longer perform that function. According to a Medicare Payment Advisory Commission (MedPAC) report based on 2016 and 2017 claims and cost report data, the Medicare payment rate for dialysis treatment is 1.1 percent below the cost of providing dialysis treatment.<sup>1</sup> As a result, MedPAC recommended that Congress increase the payment rate for dialysis because health care providers would take a loss by providing such treatment.<sup>2</sup>

If dialysis clinics are required to accept the Medicare payment rate for providing dialysis treatment, they may be unable to cover their operational costs, and they may be forced to close. This effect would likely be heightened among small and rural dialysis clinics, which could force patients living with chronic kidney disease and acute renal failure to travel great distances to receive dialysis treatment. Unfortunately, increased travel times have been shown to significantly increase mortality rates among patients who rely on dialysis treatment.<sup>3</sup> Additionally, some patients may choose to receive dialysis treatment at a hospital, which is nearly four times as expensive as receiving treatment at a dialysis clinic.<sup>4</sup> For clinics that are able to remain open with the reduced reimbursement rate, they may have to reduce their hours to lower their overhead costs, which will also limit patients’ access to dialysis treatment.

Because this legislation would adversely affect the lives of patients with chronic kidney disease and acute renal failure and would unreasonably obstruct the ability of these patients to access affordable dialysis treatment, we oppose HB 4114. Accordingly, we request that you vote against

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<sup>1</sup> [http://www.medpac.gov/docs/default-source/reports/mar19\\_medpac\\_ch6\\_sec.pdf?sfvrsn=0](http://www.medpac.gov/docs/default-source/reports/mar19_medpac_ch6_sec.pdf?sfvrsn=0)

<sup>2</sup> [http://www.medpac.gov/docs/default-source/reports/mar19\\_medpac\\_ch6\\_sec.pdf?sfvrsn=0](http://www.medpac.gov/docs/default-source/reports/mar19_medpac_ch6_sec.pdf?sfvrsn=0)

<sup>3</sup> <https://www.ncbi.nlm.nih.gov/pubmed/18371540>

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

this legislation to prevent it from being signed into law in Oregon. Thank you for considering our position on this legislation.

Sincerely,

A handwritten signature in black ink that reads "John Wylam". The signature is written in a cursive style with a large, prominent initial "J".

John Wylam  
Staff Attorney