



March 4, 2020

Re: House Bill 1417

Dear Chair Pendergrass and Members of the Health and Government Operations Committee:

DaVita operates 76 Maryland dialysis centers currently treating 6,528 kidney patients three times per week. Our dialysis centers are staffed by 1,802 nurses and other teammates who share a commitment to provide the best in lifesaving treatment to all our patients.

HB1417 singles out patients that are in critical need of transportation to have their life-supporting care provided to them. Patients with End Stage Kidney Disease (ESKD) are a unique patient population. On average they face having three or more comorbidities and have to take an average of 21 pills a day. They need kidney dialysis three times per week for four hours per time plus travel.

Under federal law, individuals with kidney failure can use their private insurance for a maximum of 30 months, after which Medicare becomes the primary payor. Approximately, 90 percent of Maryland patients utilize government coverage (Medicare, Medicaid) to pay for care. According to the federal government's Medicare Payment Advisory Commission, reimbursement levels for these patients fall below the cost of providing care.

House Bill 1417 includes a significant tax that will only further exacerbate the underpayment from government program payments for 9 in 10 patients using transportation. Such a tax will further challenge providing care and ensuring access where and when patients need it.

We met with Delegate Krimm on the bill and shared our serious concerns. We are aware of some counties grappling with the cost of providing residents transportation for many purposes. We are willing to participate in a work group, rather than a task force as written, to discuss transportation of some of our neediest citizens. However, if the bill is pursued as presented today, we must oppose it to help protect access for some of our most vulnerable Maryland residents.

Thank you for your consideration of our views and ask you to oppose HB1417 as written.

Sincerely,

John Leyman
DaVita
Director, State Government Affairs