

March 02, 2021 Co-Chair Senator Kate Lieber Co-Chair Representative Rob Nosse Joint Committee on Ways and Means Subcommittee on Human Services Oregon State Legislature 900 Court St. NE Salem, Oregon 97301

Dear Members of the Joint Committee on Ways and Means Subcommittee on Human Services,

This letter supports prioritizing Oregon Medicaid funding (with matching federal funds) to cover outpatient dialysis services for patients with kidney failure but without legal immigration status. The proposed Oregon Health Authority (OHA) 2021-2023 Policy Option Package 405 (CAWEM ESRD Dialysis Coverage) estimated a general fund expenditure of \$1,143,012 with federal funds of \$1,757,251.<sup>1(p892-900)</sup> While this was not included in the most recent Governor's Recommended Budget (GRB), including this funding within HB 5024 aligns with the emphasis on health equity and racial justice demonstrated in the 2021-2023 GRB and the OHA Health Equity Committee's charge to eliminate health disparities based on race, ethnicity, and class.<sup>2,3</sup>

These patients, generally referred to as "undocumented immigrants," are currently ineligible for state or federal funding for outpatient dialysis. This places them at higher risk for death, requires more expensive care, and wastes valuable hospital resources. However, the Oregon Legislature can change this.

The standard of care for dialysis involves treatment at a local hemodialysis center thrice weekly, or more frequent treatments done at home. Patients see their physicians monthly and receive specific care for kidney disease complications such as high blood pressure, low blood counts, and bone disease.

Currently, many undocumented immigrants starting dialysis in Oregon are forced to rely on emergency-only hemodialysis (EOHD) as dictated by federal law. This requires patients to go to a local emergency department (ED) when they feel ill and then if they are ill enough, they can receive dialysis via the ED or during a Dr. Rob Rope Assistant Professor Division of Nephrology and Hypertension Oregon Health and Science University

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Mail code: SJH6 3181 S.W. Sam Jackson Park Rd. Portland, OR 97239 hospital admission. Patients relying on EOHD do not have a regular kidney physician and receive substandard management of kidney disease complications.

The only undocumented patients who begin standard hemodialysis in the community are those few with employer or family-based insurance, those who can pay expensive premiums, or those who receive charity care. Unfortunately, in recent years, patients have had reduced access to charity care or private insurance and they are not eligible for federal insurance premium assistance.

A strong body of evidence demonstrates that covering outpatient dialysis is medically and fiscally appropriate. EOHD increases the mortality rate 5-14 fold compared to scheduled dialysis, leads to more hospitalizations, and increases symptom burden.<sup>4–6</sup> Scheduled dialysis also saves money. One study demonstrated a savings of \$72,000 per patient per year by providing coverage for outpatient dialysis.<sup>5</sup> Estimates from local hospital systems approximate a cost of \$4,000-10,000 per ED visit, which increases if hospital admission is required (OHSU, Providence personal communications, 1/31/2020). In stark contrast, the Medicaid rate for an outpatient dialysis treatment is only \$200-300. Relying on EOHD also stresses our already burdened emergency care system, contributes to provider burnout, and reduces the social productivity of these patients.<sup>6–10</sup>

However, federal law allows states to provide outpatient dialysis for these patients. Over 10 states (including Arizona, California, Colorado, Utah, and Washington) have changed their Medicaid regulations to provide outpatient dialysis for this population. Crucially, states can receive matching federal funds at a 60:40 (Federal: State) ratio to offload some of the cost (OHA, personal communication, 2/07/2021).

While federal law prohibits the direct use of federal funding for these patients (e.g. Medicare), CMS regulations require states to provide coverage for emergency care and allow states to determine which conditions meet the definition of an emergency.<sup>11,4</sup> Currently in Oregon, Citizen/Alien-Waived Emergency Medical (CAWEM) statutes cover emergency care, including labor and delivery, but do not include scheduled outpatient dialysis.<sup>12</sup> The states that cover outpatient dialysis for these patients do so by changing their Medicaid emergency definitions. The Oregon Health Authority (OHA) has the regulatory ability to change this definition and can provide these services if funding is secured (OHA, personal communication, 1/31/2020).

Work by OHA in 2020 identified the appropriate medical services to cover, mirroring ESRD care for citizens on Medicaid, as outlined in OHA 2021-2023 POP 405.<sup>1(p892-900)</sup> This would not offer full Medicaid coverage and would not include coverage for a kidney transplant. However, coverage for post-transplant immunosuppressive medications would be included for patients who previously received a transplant. This keeps their transplanted kidney functioning so these patients do not require dialysis.

Even with the financial constraints Oregon is facing, this is a relatively modest expenditure with significant clinical and social benefits. This coverage would also reduce the clinical burden on local emergency departments caring for these patients. **Critically, this estimate does not take into account further cost savings to OHA from eliminating emergency-only hemodialysis for these patients, meaning the actual costs will likely experience significant reductions.** 

Given the lack of full medical coverage, patients receiving CAWEM ESRD Dialysis Coverage would still have an incentive to obtain private insurance. The American Kidney Fund provides economically disadvantaged patients already established on outpatient dialysis with financial assistance to cover insurance premiums, regardless of citizenship.<sup>13</sup> This provides undocumented patients on dialysis an avenue to obtain full insurance and complete medical care. **This also will reduce the economic expense of this program to the state**.

Given these considerations, we strongly support the use of Oregon Medicaid funding to cover outpatient dialysis services for patients without legal immigration status. This would be financially appropriate and provide just care for this vulnerable group of patients.

Thank you for your consideration of this important subject.

Sincerely, Dr. Rob Rope Assistant Professor Division of Nephrology and Hypertension Oregon Health and Science University

## The following organizations or individuals also support this letter:

- Oregon Chapter of the American College of Emergency Physicians
- Oregon Association Of Hospitals And Health Systems
- Dr. Sharon Anderson, Professor of Medicine, Division of Nephrology and Hypertension, Dean, OHSU School of Medicine
- Dr. Joshua Curry, Resident Physician, Department of Medicine, OHSU School of Medicine
- Dr. Susan Gurley, Associate Professor of Medicine, Division Head, Division of Nephrology and Hypertension, OHSU School of Medicine
- Dr. Mary E. Tanski, Associate Professor of Medicine, Interim Chair, Department of Emergency Medicine, OHSU School of Medicine

## <u>References</u>

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