



APR 30 2010

The Honorable Pete Stark
Chairman
Subcommittee on Health
Committee on Ways & Means
House of Representatives
Washington, DC 20515

Dear Representative Stark:

Thank you for your letter concerning the recommendations of the report from Government Accountability Office (GAO) titled "END-STAGE RENAL DISEASE: CMS Should Monitor Access to and Quality of Dialysis Care Promptly after Implementation of New Bundled Payment System."

CMS concurs with GAO's recommendation for the agency to monitor access to and quality of dialysis care immediately after the implementation of the new end-stage renal disease (ESRD) prospective payment system (PPS). As we noted to the GAO, their findings were based on interviews conducted before we issued the proposed rule for the new ESRD. Therefore, the report findings made by the GAO do not reflect our planning efforts currently underway.

With the implementation of any new payment system, CMS places its foremost concern on the impact of the change on beneficiary access and quality of care. CMS will have a comprehensive monitoring system in place when the payment system is implemented on January 1, 2011. For the first year of implementation, CMS will utilize its existing infrastructure for quality oversight and claims payment review as part of this plan. In addition, CMS is required to implement a quality incentive program (QIP) that will ensure that dialysis facilities meet or exceed performance standards. CMS will soon issue a proposed rule on the QIP.

Data from these two initiatives will assist CMS in ensuring that beneficiaries continue to receive quality dialysis services under the new system, and ultimately inform potential refinements to the payment system and the QIP moving forward.

We will be happy to brief you about this monitoring plan and the QIP at your requested time as implementation of the new system approaches. I will also provide this response to the cosigner of your letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonathan Blum", with a long horizontal flourish extending to the right.

Jonathan D. Blum
Deputy Administrator and Director
Center of Medicare



APR 30 2010

The Honorable John Lewis
Chairman
Subcommittee on Oversight
Committee on Ways & Means
House of Representatives
Washington, DC 20515

Dear Representative Lewis:

Thank you for your letter concerning the recommendations of the report from Government Accountability Office (GAO) titled "END-STAGE RENAL DISEASE: CMS Should Monitor Access to and Quality of Dialysis Care Promptly after Implementation of New Bundled Payment System."

CMS concurs with GAO's recommendation for the agency to monitor access to and quality of dialysis care immediately after the implementation of the new end-stage renal disease (ESRD) prospective payment system (PPS). As we noted to the GAO, their findings were based on interviews conducted before we issued the proposed rule for the new ESRD. Therefore, the report findings made by the GAO do not reflect our planning efforts currently underway.

With the implementation of any new payment system, CMS places its foremost concern on the impact of the change on beneficiary access and quality of care. CMS will have a comprehensive monitoring system in place when the payment system is implemented on January 1, 2011. For the first year of implementation, CMS will utilize its existing infrastructure for quality oversight and claims payment review as part of this plan. In addition, CMS is required to implement a quality incentive program (QIP) that will ensure that dialysis facilities meet or exceed performance standards. CMS will soon issue a proposed rule on the QIP.

Data from these two initiatives will assist CMS in ensuring that beneficiaries continue to receive quality dialysis services under the new system, and ultimately inform potential refinements to the payment system and the QIP moving forward.

We will be happy to brief you about this monitoring plan and the QIP at your requested time as implementation of the new system approaches. I will also provide this response to the cosigner of your letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonathan D. Blum".

Jonathan D. Blum
Deputy Administrator and Director
Center of Medicare