



Reimbursement for Pediatric Dialysis Services

Current Medicare Payment is Inadequate for Pediatric Dialysis Patients

The End-Stage Renal Disease Prospective Payment System (ESRD PPS) is inadequate to cover the actual costs of dialyzing children and adolescents. Historically, both the Centers for Medicare and Medicaid Services (CMS) and Congress have recognized that the higher costs for pediatric dialysis warrant different reimbursement rates for pediatric facilities than adult facilities. These higher costs stem not only from specialized nursing expertise to meet the unique requirements for care of small children on dialysis but also additional unreported expenses for the key support personnel responsible for addressing the unique challenges related to cognitive, physical, and developmental disabilities in pediatric ESRD.

Some examples of major cost discrepancies between adult and pediatric centers include:

- RN services, which can cost **125%** of adult baseline costs;
- PCT services, which can cost **165%** of adult baseline costs;
- MSW services, which can cost **262%** of adult baseline costs;
- Physician fees, which can cost **129%** of adult baseline costs; and
- RD services, which can cost **197%** of adult baseline costs.¹

ASPN gathered this comparative cost data from a pediatric facility run by a large dialysis organization (LDO). LDOs are generally able to negotiate better rates than pediatric dialysis centers in large academic medical centers.

Without equitable reimbursement to pediatric dialysis facilities, it becomes difficult to maintain the specially trained staff to deliver quality care. Inadequate reimbursement can lead to limitations on the access of pediatric dialysis patients to facilities equipped to provide specialized pediatric care. In addition to creating uncertainty for the pediatric ESRD patient's future, these constraints increase the likelihood of worse health outcomes for children with ESRD, with the ensuing potential for much higher subsequent costs of their care in the future as these children move into adulthood in a more medically precarious state.

Future Data Needs

There is a much smaller population of pediatric dialysis patients than adult patients, and ASPN is concerned about the accuracy and completeness of the data submitted to CMS that will then be used to set payment rates. Besides working with centers to attempt to improve cost reporting, ASPN also believes it is critical that the Government Accountability Office (GAO) complete a study of pediatric dialysis costs and has requested that the following language be inserted into relevant legislation:

Sec. 3. GAO Study and Report on Payment Adequacy for Pediatric ESRD Services.

(a) Study on Payment for Pediatric ESRD Services—The Comptroller General of the United States (in this section referred to as the “Comptroller General”) shall conduct a study to examine the accuracy of pediatric data reported to the Centers for Medicare and Medicaid Services (CMS) as

¹ Statistics gleaned from ASPN member inquiry into hospital claims data.

part of the ESRD Prospective Payment System (PPS). The study shall include an analysis of the following factors that influence the cost of pediatric dialysis care and evaluate whether the organizations described by this legislation and the existing PPS accurately capture and reimburse these costs:

- (1) Increased acuity of nursing care compared to adult dialysis patients, especially for smaller and younger pediatric hemodialysis patients;
- (2) Need for developmental/behavioral specialists, including Child Life Specialists;
- (3) Need for more frequent assessment by pediatric dietitians to adjust formulas and diet for the specialized growth and nutrition requirements of children treated with dialysis;
- (4) Need for social workers, school liaisons, and other trained individuals designated to help families navigate challenging psychosocial situations and to coordinate with schools to ensure school attendance and optimize school performance among pediatric dialysis patients; and
- (5) Need for a broader array of dialysis supplies, including different-sized dialyzers, tubing, and peritoneal fluid bags to accommodate care provided infants through young adults.

(b) Report - Not later than 18 months after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report containing the results of the study conducted under subsection (a), together with recommendations for such legislation and administrative action as the Comptroller General determines appropriate.