



March 20, 2019

The Honorable Alex Azar  
Secretary  
U.S. Department of Health and Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

Dear Secretary Azar,

On behalf of Fresenius Medical Care North America (FMCNA), thank you for your commitment to improving the lives of people living with end stage renal disease (ESRD) by looking at ways to improve outcomes for this population. We support your remarks on March 4, 2019, to the National Kidney Foundation and look forward to working with the Administration to address the factors that drive the uptick in new ESRD cases and the corresponding need for alternative care models including transplant, transitional care and home care.

As an integral part of the provider community and with our long history of innovation in the industry, we are continually looking at ways to transform how we care for people living with kidney disease. We agree that government policies should be oriented toward slowing the progression of chronic kidney disease (CKD) and avoiding the preventable underlying chronic conditions that lead to it. We believe it is our responsibility as a provider to not only treat kidney disease but also to promote kidney health. Prevention should be the ultimate measure of success.

When kidney failure occurs, transplant should be the first therapy option and is the best option to fulfill our mission of improving the quality of life of our patients and our promise to give them their lives back. We are one of the very few provider organizations directly working with the National Kidney Foundation whose singular focus is prevention and transplantation. The Fresenius Medical Care Foundation, a 501c-3 organization, is focused on improving lives by raising awareness of kidney disease and igniting the advancement of life-saving solutions. Through the Foundation, we will strive to help people understand the power of kidney transplantation and will focus on educating patients, reaching prospective donors and mobilizing employees with that goal in mind.

When a transplant is not available, we believe the next best therapy option is home dialysis. Just last month, we invested in a company called NxStage Medical, an innovative organization which develops, produces and markets products for home dialysis and intensive care. This significant investment will help us to continue accelerating the use of home modalities, which benefits patients through flexibility, more energy, better sleep, fewer hospitalizations and overall improved quality of life. Studies show that 80 percent of patients generally would prefer to receive their care at home if given the choice, 90 percent of nephrologists would recommend home dialysis for a family member or friend and patients typically have a better experience on home therapies. We

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fully recognize that to achieve this goal we will need to participate in payment and policy reform, as both have been structured largely with in-center dialysis in mind.

We share the Administration's goal to shift our system toward one that pays for health and outcomes, and we have taken many steps in this direction. The current prospective payment system creates perverse incentives and inhibits innovation. Care coordination, hospitalization avoidance and good outcomes are central to our mission as an organization. We are proud to be the largest participants in the Center for Medicare and Medicaid Innovation's care coordination demonstration, the ESRD Seamless Care Organization (ESCO) program – accounting for 80 percent of the beneficiaries across 24 markets. This is a clear and unquestionable demonstration of our support and alignment with the Administration's vision in connection with payment reform models. Coordinated models of care provide the best outcome for our patients and have demonstrated our commitment to working with HHS and CMS on better tailored care delivery for ESRD patients.

As the Administration moves forward with developing policies and demonstrations to improve the lives of people living with kidney disease, we hope that you look to us as an industry leader and use us as a resource. Thank you again for your commitment to the CKD and ESRD population.

Sincerely,



William J. Valle  
Chief Executive Officer  
Fresenius Medical Care North America