Medicare Could Save Over $100 Million If It Covered Drug for Dialysis Patients

BY LAURIE McGINLEY
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WASHINGTON — Medicare could save more than $100 million a year if it covered payments for the oral form—rather than just the more-expensive injected version—of a calcium supplement used by kidney-dialysis patients, says a new congressional study.

Kidney failure can often result in dangerously low calcium levels, resulting in bone loss and fractures. To treat the problem, many people on dialysis are prescribed a calcium supplement known as calcitriol.

The injectable version, called Calcijex, is delivered intravenously during dialysis and made by Abbott Laboratories in North Chicago, Ill. The oral version, called Rocaltrol, is taken by capsule or in an oral solution, and is manufactured by Hoffmann-La Roche Inc., the Nutley, N.J., unit of Switzerland’s Roche Holding Ltd. Both versions are designed to increase the body’s ability to absorb calcium and strengthen bones.

But Medicare, by law, is generally barred from covering prescription drugs that patients administer themselves. Thus, it doesn’t pay for Rocaltrol, but it does cover Calcijex. Most dialysis patients using the supplement take Calcijex, not Rocaltrol, because of the reimbursement policy.

But that policy results in increased Medicare costs, according to the study by the Democratic staff of the House Committee on Government Reform. The report estimates that about 89,000 kidney-dialysis patients use Calcijex, at a cost of $2,065 a year per patient. About 23,000 use Rocaltrol, at a cost of $438 a year per patient. If calcitriol, Medicare would save $110 million, according to the report.

“It makes no sense that Medicare covers one form of this drug and not the other,” said Rep. Rush Holt (D., N.J.), who requested the study. “It’s an irrational government policy that delivers a kidney-punch to taxpayers.” Patients using the calcium supplement also would save millions of dollars in co-payments if they used the cheaper oral drug, he said.

A spokesman for Mr. Holt said the lawmaker would push for legislation to cover the oral form of the drug. The aide said that Mr. Holt believes such a change could be made even in the absence of a wholesale changes in Medicare drug coverage. Congress, in the past, has approved Medicare reimbursement for the oral versions of certain cancer drugs and antinausea drugs. Hoffmann-La Roche isn’t located in Mr. Holt’s district, though it is in his home state.

The Democratic staff that prepared the report has done several other studies on Medicare drug pricing, including a series that showed that senior citizens pay higher prescription drug prices than do other purchasers.

About 304,000 Americans suffer from kidney failure, also known as end-stage renal disease. Under a 1972 law, these people are considered disabled and eligible for Medicare, regardless of age. A spokesman for the Health Care Financing Administration, which runs the health program for the elderly and the disabled, said that the study points up the need for a comprehensive Medicare drug benefit, as proposed by the White House.

Abbott declined to comment on the re-