

Calculation of the Amount of the Per Treatment Reduction Using the End-Stage Renal Disease Bundled Market Basket

	Prices		2007 claims				2012 claims			Change between 2007 and 2012
	CY 2011 prices (used to calculate 2011 Base Rate for the ESRD PPS Final Rule)	CY 2014 Prices based on Market Basket Update	Total Part B drug utilization, based on 2007 claims	Total projected 2011 Spending, based on 2007 claims	Total projected 2014 Spending, based on 2007 claims	Average projected 2014 Spending per treatment, based on 2007 claims	Total Part B reported drug utilization, based on 2012 claims ¹	Total projected 2014 Spending, based on 2012 claims	Average projected 2014 Spending per treatment, based on 2012 claims	Change in projected Spending per treatment, from 2007 to 2012 claims
Medicare dialysis treatments			36,692,703				38,204,861			
Treatments for patients with Part D spending			24,737,326							
Update from 2011 to 2014 ²		1.0733								
Part B & D Drugs & biologicals										
EPO ³	\$ 9.81	\$ 10.53	204,538,639	\$ 2,006,572,733	\$ 2,153,695,861	\$58.70	118,888,408	\$ 1,251,839,128	\$32.77	-25.93
Darbepoetin	\$ 2.99	\$ 3.21	51,044,041	\$ 152,740,104	\$ 163,939,101	\$4.47	24,449,309	\$ 78,524,303	\$2.06	-2.41
Calcitriol	\$ 0.40	\$ 0.42	5,803,915	\$ 2,297,532	\$ 2,465,988	\$0.07	2,192,601	\$ 931,600	\$0.02	-0.04
Doxercalciferol	\$ 3.13	\$ 3.36	28,631,405	\$ 89,541,571	\$ 96,106,813	\$2.62	45,102,952	\$ 151,396,724	\$3.96	1.34
Paricalcitol	\$ 3.67	\$ 3.94	85,060,677	\$ 312,593,138	\$ 335,512,656	\$9.14	54,923,935	\$ 216,641,532	\$5.67	-3.47
Iron sucrose	\$ 0.38	\$ 0.41	449,246,776	\$ 170,370,101	\$ 182,861,740	\$4.98	478,620,302	\$ 194,817,962	\$5.10	0.12
Sodium ferric gluconate	\$ 4.75	\$ 5.10	14,308,849	\$ 67,926,840	\$ 72,907,277	\$1.99	6,441,089	\$ 32,819,010	\$0.86	-1.13
Levocarnitine	\$ 6.25	\$ 6.71	622,963	\$ 3,892,615	\$ 4,178,024	\$0.11	144,177	\$ 966,951	\$0.03	-0.09
Alteplase	\$ 38.81	\$ 41.65	803,882	\$ 31,196,808	\$ 33,484,177	\$0.91	284,942	\$ 11,868,715	\$0.31	-0.60
Vancomycin	\$ 3.32	\$ 3.57	1,044,010	\$ 3,468,955	\$ 3,723,301	\$0.10	814,006	\$ 2,903,027	\$0.08	-0.03
Daptomycin	\$ 0.45	\$ 0.48	3,604,089	\$ 1,606,454	\$ 1,724,240	\$0.05	6,505,277	\$ 3,112,204	\$0.08	0.03
Ferumoxytol ⁴		\$ 0.67	0	\$ -	\$ -	\$0.00	822,093	\$ 551,615	\$0.01	0.01
Other injectables				\$ 5,223,667	\$ 5,606,669	\$0.15		\$ 2,945,828	\$0.08	-0.08
Oral Equivalents					\$ 11,595,338	\$0.47		\$ 15,235,314	\$0.40	-0.07
Total Drugs						\$83.76			\$51.42	-32.34

-32.34	Change in per treatment amount (\$83.76 - \$51.42 = \$32.34)
-29.52	Account for 2% reduction, 1% outlier and 5.93% standardization (\$32.34 x .98 x .99 x .9407 = \$29.52)
246.47	Proposed CY 2014 Base Rate
216.95	Proposed CY 2014 Base Rate with Drug Utilization Reduction
-12.0%	% Effect

¹ The latest available claims data for this proposed rule is based on the CY 2012 ESRD facility claims updated through December 31, 2012 (78 FR 40842)

² CY 2011 prices for ESRD-related drugs and biologicals were inflated by using the ESRD bundled (ESRDB) market basket, productivity adjustment, and the wage index budget finalized in calendar year's (CY) 2012 and 2013 and proposed in CY 2014. 1.0733 = 1.021*1.023*1.025*1.001520*1.000613*1.000411 (78 FR 40842)

³ For EPO the price and units are displayed as per thousands

⁴ Ferumoxytol was assigned a HCPCS codes in 2010. The CY 2014 price represents the average of the 2012 ASP+6% prices. (78 FR 40843)