



Highlights of [GAO-07-1117](#), a report to congressional requesters

Why GAO Did This Study

For individuals with end-stage renal disease (ESRD), the permanent loss of kidney function, Medicare covers kidney transplants and 36 months of follow-up care. Kidney transplant recipients must take costly medications to avoid transplant failure. Unless a transplant recipient is eligible for Medicare other than on the basis of ESRD, Medicare coverage, including that for medications, ends 36 months posttransplant. Pediatric transplant recipients, including those who were under 18 when transplanted but are now adults (transitional recipients), may be more likely than their adult counterparts to lose access to medications once Medicare coverage ends because they may lack access to other health insurance coverage. GAO was asked to examine (1) the percentage of transplant failures and subsequent outcomes—retransplant, dialysis, or death—among pediatric, transitional, and adult kidney transplant recipients and (2) how the cost to Medicare for a beneficiary with a functioning transplant compares with the cost for a beneficiary with a transplant failure. To do this, GAO analyzed 1997 through 2004 data from the United States Renal Data System (USRDS) and interviewed officials from pediatric transplant centers.

The Centers for Medicare & Medicaid Services—the agency that administers Medicare—commented that it is concerned about beneficiary outcomes and has an education program to help them.

To view the full product, including the scope and methodology, click on [GAO-07-1117](#). For more information, contact Laurie E. Ekstrand at (202) 512-7114 or ekstrand@gao.gov.

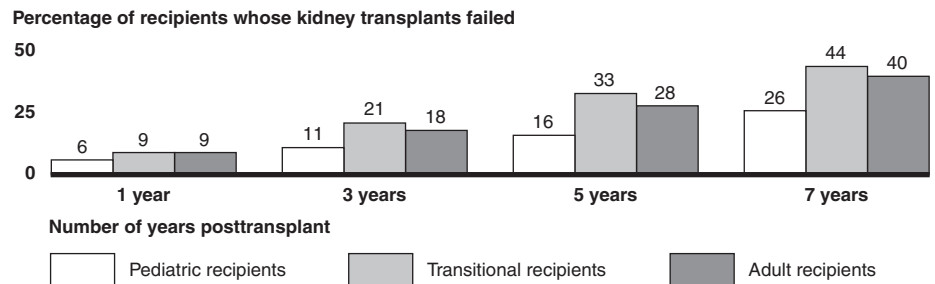
END-STAGE RENAL DISEASE

Characteristics of Kidney Transplant Recipients, Frequency of Transplant Failures, and Cost to Medicare

What GAO Found

The percentage of kidney transplant recipients who experience a transplant failure varies by age group as do the percentages who experience dialysis, retransplant, or death. After the first year posttransplant, a higher percentage of transitional recipients (those younger than 18 at the time of their transplants and at least 18 as of December 31, 2004) experienced a transplant failure and subsequently received dialysis compared with their pediatric (those younger than 18 as of December 31, 2004) and adult (those at least 18 at the time of their transplants) counterparts. By 5 years posttransplant, the percentage of transitional recipients who experienced a transplant failure (33 percent) was about twice as high as pediatric recipients (16 percent) and somewhat higher than adult recipients (28 percent). The largest increase in transplant failures for each age group occurred in the first 3 years posttransplant—before the termination of Medicare coverage on the basis of ESRD—and the increase was substantially higher for transitional recipients (133 percent) than for pediatric (83 percent) and adult (100 percent) recipients.

Percentage of Kidney Transplant Recipients Whose Transplants Failed, by Age Group and Number of Years Posttransplant, 1997-2004



Source: GAO analysis of USRDS data.

Medicare beneficiaries with functioning transplants cost substantially less per year to treat than those who experienced a transplant failure. GAO found that the median annual Medicare cost for a beneficiary whose transplant failed (\$50,938) was 500 percent more than the median annual Medicare cost for a beneficiary with a functioning transplant (\$8,550). This percentage difference was consistent across transplant recipient age groups.

The substantial cost of treating transplant recipients who experience a transplant failure underscores the importance of maintaining functioning kidney transplants. While there are many reasons that could account for transplant failures, the large percentage increase in transplant failures from 1 year to 3 years posttransplant for transitional recipients cannot be attributed to an inability to access medications due to a lack of Medicare coverage.