



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Secretary

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Assistant Secretary for Health
Office of Public Health and Science
Washington D.C. 20201

Mark Brecher, M.D., Chairman
Advisory Committee on Blood Safety and Availability
Director, Transplantation and Transfusion Services
University of North Carolina Hospitals
101 Manning Drive
Chapel Hill, NC 27514

Dear Dr. Brecher:

Thank you for your recent letter to Secretary Thompson relaying the recommendations of the September 5, 2002, meeting of Advisory Committee on Blood Safety and Availability. He asked that I respond to you. We both appreciate the thoughtfulness of the Committee and the care it took in making these recommendations.

Regarding your recommendations related to reimbursement, I am aware that laboratory procedures and other costs for transfusion services significantly impact upon the cost of blood and blood components. I will recommend that the Administrator of the Centers for Medicare and Medicaid Services (CMS) explore methods which allow payment for these items based on current year acquisition costs.

I am also keenly aware of the unique nature of plasma based therapies because they are life saving and life sustaining and, in some cases, are sole source therapies administered to treat rare chronic disorders in hospital outpatient settings at the recommendation of health care providers. I understand that CMS's proposed payment rule bases reimbursement on claims data that are not representative of the small utilization in widely dispersed populations such as rare chronic disorders treated with plasma based therapies. Because of the unique nature of these therapies I will recommend to the Secretary that an exception to the proposed rule be made to ensure that reimbursement is adequate to ensure patient access to care.

The Office of Public Health and Science is currently working in conjunction with the American Association of Blood Banks, America's Blood Centers and the American Red Cross on a program designed to increase blood donation in the United States. It is called *Give Thanks! Give Life! Give Twice!* and is slated to be initiated around the Thanksgiving holiday.

Additionally, Secretary Thompson is set to challenge each of his fellow cabinet members to determine which department can donate the most blood. He will also be instructing his ten Regional Directors to offer similar challenges to the regional offices of other Federal Agencies.

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The Secretary will also be inviting leading industries to join the *Workplace Partnership for Life* which can build awareness in the workplace for the need to donate blood. Through the *Workplace Partnership for Life*, employers and employees can work together to literally save thousand of lives by inviting corporations and unions as well as smaller businesses, associations, government agencies and volunteer organizations to join the campaign for blood donations.

The Department is currently examining methods to adequately monitor the nation's blood supply. It is our intention to establish a single, well-funded, quantifiable monitoring system that will show long term trends in supply and utilization, and assist the Department in determining when coordinated national donation campaigns should be initiated.

Finally, I appreciate the sentiment that went into the Committee's recommendation that the Department support initiatives to improve management of blood inventories. I am sure you will understand, however, that the Department cannot take an active role in mitigating area shortages and excesses. It is the feeling of the Secretary that it is much more important to increase the overall inventory of blood in the United States rather than attempt to manipulate the existing inventory. This is the reason he so enthusiastically supports his *Workplace Partnership for Life* program and the *Give Thanks! Give Life! Give Twice!* program that is currently under development.

Once again, thank you for your work. The Secretary and I look forward to receiving future recommendations from your committee.

Sincerely yours,

/s/ Eve E. Slater, M.D., F.A.C.C.

Eve E. Slater, M.D., F.A.C.C.
Assistant Secretary for Health