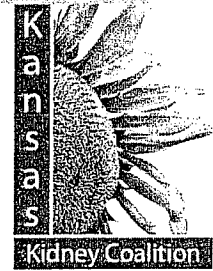


Mr. Chair and Committee Members:

My name is Wendy Funk Schrag, and I am here today on behalf of the Kansas Kidney Coalition to testify in support of HB 2386 which would provide a tax deduction of up to \$5,000 for personal expenses related to living organ donation. It is estimated that this would cost the state less than \$10,000 annually.



More than 93,000 people in the United States are currently waiting for a kidney transplant due to End Stage Renal Disease (ESRD). In 2011, over 16,800 of those waiting received kidney transplants, with 5,770 of those coming from the generosity of living organ donors.<sup>1</sup> Medicare costs per person per year for hemodialysis and peritoneal dialysis are \$87,561 and \$66,751 respectively, while the costs to Medicare for the care of a kidney transplant recipient after the first year of the transplant is substantially less and averages \$24,612.<sup>2</sup> Approximately 30-40% of people with ESRD have Medicare and Medicaid – so this cost filters down to the state Medicaid program as a secondary payer. Approximately 5 – 10% have Medicaid as their primary insurance, so Medicaid is the payer of the full treatment cost. Encouraging kidney transplant results in a direct savings to the state.

Living organ donors do not have to pay any of the costs directly related to the transplantation, but they often are left responsible for expenses such as lost work income, travel, lodging and downstream medical complications. Such costs can be a few hundred dollars and reach as high as \$20,000.<sup>3</sup> One U.S. study in 2006 reports average living organ donor expenses of \$837.<sup>4</sup> There are some foundations that offer help with personal fund-raising or some financial assistance; however, those have income guidelines and are not always available to everyone.

Since 2004, 16 states have enacted legislation allowing tax breaks for living organ donors. Fifteen of those states allow living donors to deduct up to \$10,000 from their taxable income. The other state, Idaho, gives living organ donors a dollar-for-dollar tax credit for donation-related expenses up to \$5,000. States that have enacted legislation include: Arkansas, Georgia, Idaho, Iowa, Louisiana, Massachusetts, Minnesota, Mississippi, New Mexico, New York, North Dakota, Ohio, Oklahoma, Utah, Virginia, and Wisconsin.<sup>5</sup> The states that approved living-donor tax breaks have a rate of 2.64 donors per 100,000 residents.<sup>6</sup>

---

<sup>1</sup> Sack, K. Kidney Transplant Committee Proposes Changes Aimed at Better Use of Donated Organs. September 21, 2012, [www.nytimes.com](http://www.nytimes.com).

<sup>2</sup> United States Renal Data System. Atlas of ESRD: Chapter 11, Costs of ESRD. [http://www.usrds.org/2012/view/v2\\_11.aspx](http://www.usrds.org/2012/view/v2_11.aspx).

<sup>3</sup> American Medical Association House of Delegates Report, June 2012.

<sup>4</sup> Busko, M. Living Kidney Donors Commonly Incur Out-of-Pocket Expenses, Aug 18, 2006. <http://www.medscape.com/viewarticle/543390>.

<sup>5</sup> Transplant Living. Financing Organ Donation. <http://www.transplantliving.org/living-donation/financing-living-donation/legislation/>.

<sup>6</sup> Novak and Su. What Inspires People to Become Organ Donors? September 24, 2012, <http://hepatitisnewdrugs.blogspot.com/2012/09/what-inspires-people-to-become-organ.html>.

In 2012, there were 39 Kansans who were living organ donors, with 21 of them donating at Kansas transplant facilities.<sup>7</sup> They are true examples of generosity. Providing a nominal way for them to re-coup a small portion of their personal expenses will provide some ease to their experience and enable more Kansans to consider living donation.

Thank you for allowing me to present testimony today. I hope you will consider advancing this legislation.

Wendy Funk Schrag, LMSW, ACSW  
Chair – Kansas Kidney Coalition  
316.841.5245  
[Wendy.schrag@fmc-na.com](mailto:Wendy.schrag@fmc-na.com)

Attachment: Living Organ Donor Expenses

---

<sup>7</sup> Donors Recovered in the U.S. by Donor Type. Organ Procurement and Transplantation Network. U.S. Department of Health & Human Services. <http://optn.transplant.hrsa.gov/latestData/rptData.asp>.

My name is Sherri Stang, and I am extremely honored and proud, to call myself a "Living Organ Donor!" In January of 2010, after six months of testing and waiting, I donated a kidney to my dad at Porter Hospital in Denver, Colorado. This is an estimate of personal expenses incurred:

**Gas:** \$500.00 -- Estimated: to and from medical appointments before and after surgery  
With gas prices it is hard to figure. Also take in to consideration the distance to the transplant center.

**Lodging:** \$1200.00 -- This is figuring \$120.00 per night for 10 nights. Sometimes the transplant center will have a connection with a motel for special rates.

**Meals:** \$300.00 --- This is figuring \$30.00 per day for 10 days.

I was also off work for approximately 5 weeks following the transplant. We let many of the area papers do stories about the transplant so that word would get out about being a living donor.