# SUZANNE WATNICK, MD, FASN NEPHROLOGIST AND ASN HEALTH POLICY SCHOLAR-IN-RESIDENCE ON BEHALF OF THE AMERICAN SOCIETY OF NEPHROLOGY

### WRITTEN TESTIMONY ON FISCAL YEAR 2026 FUNDING FOR KIDNEYX AT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

## PREPARED FOR THE LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES SUBCOMMITTEE OF THE UNITED STATES HOUSE COMMITTEE ON APPROPRIATIONS

### April 9, 2026

On behalf of the more than 37 million Americans living with kidney diseases, the American Society of Nephrology respectfully requests that in the Office of the Secretary of Health and Human Services (IOS), General Department Management, \$25 million be included for KidneyX, a public-private partnership to accelerate innovation in the prevention, diagnosis, and treatment of kidney diseases, in the Fiscal Year (FY) 2026 Labor, Health and Human Services, Education and Related Agencies Appropriations bill.

More than 37 million people in the United States are living with kidney diseases, including more than 800,000 with kidney failure, a life-threatening condition for which there is no cure. Currently, there are two therapies available to manage kidney failure, a kidney transplant and dialysis, both of which remain conceptually the same since their development approximately 50 years ago. A kidney transplant is the best therapy for most people with kidney failure, yet a national organ shortage means than 12 Americans die every day while on the nearly 100,000-person long waitlist. Dialysis, the most common therapy for kidney failure, is an important tool to manage kidney failure, yet has survivability outcomes worse than all but the deadliest cancers: more than 60 percent of people starting dialysis today will die within 5 years.

The status quo for treating and managing kidney diseases is also far too costly to taxpayers to continue without intervention. Medicare annually dedicates \$150 billion, or 18 percent of Medicare spending, to the care of people with kidney diseases, including \$50 billion, or 6 percent of Medicare spending, to manage kidney failure alone. Relative to other chronic diseases with comparable federal spending and disease burden, people with kidney diseases have had a lack of innovation in the prevention, diagnosis, and treatment of kidney diseases, but hope is on the horizon: KidneyX is attracting a new generation of innovators and investors and transforming kidney care.

KidneyX is incentivizing innovators to fill unmet patient needs through a series of prize competitions, de-risking the commercialization process by fostering coordination among federal agencies and creating a sense of urgency on behalf of patients and families. To date, KidneyX has provided funding to 70 innovators in 22 states and 40 congressional

districts across 6 prize competitions for solutions ranging from patient-generated solutions that improve quality of life while living with kidney diseases to ways to make the current dialysis technology more efficient to steps toward paradigm-shifting technologies such as a wearable or implantable artificial kidney and xenotransplantation. Further, KidneyX is delivering on its pledge to catalyze private markets to invest in the advancement of kidney care. For instance, investors contributed more than \$300,000,000 to multiple winners of KidneyX's first prize competition, Redesign Dialysis.

FY 26 funding will allow KidneyX to continue to catalyze innovation to develop products that bring better value to patients and the Medicare program, using prize competitions to highlight areas of unmet patient need and call for better ways of meeting those needs across prevention, diagnosis, and treatment.

Prior innovations awarded KidneyX prizes include those highlighted below:

- Applying advances in science and technology to improve current kidney failure therapies, such as nanomaterials to reduce infections in dialysis grafts and an innovative catheter which might exponentially reduce infections in the provision of dialysis, both seeded through the Redesign Dialysis Phase 1 and Redesign Dialysis Phase 2 prize competitions
- Patient generated solutions to better manage their care, such as clothing which provides health care staff easy access to dialysis ports without having to remove or scrunch up clothing, seeded through the Patient Innovator Challenge
- Groundbreaking technologies that may lead to a fully implantable or bioartificial kidney, such as an implantable silicon filter cartridge paired with a bioreactor with kidney cells that together provide continuous treatment without needing to be tethered to a dialysis machine, or a method to genetically engineer pig kidneys to make them perform life-sustaining functions when transplanted in humans, both seeded through the Artificial Kidney Prize competitions

A bipartisan achievement, KidneyX was first unveiled as a concept at the 2016 Obama White House Organ Summit and was launched in 2018, featuring as central pillar of Former President Donald J. Trump's 2019 *Executive Order on Advancing American Kidney Health* to increase innovation for people living with kidney diseases. KidneyX is a true public-private partnership: the private sector has already committed \$25 million to KidneyX. Since its inception, KidneyX has demonstrated the success of its public-private prize funding model, delivering on its mission of accelerating innovation in kidney care, attracting new innovators and investors to the kidney space, and broadening the availability of novel ideas and capital to improve the lives of the 37 million Americans with kidney diseases.

In light of this strong track record, we respectfully request that the Labor-HHS Subcommittee continue its commitment by appropriating \$25 million in FY 2026 for KidneyX, catalyzing private sector investment in kidney health including to develop

new options for people with kidney diseases across prevention, diagnosis, and treatment. We also ask that you include the following language in the report accompanying your Committee's appropriations bill:

The Committee is aware that more than 37 million people in the United States are living with kidney diseases, and for more than 800,000 of those individuals, the diseases progress to kidney failure, a life-threatening condition without a cure. The Committee notes that kidney failure alone accounted for more than 6 percent of Medicare spending (approximately \$50 billion, yet patient choice in therapies for kidney failure remain restricted to core technology developed 50 years ago and that more than 60% of patients starting dialysis, the most common therapy for kidney failure, will die within 5 years.

The Committee requests that HHS prioritize funding for KidneyX as a bipartisan and market-based approach to accelerate innovation in kidney health across prevention, diagnosis, and treatment, in future budget requests.

Thank you for your consideration of this important request. Should you have questions or need additional information, do not hesitate to contact Rachel Meyer, Strategic Policy Advisor to the Executive Vice President, at <a href="mailto:rmeyer@asn-online.org">rmeyer@asn-online.org</a>.

#### ABOUT THE AMERICAN SOCIETY OF NEPHROLOGY

Since 1966, ASN has been leading the fight to prevent, treat, and cure kidney diseases throughout the world by educating health professionals and scientists, advancing research and innovation, communicating new knowledge, and advocating for the highest quality care for patients. ASN has more than 21,000 members representing 140 countries. For more information, visit <a href="https://www.asn-online.org">www.asn-online.org</a>.