House Ways & Means Subcommittee Hearing: "Lives at Stake: Holding Tax-Exempt Organ Procurement Organizations Accountable"

Testimony of Jennifer Erickson, Senior Fellow, Federation of American Scientists Submitted November 30th 2025

Chairman Smith, Ranking Member Neal, Subcommittee Chairman Schweikert, and Subcommittee Ranking Member Sewell.

Thank you for shining a light on this public health crisis that is leading to unnecessary deaths every day across the United States: the failures of the federal government's own organ contractors.

I am testifying today in honor of my father, Commander Donald Erickson of the United States Navy.

My father died of organ failure, the result of his military service in Vietnam. Chemical exposure claimed three of his organs forty years after the war ended. I was one of his caretakers.

To sit next to a loved one through surgeries and hospitalizations, and to hold their hand through the final days of organ failure is to know the true cost of the organ waiting list.

These are grueling deaths, and knowing that most of these deaths are unnecessary is what drove me to work with anyone willing to engage on reforms – across the most recent four administrations¹ and with four Congressional Committee investigations.²

Recently, investigations have exposed that the harms fall not only to patients on the waiting list, but also to our most vulnerable patients and families – Americans who are in ICUs because there has been a tragic accident, overdose, or other event that means that they are being

¹ The White House held an <u>Organ Summit</u> in July 2016. President Trump issued the <u>Executive Order on Advancing Kidney Health</u> in July 2019, which drew praise from senior former Obama White House and Health and Human Services staff. The Trump administration also brought in first-ever data-driven accountability performance measures via the <u>Organ Procurement Organization (OPO) final rule</u> in November 2020, with <u>bipartisan support from Congress</u>. The Biden administration passed the OPO final rule through <u>midnight regulatory</u> review in March 2021, and launched the <u>Organ Procurement and Transplantation Network (OPTN) Modernization Initiative</u> out of the Health Resources Services Administration (HRSA), which was advanced with <u>Congress unanimously passed</u> the <u>Securing the U.S. OPTN Act</u> in 2023, empowering HRSA to break up the national monopoly OPTN contract held by the United Network for Organ Sharing (UNOS) without competition since 1986. It was <u>signed into law</u> in September 2024. In September 2025, Health Secretary Kennedy announced that <u>HHS</u> would decertify the Life Alliance Organ Recovery Agency (LAORA) – the first time in HHS/CMS will have ever decertified an OPO – and replace it with a higher performing OPO through open competition.

² Senate Finance Committee bipartisan investigation (2020 - present); House Oversight Committee led by House Democratic Majority (2020 - 2022) with <u>bipartisan hearing</u> in May 2021; Energy & Commerce bipartisan investigation (2024 - present) with bipartisan hearings September 2024 and July 2025; House Ways and Means Committee led by Republican Majority (2025 - present). Links to oversight letters <u>here</u>.

approached by organ procurement organizations, OPOs, and asked to say yes to organ donation.

Americans are generous people, overwhelmingly supportive of the selfless act of organ donation. But as explosive whistleblower accounts and investigative reporting have laid bare, many OPOs are abusing this sacred trust.³

We are in the midst of a national organ harvesting crisis, and corruption within OPOs is the problem.

Despite being taxpayer-funded, OPOs operate with virtually no accountability. OPOs have often pressured grieving families, and, in the most horrifying cases, targeted patients who are not even dead. I have been told by whistleblowers that they have been trained to target inexperienced physicians, especially in rural America and hospitals where new doctors have not seen these types of cases, in an effort to destabilize patients through the over-administering of comfort medications, such as fentanyl.

This summer, the longest-serving transplant coordinator, Charles Bearden, passed away. Before he died, he shared how at some points in his career, he literally covered a patient with his own body to stop dangerous OPOs from harming patients who could otherwise survive.

Members of Congress have described the findings as something from a horror movie.⁴ They are not wrong.

The line between organ donation and organ harvesting is consent. No family would consent to a loved one being wheeled into an OR to have their organs removed, when they could survive their injuries. Yet this is what is happening across the country.⁵

The Health Resources Services Administration outlined rampant dangerous practices from Network for Hope, the OPO operating in Kentucky, Ohio, Indiana, and West Virginia.⁶ And this Committee issued a damning oversight letter informed by nearly a dozen whistleblowers from

³ See multiple front-page stories in the New York Times and the Washington Post. NYT (Feb 2025): "Organ Transplant System 'in Chaos' as Waiting Lists Are Ignored". Detailed rampant skipping of patients on the waiting list, disproportionately harming patients of color and rural residents. NYT (Jun 2025): "Doctors Were Preparing to Remove Their Organs. Then They Woke Up"; NYT (Jul 2025): "People across the United States have endured rushed or premature attempts to remove their organs. Some were gasping, crying or showing other signs of life"; Washington Post (Sep 2025): "Whistleblower says U.S. organ transplants corrupted by greed and bias".

⁴ Sep 2025 E&C bipartisan hearing. Jul 2025 E&C bipartisan hearing.

⁵ A Health Resources Services Administration report (Mar 2025) detailed 103 cases in 89 days – the equivalent to more than one each day – with "concerning features" from Kentucky Organ Donor Affiliates (also known as KYDA, now operating as Network for Hope in Kentucky and parts of Indiana, Ohio, and Indiana). Additionally, the NYT published a front-page article (Jul 2025) after "[f]ifty-five medical workers in 19 states" detailed concerning cases, including attempting to harvest organs from still-living patients.

⁶ See <u>HRSA</u> report documenting "1. Failure to recognize neurologic function inconsistent or unfavorable for DCD organ recovery on initial patient assessment or subsequent follow up. 2. Failure to work collaboratively with patients' primary medical teams, including instances of potential violation of separation of roles in patient care. 3. Failure to respect family wishes and appropriately safeguard the decisionmaking authority of legal next of kin. 4. Failure to follow professional best practices as well as policies and guidelines for collection of patients' medical data."

an OPO in New Jersey, writing that "activities performed by [New Jersey Sharing Network] that amount to not only extreme abuse of public trust, but also potential violations of law".

The details are chilling: a patient who had been declared deceased "reanimated", and "[a]ccording to information obtained by the Committee", New Jersey Sharing Network's CEO told "staff on site that they should proceed with recovery... Several whistleblowers have alleged that documentation regarding this case has been deleted or otherwise manipulated."8

Congressional investigations have shown out of sequence organ allocation, potential coercion in obtaining consent, and patient safety concerns. Additionally, the Committee has started investigating the misuse of jets and other uses of taxpayer funds.⁹

I am grateful that the Committee is following the money in this multibillion dollar industry.

IRS 990s show OPOs have transferred more than half a billion dollars to "related organizations" where uses of taxpayer funds get pushed even further into the shadows. And multiple OPOs have opaque financial interests in tissue processing companies, including ones who do business internationally and in the Middle East, raising even more questions about who is getting rich off the backs of generous Americans.¹⁰

I believe in organ donation. There are OPOs that do the job with integrity, and many brave frontline workers who have sounded the alarm on their industry, only to have been silenced and retaliated against when they tried to protect patients.

The need for action is urgent. We can no longer expect the American people to blindly trust contractors who endanger their lives.

The fixes are as apparent as the problems are abhorrent: any organ contractor who has abused the public trust, either through harming patients and misleading families, or misusing its tax status and taxpayer dollars must be immediately replaced, and prosecuted to the fullest extent of the law.

⁸ Id.

⁷ See <u>Ways & Means oversight letter</u> to New Jersey Sharing Network (also known as NJTO) in November 2025.

⁹ Ways & Means oversight letter to Indiana Donor Network (Jul 2025). For additional concerns about OPO use of funds, see <u>Trib Live</u> (2013): "Taxpayers help pay for organ donor groups' parties, Rose Parade expenses"; Wall Street Journal (2025) "Transplant Charity Used Organ-Transport Jet for Personal Trips"; and House Oversight (2021): "While OPOs reportedly are understaffed and under-resourced in key organ acquisition functions, OPOs sometimes spend money on unnecessary and excessive expenses having nothing to do with organ procurement. Past audits of some OPOs have <u>uncovered lavish</u> spending on frivolous items such as executive parties and costs for building parade floats, which were then reimbursed by the taxpayers through Medicare."

¹⁰ Ways & Means oversight letter to LifeShare Network (Jul 2025): "The Committee is concerned that there are not only potential risks of conflicts of interest between such related organizations, but that the Medicare reimbursement model for OPOs could allow cost shifting between these related parties to seek profitable tissue at the expense of taxpayers. The Committee is further concerned that certain foundations connected to OPOs may be used outside of their charitable purpose, as investment organizations, rather than supporting the OPOs' mission."

The Trump administration, responding to bipartisan calls from Congress¹¹, showed its willingness to act by replacing the OPO operating in South Florida.¹² I hope this investigation, with its extensive documentation and whistleblower accounts, can help Congress and the administration take similar actions to replace Network for Hope and, if allegations are proven true, New Jersey Sharing Network, along with any other OPOs that endanger patients.

For anyone watching this hearing, the safety of your family may depend on the continued investigation of this Committee and the actions of the administration to replace dangerous contractors, before you or a loved one is ever in a hospital room, with a corrupt or negligent OPO approaching.

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¹¹ See Energy & Commerce bipartisan letter to the HRSA Administrator (Sep 2025).

¹² In September 2025, <u>HHS</u> announced it would decertify the Life Alliance Organ Recovery Agency (LAORA, and replace it with a higher-performing OPO. LAORA's board announced the same day that it would not appeal, writing "We will cooperate fully with HHS to ensure a smooth transition and will not appeal. We hope that other OPOs follow suit in putting patients first." This was welcome leadership giving years of obstructionist tactics fighting reforms at other OPOs as outlined in two investigative reporting pieces from the Project on Government Oversight (POGO): "Heartless: Organ Donation Contractors Lobby Against a Popular Health Care Initiative While Pocketing Pandemic Relief Loans" (Oct 2020); "America's Transformative New Organ Donation Rule Goes into Effect Over Objections from Monopolistic Contractors" (Apr 2021).