



Dialysis Patient Citizens

Improving Life Through Empowerment

Ensure ALL Medicare ESRD Patients Have Access to Medigap Plans

Cosponsor S. 1676/H.R. 3912 – The Chronic Kidney Disease Improvement in Research and Treatment Act of 2019

Background:

- Current law does not ensure that all Medicare beneficiaries, specifically those under the age of 65 such as many dialysis patients, have access to supplemental insurance, also known as “Medigap,” to cover their substantial out-of-pocket costs.
- Medigap policies are standardized, private insurance policies that cover costs not covered by Medicare, such as copayments and deductibles.
- Under Federal law, Medicare beneficiaries age 65 and older are guaranteed access to Medigap policies, but beneficiaries under age 65, including many with End-Stage Renal Disease (ESRD), do not share this protection.
- Only about half of all states allow Medicare beneficiaries under age 65 to purchase Medigap policies (see map on back).
- In 2013, 61% of Medicare beneficiaries with ESRD were under age 65, and only 11% had Medigap coverage.

Facts:

- ESRD patients require either dialysis or kidney transplants to survive. Both of these treatments are costly, and without supplemental coverage, Medicare patients bear significant out-of-pocket expenses.
- In 2016, Medicare spending for beneficiaries on hemodialysis averaged over \$90,000, and Medicare spending for beneficiaries with ESRD accounted for 7.2% of overall Medicare paid claims.
- In 2019, beneficiaries have an inpatient deductible of \$1,364 per benefit period following an inpatient admission. The outpatient deductible is \$185, and beneficiaries pay 20% of the cost of most services after meeting that deductible.
- ESRD patients face cost-sharing of \$7,225 per year, on average, just for their dialysis treatments. They face additional out-of-pocket costs for physician visits, hospital admissions, and other services they need to stay alive.
- Most transplant centers require patients to have supplemental coverage as a condition of receiving a kidney transplant.

Solution:

- S. 1676/H.R. 3912 – The Chronic Kidney Disease Improvement in Research and Treatment Act of 2019 – would amend current law to ensure ESRD patients under the age of 65 have access to Medigap plans.
- This legislation also is aimed at improving the lives of those suffering with kidney disease by identifying barriers for transplantation and improving donation rates. It promotes access to home dialysis treatments. Additionally, it seeks to understand the progression of kidney disease and the treatment of kidney failure in minority populations and improve access to kidney disease treatment for those in underserved rural and urban areas.

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