

July 9, 2015

Brett O'Neill, Attorney  
Office of the Commissioner of Securities and Insurance  
Montana State Auditor  
840 Helena Ave.  
Helena, MT 59601

RE: Medicare Supplements – ARM 6.6.507B, .507C, .507E, .511, .511A

Dear Mr. O'Neill:

As the nation's largest patient-led organization representing dialysis patients, Dialysis Patient Citizens (DPC) works to improve the quality of life for all dialysis patients through education and advocacy. On behalf of our membership, and particularly on behalf of the over 750 dialysis patients in Montana, we are writing in support of the proposed rule allowing for open enrollment in Medigap plans for Medicare patients under the age of 65 with disabilities or end stage renal disease (ESRD). Once finalized, this rule will help countless patients, like myself, pay for critical services, while also saving the State's vital resources.

Under current federal law, individuals living with ESRD under 65 years old are eligible for Medicare, due to their diagnosis of kidney failure. While Medicare covers most medical costs, those without a supplementary policy must pay co-insurance, co-pays and deductibles out-of-pocket. When Medigap plans were first introduced, Congress only guaranteed issue of these plans to traditional Medicare beneficiaries and therefore did not extend this protection to those who gain Medicare coverage prior to age 65, including ESRD patients. Many dialysis patients live on fixed incomes and having to pay deductibles and co-pays not covered by Medicare can cause serious financial strain. Because of this lack of access to supplemental plans, some ESRD patients under 65 are forced to spend down their assets to become eligible for Medicaid coverage. This is financially devastating for these individuals and, in the end, will cost the State – and its taxpayers – more money.

It is important to remember that as an individual with kidney failure I need dialysis to stay alive. Therefore, this change in policy is not just about helping individuals like me cover my medical expenses, but enabling us to receive life-sustaining treatment so that we can live our lives to the fullest, and there is no doubt that the cost of care is often overwhelming. In fact, currently my only form of insurance coverage is Medicare. As a result, I am responsible for the 20% coinsurance payment required at each dialysis treatment. Of course, when I asked for help, I was told that my income is too high, that I would need to spend down nearly \$700 each month to enroll in Medicaid. With the other necessary expenses I need to pay, it is not possible to meet that requirement. And when I initially tried to enroll in a Medigap plan the customer service representative was very helpful until he heard I had ESRD. He told me unless I move to New York, I would not be able to purchase a Medigap policy in Montana until I was 65.

And while New York does provide Medicaid supplemental plans for Medicare beneficiaries under 65, I was pleased to learn that 29 states currently provide their citizens with this same protection. By joining these states, Montana will protect ESRD patients from financial struggle and from having to spend down their assets just to gain critical insurance coverage. Preventing these patients from losing virtually all of their assets to pay for their care and enrolling in Medicaid will not only protect Montana citizens, but also help to preserve limited state funding. It makes sense for ESRD patients and for Montana and its taxpayers that private Medigap supplemental plans be sold to these beneficiaries. Please do not hesitate to contact DPC if you have any questions or if you need any additional information.

Sincerely,

Nance Lehman  
936 ½ Miles Ave  
Billings, MT 59101

Board Member  
Dialysis Patient Citizens