

April 8, 2025

The Honorable Brian Lampton, Chair
The Honorable Meredith Craig, Vice Chair
The Honorable Desiree Tims, Ranking Member
Members, House Insurance Committee
Ohio General Assembly

RE: Proponent Testimony: HB 24

Dear Chair Lampton, Vice Chair Craig, Ranking Member Tims and Members of the Committee:

My name is Elizabeth Lively and I serve as Eastern Region Advocacy Director for Dialysis Patient Citizens. DPC is the nation's largest patient-led advocacy organization for End Stage Renal Disease (ESRD) patients and their families.

I am testifying in support of HB 24, which will provide affordable access to Medicare Supplement Insurance coverage, also called Medigap, for under-age 65 Ohioans with ESRD and ALS. The legislation also provides premium parity for these individuals, so that plans are affordable. Currently, there are 270 Medigap plans available to individuals in Ohio on Medicare who are age 65, but no plans are available for under-age 65 eligible individuals.

Individuals with a diagnoses of End Stage Renal Disease are eligible for Medicare coverage before reaching age 65. It is one of only two disease states – ALS being the other – in federal statute providing a fast-track to Medicare coverage for under-age 65 as there is no cure for these diseases and a diagnosis has catastrophic financial consequences. But Medicare covers only 80% of medical costs, with the patient responsible for the remaining 20%. This is why Medigap is important as it covers the 20% out-of-pocket costs.

This legislation would create access to affordable Medigap plans for about 1,700 under-age 65 Ohioans with ESRD who are covered by Medicare, but not the state's Medicaid program. Called non-duals, these 1,700 Ohioans earn too much money to qualify for Medicaid, but do not have access to Medigap coverage. Why is access to Medigap coverage important for these Ohioans?

Three reasons:

1. Financial Security – the 20% out-of-pocket costs for ESRD patients can be as high as \$16,000 a year. Medigap covers these costs, so less people struggle with impossible decisions like whether to pay their medical bills, buy food or pay rent. The other choice is to spend down hard-earned assets, enter poverty level to enroll in Medicaid. Once those assets are gone, there is no going back and these patients are on Medicaid to stay.
2. Access to Lifesaving Kidney Transplant – most transplant centers require patients to have supplemental coverage before their name is added to the active transplant wait list. Most kidney transplant patients are able to regain their health, re-enter the workforce and obtain employer-based health insurance, pay taxes, and support their families.
3. Savings for the Ohio Medicaid program - the Ohio Medicaid program currently covers 52% of under-age 65 ESRD patients, around 1,900 individuals, called dual-eligibles. This legislation will help prevent more of the 1,700 non-duals from giving up their hard-earned assets to qualify for the Ohio Medicaid program, **potentially saving the Ohio Medicaid program \$3.2 million over 5 years**. (Source: HMA report)

What will it cost to extend Medigap coverage to these 1,700 Ohioans? There is no fiscal impact on the state, as no budget dollars are required. To answer this question, DPC commissioned an independent, third-party actuarial study from Health Management Associates. This report, published on February 15, 2025, looked at the most recently available Medicare Claims data, and estimated a **deminimus increase to the pool of .2%, or forty cents a month**. There would be around 1,700 Ohioans added to the larger Ohio Medigap enrollee pool of more than 609,000. According to [Medicaresupplement.com](https://www.medicare-supplement.com), the average annual Medigap premium increase is between 5 and 8 percent. The health plans should be able to absorb a .2% impact without blaming this population for a 5 to 8 percent increase. Insurers shouldn't use this legislation as an excuse to raise premiums any further, especially as they continue to report record profits.

Seventeen states have already passed similar legislation. The Ohio border states of Kentucky and Indiana passed their bills in 2023 and 2024, respectively. The premium protection of “same as age 65” has been in place in Kansas since 1999. There are 43

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insurers currently writing plans for this population, indicating a robust Medigap marketplace.

Medicare Advantage plans, while available to this population, are not a good option. Out-of-state transplant centers will be out-of-network, and prior authorizations can delay treatment, transplant, and even immunosuppressant drug preferences. Further, many Medicare Advantage plans do not cover the 20% out-of-pocket costs.

HB 24 provides the opportunity for this committee to recognize that Ohioans should not be treated differently just because they got sick before they turned age 65. They need help now to obtain some measure of financial security and access to kidney transplant as they continue to combat this disease which has no cure – dialysis treatments and kidney transplantation are the only two therapies to combat kidney failure. I am asking for your yes vote on HB 24

Below is testimony from Prothea Dennis, a resident of Dayton and living in the 6th House District:

Dialysis Patient Testimony

Prothea Dennis, constituent of House District 6

My story begins back in the 1990s with a diagnosis of gestational diabetes during pregnancy. Twenty years later, a diagnosis of hypertension led to a heart attack and stroke that damaged my kidneys, requiring dialysis treatments. During my hospital stay, I lost my job and my employer-based insurance coverage. While I was able to get COBRA coverage, it was expensive, and my friends helped me with the premium payments. COBRA is temporary, but with my diagnosis of End Stage Renal Disease, I qualified for Medicare coverage. I also qualified for Social Security Disability payments, but because my benefit payments were too high, I did not qualify for Medicaid. I was stuck in-between and could not afford the 20% out-of-pocket coverage or pay the high Medigap premiums as I was under the age of 65. If not for the American Kidney Fund, I would not have had access to Medigap coverage as AKF paid my monthly premiums. The payments were extremely high and there was no way that I could afford the premiums on my own.

I agreed to accept a high-risk kidney with Hepatitis C, which moved me to the top of the transplant list. I also needed an 8-week dose of antiviral medication immediately after the transplant surgery. This therapy is extremely expensive -- \$15,000 for the 8-week drug

therapy – and I received help from the HealthWell Foundation to pay for this drug, which cured the kidney from Hep C.

Having Medigap coverage helped me get on the active kidney transplant wait list, and I received a new kidney in August of 2021. But there is a catch with qualifying for Medicare before turning age 65 and getting a kidney transplant, as Medicare stops 3 years post-transplant.

In August of 2022 – one year later – I went back to work and now have health insurance coverage through my employer. My one remaining out-of-pocket cost is about \$70 a month for my anti-rejection medications that keep my kidney healthy.

My journey has been hard and not as easy as for those who are age 65 and can get affordable Medigap coverage. Because Ohio does not have laws in place that protect those under age 65, I had to use a patchwork quilt of coverage and accept charity to ultimately get my transplant. The financial pressures of dialysis are huge, and there are about 1,700 Ohioans like me who need your help to get affordable Medigap coverage. I took the risk of accepting a high-risk kidney to get to the top of the transplant wait list so I could get back to work and get affordable health insurance coverage. I urge you to support HB 24 so others can have better financial security and access to life-changing kidney transplantation.

Respectfully,



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Source: Health Management Associates “*Medigap Reform for Medicare Enrollees with ESRD Under Age 65 in Ohio*,” February 15, 2025.