

June 10, 2024

The Honorable Brian E. Lampton
House Insurance Committee
Ohio House of Representatives
77 South High St
Columbus, OH 43215

Dear Chair Lampton, Vice-Chair Barhorst, and members of the Insurance Committee,

The American Kidney Fund (AKF) represents millions of people living with kidney disease, including the 27,142 Ohioans living with kidney failure, also known as end-stage renal disease (ESRD). ESRD is fatal without dialysis or a kidney transplant and is often financially devastating to patients and their families. I am writing today to express support for House Bill 400 (HB 400), which would allow all Medicare ESRD beneficiaries under 65 to purchase supplemental insurance, and to purchase that insurance at the same rates offered to the overall Medicare population. I encourage you to favorably report the bill from the Committee on Insurance.

AKF works on behalf of the 1 in 7 Americans living with kidney disease, and the millions more at risk, with an unmatched scope of programs that support people wherever they are in their fight against kidney disease—from prevention through transplant. AKF fights for kidney health for all through programs that address early detection, disease management, financial assistance, clinical research, innovation and advocacy.

People with ESRD are eligible for Medicare coverage, regardless of their age, assuming that they have sufficient Social Security work quarters. Medicare covers 80 percent of their treatment costs, and the patient is responsible for the remaining 20 percent, with no limit on out-of-pocket costs. People with ESRD also have multiple co-morbidities and need specialty care that Medicare may not cover at all. These costs can be staggering, especially for someone who is on dialysis and unable to work, often approaching \$17,000 annually. To assist with these costs, many people elect to purchase supplemental insurance, also called Medigap. Medigap coverage is critical financially and medically for many people, especially those who are diagnosed at a young age and face years of high out-of-pocket costs. Unfortunately, here in Ohio, people under 65 are often unable to purchase Medigap policies because insurers are not required to sell them to this population, and if they are available, they are often unaffordable because insurers are charging this population higher prices for the same policies. HB 400 by Reps. Jamie Callender and Bride Rose Sweeney addresses this issue by guaranteeing access to Medigap policies for people with ESRD under 65 and prohibiting insurers from charging different prices for the same policies, regardless of age.

AKF provides financial assistance to hundreds of Ohioans, and we often see the excessive premiums that people are charged to access life-saving care. In 2023, we helped 852 Ohioans with kidney failure pay for insurance. This included people under 65 whose Medigap premiums were exorbitant. For example:

- One man from Fairborn, aged 63, is charged around \$394 per month for his Medigap coverage.
- Another person in Blacklick, aged 55, is charged \$538 per month for their coverage.

- A woman in Waynesfield, aged 55 has received financial assistance from AKF for nearly seven years. Her Medigap premium costs have increased every year since 2019 and are currently around \$883 per month.

Many of these premiums are prohibitively expensive, and patients would not be able to afford coverage without financial support or spending down assets to qualify for Medicaid.

Without a Medicare Supplement plan, many patients are often deemed ineligible to even be included on a transplant list because they are considered “under-insured.” Kidney transplant centers require secondary insurance coverage to make sure that organ recipients can be “good stewards” of the new organ, able to afford immunosuppressant drugs and receive essential follow-up treatment. Since a kidney transplant is the best treatment for those with ESRD, it is not an understatement to say that this legislation could save lives.

The Medigap reforms presented by HB 400 will allow ESRD patients under the age of 65 to purchase the same policies as Ohioans over 65, giving them access to affordable supplemental coverage and helping more people with ESRD qualify for a kidney transplant. This legislation is a positive step forward for kidney disease patients and we request your support.

Thank you for your time and for your careful consideration of this important issue. If you have any questions, please feel free to contact me directly.

Sincerely,

Ari Holland-Baldwin
Associate Director of State Policy and Advocacy