

February 25, 2021

The Honorable Stephen M. Casey, Chair
The Honorable James N. McLaughlin, Vice Chair
The Honorable Susan R. Donovan, Vice Chair
Members of the House Health and Human Services Committee
State of Rhode Island General Assembly

RE: Testimony in Support of H. 5210

Good evening, Chairman Casey, Vice Chair McLaughlin, Vice Chair Donovan, and members of the State of Rhode Island House Health and Human Services Committee. My name is Hrant Jamgochian, and I have the honor of serving as the Chief Executive Officer of Dialysis Patient Citizens (DPC). A national, nonprofit patient advocacy organization, DPC works to improve the lives of dialysis patients through education and advocacy. We are a patient-led organization with membership open only to dialysis and kidney disease patients and their families. Our mission and policy positions are guided solely by our membership and Board of Directors, which is comprised entirely of End Stage Renal Disease (ESRD) patients.

I am testifying this evening in support of H 5210, which would provide access to Medicare Supplemental (or Medigap) insurance plans for dialysis patients under the age of 65, while providing key consumer protections such as guaranteed-issue open enrollment and affordable premiums. We look forward to working with bill sponsor Representative Brian Kennedy and the Office of Health Insurance Commissioner Patrick Tigue on further improvements to the legislation.

Dialysis patients comprise an extremely vulnerable population, nearly half of whom are on Medicaid or dual eligible. These individuals, of which more than 1,700 live in Rhode Island, need either multiple weekly dialysis treatments or a kidney transplant to stay alive. There are no other treatment options. Further, kidney disease and dialysis disproportionately impacts communities of color. According to the latest data from the U.S. Renal Data System, African Americans are 3.5 times more likely to have kidney failure; while Hispanics, Asians and Native Americans are 1.5 times more likely. Health disparities for this group are further exacerbated when it comes to lifesaving kidney transplant. The American Journal of Nephrology cites poor health insurance as a key contributor to lower transplant rates for African Americans.¹

Access to fair and equitable Medigap plans for under age 65 dialysis patients, helps to **provide patients with financial security**. People become eligible for Medicare coverage in two ways: upon turning age 65, or under age 65 when defined as disabled or diagnosed with ESRD (or kidney failure). But, even with Medicare coverage, patients are still responsible for the 20% coinsurance of their medical expenses. Also, Medicare does not limit the annual out-of-pocket copays and deductibles, which average around \$16,000 per year for dialysis patients. Medigap coverage helps patients to pay for these expenses, so less people struggle with impossible decisions like whether to pay their medical bills to stay alive or buy

food and pay rent this week. It also explains why so many dialysis patients are forced to spend down their assets to qualify for Medicaid in order to help relieve their financial burden.

Medigap coverage also **saves lives**. While some patients are ok on dialysis, the optimal therapy remains a kidney transplant when possible, as it often adds years and provides a higher quality of life. However, as part of the kidney transplant evaluation process, transplant centers conduct extensive financial clearances “to ensure there is no financial liability for both the patient and transplant center.” In other words, if a patient does not have supplemental insurance or the financial resources to cover the 20% coinsurance for the transplant surgery, most transplant centers will not wait-list these patients, at least not until they show bank accounts with sizeable cash balances.

Increasing patient access to Medigap coverage is also **good for Rhode Island**. As previously mentioned, it will help to reduce the number of your constituents who end-up spending down their assets to enroll in Medicaid. Also, it will help Rhode Islanders “maintain their place in-line” on the transplant list. As people can be wait-listed at more than one location, it is likely that dialysis patients from across New England are on the transplant list at Rhode Island’s only transplant center. So, while individuals from your state who are under the age of 65 are trying to save enough funds to cover the 20% coinsurance for their surgery, kidneys are likely to be going to individuals from Connecticut and Maine who may have been waiting less, because both states have already enacted Medigap consumer protections similar to the ones you are considering.

I thank you again for the opportunity to comment on H 5210 and urge its prompt passage. This bill will provide financial security to many of your most vulnerable constituents, while also saving lives. It is also good for Rhode Island. Thank you again for your work on this important issue.

Sincerely,



Hrant Jamgochian, J.D., LL.M.
Chief Executive Officer

xc: Elizabeth Lively, Eastern Region Advocacy Director

¹ Health Disparities in Kidney Transplantation for African Americans; Am J Nephrol 2017;46:165–175