



**IMPROVE CARE COORDINATION FOR DIALYSIS PATIENTS:  
ELIMINATE RESTRICTION AGAINST ESRD BENEFICIARIES ENROLLING IN MA PLANS  
SUPPORT H.R. 5659, THE ESRD CHOICE ACT**

More than 636,000 Americans are living with kidney failure, which is known as End Stage Renal Disease (ESRD). The only treatment available is a kidney transplant or renal dialysis. Many individuals with ESRD suffer from multiple co-morbidities. Ensuring care is properly managed and coordinated is critically important for those suffering with complex conditions.

Under current law, individuals who become eligible for Medicare because they are diagnosed with ESRD are prohibited from enrolling in a Medicare Advantage (MA) plan. Since 2000, the Medicare Payment Advisory Commission (MedPAC) has recommended that Congress eliminate this restriction. Many patients would benefit from access to MA plans because many of these plans provide patients with coordinated care, access to additional benefits and services, and the most affordable coverage option. No other Medicare beneficiaries are prohibited because of their health status from having the choice to join MA plans. Patients with ESRD deserve the same choices as other Medicare beneficiaries.

Congressmen, Jason Smith (MO), John Lewis (GA), Gus Bilirakis (FL), Kurt Schrader (OR), and Tom Marino (PA) have introduced common-sense, bipartisan legislation, H.R. 5659, the ESRD Choice Act, that would eliminate the restriction against ESRD beneficiaries enrolling in a MA plan.

**MA Plans Provide Care Coordination and the Best Coverage Option for Individuals with ESRD**

- The ESRD Disease Management Demonstration found that Medicare beneficiaries with ESRD in managed care have clinical outcomes that are as good as or better than they would have in Medicare fee-for-service (FFS). The vast majority of individuals with ESRD on dialysis are living with multiple chronic conditions, making care coordination clinically important.
- Care delivery models are changing to promote coordinated care. Medicare should ensure that individuals with chronic illnesses, including ESRD, have access to such coordination.
- Although the Center for Medicare and Medicaid Innovation has proposed to implement a Comprehensive ESRD Care Initiative, the ESRD Seamless Care Organization (ESCO) model will not be available to all Medicare beneficiaries with ESRD.
- The additional MA benefits and services offered vary by plan, but may include case management services, disease management programs, nurse help hotlines, and tools to address disparities in care for minorities, who comprise a disproportionate proportion of ESRD patients. These are services that ESRD beneficiaries do not receive in Medicare FFS.

**MA Plans are the Most Affordable Coverage Option for Individuals with ESRD**

- CMS requires MA plans to limit the out-of-pocket costs to \$6,700 annually and the average out-of-pocket cost limit in a MA plan is \$5,223. FFS Medicare, on the other hand, does not have limits on out-of-pocket costs.
- In 2010, ESRD beneficiaries spent an average of \$6,918 annually on health care.
- For dialysis patients without supplemental insurance coverage, out-of-pocket health care costs can exceed \$9,000 per year. Less than half of states require insurers to offer at least one kind of Medigap policy to Medicare ESRD beneficiaries younger than age 65. In states where Medigap coverage is not available, MA coverage would help ensure affordable coverage for individuals with ESRD.
- Approximately one-third of Medicare beneficiaries with ESRD have incomes that make them eligible for Medicaid. MA is an important source of coverage for low-income beneficiaries. Among Medicare beneficiaries enrolled in MA plans, 27 percent have an income less than \$10,000, and 33 percent have an income between \$10,000-\$20,000.

### **ESRD Patients Deserve Choice and Benefit from Care Coordination**

- Individuals who were enrolled in an MA plan before they were diagnosed with ESRD are allowed to remain in MA. In 2014, approximately 15 percent of Medicare beneficiaries with ESRD on dialysis were enrolled in MA plans. Data suggest that plan spending on beneficiaries with ESRD is within the expected range of spending for MA beneficiaries with chronic conditions.
- Inpatient hospital care accounted for 35 percent of the per patient Medicare spending on ESRD beneficiaries in 2011. Studies have shown that beneficiaries enrolled in MA plans have 30-day hospital readmission rates that are 13 to 20 percent lower than Medicare fee-for-service (FFS) beneficiaries.

**We encourage all Members of Congress to cosponsor and support H.R. 5659 that lifts this outdated prohibition and provides increased choices of care for ESRD patients.**

**ESRD patients are the only group of beneficiaries in Medicare prohibited from enjoying the benefits of Medicare Advantage. MA plans provide coordinated care, which is critically important for beneficiaries with kidney failure, who often must manage multiple complex chronic conditions. Care and outcomes for dialysis patients can be improved with access to care coordination through participation in MA.**