

American Kidney Fund Statement on Congressional Letter to Secretary Price

Nearly 200 Congressional Democrats and Republicans sent a letter to Health and Human Services Secretary Tom Price this week in a very strong bipartisan effort to urge that HHS protect the right of Americans to rely on help from charities to afford health insurance coverage.

On behalf of the patients we serve—low-income people who need dialysis to stay alive—we are grateful to Reps. Kevin Cramer and Doris Matsui for their leadership on this issue, and to each of the members of Congress who put patients ahead of politics by signing on to the letter.

Americans with life-threatening chronic conditions are facing a crisis in 2017. Increasingly, these policyholders are receiving letters from health insurance companies telling them that no longer will they be allowed to use charitable assistance to pay their insurance premiums. Patients have lost coverage because they cannot pay the premiums on their own. **This is a needless crisis that the federal government must address.** We are heartened that 40 percent of the House chamber has turned its attention to finding a solution to this serious issue.

Insurers refusing to accept charitable premium assistance for people living with certain chronic illnesses is discriminatory and limits access to coverage for some of the poorest and sickest patients. By engaging in this discriminatory behavior, insurers are threatening the health and financial stability of their policyholders who are living with life-threatening conditions.

Why is this happening?

In 2014, HHS issued interim guidance on the topic of charitable premium assistance for plans in the Affordable Care Act marketplace exchanges. The interim guidance is highly ambiguous and unclear, and some insurers have interpreted it as being a license to refuse all charitable premium payments for certain high-cost patients. They are refusing charitable payments not just for exchange plans, but also for Medicare supplemental coverage and other insurance products.

Patient advocacy groups have been urging HHS for three years to clarify the guidance so that legitimate, bona fide nonprofits like the American Kidney Fund can continue assisting patients as we have for many years.

Charitable assistance provides a critical health safety net for our nation's citizens living with chronic diseases that are complicated and expensive to treat. Patients who cannot afford their health insurance or their medications should be able to turn to charities for help. They should not have to lose their homes, or declare bankruptcy, or spend down their life's savings to get the treatment they need. Insurers should not be permitted to shirk their responsibility to cover these patients, but when insurers tell people that a charity can't help them pay their premium, that's exactly what they are doing. The federal government must not allow this situation to stand.

AKF continues to condemn anecdotal reports of healthcare providers "steering" patients into private coverage by use of charitable assistance programs. AKF continues to take strong actions to guard against such behavior its own assistance program.

We must not lose sight of the fact that the primary issue at hand is that, because of insurers' discriminatory actions, low-income Americans with chronic illnesses are at risk of losing their health coverage. Secretary Price can take action to protect Americans' right to receive charitable assistance,

while at the same time issuing sensible guidance to prevent health care providers or insurers from engaging in practices that interfere with patients choosing the plan that best meets their health care needs. The fact remains that of the 13 million people enrolled in Affordable Care Act plans, fewer than 4,000 nationwide are being assisted by the American Kidney Fund.

AKF has provided charitable premium assistance to low-income dialysis patients for **two decades under a federally approved program**. Without help from AKF, our grant recipients would not have access to the care they need and they would be financially devastated by kidney failure. Nearly two-thirds of AKF's grant recipients use AKF's help to pay their Medicare Part B and Medigap premiums. The remainder depend on AKF to stay insured under COBRA, employer plans and commercial plans, including a small number on the exchange.

It is important to note that the letter from Congress asks Secretary Price to clarify that charitable premium assistance from bona fide nonprofits should be available for all types of insurance plans. **Insurers' recent actions to deny premium payments for Medicare supplemental insurance (Medigap) places Medicare patients in great jeopardy.** People on Medicare who lose their Medigap coverage as a result of this issue will be exposed to an unlimited 20 percent out-of-pocket cost, a financially devastating proposition for dialysis patients who are treated three times per week and frequently see numerous physicians and specialists. Without Medigap coverage, dialysis patients on Medicare are also much less likely to be able to have a kidney transplant.

We are grateful to the Members of Congress who have taken action to protect their constituents, and we are hopeful that Secretary Price will provide sensible guidance to address this issue on behalf of low-income, chronically ill Americans. Needing charitable assistance should never disqualify any American from having access to appropriate health coverage.