

INSURANCE AND KIDNEY FAILURE:

What you need to know



National
Kidney
Foundation®

[kidney.org](https://www.kidney.org)



Insurance can be complex and confusing. For those with kidney failure, there are special things to consider when it comes to insurance. This brochure will help you understand the basics, what you may be eligible for, and where to find more information.

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Understanding Medicare

People diagnosed with kidney failure who are on dialysis or have a kidney transplant typically qualify for Medicare. Most people think of Medicare as a federal insurance program that people over age 65 receive. However, even if you are under 65, there is a special entitlement to Medicare for those who need dialysis or a transplant. You need to be an American citizen or legal resident who has worked enough years and paid into the system.

If you do not qualify for Medicare, you may be entitled to Medicare if your spouse meets eligibility requirements (even if divorced or widowed). Children under age 26 may be eligible for Medicare under their parent's work quarters.

If you do qualify, Medicare will pay a large part of the cost of medical treatment for your kidney failure. It covers 80% of the cost of dialysis treatment and immunosuppressant medications for transplant patients.

Medicare has three parts:

- Part A is hospital insurance that helps pay for hospital room and board, drugs and supplies while you are in the hospital, and other services. If you need dialysis and/or a transplant, there is no monthly premium for this part of Medicare as long as you have enough work credits. However, there is a yearly deductible before Medicare will pay (the deductible in 2016 was \$1,288).
- Part B helps pay for most of the other services and supplies that people with kidney failure need, including doctors' services, dialysis, immunosuppressant medications, outpatient hospital care, and other medically necessary services that Part A does not cover. There is a monthly premium for Part B services and a yearly deductible.
- Part D helps people with Medicare get coverage for prescription drugs. Part D is voluntary, so you can choose to be in it or stay with a drug insurance plan you have through your employer or Medigap. These plans are offered by private insurance companies and each company's plan may cover different drugs, have different premiums, and have different cost sharing.

When can I sign up for Medicare?

If you are under age 65, your first chance to enroll in Medicare begins in the month you begin treatment for kidney failure (dialysis or transplant).

If you are on dialysis and have an Employee Group Health Plan (EGHP) through your or your spouse's employer, then you do not need to sign up for Medicare until after your Coordination of Benefits (COB) period ends (30 months). However, transplant recipients who want Medicare to cover transplant and immunosuppressant medication after surgery would need to sign up for Medicare during the first year.

If you have an EGHP, you may not be required to sign up for Medicare. However, you should read your coverage benefits carefully and look for any language that states you are required to take Medicare if you are eligible.

Note: You do not have to enroll in Part B at the same time you enroll in Part A, but your monthly premium could be 10% higher for every 12 months you delay enrolling in Medicare Part B from the time you were eligible.

When will Medicare become effective?

If you sign up for Medicare when you become eligible and are approved, the start date of your Medicare coverage will depend on the type of treatment you choose.

Treatment Option	Date Medicare becomes effective
In-center Hemodialysis	The first day of your fourth month of dialysis
Home Dialysis (Peritoneal or Home Hemodialysis)	The first day of the first month you start home dialysis
Transplant	The month you are admitted to a Medicare-approved hospital for a transplant or up to two months before admittance if pre-transplant healthcare and testing are begun

If you delay enrollment for Part B, you will only be able to enroll in Part B from January through March during open enrollment each year. Coverage will not start until July 1st of that year, unless you have a new qualifying event such as turning 65 or becoming eligible due to a new disability.

When will coverage end?

Once you qualify, Medicare coverage will remain effective for as long as you are on dialysis, even if you switch modalities. This assumes that you continue to pay the monthly premiums for Medicare Part B and any premiums associated with your Part D plan if you have one. Medicare can end after 12 months if your kidney function returns or you stop dialysis.

If kidney failure is the only reason you are entitled to Medicare and you receive a successful kidney transplant, your Medicare coverage will end 36 months after your transplant. Medicare coverage will not end if you have to return to dialysis during the 36 month time, if you have another disability, or if you turn 65. If you have to start dialysis again in the future then you would become newly eligible for Medicare at that time. You will have a new coordination period but will not have a three month waiting period.

If an individual has Medicare for any other reason, such as disability or age, then Medicare coverage will continue.

What are the costs of Medicare?

Medicare Part A does not have a monthly premium (fee), however, everyone in Part A must pay some money upfront each year before Medicare will pay. This is called a deductible (the deductible in 2016 is \$1,288).

Medicare Part B has a monthly premium and deductible that is based on your income. In 2016 the minimum monthly premium for most people for Medicare Part B is \$104.90 and the yearly deductible is \$166. These costs may change yearly, but typically only by a few dollars.

In addition, even with Medicare coverage, you will have to pay some of your medical costs. Medicare Part B only pays for 80% of the cost of dialysis treatment and other outpatient medical services. If you have a transplant, it covers 80% of the cost of your immunosuppressant medication for the life of the transplant. As the cost of these treatments and medications can be high, getting secondary insurance to help cover the 20% not paid by Medicare is important.

What other insurance options are there to help cover what Medicare doesn't?

There are several options to help with those costs, including Medicaid, Medigap policies, Medicare Savings Programs, and state kidney programs.

If you have a low income, you may qualify for your state Medicaid program. Otherwise, you may choose to buy a supplemental insurance plan or “Medigap plan” to help pay the 20% not covered by traditional Medicare.

It is important to note that you should sign up for a Medigap policy within 6 months of signing up for Medicare Part B. For people under 65 years old, there may not be a supplement plan available in your state. To find out more about supplemental policies in your state, contact your State Health Insurance Assistance Programs (SHIPs).

If you are on dialysis and are not eligible for Medicaid and cannot afford the premiums for a Medigap policy, you may be eligible to receive assistance through the American Kidney Fund's Health Insurance Premium Assistance program.

Important notes:

- This program is only available for dialysis patients and helps pay for the premium to Medigap plans if you qualify. Not all dialysis centers participate in AKF's program, so talk to your social worker at your clinic to see if you qualify. Your social worker will need to apply on your behalf.
- If you receive a transplant, AKF's assistance with paying for the premiums will stop at the end of the plan year. So if your plan year ends December 31 and you get transplanted June 1 of that year, AKF will cover your premiums through December 31. After that, your Medigap policy will continue and you will be responsible for the bills. It is important to plan for this cost if you are thinking about having a transplant.

You may also qualify for Medicare Savings Program, which is a special program offered in some states to help pay your Medicare premiums. In some cases, Medicare Savings Programs may also pay for Medicare Part A and B deductibles, coinsurance, and copayments if you meet certain qualifications. Eligibility for Medicare

Savings Programs are based on income but it's important to apply if you think you could qualify for savings.

A few states offer financial assistance with insurance premiums or healthcare coverage through state kidney programs. See the chart below for a list of state programs.

Alabama

Alabama Kidney Foundation
205.934.2111

Arkansas

Arkansas Kidney Disease Commission
501.686.2807

Delaware

Delaware Chronic Renal
Disease Program
302.424.7180

Illinois

Illinois State Chronic Renal
Disease Program
217.785.2867

Maryland

Maryland Kidney Disease Program
410.767.5000

Missouri

Missouri Kidney Program
573.882.2506

Nebraska

Nebraska Chronic Renal
Disease Program
402.471.3121

New Jersey

New Jersey Trans-Atlantic
Renal Council, Inc.
609.275.5326

Pennsylvania

Pennsylvania Chronic Renal
Disease Program
717.772.2762

South Dakota

South Dakota Chronic Renal
Disease Program
605.773.3495

Tennessee

Tennessee Renal Disease Program
615.741.5259

Texas

Texas Kidney Health Care
800.222.3986

Washington

Washington State Kidney Disease
Program
360.725.0469

Wisconsin

Wisconsin Chronic Disease Program
608.266.1865

Wyoming

Wyoming End Stage Renal
Disease Program
307.777.3527

What about insurance coverage for my medications?

Once you qualify for Medicare Part A and B you will also be eligible to sign up for Medicare Part D, which covers prescription medications. There are many Medicare Part D plans to choose from and options differ by state. There are usually monthly premiums and co-pay costs associated with these plans. It is important to make sure the medications you take are available on the plan you choose. Some plans place certain medications on higher tiers, which means it would cost you more out-of-pocket when you fill these prescriptions.

There is a tool on the Medicare website (**[medicare.gov/find-a-plan](https://www.medicare.gov/find-a-plan)**) to help you understand the cost of each plan and find ones that cover your medications. While some plans may offer lower monthly premiums, you may find you end up spending more money throughout the year because of higher co-pays or cost sharing on certain medications.

You may also be eligible to apply for a Low Income Subsidy or Extra Help through Social Security if you have limited resources and income. Extra Help can help pay for the costs

related to a Medicare prescription drug plan such as monthly premiums, annual deductibles and prescription co-payments. You can apply online at **[socialsecurity.gov/extrahelp](https://www.socialsecurity.gov/extrahelp)**, by calling Social Security at 1.800.772.1213, or by visiting your local Social Security office.

Additionally, each state offers a State Health Insurance Program (SHIP) to help Medicare recipients find a plan that is right for them. Call **NKF Cares at 855.653.2273** for the phone number to your local SHIP or visit us online at **[kidney.org/patients/resources_Insurance](https://www.kidney.org/patients/resources_Insurance)** to learn more.



What if I have private insurance through my or my spouse's employer?

If you have health insurance through your employer, you will be subjected to the Medicare Coordination of Benefits (COB) period. This means that your employee group health plan (EGHP) will pay for your dialysis treatment for 30 months and then Medicare will become your primary insurance. If you choose to continue to keep your EGHP then it would become secondary to Medicare after the 30 month coordination period. Once your EGHP is secondary to Medicare, it would help pay the 20% not covered by Medicare Part B.

Note: If you plan to have a kidney transplant, you need to sign up for Medicare during the first year you are eligible for Medicare.

What if I have insurance through the Affordable Care Act (ACA) Marketplace?

If you have insurance through the ACA's marketplace, you do not need to sign up for Medicare unless you want to. You should evaluate your costs and coverage with the ACA plan vs Medicare. To help, NKF has created a Kidney Care Insurance Worksheet which is designed to help compare plans offered in the health insurance marketplaces established by the Affordable Care Act, so you can choose the most affordable and comprehensive plan. Call **NKF Cares** at **855.653.2273** to receive a free copy by mail or download the Kidney Care Insurance Worksheet online at **[kidney.org/patients/resources_Insurance](https://www.kidney.org/patients/resources_Insurance)**



It is also important to note that if you apply for Medicare or become Medicare eligible due to receiving social security income (SSI) or disability income (SSDI), you will lose any subsidies you receive from your ACA Marketplace coverage.

If you chose not to enroll in Medicare when your kidneys fail, you could have penalties with higher premiums if you chose to enroll later.

Remember, Medicare only pays 80% of dialysis treatment so you will need a supplemental plan (Medigap) and you should also calculate this cost into your assessment. For people under 65 years old, there may not be a supplement plan available in your state. To find out what supplemental policies are available in your state, contact your State Health Insurance Assistance Programs (SHIPs).

What if I only have Medicare coverage, can I sign up for supplemental insurance through the Affordable Care Act Marketplace?

No, the Affordable Care Act Marketplace only provides primary insurance to people without any health insurance coverage. You may want to see if you are eligible for Medicaid in your state or contact your State Health Insurance Assistance Programs (SHIPs) to see if there are supplemental insurance policies available for you in your state.



What if I have a Medicare Advantage Plan?

Medicare Advantage (MA) Plans are offered by private companies approved by Medicare. MA Plans provide Medicare Part A and B coverage in one plan and often they also provide additional coverage such as prescription, vision, or dental benefits. MA Plans are similar to private health plans because you will pay out-of-pocket for them. Each plan's coverage and costs will vary so it is important to read the plan's benefits carefully.

Once you start dialysis, you are not eligible for a Medicare Advantage Plan. However, if you already had an MA plan before starting dialysis, you can keep your plan. If you disenroll from your MA plan, you will not be able to re-join. You can only have a Medigap Plan OR a Medicare Advantage Plan, not both.

Additionally, there are special MA Plans called Medicare Special Needs Plans (SNP) that are offered specifically for people with ESRD who meet certain criteria. Medicare SNPs are only available in some areas, so contact Medicare to learn more.

Where can I learn more about Medicare?

Visit the Medicare website at **medicare.gov** or call 1.800.MEDICARE.

If you have Medicare and you would like personal help understanding Medicare A, B, D, and Medigap supplement plans, or how to enroll in a suitable plan, contact your State Health Insurance Program (SHIP).

These trained volunteers are experts in Medicare resources, and provide unbiased insurance counseling. Call **NKF Cares** at **855.653.2273** for the phone number to your local SHIP or visit us online at **kidney.org/patients/resources_Insurance** to learn more.



Notes

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This brochure is meant to provide general information regarding insurance options for kidney patients. The content is believed to be current as of this printing but laws, rules and regulations may change and affect this information over time. Please contact Medicare or your private health insurer for questions regarding your policy.

NKF would like to acknowledge the National Endowment for Financial Education (NEFE) for their collaboration on a previous version of this brochure.

The **National Kidney Foundation** is the leading organization in the U.S. dedicated to the awareness, prevention, and treatment of kidney disease for hundreds of thousands of healthcare professionals, millions of patients and their families, and tens of millions of Americans at risk.

Help fight kidney disease.
Learn more at **kidney.org**



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