



## **Until Congress Acts, States Must Guarantee Affordable Access to Medigap Plans for Vulnerable Patients < 65**

Patients with Original Medicare can still face significant affordability challenges. After the deductible is met, patients face a 20% coinsurance on the remaining costs with no out-of-pocket maximum. Medigap is extra health insurance that Medicare beneficiaries may be able to purchase from a private company to pay health care costs not covered by Original Medicare. This Medigap coverage provides a valuable safety net for millions of Medicare beneficiaries who otherwise could not afford medically necessary items and services.

### **The Problem**

For Americans who become eligible for Medicare upon turning 65, enrollment in Medigap plans is guaranteed during a six-month federally mandated enrollment period. During this time, all available Medigap plans are guaranteed-issue by the state regardless of medical history.

For about one out of every six Americans enrolled in Medicare, eligibility for Medicare is triggered by disability or by a diagnosis of ALS or end-stage renal disease (ESRD), rather than age– and there are **no** federal rules guaranteeing access to Medigap plans for these enrollees. Therefore, access to Medigap plans for those under 65 varies significantly by state with many Medicare beneficiaries having no or limited access. Further, in some states where Medigap plans are available, insurance companies discriminate against some of the country’s most vulnerable patients by cost-prohibitive premiums.

### **The Solution**

Therefore, until Congress acts, states must guarantee affordable access to Medigap plans for those < 65 who are eligible for Medicare due to ALS, ESRD or disability. To do this, states should pass legislation to expand guaranteed issue rights with respect to Medigap policies to all beneficiaries regardless of



age while also prohibiting outrageous premiums that essentially make the policy unaffordable. Specifically, payers cannot impose higher premiums based on disease/disability status or impose restrictive wait times for enrollment.

*RAAP is a registered 501(c)(4) non-profit organization that is a coalition of life sciences and patient stakeholders that explore creative policy solutions to address structural issues in access and coverage. Our priority is to help ensure rare disease patients have access to the care and treatments they need and submits the following comments consistent with that objective.*