

# End-Stage Renal Disease and Medicare Advantage

February 2020

## OVERVIEW

**Payments to Medicare Advantage (MA) plans for enrollees with end-stage renal disease (ESRD) may not reflect enrollees' costs. First, the statewide average payment amount may not reflect local costs. Further, the required maximum out-of-pocket (MOOP) limit in MA results in higher plan liabilities than those borne by traditional Medicare.**

Beginning in 2021, Medicare beneficiaries with ESRD will be able to enroll in any MA plan in their area. This new enrollment opportunity is the result of a change made by the 21st Century Cures Act. Previously, beneficiaries could not newly enroll in an MA plan once diagnosed with ESRD, except in limited circumstances.

This analysis conducted by Health Management Associates and funded by the Anthem Public Policy Institute explores potential issues with how MA plans are currently paid for enrollees with ESRD. It also identifies possible modifications that Congress or the Centers for Medicare & Medicaid Services could make to more closely align payments with costs.

### Topics

- MA payment overview
- ESRD total cost of care
- MA maximum out-of-pocket
- Regional vs. state ESRD spending

## RELATED INSIGHTS

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