

Legislative Analysis



MEDICAID: ALLOW CERTAIN KIDNEY DISEASE SERVICES

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 5063 (Substitute H-1)
Sponsor: Rep. John Gleason
Committee: Health Policy

First Analysis (11-3-05)

BRIEF SUMMARY: The bill would allow eligible Medicaid recipients to receive medical services for chronic kidney disease.

FISCAL IMPACT: The bill is likely to have no fiscal impact on the state or local units of government. See below for a more detailed discussion.

THE APPARENT PROBLEM:

Chronic kidney disease (CKD) is a serious and life threatening disease. It strikes one in nine adults and is the ninth leading cause of death in Michigan. In advanced cases, CKD patients need dialysis treatments or kidney transplants to survive. In 2004, 11,040 Michigan residents were on dialysis and 5,000 kidney transplant recipients received continuing care. However, CKD can be prevented and the progression can be slowed if caught early in the disease process and treated.

Groups such as the National Kidney Foundation of Michigan, Inc. and Gift of Life Minority Organ Tissue Transplant Education Program seek to decrease the number of people reaching renal failure by educating the public about healthy lifestyles and regular health screenings. It is believed that one way to increase awareness of early kidney function testing among health professionals and the general public is to specifically list kidney disease screening and treatment as services that could be available to Medicaid recipients. In addition, since treatment is much cheaper in the early stages of CKD than for dialysis (\$55,000 annually) or for a kidney transplant (\$90,000 for the transplant plus \$12,000-\$18,000 in medicines and follow-up care thereafter), any reduction in the numbers of patients with advanced renal disease would have a significant impact on reducing overall health care costs.

THE CONTENT OF THE BILL:

The bill would amend the Social Welfare Act to allow eligible individuals enrolled in the Medicaid program to receive screening, laboratory services, diagnostic services, early intervention services, and treatment for chronic kidney disease.

MCL 400.109

FISCAL INFORMATION:

HB 5063 would likely have no fiscal impact on the State of Michigan or local units of government as nearly all of the chronic kidney services mentioned in the proposed legislation are currently Medicaid covered services. Further, medical services detailed in this section of statute are not required services, with the language in Sec. 109. (1) indicating that the services "may" be provided.

Recently, Michigan's Medicaid program provided the annual amount of \$14.0 million to 1,432 individuals for various chronic kidney disease services.

ARGUMENTS:

For:

The Social Welfare Act lists medical services that must be provided to Medicaid recipients and other services that are optional for the state to provide. The bill would make it optional for the state to provide screening, laboratory services, diagnostic services, early intervention services, and treatment for chronic kidney disease (CKD). According to representatives of the Department of Community Health, these services are already covered benefits for Medicaid eligible residents. However, by including them as an allowable benefit, it is hoped that the legislation will help to educate doctors of the importance of testing for CKD. As more doctors screen for CKD for all of their patients, there should be a dramatic decline in the numbers of affected adults among all populations. Since early detection and appropriate treatment can delay the progression toward kidney failure, the bill could result in increased quality of life for many and significantly impact the cost to the state in delivering health care services to Medicaid-eligible individuals related to kidney disease.

POSITIONS:

The National Kidney Foundation of Michigan supports the bill. (11-1-05)

The Gift of Life Minority Organ Tissue Transplant Education Program (MOTTEP) supports the bill. (11-1-05)

A representative of Abbott Laboratories testified in support of the bill. (11-1-05)

A representative of Gift of Life Michigan indicated support for the bill. (11-1-05)

Legislative Analyst: Susan Stutzky
Fiscal Analyst: Steve Stauff

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.