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August 22, 2019

Senator Anna Caballero State Capitol, Room 5052 Sacramento, CA 95814

RE: AB 290 (Wood) - OPPOSE AS AMENDED

Dear Senator Caballero,

On behalf of the Merced-Mariposa County Medical Society, I write to express our continued opposition to AB 290 (Wood). This bill still threatens the lives of vulnerable, low-income California dialysis patients by eliminating the American Kidney Fund's charitable premium assistance program in California. Under this bill, insurance companies will benefit and dialysis patients will suffer. Please protect dialysis patients and oppose this bill.

If AB 290 passes, the non-profit charity that provides premium assistance to dialysis patients, the American Kidney Fund (AKF), will be forced to cease operations in California because provisions in AB 290 conflict with the federal guidelines under which AKF operates. 3,700 dialysis patients in California who today receive financial help from AKF would be left without AKF's safety net. These patients are largely minority (68% Latino, African-American and Asian) and low-income (average income less than \$30,000/year).

These vulnerable dialysis patients would then be pushed onto Medicare, which only covers 80% of a patient's health care costs. For patients who don't also qualify for Medi-Cal or who can't get a supplemental policy to cover the 20%, out-of-pocket costs average \$9,000 annually. Low-income dialysis patients can't afford that.

Despite recent amendments, AB 290 is still a rate-setting bill that would allow insurance companies to slash dialysis reimbursements for patients who receive charitable premium assistance to Medicare rates, which do not cover the cost of care. This would lead to long-term access issues, affecting nearly 70,000 dialysis patients across California.

Please don't prioritize insurance company profits over the lives of vulnerable dialysis patients. Please reject Assembly Bill 290.

Sincerely,

Tahir Yaqub, MD President

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