



James Firman, Chair

January 24, 2018

The Honorable Mitch McConnell
Senate Majority Leader
Washington, DC 20510

The Honorable Chuck Schumer
Senate Minority Leader
Washington, DC 20510

Dear Leaders McConnell and Schumer:

The undersigned members of the Leadership Council of Aging Organizations (LCAO), a coalition of national nonprofit organizations concerned with the well-being of America's older population and committed to representing their interests in the policy-making arena, are writing to reiterate our priorities regarding health extender issues, which Congress is now considering.

First, the package should not increase health care costs for people with Medicare, jeopardize access to needed care, or worsen the already tenuous economic circumstances facing many people with Medicare. Half of all Medicare beneficiaries—nearly 29 million older adults and people with disabilities—live on annual incomes of \$26,200 or less, and one quarter live on \$15,250 or less. Further, on average, Medicare households spend an estimated three times the proportion of their annual income on health care costs, compared to non-Medicare households. Most people with Medicare simply cannot afford to pay more for health care, and we strongly oppose proposals that would shift additional costs onto them.

Second, we support extending funding for community-based organizations to provide outreach and enrollment to low-income Medicare beneficiaries. Although we would ideally like to see increased funding made permanent, we urge that the bipartisan proposals included in both the House and Senate proposals be included in the final bill. Almost 1.8 million individuals eligible for the Medicare Part D Low-Income Subsidy (LIS/Extra Help) are still not enrolled, and less than half of eligible low-income beneficiaries receive help in paying Medicare premiums and cost sharing through Medicare Savings Programs. Previous allocations for these critical outreach and enrollment activities have led to important, proven results, such as providing individual assistance to 2.5 million low-income beneficiaries in need.

Third, we urge you to fully repeal the therapy caps and replace the temporary exceptions process with a permanent fix that ensures care is delivered to vulnerable patients, protects beneficiaries from high out-of-pocket costs, and safeguards the long-term viability of the Medicare program. The Medicare therapy caps create a barrier to accessing necessary therapy services for individuals with long-term, chronic conditions. These arbitrary caps are aimed at federal cost-savings rather than providing clinically appropriate service and disproportionately impact the most vulnerable Medicare beneficiaries who require ongoing therapy services. To this end, we support the bicameral, bipartisan policy framework developed by the Senate Finance Committee, House Ways and Means Committee, and House Energy and Commerce Committee.

Fourth, we support extending and improving the Medicaid home and community-based services (HCBS) Money Follows the Person (MFP) Program. First authorized in the Deficit Reduction Act of 2005 with strong bipartisan support and signed into law by President Bush, this successful program has assisted states in transitioning Medicaid enrollees from nursing facilities back to community-based settings. MFP has helped states develop the needed infrastructure to enhance access to HCBS. Since it was initiated, 47

states have participated and over 75,000 individuals have been transitioned back to the community. According to independent evaluations, participants report significant and lasting improvements in quality of life and community integration after returning to the community. In addition, findings indicate that returning individuals to the community decreases their overall Medicare and Medicaid expenditures by roughly 23%. The program expired on September 30, 2016. States are running out of money for the program, transitioning fewer individuals, and losing progress. Senators Portman and Cantwell have introduced legislation (S. 2227) to make improvements and extend the program for an additional five years.

Finally, we also support inclusion of the Beneficiary Enrollment Notification and Eligibility Simplification (BENES) Act (S. 1909; HR 2575) in the forthcoming legislation. Currently, far too many people with Medicare are irreversibly harmed due to the cumbersome and confusing Part B enrollment system. The consequences of these missteps can be significant—often leading to a lifetime of higher premiums, substantial out-of-pocket health care costs, gaps in coverage, and barriers to accessing needed services. The bicameral, bipartisan BENES Act aims to prevent these costly mistakes by modernizing, simplifying, and improving the Medicare Part B enrollment process.

We urge you to protect Medicare beneficiaries against increases in out-of-pocket costs and to enact permanent solutions for health care extenders policies that are vital to the health and financial well-being of older Americans and people with disabilities who rely upon Medicare and Medicaid.

Sincerely,

AARP
AFL-CIO
AFSCME Retirees
Aging Life Care Association
Alliance for Aging Research
Alliance for Retired Americans
AMDA - The Society for Post-Acute and Long-Term Care Medicine
American Association of Service Coordinators
American Foundation for the Blind
American Geriatrics Society
American Society on Aging (ASA)
Association for Gerontology and Human Development in Historically Black Colleges and Universities (AGHDHBCU)
Association of Jewish Aging Services
B'nai B'rith International
Caring Across Generations
Center for Medicare Advocacy
Community Catalyst
Easterseals
ElevatingHOME
The Gerontological Society of America
International Association for Indigenous Aging (IA2)
The Jewish Federations of North America
Justice in Aging
LeadingAge
Lutheran Services in America
Medicare Rights Center
National Academy of Elder Law Attorneys

National Adult Day Services Association (NADSA)
National Adult Protective Services Association
National Association for Home Care and Hospice
National Association of Area Agencies on Aging
National Association of Nutrition and Aging Services Programs (NANASP)
National Association of Social Workers (NASW)
National Association of State Long-Term Care Ombudsman Programs (NASOP)
National Caucus and Center on Black Aging, Inc. (NCBA)
National Committee to Preserve Social Security and Medicare
National Consumer Voice for Quality Long-Term Care
National Council on Aging (NCOA)
National Hispanic Council on Aging
National Indian Council on Aging
Social Security Works
Women's Institute for a Secure Retirement (WISER)

cc: Senate Finance Committee Chairman Orrin Hatch
Senate Finance Committee Ranking Member Ron Wyden