



Richard J. Fiesta, Chair

May 14, 2019

The Honorable Charles Grassley, Chairman
The Honorable Ron Wyden, Ranking Member
Senate Finance Committee
Washington, DC 20510

Dear Chairman Grassley and Ranking Member Wyden:

The undersigned members of the Leadership Council of Aging Organizations (LCAO) are writing to urge you to include in the fall “Extenders Package” a provision to make funding permanent for Medicare outreach and enrollment efforts to low-income beneficiaries, and increase annual funding from \$37.5 to \$50 million.

Low-income seniors and people with disabilities living on fixed incomes are often forced to make difficult trade-offs—cutting back on necessary medications and doctor visits in order to afford basic living necessities—to the detriment of their health and well-being. Federal outreach and enrollment efforts, originally authorized under the 2008 Medicare Improvements for Patients and Providers Act (MIPPA), enable many of our nation’s most vulnerable, low-income Medicare beneficiaries to access assistance for prescription drug coverage and other essential health programs for which they are eligible. These seniors and people with disabilities on Medicare generally have annual incomes below \$18,735 and non-housing assets of less than \$12,890. They need help in affording rising health care costs, but, in many cases, are not getting that needed assistance:

- Almost 3 million Medicare beneficiaries eligible for the Part D Low-Income Subsidy (LIS/Extra Help) are not enrolled. The LIS/Extra help program helps low-income beneficiaries pay for their rising prescription drug costs and is valued by the Social Security Administration at saving beneficiaries an average of \$4,900 a year. **Improving enrollment in this important program is a critical component toward reducing out-of-pocket prescription drug costs for those who can least afford them.**
- Less than half of eligible low-income beneficiaries receive help for assistance paying Medicare Part B monthly premiums (\$135.50 in 2019) through a Medicare Savings Program (Qualified Medicare Beneficiary [QMB] Program, Specified Low-Income Medicare Beneficiary [SLMB] Program, and Qualifying Individual [QI] Program).
- A rapidly growing Medicare-eligible population, increasing amounts of debt among seniors (especially for medical expenses), and a retiree savings shortfall highlight the increased need for these assistance programs.

Recognizing the growing need for low-income assistance as 10,000 Americans turn 65 every day, Section 208 of the 2015 Medicare Access and CHIP Reauthorization Act (MACRA) include a modest but important increase in annual funding for these outreach and enrollment activities from \$25 million to \$37.5 million for FY16 and FY17, which continued through the Bipartisan Budget Act (BBA) for FY18 and FY19. In further recognition of these continuing needs and challenges, we request a similar modest increase in annual funding going forward, from \$37.5 million to \$50 million.

Previous allocations for these critical low-income outreach and enrollment activities have led to important, proven results. MIPPA resources have enabled state-agency partners and community-based organizations to:

- Assist 2.5 million individuals in need;
- Increase the number of low-income Medicare beneficiaries enrolled in the Medicare Savings Programs from 6.4 million in 2008 to 9 million as of June 2018;
- Support a network of 87 Benefits Enrollment Centers (BECs) in 43 states through grants from National Council on Aging's (NCOA) National Center for Benefits Outreach and Enrollment (Center); and
- Target rural communities and other high-need, hard-to-reach populations to improve access to help with rising Medicare prescription drug costs.

Resources for these Medicare low-income outreach and enrollment efforts has been shared among State Health Insurance Assistance Programs (SHIPs), Area Agencies on Aging (AAAs), Aging and Disability Resource Centers (ADRCs), and the Center. In addition to providing technical assistance to the grantees, the Center offers competitive grants of up to \$100,000 to develop state and local BECs to support and identify the most innovative, cost-effective, person-centered outreach and enrollment strategies for low-income beneficiaries, which can be replicated by many entities.

Additional, stable funding will enable organizations to dedicate sufficient resources and permanent staff to accomplish their goals. Static short-term allocations and looming funding expirations have failed to provide the assurances needed to hire full-time staff and degrades the year over year stability necessary to conduct effective outreach.

The infrastructure to successfully continue this work, including processes and a trained workforce, already exists. But without sufficient reliable funding, these efforts to assist disadvantaged Medicare beneficiaries will be unable to serve the growing number of seniors and people with disabilities unable to afford and access needed health care.

MIPPA funding offers a significant return on investment in local communities. Assisting low-income beneficiaries to receive the extra help they are eligible for enables them to spend those extra dollars at local pharmacies, grocery stores, and providers to quickly meet their needs, which has a multiplier effect on the economy.

We urge you to support permanent, annual funding of \$50 million for low-income outreach and enrollment activities that provide critical supports to maintain and improve the health and financial well-being of Medicare beneficiaries with the greatest needs.

Sincerely,

AARP
AFL-CIO
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 Society on Aging
Association for Gerontology and Human Development in HBCU's
Caring Across Generations
Center for Medicare Advocacy
Community Catalyst
Easterseals
International Association for Indigenous Aging
The Jewish Federations of North America
Justice in Aging
LeadingAge
Lutheran Services in America
Medicare Rights Center
National Academy of Elder Law Attorneys (NAELA)
National Adult Day Services Association (NADSA)
National Adult Protective Services Association
National Alliance for Caregiving
National Association for Home Care and Hospice
National Association of Nutrition and Aging Services Programs (NANASP)
National Association of Social Workers (NASW)
National Association of States United for Aging and Disabilities (NASUAD)
National Committee to Preserve Social Security and Medicare (NCPSSM)
National Consumer Voice for Quality Long-Term Care
National Council on Aging (NCOA)
National Caucus and Center on Black Aged (NCBA)
PHI
Program to Improve Care, Altarum
The Gerontological Society of America
WISER

