



*Connecticut Association of Area Agencies on Aging:
Agency on Aging of South Central CT
North Central Area Agency on Aging
Western CT Area Agency on Aging
Senior Resources - Agency on Aging Eastern CT
Southwestern CT Agency on Aging
www.ctagenciesonaging.org*

Testimony to the Human Services Committee for Bills HB 5115

Testimony is submitted on behalf of the five regional Connecticut Area Agencies on Aging (C4A), a membership organization dedicated to improving the quality of life and independence for older persons and persons with disabilities. The Agencies on Aging represent individuals in every Connecticut City and Town and are the “point of entry” for older adults and caregivers in need of assistance to navigate and enroll in local, State and Federal support services.

H.B. 5115, AN ACT CONCERNING AN ASSET TEST FOR THE MEDICARE

SAVINGS PROGRAM. The CT Association of Area Agencies on Aging is extremely concerned at the prospect of applying an asset test to the Medicare Savings Program (MSP). Last year, hundreds of calls, letters and community forums advocated against income eligibility cuts due to the significant and profound effect access to the Medicare Savings Program has on the health outcomes of older adults and persons with disabilities. As former Commissioner Bremby pointed out in his testimony for last year’s HB 5326, Medicaid expenses have gone up at a rate of 1.2%, far below the national average. When considering how Connecticut has managed to control expenses, we must look at the Medicaid Savings Program’s role in preventive care that has allowed dually eligible participants access to care without higher costs.

For many years, the Medicare Savings Program has helped low income seniors and persons with disabilities pay deductibles, premiums and co-pays. Connecticut residents may qualify for any one of three levels based on income. All three levels pay for the Medicare Part B premium. All three levels automatically enroll the client in the Low Income Subsidy (LIS), also called “Extra Help”. The LIS pays the full cost of a Medicare

Part D (prescription coverage) benchmark plan (or a portion), yearly deductibles and co-insurance and/or co-pays. Only residents eligible for QMB, the most restrictive income level, receive assistance with the cost of the deductibles or co-pays of Medicare Part A and Medicare Part B up to the Medicaid approved rate. This program fills the gap for seniors on a fixed income without the means to pay for high co-pays and prescriptions that may not be routinely covered by formulary or while they are in the “donut hole”. As you can see by the table below, the average annual income level of a MSP participant is \$27,557. This is far below Connecticut’s median household income of \$73,781 and \$50,211 for a householder 65 years and older (incomebyzipcode.com/2017).

	Monthly single/couple	Annual single/couple
QMB	\$2120.55/\$2,854.83	\$25,446.60/\$34,257.96
SLMB	\$2321.55/ \$3,125.43	\$27,858.60/\$37,505.16
ALMB	\$2472.30/\$3,328.48	\$29,667.60/\$39,941.76

The MSP helps ensure coverage for healthcare tests and proper medication regimes that reduce hospital recidivism, minimize accidents and illness and avoid premature institutional placement. Clients on a fixed income will forego medical treatments and prescription medications without the financial support of the Medicare Savings Program. This will result in higher instances of hospitalization and institutional placement.

The cost of living in Connecticut is higher than the national average. The consumer price index (CPI) of 268 in Connecticut is 9.39% higher than the U.S. city average CPI of 245. Connecticut’s higher CPI is driven by healthcare, housing and energy costs- all sectors that disproportionately effect older adults on a fixed income. If an asset test is necessary, we ask the Committee’s permission to be part of the discussion and seek solutions to long delays and complicated eligibility tests as this new requirement is implemented and operationalized.

For more information, please contact:
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