

## **Press Release**

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### **New York Eliminates Asset Test for Medicare Programs for Low-Income New Yorkers**

*Both State and Older New Yorkers Will Save Millions on Prescription Drugs with New Policy*

New York, NY - New York has eliminated asset tests for all Medicare Savings Programs (MSP), which pay premiums and most out-of-pocket medical costs for low-income people with Medicare.

"This bold move will help more than 100,000 low-income New Yorkers with Medicare afford the medical care and medicine they need. This is compassionate and cost-effective health policy," said Robert M. Hayes, president of the Medicare Rights Center, a national consumer service organization that has been calling for elimination of the Medicare Savings Programs' asset test.

"Poor people with Medicare will be able to get the health care they need," he said.

Individuals who qualify for Medicare Savings Programs receive a premium subsidy, greatly reduced copayments and coverage through the "doughnut hole" under the Part D drug benefit.

With the elimination of the asset test, Medicare Savings Programs will be available to all New Yorkers with Medicare living below 135 percent of the Federal Poverty Level (\$14,560 per year for an individual, \$18,900 for a couple), even if they have a modest nest egg saved for their retirement. Individuals with more than \$4,000 in assets and couples with more than \$6,000 currently cannot qualify for two of the three Medicare Savings Programs, including QMB, which pays all Medicare cost-sharing for hospital and doctor care and is available to individuals living below the poverty level (\$10,400 for an individual, \$14,000 for a couple). The third MSP-QI-currently has no asset test.

Elimination of the asset test will also save New York's Elderly Pharmaceutical Insurance Coverage (EPIC) program more than \$72 million in the next fiscal year by maximizing the number of low-income EPIC members who receive reduced copayments and premium subsidies under the Part D benefit. Those savings should more than pay for the added cost to New York of expanding eligibility for the Medicare Savings Programs, according to a recent report by the Medicare Rights Center and StateWide Senior Action Council Inc., available at [http://www.medicarerights.org/EPIC\\_MSP.pdf](http://www.medicarerights.org/EPIC_MSP.pdf).

To learn more about Medicare Savings Programs, log on to Medicare Interactive Counselor at the Medicare Rights Center's website at [www.medicarerights.org/help.html](http://www.medicarerights.org/help.html).

**Medicare Rights Center** (MRC) is the largest independent source of health care information and assistance in the United States for people with Medicare. Founded in 1989, MRC helps older adults and people with disabilities get good, affordable health care.

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