



520 Eighth Avenue, North Wing, 3rd Floor
New York, NY 10018
212.869.3850/Fax: 212.869.3532

November 16, 2012

The Honorable Max Baucus
Senate Finance Committee
United States Senate
Washington, DC

The Honorable Orrin Hatch
Senate Finance Committee
United States Senate
Washington, DC

The Honorable Fred Upton
House Energy & Commerce Committee
United States House of Representatives
Washington, DC

The Honorable Henry Waxman
House Energy & Commerce Committee
United States House of Representatives
Washington, DC

The Honorable Dave Camp
House Ways & Means Committee
United States House of Representatives
Washington, DC

The Honorable Sander Levin
House Ways & Means Committee
United States House of Representatives
Washington, DC

Dear Chairman Baucus, Ranking Member Hatch, Chairman Upton, Ranking Member Waxman, Chairman Camp and Ranking Member Levin:

On behalf of the Medicare Rights (Medicare Rights) Center, I urge you to include the following in an extenders package: the Qualified Individual program, therapy cap exceptions, and funding for Medicare low-income assistance outreach and enrollment efforts. Also, we implore you to take action to avoid significant cuts to Medicare physician payments scheduled for the year's end, as these cuts would significantly limit access to needed health care.

Medicare Rights is a national non-profit organization serving Medicare beneficiaries and their families through counseling, education and public policy initiatives. We know first hand the health and financial challenges facing people with Medicare, because we counsel up to 15,000 beneficiaries, caregivers and providers on our national helpline each year.

We strongly request that none of these extensions come at the expense of people with Medicare, as most beneficiaries are unable to bear the burden of added health care costs. In the absence of a solution that would make these critical health care benefits permanent and provide a lasting fix to looming cuts to Medicare providers, we ask that this extension be granted for one full year.

Extend the Qualified Individual (QI) program. Most callers to the Medicare Rights national helpline seek help because of difficulty affording their Medicare coverage. For these beneficiaries, the QI program is essential to their health and economic security. The QI benefit pays Medicare Part B premiums for individuals with incomes that are 120% to 135% of the federal poverty level, amounting to \$13,400 to \$15,080 per year. Loss of the QI benefit would cast a devastating financial blow to those who rely on this assistance.

Extend therapy cap exceptions. Therapy cap exceptions ensure access to critical, medically necessary services that allow beneficiaries independence and dignity. Without the therapy cap exceptions, many will go without medically necessary services that restore and maintain capacities needed for daily living.

Extend outreach and enrollment funding for Medicare low-income assistance. Since 2008, funding provided by the Medicare Improvements for Patients and Providers Act (MIPPA) and Affordable Care Act (ACA) made targeted outreach and enrollment assistance for low-income Medicare assistance programs possible. To date, less than half of those eligible for these critical financial supports receive them. Without an extension, the infrastructure developed to overcome this trend would slowly erode—leaving Medicare beneficiaries without help to pay for significant out-of-pocket health care expenses.

Prevent looming cuts to Medicare physicians and health care providers. Scheduled cuts to Medicare providers established by the Medicare physician payment formula must be avoided. Without action, providers would experience a 25.6 % in payments, likely resulting in lost access to care for many Medicare beneficiaries.

Avoid increasing costs for people with Medicare. Half of all Medicare beneficiaries live on annual incomes of \$22,000 or less. On average, Medicare households already spend 15% of their income on health care costs opposed to 5% by non-Medicare households. Shifting costs to people with Medicare will cause many to forgo needed health care services—resulting in adverse health consequences and increased costs for Medicare over the long-term.

In sum, we urge you to act on these extensions to promote the health and economic security of seniors and people with disabilities nationwide. We stand willing to work with you to seek solutions that will avoid the annual struggle to extend these essential health care benefits and avoid provider cuts that would severely limit access to care.

Sincerely,



Joe Baker
President

Washington, DC Office:
1224 M Street NW, Suite 100
Washington, DC 20005
202.637.0961/Fax: 202.637.0962

www.medicarerights.org www.medicareinteractive.org