

March 1, 2018

The Honorable Mitch McConnell Majority Leader, U.S. Senate Washington, DC 20510

The Honorable Paul Ryan Speaker, U.S. House of Representatives Washington, DC 20515 The Honorable Chuck Schumer Minority Leader, U.S. Senate Washington, DC 20510

The Honorable Nancy Pelosi Minority Leader, U.S. House of Representatives Washington, DC 20515

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Ryan, and Minority Leader Pelosi:

On behalf of the Medicare Rights Center, I am writing to respectfully ask that as you craft legislation to fund the federal government beyond March 23, you prioritize and include program investments and policy reforms designed to improve the health and financial well-being of older adults, people with disabilities, their families, and caregivers.

The Medicare Rights Center is a national, nonprofit organization that works to ensure access to affordable health care for older adults and people with disabilities through counseling and advocacy, educational programs, and public policy initiatives. Our organization provides services and resources to nearly three million people with Medicare, family caregivers, and health care professionals each year.

We urge you to include the BENES Act (S. 1909; H.R. 2575) and the EMPOWER Care Act (S. 2227) in the final FY18 spending bill, as well as adequate investments for the Medicare State Health Insurance Assistance Program (SHIP) and other non-defense discretionary programs serving older adults and people with disabilities.

The Beneficiary Enrollment Notification and Eligibility Simplification (BENES) Act's reforms are long overdue. Currently, far too many people with Medicare make honest mistakes about how and when to enroll, due to the cumbersome and confusing Part B rules. 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. These lapses in health care coverage and unanticipated financial burdens can swiftly erode a beneficiary's health and economic security, leading to poorer outcomes and increased costs—for people with Medicare, and for the program itself.

The bicameral, bipartisan BENES Act aims to prevent these mistakes by empowering beneficiaries to make timely, well-informed enrollment decisions, and by streamlining the outdated Medicare Part B enrollment

Washington, DC Office: 1444 | Street NW, Suite 1105 Washington, DC 20006 202.637.0961 process. With 10,000 people becoming eligible for Medicare each day, the BENES Act is needed now more than ever. We urge you to include the Act's much-needed solutions in the omnibus spending bill.

We also support the Ensuring Medicaid Provides Opportunities for Widespread Equity, Resources and (EMPOWER) Care Act, bipartisan legislation extending and improving the lapsed Money Follows the Person (MFP) program. Since it launched in 2007, MFP has helped over 75,000 people with Medicaid —many of whom also rely on Medicare—transition from nursing facilities back to the community. According to independent, national evaluations, MFP participants who have transitioned to community-based settings experience significant and lasting improvements in quality of life, and decrease their overall Medicare and Medicaid expenditures by roughly 23 percent, generating significant cost savings for the programs. We encourage you to renew the highly effective, efficient MFP program without delay.

Finally, as you move toward finalizing FY18 funding levels, we ask that you revisit and incorporate the specific funding requests we made in coalition at the outset of FY18, which include recommendations for key aging and disability programs within the Departments of Health and Human Services and Labor. While we understand the difficult fiscal constraints under which you are operating, we hope you will make every effort in FY18 to strengthen these initiatives. In particular, we draw your attention to our request for the Medicare State Health Insurance Assistance Program (SHIPs).

As mentioned above, navigating Medicare's complex coverage rules and enrollment processes is a daunting, isolating experience for many. This makes the SHIP program's community-based counseling and assistance an invaluable resource for people with Medicare and their families. SHIP counselors—most of whom are highly-trained volunteers—provide one-on-one, unbiased, personalized counseling to Medicare beneficiaries, helping them understand their rights and coverage options. In 2015, SHIPs assisted over 7 million older adults and people with disabilities, empowering them to make informed decisions about their coverage and care. With a presence in every state and over 3,000 local offices, SHIPs are critical to meeting the ever-growing demand for Medicare counseling and assistance at the community level.

Despite these successes, the SHIP program has been targeted for steep cuts in recent years. In FY17, SHIP funding was cut by nearly 10% and this year, both the Administration and the House Appropriations Committee proposed eliminating the program entirely. At a minimum, we urge you to reject these cuts in favor of the Senate Appropriations Committee's recommendation to maintain current funding (\$47.1 million) in FY18. Since this amount—less than \$1 for every person enrolled in Medicare—is inadequate to meet current needs, we ask that you use some of the Bipartisan Budget Act of 2018's spending cap relief to restore lost funding and invest in the program's future.

<sup>&</sup>lt;sup>1</sup> Pew Research Center, "Baby Boomers Retire" (last visited March 1, 2018), <a href="http://www.pewresearch.org/fact-tank/2010/12/29/baby-boomers-retire/">http://www.pewresearch.org/fact-tank/2010/12/29/baby-boomers-retire/</a>.

<sup>&</sup>lt;sup>2</sup> Medicaid.gov, "Money Follows the Person" (last visited March 1, 2018), <a href="https://www.medicaid.gov/medicaid/ltss/money-follows-the-person/index.html">https://www.medicaid.gov/medicaid/ltss/money-follows-the-person/index.html</a>.

<sup>&</sup>lt;sup>3</sup> Mathematica Policy Research, "Research and Evaluation of the Money Follows the Person (MFP) Demonstration Grants 2007-2017)" (last visited March 1, 2018), <a href="https://www.mathematica-mpr.com/our-publications-and-findings/projects/research-and-evaluation-of-the-money-follows-the-person-mfp-demonstration-grants.">https://www.mathematica-mpr.com/our-publications-and-findings/projects/research-and-evaluation-of-the-money-follows-the-person-mfp-demonstration-grants.</a>

<sup>&</sup>lt;sup>4</sup> Leadership Council of Aging Organizations, "Letter re: Fiscal Year 2018 Appropriations" (October 13, 2017), http://www.lcao.org/files/2017/10/LCAO-FY18-Appropriations-Letter-Response-to-House-Senate-Bills.pdf.

<sup>&</sup>lt;sup>5</sup> National Council on Aging, "SHIPs Services Infographic" (last visited March 1, 2018), <a href="https://www.ncoa.org/resources/ships-services-infographic/">https://www.ncoa.org/resources/ships-services-infographic/</a>.

Every day, older adults and people with disabilities across the country rely on the Medicare, MFP, and SHIP programs to stay healthy, participate in the community, and reach their full potential. The final FY18 spending bill presents a rare and important opportunity for members of Congress to advance reforms and make investments that will not only improve these programs, but also enhance the health and economic security for people with Medicare and their families.

Thank you for your consideration. We look forward to continued collaboration on efforts to promote the health, dignity, and independence of older adults and people with disabilities. If you have any questions, please contact Lindsey Copeland, Federal Policy Director, at <a href="mailto:loopeland@medicarerights.org">loopeland@medicarerights.org</a> or 202-637-0961.

Sincerely,

Joe Baker President

Medicare Rights Center

cc:

The Honorable Orrin Hatch, Chair, Senate Committee on Finance

The Honorable Ron Wyden, Ranking Member, Senate Committee on Finance

The Honorable Thad Cochran, Chair, Senate Committee on Appropriations

The Honorable Patrick Leahy, Ranking Member, Senate Committee on Appropriations

The Honorable Rodney Frelinghuysen, Chair, House Committee on Appropriations

The Honorable Nita Lowey, Ranking Member, House Committee on Appropriations

The Honorable Roy Blunt, Chair, Senate Appropriations Labor/HHS Subcommittee

The Honorable Patty Murray, Ranking Member, Senate Appropriations Labor/HHS Subcommittee

The Honorable Tom Cole, Chair, House Appropriations Labor/HHS Subcommittee

The Honorable Rosa DeLauro, Ranking Member, House Appropriations Labor/HHS Subcommittee

The Honorable Greg Walden, Chair, House Committee on Energy & Commerce

The Honorable Frank Pallone, Ranking Member, House Committee on Energy & Commerce

The Honorable Kevin Brady, Chair, House Committee on Ways & Means

The Honorable Richard Neal, Ranking Member, House Committee on Ways & Means

The Honorable Susan Collins, Chair, Senate Special Committee on Aging

The Honorable Bob Casey, Ranking Member, Senate Special Committee on Aging