

VIA ELECTRONIC MAIL

February 24, 2022

Honorable Andrea Stewart-Cousins
Senate Majority Leader
907 Legislative Office Building
Albany, NY 12247

Honorable Carl Heastie
Speaker of the Assembly
932 Legislative Office Building
Albany, NY 12248

Dear Leader Stewart-Cousins and Speaker Heastie:

Re: Expanding access to health care and prescription drugs with cost savings to New York State.

We, the undersigned organizations that represent older adults and people with disabilities, support inclusion of [S.8228](#) (May) same as [A.9245](#) (Gottfried) in a final state budget. The proposal will expand eligibility for New York’s Medicare Savings Program (MSP) and create several million dollars of savings for New York State by maximizing federal dollars as encouraged by CMS.ⁱ

The MSP helps low-income Medicare beneficiaries by paying their Part B premiums and automatically enrolling them in “Extra Help,” the federal prescription drug subsidy program. This financial assistance can be a lifeline, allowing enrollees to maintain their coverage, access needed care and afford other necessities such as food and rent.

Unfortunately, not everyone who needs this help can get it. Archaic rules restrict MSP to New Yorkers with annual incomes at or below 135 percent of poverty—just \$18,346 in 2022 (\$24,718 for a couple).ⁱⁱ This threshold may have been appropriate when the program was created nearly four decades ago, but it does not reflect current realities or beneficiary needs.

Many low-income Medicare beneficiaries have incomes that make them ineligible for MSP but unable to afford private supplemental insurance. As a result, they face high out-of-pocket (OOP) health care and prescription drug costs. This population spends 27% of their income on health care.ⁱⁱⁱ Previous studies indicate beneficiaries who face high OOP costs may forgo care, which can have adverse health consequences.^{iv}

The legislation would reduce these burdens by expanding eligibility for the MSP to 156% of the federal poverty level. This will help up to an additional 100,000 New Yorkers afford their Part B premium, saving them \$170.10 a month (\$2,041.20 annually) in 2022 **at no cost to New York by fully leveraging federal funds. New Yorkers with incomes up to \$21,200 in 2022 (\$28,563 for a couple) will qualify.**

MSP enrollees also automatically receive Extra Help, which saves them approximately \$5,100 a year on prescription drug costs. Extra Help enrollment may also reduce the strain on State Elderly Pharmaceutical Insurance Coverage (EPIC) expenditures, resulting in significant savings for the State.

The undersigned organizations request that action be taken to ensure inclusion of S8228/A9245 in budget one-house bills, and in the final 2022-23 New York State budget.

For more information, please contact **Fred Riccardi, President of the Medicare Rights Center** (friccardi@medicarerights.org) or **Bill Ferris, AARP New York State Legislative Representative** (wferris@aarp.org).

AARP New York
Bleeding Disorders Association of
Northeastern NY
Cardozo Bet Tzedek Legal Services
CaringKind, The Heart of Alzheimer's
Caregiving
Center for Elder Law & Justice
Center for the Independence of the
Disabled, New York
Cerebral Palsy Associations of NYS
Chinese-American Planning Council
(CPC)
Coalition of Medication Assisted
Treatment Providers and Advocates
(COMPA)
Community Service Center of Greater
Williamsburg
Community Service Society of NY
Concept: CARE, Inc
Disability Rights Advocates
Empire Justice Center
Family and Children's Association
Friends of the Retired and Senior
Volunteer Program
GMHC
Guide2Care, LLC
Hamilton-Madison House
Health Care For All New York
Hemophilia Services Consortium
Human Service Council of New York
Independent Living Center of the
Hudson Valley, Inc.
JASA
LiveOn NY
Long Island Center for Independent
Living, Inc.
Long Term Care Community Coalition
Massena Independent Living Center

Medicaid Matters New York
Medicare Rights Center
Metro New York Health Care for All
MISN
Mobilization for Justice
National Multiple Sclerosis Society
New York Association on Independent
Living
New York Immigration Coalition
New York Legal Assistance Group
New York Self-Determination Coalition
New York State Bleeding Disorders
Coalition
New York StateWide Senior Action
Council
NYAPRS
NYLAG
Retired Senior Volunteer Program
(RSVP)
Rochester Spinal Association
SAGE
Samuel Field Y Commonpoint Queens
SDNYC (Self Direction NYC)
Service Program for Older People
Services for the UnderServed (SUS)
South Asian Council for Social Services
Southern Tier Independence Center
The Jewish Board of Family &
Children's Services
The Legal Aid Society of New York
United Jewish Organizations of
Williamsburg and North Brooklyn
Urban Justice Center Mental Health
Project
Vibrant Emotional Health
Westchester Disabled On The Move,
Inc.