



Leadership Council of Aging Organizations

James Firman, Chair

September 14, 2017

The Honorable Orrin Hatch
Chairman, Senate Finance Committee
Washington, DC 20510

The Honorable Ron Wyden
Ranking Members, Senate Finance Committee
Washington, DC 20510

Dear Chairman Hatch and Ranking Member Wyden:

The undersigned members of the Leadership Council of Aging Organizations (LCAO), a coalition of national nonprofit organizations concerned with the well-being of America's older population and committed to representing their interests in the policy-making arena, are writing to outline our priorities regarding health extender issues, which Congress is considering this fall.

First, the package should not increase health care costs for people with Medicare, jeopardize access to needed care, or worsen the already tenuous economic circumstances facing many people with Medicare. Half of all Medicare beneficiaries—nearly 29 million older adults and people with disabilities—live on annual incomes of \$26,200 or less, and one quarter live on \$15,250 or less. Further, on average, Medicare households spend an estimated three times the proportion of their annual income on health care costs, compared to non-Medicare households. Most people with Medicare simply cannot afford to pay more for health care, and we strongly oppose proposals that would shift additional costs onto them.

Second, we support making permanent expiring funding for community-based organizations to support outreach and enrollment to low-income Medicare beneficiaries. This is consistent with previous bipartisan Senate bills. We also support increasing annual funding from \$37.5 to \$50 million to help improve enrollment of beneficiaries eligible for, but not receiving, needed assistance. For example, almost 1.8 million individuals eligible for the Medicare Part D Low-Income Subsidy (LIS/Extra Help) are still not enrolled, and less than half of eligible low-income beneficiaries receive help in paying Medicare premiums and cost sharing through Medicare Savings Programs.

Previous allocations for these critical outreach and enrollment activities have led to important, proven results, such as assisting over 2 million low-income beneficiaries in need. While a strong infrastructure to continue this work currently exists, uncertainty about future funding makes it difficult to retain well-trained staff. Without increased permanent funding, this infrastructure will erode, leaving millions of beneficiaries unable to afford and access needed health care.

Third, in the absence of full repeal of Medicare outpatient therapy caps, we support making the exceptions process permanent. The current exceptions process is the only avenue for an individual to obtain needed therapy services that exceed the annual cap. The Medicare therapy caps create a barrier to accessing necessary therapy services for individuals with long-term, chronic conditions. These arbitrary caps are aimed at federal cost-savings rather than providing clinically appropriate service and disproportionately impact the most vulnerable Medicare beneficiaries who require ongoing therapy services.

Finally, we support extending and improving the Medicaid home and community-based services (HCBS) Money Follows the Person (MFP) Program. Ideally, the program should be made permanent. First authorized in the Deficit Reduction Act of 2005 with strong bipartisan support and signed into law by President Bush, this successful program has assisted states in transitioning Medicaid enrollees from nursing facilities back to community-based settings. MFP has helped states develop the needed infrastructure to enhance access to HCBS. The program expired on September 30, 2016. Since it was initiated, 47 states have participated and over 63,000 individuals have been transitioned back to the community. According to independent evaluations, participants report significant and lasting improvements in quality of life and community integration after returning to the community. In addition, findings indicate that returning individuals to the community decreases their overall Medicare and Medicaid expenditures by roughly 20%.

We urge you to protect Medicare beneficiaries against increases in out-of-pocket costs and to enact permanent solutions for health care extenders policies that are vital to the health and financial well-being of older Americans and people with disabilities who rely upon Medicare and Medicaid.

Sincerely,

AARP
AFL-CIO
AFSCME
Aging Life Care Association (ALCA)
Alliance for Aging Research
American Foundation for the Blind (AFB)
American Society on Aging (ASA)
Association of Jewish Aging Services (AJAS)
Association for Gerontology and Human Development in Historically Black Colleges and Universities (AGHDHBCU)
B'nai B'rith International
Center for Elder Care & Advanced Illness – Altarum Institute
Center for Medicare Advocacy, Inc.
Community Catalyst
Easterseals
ElevatingHOME
The Gerontological Society of America (GSA)
International Association for Indigenous Aging
Justice in Aging
LeadingAge
Lutheran Services in America (LSA)
Medicare Rights Center
National Academy of Elder Law Attorneys (NAELA)
National Adult Day Services Association (NADSA)
National Adult Protective Services Association (NAPSA)
National Association for Home Care and Hospice (NAHC)
National Association of Nutrition and Aging Services Programs (NANASP)
National Association of Social Workers (NASW)
National Association of State Long-Term Care Ombudsman Programs (NASOP)
National Caucus and Center on Black Aging, Inc. (NCBA)
National Committee to Preserve Social Security and Medicare (NCPSSM)
The National Consumer Voice for Quality Long-Term Care
National Council on Aging (NCOA)
Social Security Works
Women's Institute for a Secure Retirement (WISER)

cc: Senate Majority Leader Mitch McConnell
Senate Minority Leader Chuck Schumer