



Vermont
Association of
Area Agencies
on Aging



Contact
Mary Hayden, Executive Director
27 Main St., Suite 14
Montpelier, VT 05602
maryh@vermont4a.org
(802)225-6210

Statewide HELPLINE 1(800)642-5119

Vermont Association of Area Agencies on Aging Testimony
House Committee on Healthcare
January 16, 2024

I am Mary Hayden, Executive Director of the Vermont Association of Area Agencies on Aging. Thank you for inviting me to testify today on H.721, Section 9, pertaining to Medicare Savings Programs. I am here with our state SHIP Director, Sam Carleton.

V4A is an association of five area agencies on aging (AAAs) located throughout Vermont. Our mission is to provide advocacy, leadership, and a voice for Vermont's aging network. AAA services include Medicare and Health Insurance Counseling and Education (SHIP), Meals on Wheels, Long-Term Care Case Management, and Caregiver Support Programs, to name a few. We serve Vermonters 60+ and may provide some services to adults disabled under 60.

SHIP

SHIP is the local State Health Insurance Assistance Program, providing unbiased help to Medicare beneficiaries and caregivers. Whether you are new to Medicare, are reviewing your plan options, or have questions, SHIP can assist you. In Vermont, SHIP is administered through your local area agency. AAAs typically served 7000 Vermont beneficiaries annually. You can reach SHIP assistance through the AAA HELPLINE 1(800)642-5119.

Medicare Affordability

Many of us mistakenly believe that Medicare is inexpensive. However, Medicare is costly for many. The Medicare Part B premium is \$175/mo.; and there are other costs, like deductibles, coinsurance, and copays. You usually pay 20% of the cost of covered services. The Kaiser Foundation estimates that half of Americans over 65 with incomes below \$29,650 cannot afford Medicare in 2019. One in four live on less than \$17,000/year.

Marginalized groups are disproportionately affected by these uncovered costs, particularly women who have historically been underpaid, worked part-time, or left jobs to care for children and older loved ones, diminishing their savings, pension, and social security incomes. Women live longer and are more likely to live alone when they are older. The disparity increases for women of color. SHIP counselors and providers sometimes see beneficiaries refusing medical treatment to avoid these uncovered Medicare costs. This leads to poor health outcomes, which may result in more costly medical interventions for Vermonters, such as hospitalizations, emergency room visits, and residential care admissions. This is taxing our already stressed healthcare dollars. SHIP counselors, hospitals, and providers are seeing increased medical debt among Medicare beneficiaries. These costs get passed on to hospitals and providers, so we all pay higher premiums.

Medicare Savings Programs

If you have limited income, you may be helped by the Medicare Savings Program (MSP), a Medicaid-administered program available to Medicare consumers. If you qualify, this program will pay your Medicare Part B premium and other cost-sharing expenses, depending on which program you are eligible for. However, because of Vermont's qualifying income level, many low-income Vermonters do not qualify or become disqualified with slight income increases. Some enrolled in MSP cannot obtain low-wage part-time employment without losing their MSP eligibility. This does not help us resolve our workforce shortage.

Many Vermonters are turning to Medicare Advantage (MA), a private market Medicare Plan (Plan C) that may work for many. Medicare Advantage plans, as advertised, may seem lower initially, but there can be unexpected uncovered costs, and all Medicare Advantage plans have copays and coinsurance. Medicare Advantage Plans may have in-network provider requirements so that people may lose their preferred PCP and other providers. Travel to in-network providers may be prohibitive if you do not drive and have no public transportation. Medicare Advantage plans can impose coverage restrictions, such as prior authorization quantity limits, and require less expensive prescriptions than the one you were prescribed. More providers are not accepting MA coverage due to payment restrictions. We encourage all to contact SHIP before enrolling in an MA plan. We can provide neutral information about the impact of signing up for or changing to MA.

Some states have passed legislation to increase their MSP income eligibility requirements and enroll more people in MSP. AgeStrongVT, our new multi-sector roadmap to becoming an age-friendly state, recommends increasing Vermont's MSP eligibility limits. Currently, there are **26,064 Vermonters enrolled in MSPs. If we expand the income eligibility, we expect to qualify tens of thousands more, depending on the new federal poverty limits we adopt.**

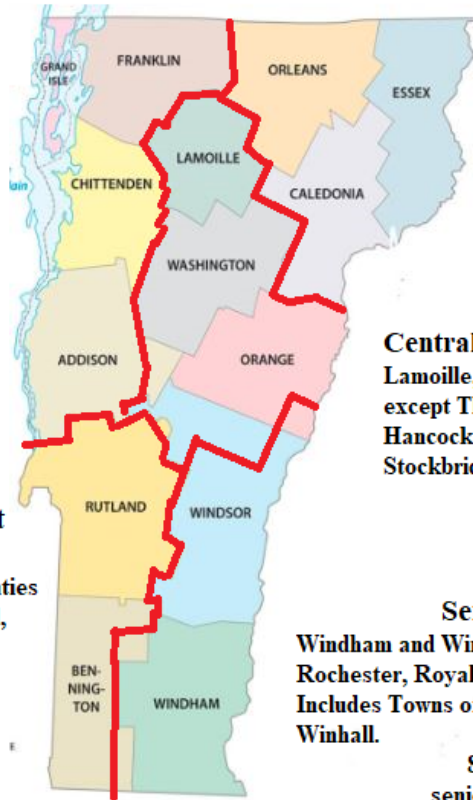
Thank you for the opportunity to testify today. Please feel free to contact me with any questions.

Age Well
Addison, Chittenden,
Franklin, and Grand
Isle Counties (except
for Towns of Granville
and Hancock)

802-865-0360
agewellvt.org

**Southwestern Vermont
Council on Aging**
Bennington and Rutland Counties
(except for Towns of Pittsfield,
Readsboro, Searsburg, and
Winhall)

Rutland: 802-786-5990
Bennington: 802-442-5436
svcoa.org



**Northeast Kingdom
Council on Aging**
Caledonia, Essex, and
Orleans Counties

802-748-5182
nekouncil.org

Central Vermont Council on Aging
Lamoille, Orange, and Washington Counties
except Thetford. Includes Towns of Granville,
Hancock, Pittsfield, Bethel, Rochester, Royalton,
Stockbridge, and Sharon.

802 - 479-0531
cvcoa.org

Senior Solutions
Windham and Windsor Counties, except for Bethel,
Rochester, Royalton, Stockbridge and Sharon.
Includes Towns of Readsboro, Searsburg, Thetford, and
Winhall.

802-885-2669
seniorsolutionsvt.org