

Expand Medicare Savings Programs

Fix the Senior Healthcare Cliff

Amendment #120 and #445



Amendment Sponsors: Senator Sal DiDomenico and Senator Tarr

Nearly all MA seniors with income below \$2,000 a month, and without MassHealth or other assistance, spends more than 20% of their income for Medicare premiums. This is disproportionately women and elders of color who have also been overly impacted by COVID.

Massachusetts, has the highest rate in of economic insecurity among seniors living alone.

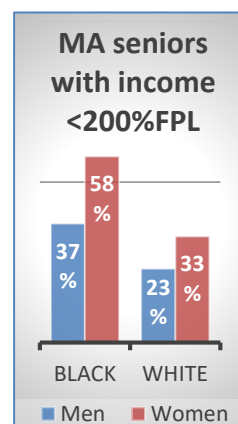
6 in 10 MA elders living alone, and 3 in 10 elder couples, do not have the income to meet basic needs.

Black seniors are nearly twice as likely as white seniors to live with

incomes below 200% FPL (\$2,126/mo). Among MA seniors, 58% of Black women and 37% of Black men have income below 200%FPL, compared to 33% of white women and 23% of white men.

Seniors with limited incomes pay unaffordable health insurance premiums and lack access to protections offered residents 19-64.

1 in 3 MA seniors with income below 200% FPL spend more than 20% of their income on health care, compared to residents 19-64 of the same income who spend no more than 2% of their income through the MA Health Connector.



The solution:

Lower healthcare costs for seniors by expanding access to Medicare Savings Programs.

Benefits Value over \$6,000yr

Medicare Savings Programs (MSP): How does it help?

Medicare Savings Programs (MSP) cover Medicare Part B premiums (\$148.50/mo), auto-enrolls beneficiaries into federal Rx assistance program (\$5,000/yr), and helps some with Medicare Part A & B expenses.

In 2020, Massachusetts expanded Medicare Savings Programs eligibility from 135%FPL to 165% FPL, giving 20,000 seniors access to over 70M in new benefits!

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builds on the success of 2020 expansion by eliminating the asset limit and increasing income eligibility for Medicare Savings Programs (MSP) from 165% FPL (\$21,252) to 200% of FPL (\$25,760).

Estimated budget impact for year 1 is less than \$8m with ~\$100m Federal return.

Full expansion will benefit ~50,000 lower-income seniors, with a Net cost to the State of ~\$17M and federal benefits of \$224m.

For more information contact Mass Senior Action Council
617-284-1234 or CVillers@MassSeniorAction.org

Stories from the Senior Healthcare Cliff

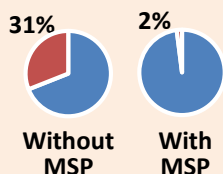


Sarah Blakeney, 93

Sarah Blakeney moved to Boston from North Carolina over 60 years ago in search of opportunity that just wasn't available in the segregated South. She quickly found work in a factory where she spent the next 35 years first stitching children's blouses and then building computers.

Despite her hard work, retirement has not been easy. At the age of 91, Sarah was paying more than \$400 in Medicare costs from her monthly Social Security check of \$1,418. Even with subsidized housing, paying the bills was an incredible juggling act and at times she turned to her church community for extra help.

Healthcare as % of Sarah's Income



In January of 2020, Sarah became eligible for Medicare Savings Programs for the first time when Massachusetts expanded eligibility to 165% FPL. Her monthly Medicare expenses dropped from over \$400 to under \$50 each month!

As Sarah approaches her 94th birthday, Medicare Savings Programs has been life changing. She no longer worries about picking up her monthly prescriptions, and has been able to manage her bills without the stress she used to feel. Sarah is committed to making sure this program is available to more seniors so they do not have to make the difficult choices she did for so many years.

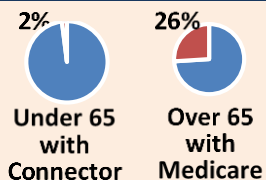


John Robinson, 72

John Robinson retired from the railroad at the age of 62 to help care for his aging parents. With a retirement income of about \$1,500 a month he qualified for subsidized health insurance through the Connector. John was able to manage until at the age of 65 he fell off the "senior healthcare cliff."

John's income did not change, but his healthcare premiums skyrocketed overnight from \$42 to \$373 a month. John has often had to rely on church dinners, food pantries and his credit cards to get by. Now at the age of 72, John spends more than \$400 on healthcare premiums alone.

Healthcare as % of John's Income



Expanding Medicare Savings Programs to 200% FPL will save John over \$200 a month, enabling him to afford his medication and food.