

# **MEDICARE RIGHTS**

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## **MEDICARE RIGHTS CENTER**

### **TESTIMONY**

#### **ON THE HEALTH/MEDICAID BUDGET OF THE 2015-2016 NEW YORK STATE EXECUTIVE BUDGET**

#### **Submitted to**

**The Senate Finance Committee  
and**

**The Assembly Committee on Ways and Means**

**MONDAY, FEBRUARY 9, 2015  
NEW YORK, NY  
SUBMITTED BY:**

**JOE BAKER, PRESIDENT  
KRYSTAL SCOTT, NEW YORK STATE POLICY DIRECTOR**

## **Introduction**

The Medicare Rights Center is a national, nonprofit consumer service organization—based in New York—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.

Each year through our consumer helpline we are able to assist nearly 15,000 people with Medicare, their caregivers and the professionals who serve them as they navigate their health insurance, appeal coverage denials and try to determine which coverage best suits their health needs. From our casework, we develop education and public policy initiatives and work with our State and Federal partners to improve the Medicare and Medicaid programs.

We are also members of the statewide Managed Care Consumer Assistance Program (MCCAP) and the Community Health Advocates (CHA) networks. Our organizations provide technical assistance and support to New York's Health Insurance Information Assistance Program (HIICAP) and local CHA community-based organizations across New York State. In addition, Medicare Rights is a specialist agency of the Independent Consumer Advocacy Network (ICAN), which provides consumer assistance to people with long-term care needs who are enrolled in Medicaid managed care plans.

The Medicare Rights Center would like to thank the chairs and members of the respective committees for the opportunity to submit our testimony on the Health/Medicaid Budget of the 2015-2016 New York State Executive Budget. We support and agree with the testimony presented to the committees by our MCCAP, CHA and ICAN partners, particularly that of the Community Services Society of New York.

We would like to share with the committees some additional comments regarding five proposals in the Governor's Budget: funding for the MCCAP; funding for CHA; continued funding for ICAN; the elimination of payment of crossover claims for Qualified Medicare Beneficiaries; and the elimination of spousal refusal for low-income seniors.

Medicare Rights supports funding for the Managed Care Consumer Assistance Program, the state's community-based consumer assistance program for people with Medicare.

We would like to thank Governor Cuomo for including level funding for the Managed Care Consumer Assistance Program (MCCAP) in his 2015-2016 budget. MCCAP is a statewide program that provides essential assistance to low-income seniors and people with disabilities in accessing health services and reducing their Medicare costs.

**Medicare Rights requests that the Legislature restore funding for MCCAP in 2015-2016 to the amount of \$1,962,000, which was the amount appropriated in FY 2008-2009.** We are pleased that the Governor's 2015-2016 Budget includes funding for MCCAP at last year's level. However, as several new programs—New York State of Health (NYSoH), Managed Long-Term Care (MLTC) and the Fully Integrated Duals Advantage (FIDA) program—have added to the complexity of the healthcare landscape, thousands of New York residents will need MCCAP agencies to continue serving as trusted on-the-ground resources, explaining how such changes affect their Medicare prescription drug and health coverage.

The Medicare Rights Center has been a member of the MCCAP network of community-based organizations since the program's inception. Along with the other members of the MCCAP, Medicare Rights collaborates with the New York State Office for the Aging (NYSOFA) to take referrals of complicated cases and resolve complex Medicare issues. The MCCAP agencies also operate as technical assistance support for the Health Insurance Information, Counseling and Assistance Program (HIICAP) statewide and report to NYSOFA regularly on client outcomes.

Medicare Rights supports funding for Community Health Advocates, the state's health care consumer assistance program.

Medicare Rights applauds the Cuomo Administration for including \$2.5 million for the Community Health Advocates (CHA) program, which will fund a statewide network of groups who have already helped nearly 200,000 of New York's health consumers and small businesses use and keep their health insurance. **Medicare Rights requests that the Legislature increase the Administration's \$2.5 million to \$5 million to support CHA in more localities and to increase its small business services.**

The CHA program is administered by the Community Service Society of New York in partnership with three specialist agencies: the Medicare Rights Center, Empire Justice Center and The Legal-Aid Society. Together, these agencies have developed a strong,

statewide learning community of service providers at community and business-serving groups by providing training and technical assistance and handling complex cases and appeals. CHA operates a central, toll-free helpline and provides local services through 21 community-based organizations and small business-serving groups throughout New York.

Medicare Rights supports continued funding for the Independent Consumer Advocacy Network.

We would like to thank the Cuomo Administration for creating and supporting the Independent Consumer Advocacy Network (ICAN), which helps people with long-term care needs who are enrolled in New York State's managed care plans. ICAN serves as an ombudsman, or advocate, for people receiving long-term services and supports through New York's partially-capitated Managed Long-Term Care (MLTC) plans, Medicaid Advantage Plus (MAP) plans, Programs of All-inclusive Care for the Elderly (PACE), Mainstream Medicaid Managed Care (MMC) plans, and the Fully Integrated Duals Advantage (FIDA) program for people with both Medicare and Medicaid. ICAN is a program administered by the Community Service Society of New York in partnership with several specialist agencies, including the Medicare Rights Center, and includes community-based groups in all regions of the state. We are pleased that the Legislature has supported the present funding for ICAN, and we applaud Governor Cuomo's plans to expand the program to all Medicaid managed care enrollees, not only those with needs for long-term supports and services. **As ICAN grows and provides assistance to new Medicaid enrollees, Medicare Rights requests that the Legislature support increased funding for the program.**

Medicare Rights opposes the elimination of payment of Medicare crossover claims for Qualified Medicare Beneficiaries.

The Medicare Rights Center opposes the Executive Budget's proposal to stop paying a portion of Medicare crossover claims for Qualified Medicare Beneficiaries. Currently, Medicaid pays 4 percent of Medicare Part B cost sharing for beneficiaries enrolled in the Qualified Medicare Beneficiary (QMB) program, which is one of three Medicare Savings Programs (MSPs) that help people with Medicare out-of-pocket costs. The Executive Budget proposes eliminating that payment to providers who see QMB enrollees as patients. Providers cannot directly bill QMB enrollees for any Medicare cost sharing and must absorb the lost revenue themselves. Eliminating state payments for QMB cost sharing altogether serves as a further disincentive for providers to provide necessary

healthcare services to these low-income older adults and people with disabilities. In fact, a federal agency recently corroborated that low-income Medicare beneficiaries' access to outpatient physician visits was reduced in states that limited or reduced their Medicare cost-sharing payment amounts.<sup>i</sup> **As such, Medicare Rights urges the Legislature to oppose the elimination of payment of Medicare crossover claims for Medicare beneficiaries enrolled in QMB.**

Medicare Rights opposes the elimination of spousal refusal for low-income seniors.

The Governor's proposed 2015-2016 budget eliminates the longstanding right of "spousal refusal" for low-income seniors who need Medicaid to help with Medicare out-of-pocket costs, as well as other vulnerable populations. Married older adults who need Medicaid for primary or acute medical care and who are not eligible for MLTC would be denied "spousal refusal" rights under the Governor's proposal, even if their spouses are abusive or neglectful. For eligible older adults, Medicaid can be vital secondary insurance for severe illness at relatively low cost to the State, as most of their acute medical care is covered by Medicare.

Spousal refusal can also qualify needy seniors and people with disabilities for MSPs to help with Medicare out-of-pocket costs, saving them \$104.90 per month in Part B premiums and qualifying them for "Extra Help" (the Low Income Subsidy), which saves people with Medicare and Medicaid an average of \$4,000 in prescription costs each year at no cost to the State. In fact, for individuals in "QI-1"—one of the three MSPs—the entire cost is paid by the federal government with no state share. **In order to ensure that low-income Medicare beneficiaries can continue to qualify for Medicaid and MSPs through "spousal refusal," Medicare Rights urges the Legislature to oppose the elimination of spousal refusal.**

We again thank the Committees for this opportunity to provide testimony. Should you have any questions or wish to further discuss this testimony, please do not hesitate to reach out to Krystal Scott at 212.204.6219 or [kscott@medicarerights.org](mailto:kscott@medicarerights.org).

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<sup>i</sup> Medicaid and CHIP Payment Access Commission (MACPAC). 2013. Chapter 4. Medicaid coverage of premiums and cost sharing for low-income beneficiaries. In *Report to the Congress on Medicaid and CHIP*. March 2013. Washington, DC: MACPAC. [http://www.macpac.gov/reports/2013-03-15\\_MACPAC\\_Report.pdf?attredirects=0&d=1](http://www.macpac.gov/reports/2013-03-15_MACPAC_Report.pdf?attredirects=0&d=1).