



Connecticut Part D Coalition

APPROPRIATIONS COMMITTEE

Public Hearing – Senate Bill No. 246
An Act Concerning a Commission on Federal Stimulus Distribution

March 20, 2009

INTRODUCTION

The Center for Medicare Advocacy, Inc. (The Center) is a private, non-profit organization headquartered in Mansfield, Connecticut with offices in Washington, D.C. and throughout the nation. The Center provides education and legal assistance to advance fair access to Medicare and health care. We represent Medicare beneficiaries throughout the state, respond to approximately 7,000 calls and e-mails annually, and host two websites. The Center also provides written and electronic materials, education, and expert support for Connecticut's CHOICES health insurance, counseling, and assistance program, and provides a vast array of other services for Medicare beneficiaries throughout Connecticut and the United States.

CONCERNS ABOUT MEDICARE PART D WRAP AROUND AND ConnPACE

I testify today as the senior staff attorney at the Center for Medicare Advocacy and on behalf of the Connecticut Part D Coalition. In 2005, the Center for Medicare Advocacy and other organizations concerned with health care rights and rights of low-income, older adults and people living with disabilities formed the Part D Coalition to safeguard Connecticut's Medicaid and ConnPACE populations in light of the impending implementation of Medicare's Part D program. As of January 1, 2006, all dually eligible people were required by federal law to obtain their prescription drug coverage from Medicare rather than from Medicaid. In many states this was a good thing; but in Connecticut it meant that dually eligible people would receive less drug coverage and have more cost-sharing responsibilities than before Part D. It also meant that people with just Medicaid coverage were better off than those that had both Medicare and Medicaid coverage.

The Part D Coalition was able to work with the Legislature to develop the Part D "Wrap Around" in order to ensure that what Connecticut has long considered basic, necessary coverage for poor older people and those living with disabilities continued to be available

when Medicare Part D became effective. We were able to show that this need could be met without great cost to the state – indeed with some savings, including to ConnPACE. For the last three years, after Part D’s rocky start, the Wrap Around has worked well. Indeed, the Department of Social Services has been reporting about the benefits to dually eligible people and the relative ease of administration.

Nonetheless, this year – when times are the toughest they have been in a long time – meaning that older people and those living with disabilities will be poorer, and more people will become eligible for Medicaid, the Governor proposes to end the Wrap Around, introduce new copayments for poor people in need of medications and healthcare, eliminate coverage for drugs not on a person’s Part D plan’s formulary, and limit ConnPACE enrollment and participation.

This is hardly the time to add these burdens to our most vulnerable citizens. Studies illustrate what will happen in Connecticut if the Governor’s proposed cuts to the Wrap Around and ConnPACE program are implemented. For example, a recent study by the Kaiser Family Foundation found that when people with incomes higher than dual eligibles reached the “Donut Hole” gap in coverage under Part D – when they had no drug coverage – they took 14% fewer of their prescribed medications. Another Kaiser study of dually eligible people found that those who lived in states with no, or limited Part D Wrap Around coverage, were often unable to access prescribed drugs and/or non-formulary medications. Numerous other studies have shown that when co-payments are required of low-income people they forego necessary care.

We urge the Legislature to honor the intention of the federal stimulus money and not make cuts to essential services that our most vulnerable citizens rely on now more than ever. In particular we ask you to:

- Continue to cover drugs for ConnPACE participants and dually eligible people that are not on their Part D plan formularies when the drugs *are* covered for other Medicaid recipients;
- Continue to cover Part D co-payments for dually eligible people and refuse to add co-payments to the Medicaid program;
- Safeguard ConnPACE. In particular, reject the Governor’s proposal to limit the opportunity to enroll to only one six-week period per year and to unduly restrict access by adding a terribly onerous asset test;
- Refuse to impose new prior authorization requirements for Medicaid-covered psychiatric and certain other high-cost drugs.

CONCLUSION

For a long time Connecticut has recognized the need to provide basic medication and health care coverage for lower income people, older adults, and people living with disabilities. We know the Legislature is faced with draconian choices among competing interests for the State budget. We realize that the Capitol is overflowing with people urging that various cuts not be made. However, portions of the federal stimulus money coming to the State are to ensure that cuts not be made to programs serving dually

eligible people. The Center for Medicare Advocacy and the Connecticut Part D Coalition add our voices to those urging you to maintain the status quo for our most vulnerable citizens. In these uncertain times, one thing is certain. Lower income older people and those living with disabilities will forego necessary medications and health care services if the extreme cuts proposed by the Governor are accepted.

We urge you to not place this untenable burden on people who are already struggling to survive these tough economic times. We urge you to maintain the status quo for dually eligible older adults and those living with disabilities. The undersigned organizations stand ready to help in anyway we can.

I thank you for the opportunity to provide testimony on this matter and I am happy to provide further information and/or to answer any questions you may have.

Respectfully submitted,

Connecticut Part D Coalition

*AARP Connecticut
Advocacy for Patients with Chronic Illness, Inc.
AIDS LIFE Campaign
Center for Medicare Advocacy, Inc.
CT AIDS Resource Coalition
Connecticut Association of Area Agencies on Aging
Connecticut Commission on Aging
Connecticut Community Care, Inc.*

*Connecticut Health Advocacy Forum
Connecticut Legal Rights Project
Connecticut Legal Services
Greater Hartford Legal Aid
Legal Assistance Resource Center of CT
National Alliance on Mental Illness, CT
National Multiple Sclerosis Society, CT
New Haven Legal Assistance Association*

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