Testimony on HB 5115  An Act Concerning an Asset Test for Medicare Savings Program (MSP)

Thank you for the opportunity to submit my testimony in Opposition to HB 5115. My name is Lori Contadino, and I am the Director of the Greenwich Commission on Aging, an official department of the Town of Greenwich serving older adult residents since 1975.

I respectfully ask the state legislature to reconsider the asset limits that are proposed in Governor Lamont's FY20 budget. I understand the need to implement asset limits for the MSP program in these tough fiscal times, but the amounts of $7,560 and $11,340 are extremely low and will adversely affect thousands of seniors who rely on this program to survive. As you know, CT is one of the highest cost of living states and in particular Fairfield County where the cost of living is among the highest in the country. The cost of healthcare is an enormous financial burden for older adults with limited incomes. Even with the MSP, seniors have high out of pocket costs for non- Medicare covered services such as dental care, vision and hearing aids.

Many older adults, here in the Town of Greenwich, live on extremely low monthly Social Security benefits and less than modest savings. After paying monthly expenses such as rent, utilities, food, medications and healthcare co-pays, very little remains for dental care, eye glasses and transportation or any essential unanticipated expenses. If these older adults loose MSP, their savings will be drained and most will end up on Medicaid. An increase in Medicaid recipients will come at a greater financial cost to the state. These older adults have worked hard, saved what they could to supplement their Social Security and not be a burden to their families, their community or to the state.

Imposing an asset limit would significantly complicate the application process and cause even greater delays at DSS resulting in higher costs if DSS needs to hire additional eligibility workers to verify the assets and process applications. States that have eliminated the asset test found that savings on administrative costs related to documenting assets equaled the costs of benefits for those persons who would be eligible for program with no asset test.

I ask you to consider a fairer asset test that does not punish those who have worked hard to build a modest savings in order to take care of their basic needs in retirement. A more equitable asset limit would be the asset limits the state of Maine has of $58,000/$87,000. I ask that if an asset test needs to be imposed, that you consider adopting asset limits more in line with those of Maine, a state that is comparable to Connecticut with regards to cost of living.

Very truly yours,

Lori Contadino, MS