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

Thank you for the opportunity to submit my testimony in Opposition to HB 5115. My name is Beth Trott, MSW, Director of Social Services, Municipal Agent for the Elderly and Veteran’s Representative for the Town of Sherman serving all residents of Sherman for over 13 years.

I respectfully ask the state legislature to reconsider the asset limits that are proposed in Governor’s Lamont’s FY20 budget. Although I think it is prudent to implement an asset limit for the MSP program in the economic situation we find our state in, 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. Sherman is in Fairfield County. 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.

I could give you many examples of people living on Social Security but have only enough savings to make home repairs, pay their property tax, plow the driveway, or pay rent and many other expenses because of living in CT. They have worked hard all their lives and many CT residents can’t retire because they can’t afford to live in CT without making extra money over what they receive from Social Security and maybe a pension.

Furthermore, imposing an asset limit would significantly complicate the application process, cause even greater delays at DSS and result 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 a program with no asset test.

I ask you to consider a more fair 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 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. Thank you.