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**MEDICARE RIGHTS CENTER**

**TESTIMONY**

**ON THE HEALTH/MEDICAID BUDGET OF THE  
2019-2020 NEW YORK STATE EXECUTIVE BUDGET**

**Submitted to**

**The Senate Finance Committee**

**and**

**The Assembly Committee on Ways and Means**

**TUESDAY, FEBRUARY 5, 2019**

**NEW YORK, NY**

**SUBMITTED BY:**

**JOE BAKER, PRESIDENT**

## **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 answer over 20,000 questions for 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. 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 organization provides 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 and the Community Health Access to Mental Health and Addiction Services Project (CHAMP), which provides assistance with access to behavioral health services.

Medicare Rights would like to thank the chairs and members of the respective committees for the opportunity to submit testimony on the Health/Medicaid Budget of the 2019-2020 New York State Executive Budget. Medicare Rights also facilitates the Coalition to Protect the Rights of New York’s Dually Eligible, a diverse group of over 50 consumer-based interests, agencies, and perspectives working to shape the managed care programs that coordinate care for older and disabled New Yorkers who are dually eligible for Medicare and Medicaid.

We would like to share with the committees some additional comments regarding the following proposals in the Governor’s Budget: funding for the MCCAP; funding for CHA; changes to Medicaid reimbursement through the Qualified Medicare Beneficiary program; elimination of spousal refusal; Fiscal Intermediary payment reform; loosening of restrictions on managed care plans reducing personal care services that were previously authorized; and the increase in Medicaid co-pays for over-the-counter medications.

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 2019-2020 budget proposal. 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 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.

**Medicare Rights requests that the Legislature increase funding for MCCAP in 2019-2020 to the amount of \$2,767,000, an increase of \$1,000,000.** We are pleased that the Governor's 2019-2020 Executive Budget includes funding for MCCAP at last year's level. However, several programs—New York State of Health (NYSoH), Managed Long-Term Care (MLTC), and Dual Eligible Special Needs Plans (D-SNPs)—have added to the complexity of the healthcare landscape for people with Medicare and those dually eligible for Medicare and Medicaid. 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, and access to healthcare providers.

As a greater number of residents become Medicare eligible MCCAP services are needed more than ever to help people enroll into valuable cost-saving federal benefits such as the Medicare Savings Program (MSP) and Extra Help. Enrollment for New York Medicare beneficiaries in the MSP is far under the national average. By providing \$1 million in additional MCCAP funding, a new initiative could be started that is dedicated to reaching 25,000 more people with Medicare to educate them about the MSP and helping a minimum of 2,000 low-income New Yorkers enroll in MSP and Extra Help benefits. For an investment of \$1 million, the state could save elderly and disabled New Yorkers, many of whom live in poverty and on fixed incomes, over \$10 million in out-of-pocket expenses each year.

Medicare Rights supports funding for Community Health Advocates, New York State's statewide health care consumer assistance program.

Medicare Rights applauds the Cuomo Administration for including \$2.5 million for the Community Health Advocates (CHA) program, which supports a statewide network of community-based organizations and small business serving groups. CHA is seeking \$4 million from the New York State Legislature to increase its capacity to serve more

consumers with commercial insurance or Medicaid managed care. **Medicare Rights requests that the Legislature support the Administration's \$2.5 million appropriation and provide an additional \$4 million appropriation, or \$6.5 million in total, to fund CHA.**

Community Service Society of New York administers the CHA program 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 27 community-based organizations and small business-serving groups, and the CHA network serves every county in New York State.

Medicare Rights is concerned about a proposal to change Medicaid reimbursement for QMB recipients.

The Qualified Medicare Beneficiary (QMB) program was created to make sure low-income Medicare beneficiaries would have meaningful access to health care by having the Medicaid program cover their Part A and B premiums and cost-sharing. Since federal law allows states to limit reimbursement to the Medicaid rate, many providers who care for beneficiaries with QMB are not reimbursed for the cost-sharing and they are not legally allowed to collect from the beneficiary. Without adequate reimbursement, some providers in the state have chosen to stop seeing patients with QMB and, as a result, many beneficiaries with QMB have problems accessing the providers they need. Since 2015, when New York began cutting the QMB coinsurance reimbursement rate, we have seen a growing number of beneficiaries who have problems accessing care because their providers are no longer willing to see them. Currently, these beneficiaries face problems getting quality care from a provider in their area. Some of these beneficiaries sacrifice a significant portion of their low incomes to pay for a Medigap (which reimburses for the Part B deductible and coinsurance) in order to ensure they have adequate access to providers.

The Governor's proposal would affect beneficiaries who are seeking care while they have an unmet deductible amount and beneficiaries who see a psychologist or need ambulance services.

We oppose the proposal to limit provider reimbursement for the Part B deductible, which would contribute to inadequate provider access and potentially worse health outcomes. This change does much to undermine those beneficiaries with QMB who use what little income they have to purchase a Medigap to ensure they have access to quality providers.

We also oppose the elimination of the exemptions for psychologists and ambulance services, which would limit beneficiary access to these services. Currently, Medicare beneficiaries face barriers when trying to find a preferred psychologist who will see them. Reducing QMB reimbursement rates for these providers will cause additional problems for QMB recipients and further restrict their access to needed care. We are also concerned that ambulance companies, several of which already exhibit aggressive billing practices, will continue to bill QMBs for cost-sharing, despite federal protections, since they will now face lower reimbursements. In addition, lower reimbursements will make it difficult for those who require regular ambulance transportation—such as those who are homebound and require dialysis—to access the transportation they need to get care. This will be especially true in rural areas where fewer ambulance companies operate.

**Medicare Rights asks the Legislature to reverse the Administration’s further restrictions on reimbursements for QMB deductible and cost-sharing to ensure that low-income Medicare beneficiaries have access to the care they need.**

Medicare Rights is concerned about changes to the Medicaid program and managed long-term care.

We oppose the elimination of spousal refusal, which would prevent many people from qualifying for the Medicaid program. 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 proposed change.

We also oppose the proposed changes to the Fiscal Intermediary (FI) program, which would drastically reduce the number of FIs operating in the state as well as leave the continued existence of the Consumer Directed Personal Assistance Program to the discretion of future Commissioners of the Department of Health. These changes threaten a successful program that has been the model for others throughout the country.

We oppose altering the protections for Medicaid recipients in managed care plans who have their personal care service reduced. Lastly, we also oppose an increase in Medicaid co-pays for over-the-counter medication. This doubling of the co-pay will make it more difficult for those with the lowest incomes to afford the medications they need.

Medicare Rights supports the testimony presented to the committees by our partners the New York Legal Assistance Group (NYLAG) and Legal Aid Society (LAS), which provides a comprehensive overview of these proposals and how they threaten access to care for those who rely on Medicare and Medicaid.