PUBLIC HEARING ON THE GOVERNOR'S BUDGET RESCISSION PROPOSALS
Appropriations Committee

February 11, 2010

The Center for Medicare Advocacy, Inc. (the Center) is a private, non-profit organization headquartered in Mansfield, Connecticut with offices in Washington, DC and throughout the country. The Center provides education and legal assistance to advance fair access to Medicare and quality healthcare. We represent Medicare beneficiaries throughout the state, respond to approximately 6,500 calls and emails annually, and host two websites. The Center also provides written and electronic materials, education, and expert support for Connecticut's CHOICES program, and provides a vast array of other services for Medicare beneficiaries throughout Connecticut and the United States.

The Center for Medicare Advocacy is concerned about the Governor's proposals to ask more and provide less to those of us who can least afford it, in particular with respect to any further increase to the newly imposed Part D co-payments or imposition of additional cost utilization management tools, such as prior authorization.

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1. DUALLY ELIGIBLE PEOPLE WILL LOSE ACCESS TO MEDICATIONS IF YET MORE COST-SHARING AND PRIOR APPROVAL REQUIREMENTS ARE IMPOSED

Since 2005, the Center for Medicare Advocacy and numerous other Connecticut consumer rights organizations have worked as a Coalition to ensure that low-income older and disabled people who are eligible for both Medicare and Medicaid are not harmed by the Medicare Part D prescription drug program. As of January 1, 2006, all dually eligible people were required by

federal law to begin getting 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 coverage and have more cost-sharing responsibility than those who were eligible for Medicaid, but not Medicare.

The Coalition was able to work with the legislature to develop what became known as the Part D "Wrap Around" in order to ensure that what Connecticut has decided is basic, necessary coverage for poor older and disabled people continued to be available when Medicare Part D became effective. We were able to show that the need could be met without extraordinary costs to the state – indeed with some savings, including to ConnPACE. For the last three years, after a rocky start, the Wrap Around worked well. Indeed, the Department of Social Services reported favorably about the Wrap Around's benefit to dually eligible people and the relative ease of administration.

Nonetheless, this year, when times are more difficult than they've been in years, meaning that poor older and disabled people will be poorer, and more people will become eligible for Medicaid, new co-payments, plan choice limitations, and prior authorization requirements were imposed upon dually eligible people in need of prescription medications. Only six months after these new barriers to medications were enacted, the Governor proposes additional limits on access to necessary medicine for the poorest of Connecticut's older and disabled people. These proposals include:

1. *Additional co-payments for medications.* Just last legislative session a $15 per month co-payment for covered medicines was imposed on dually eligible people. Now the Governor proposes additional savings from this new requirement, by increasing this payment to $20 per month. This would be unjust and would limit access to necessary

drugs. Fortunately, younger participants in Title 19, and those who are not disabled, still have *no such* co-pay requirements. *It is unfair to single out those who are eligible for Medicare and Medicaid, the poorest older and disabled people, to shoulder this burden.*

2. Further, the last legislative session also eliminated coverage for drugs that are not on a person's Part D formulary *and* added a new requirement that dually eligible people may only enroll in basic Part D plans, known as "Benchmark" plans. The Center's experience helping individuals enroll in such plans, however, demonstrates that it is extremely difficult to find one that covers all of an individual's prescribed medications. Thus, individuals will have to pay full price for more of their prescribed medicines as a result of the Benchmark plan requirement.

If accepted, the Governor's proposals would result in older and disabled people going without necessary medications. A recent study by the Kaiser Family Foundation found that when older and disabled Medicare beneficiaries have no drug coverage they took 14% fewer *prescribed* medications. A 2007 study of dually eligible people in three states found that those who live in states with no, or limited Part D Wrap Around coverage, (which, unfortunately, now includes Connecticut,) 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. Connecticut's dually eligible population is only now dealing with this new requirement; they can ill afford to shoulder another limitation on their access to needed medicines.

We urge the Legislature, therefore, to reject the Governor's proposals to further limit access to medications for poor older and disabled people. We urge you to oppose further

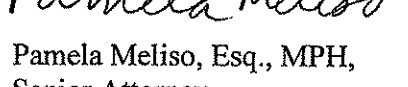
co-payments, additional utilization tools, or any other new barriers to necessary medicine for dually eligible older and disabled people.

CONCLUSION

The Center for Medicare Advocacy urges the Legislature to reject the Governor's latest calls to place a disproportionate share of the state's economic woes on our poorest, most vulnerable citizens and their advocates. In particular, we urge no further obstacles or cuts to medication coverage for dually eligible people. We are available to do anything we can to help.

Thank you for the opportunity to testify regarding this important matter.

Respectfully submitted,



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