



*Connecticut Association of Area Agencies on Aging:  
Agency on Aging of South Central CT  
North Central Area Agency on Aging  
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[www.ctagenciesonaging.org](http://www.ctagenciesonaging.org)*

## **Public Testimony, House Implementer Bill 6446**

The Center on an Aging Society from Georgetown University Health Policy Institute states, *"The Medicare Savings Programs and Medicaid help elderly Medicare beneficiaries with their cost-sharing responsibilities and provide much-needed additional benefits. But 40 to 50 percent of eligible low-income Medicare beneficiaries are not enrolled in the Medicare Savings Programs. One persistent barrier is the use of asset tests, which greatly complicate the application process for applicants and program staff. Older people with low incomes generally have few assets and the income and assets of older people who qualify for public programs do not change substantially over time. Findings suggest that use of asset tests should be eliminated, or asset limits should be increased; at a minimum, cost-of-living adjustments should be made. Findings also indicate that the renewal process should be simplified and use of verification documents should be reduced or eliminated."*

*[https://www.commonwealthfund.org/sites/default/files/documents/\\_\\_\\_media\\_files\\_publications\\_issue\\_brief\\_2004\\_may\\_how\\_asset\\_tests\\_block\\_low\\_income\\_medicare\\_beneficiaries\\_from\\_needed\\_benefits\\_summer\\_assettests\\_ib\\_727\\_.pdf](https://www.commonwealthfund.org/sites/default/files/documents/___media_files_publications_issue_brief_2004_may_how_asset_tests_block_low_income_medicare_beneficiaries_from_needed_benefits_summer_assettests_ib_727_.pdf)*

The Connecticut Area Agencies on Aging advocate on behalf of older adults. The Older Americans Act specifically calls attention to the needs of low-income, minority and underserved adults. Imposing an asset test presents extreme hardship for older adults with cognitive deficiencies, language and literacy challenges. Completing the asset test application is a complex, difficult to navigate venture of which many attorneys struggle. The idea that many Medicare Savings Program recipients with an income below \$2,000/

month concurrently hoarding tens of thousands of dollars in a bank account is simply false.

The MSP helps ensure coverage for healthcare tests and proper medication regimes that reduce hospital recidivism, minimize illness and avoid premature institutional placement. Clients on a fixed income will forego medical treatments rather than spend down limited assets needed to supplement monthly bills. Reduced participation in Medicare Savings Program will result in higher instances of hospitalization and institutional placement.

Connecticut is the seventh most expensive state to live in with housing costs an estimated 57% higher than the average and some of the highest energy costs in the nation. Requiring a complex asset test will reduce an individual's capacity to strategically spend down assets and maintain community independence. With a maximum asset allowance of \$15,720, a new roof and a furnace repair effectively bankrupts an individual, leaving them without cash to supplement monthly expenses. For some Connecticut residents, the asset test presents an unsustainable budget deficit as individuals on a fixed income no longer have their asset to supplement monthly bills. Should a resident become institutionalized, even for the purpose of rehabilitation, it becomes extraordinarily difficult for him/her to return to the community when they have a minimal base of savings. Long term custodial care is not paid for by Medicare. The Connecticut Home Care Program can help but it takes time to apply and enroll. The application process for long term care typically takes 60 – 90 days to determine eligibility. Individuals must produce a myriad of documents, some from banks and institutions that are no longer in business. Without savings, there is no option for help in the home if familial caregivers are not available. As Connecticut boast some of the lowest national percent increase to Medicaid, this proposal will force our neighbors to struggle and forego necessary medical care.

As advocates of older adults we ask that you consider the negative impact of implementing an asset test. We ask you to consider the funds that will be spent, 1) to initiate a program, arguably the most complex eligibility program at DSS; and 2) the cost

associated with premature institutional care as individuals have no other option for the assistance needed to remain in the community. If an asset test must be imposed, the Connecticut Area Agencies on Aging hope to offer recommendations on how participation in other State and Federal entitlement programs may be used to determine eligibility and how a system of dedicated navigators is essential to help older adults prepare and submit eligibility documentation.

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