December 7, 2017

The Honorable Roy Blunt, Chairman
The Honorable Patty Murray, Ranking Member
Appropriations Subcommittee on Labor, Health and Human Services, Education, and Related Agencies
United States Senate
Washington, DC 20510

The Honorable Tom Cole, Chairman
The Honorable Rosa L. DeLauro
Appropriations Subcommittee on Labor, Health and Human Services, Education, and Related Agencies
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Frelinghuysen, Ranking Member Lowey, Chairman Cole, and Ranking Member DeLauro:

The 82 undersigned organizations are writing to urge you to protect funding for the Medicare State Health Insurance Assistance Program (SHIP) for FY18.

We appreciate the Senate bill’s proposal to level fund SHIP at $47.1 million, and we request, at a minimum, that appropriators incorporate this level in the final FY18 legislation. In the event that a deal is reached to raise the Budget Control Act caps, we respectfully request that funding at least be restored to the FY16 level of $52.1 million.

Approximately 10,000 Americans become eligible for Medicare each day – significantly increasing the need and demand for SHIP services. Over the past two years, more than 7 million people with Medicare received help from SHIPs. Since 1992, counseling services have been provided via telephone, one-on-one in-person sessions, interactive presentation events, health fairs, exhibits, and enrollment events. Individualized assistance provided by SHIPs almost tripled over the past 10 years.

Understanding the A, B, C, and Ds of Medicare is an overwhelming, isolating experience if older adults and people with disabilities go without help. SHIPs provide local, in-depth, insurance counseling and assistance to Medicare beneficiaries, their families and caregivers. This encompasses a broad range of areas, including coverage options, fraud and abuse issues, billing problems, appeal rights, and enrollment in low-income protection programs.

If the recent $52.1 million investment had simply kept pace with inflation and the increasing number of Medicare beneficiaries since FY11, it would have reached at least $67 million for FY18. Eliminating the program would be a devastating blow to the Americans with Medicare who would no longer have access to the only federal program that provides free, personalized, unbiased counseling on the growing complexities of Medicare coverage.

SHIPs receive funding under the Administration for Community Living for 54 grantees (all states, Puerto Rico, Guam, DC, and the US Virgin Islands), overseeing a network of more than 3,300 local SHIPs and over 15,000 counselors, 57% of whom are highly trained volunteers who donate almost 2 million hours of assistance. SHIPs provide one-on-one, face-to-face assistance. Because of the labor-intensive, in-person nature of SHIP
work and the high demand for SHIP services, volunteers have helped paid staff meet beneficiary needs since the inception of the program. Though volunteers donate their time, they cannot accurately and safely serve often vulnerable beneficiaries without training, support, and monitoring – all of which must be provided by paid staff. Given Medicare’s complexities and the reality of volunteer turnover, SHIPs must dedicate year-round resources to recruiting volunteers and managing their volunteer programs or they will have none.

SHIPs offer increasingly critical services that cannot be supplied by 1-800 MEDICARE, on-line or written materials, or other outreach activities. In fact, approximately one-third of all partner referrals to SHIP originate from Medicare Advantage and Part D prescription drug plans, local and state agencies, the Centers for Medicare and Medicaid Services, the Social Security Administration, and members of Congress and their staff. Additionally, these partners include SHIP contact information in their websites, publications, and correspondence to beneficiaries as the source of assistance when individuals need help.

SHIPs advise, educate, and empower individuals to avoid late enrollment penalties and navigate the increasingly complex Medicare program and help beneficiaries make choices among a vast array of options to best meet their needs. Making informed decisions among an average of 20+ prescription drug plans and 21 Medicare Advantage plans, as well as various Medigap supplemental insurance policies, can save money and improve access to quality care. Given the significant differences in premiums, cost sharing, provider networks, and coverage rules, SHIPs play a critical role in ensuring that these choices are well informed and thoughtful for each beneficiary served.

While the Medicare coverage that best meets a beneficiary’s unique needs isn’t always the least expensive, wise decision-making by informed consumers in the current market can save money for individuals, and potentially reduce overall Medicare spending as well. For example, a 2012 study in Health Affairs entitled “The Vast Majority of Medicare Part D Beneficiaries Still Don’t Choose the Cheapest Plans That Meet Their Medication Needs,” found that if beneficiaries chose the least expensive Part D plan available in their region, they could save an average of $368 per year and that only 5.2% of the beneficiaries in the study sample chose the least expensive plan. Several states that estimate savings to beneficiaries resulting from SHIP assistance reported achieving significant savings in 2015, including $110 million in Massachusetts, $56 million in Michigan, and $53 million in North Carolina.

We urge appropriators to provide the support and assistance needed by America’s seniors and people with disabilities on Medicare by investing in SHIP.

Sincerely,

AFSCME Retirees
Aging Life Care Association
The AIDS Institute
Allergy & Asthma Network
Alliance for Aging Research
Alliance for Retired Americans
Alliance of Information and Referral Systems
The ALS Association
AMDA – The Society for Post-Acute and Long-Term Care Medicine
American Association on Health and Disability
American Dance Therapy Association
American Diabetes Association
American Federation of Government Employees
American Foundation for the Blind
American Geriatrics Society
American Music Therapy Association
American Society on Aging
The Arc of the United States
Arthritis Foundation
Association for Gerontology and Human Development in Historically Black Colleges and Universities (AGHDHBCU)
Asthma and Allergy Foundation of America
Better Medicare Alliance
B’nai B’rith International
Brain Injury Association of America
California Health Advocates
Caring Across Generations
Center for Medicare Advocacy
Christopher & Dana Reeve Foundation
Community Catalyst
Dialysis Patient Citizens
Disability Rights Education and Defense Fund (DREDF)
Easterseals
ElevatingHOME
Epilepsy Foundation
Families USA
The Gerontological Society of America
GIST Cancer Awareness Foundation
Global Healthy Living Foundation
International Association for Indigenous Aging
International Foundation for Autoimmune & Autoinflammatory Arthritis
Justice in Aging
Lakeshore Foundation
LeadingAge
Lupus and Allied Diseases Association, Inc.
Lupus Foundation of America
Lutheran Services of America
MAXIMUS
Medicare Rights Center
The Michael J. Fox Foundation for Parkinson’s Research
National Academy of Elder Law Attorneys
National Adult Day Services Association (NADSA)
National Adult Protective Services Association
National Alliance for Caregiving
National Asian Pacific Center on Aging
National Association for Home Care & Hospice
National Association of Area Agencies on Aging
National Association of Nutrition and Aging Services Programs
National Association of RSVP Directors
National Association of Social Workers (NASW)
National Association of State Head Injury Administrators
National Association of State Long-Term Care Ombudsman Programs
National Association of States United for Aging and Disabilities
National Committee to Preserve Social Security and Medicare
National Consumer Voice for Quality Long-Term Care
National Council on Aging
National Council on Independent Living (NCIL)
National Disability Rights Network
National Health Law Program
National Kidney Foundation
National Multiple Sclerosis Society
National Organization for Rare Disorders (NORD)
National Senior Corps Association
The Network of Jewish Human Service Agencies
Parent Project Muscular Dystrophy (PPMD)
Pension Rights Center
Senior Service America, Inc.
Service Employees International Union
Social Security Works
Special Needs Alliance
United Cerebral Palsy
U.S. Pain Foundation, Inc
Women's Institute for a Secure Retirement

cc: Member of the Senate Committee on Appropriations
    Members of the House Committee on Appropriations