

JUSTICE IN AGING

FIGHTING SENIOR POVERTY THROUGH LAW

March 31, 2015

The Honorable Rob Bonta
Chair, Assembly Health Committee
State Capitol, Room 6005
Sacramento, CA 95814

Re: Support for AB 763 (Burke)

Dear Assemblymember Bonta,

Justice in Aging strongly supports AB 763 (Burke), which would raise the income level of the Aged and Disabled Medi-Cal program (A&D program) to 138% FPL, creating a “brightline” of income eligibility and parity for elderly and disabled Medi-Cal beneficiaries with other adults.

Justice in Aging (formerly National Senior Citizens Law Center) is a non-profit organization that works in California and nationally to use the power of law to fight senior poverty by securing access to affordable health care, economic security, and the courts for older adults with limited resources. Our health care advocacy focuses primarily on programs on health benefit programs for low income older adults, particularly those dually eligible for Medi-Cal and Medicare coverage.

AB 763 would be an important step toward equity for low income individuals who qualified for expansion Medi-Cal but, when they turn 65 or qualify for Medicare because of disability, lose their right to Medi-Cal coverage because their income exceeds the current Aged and Disabled Medi-Cal threshold of 123% of FPL.

The practical impact of current rules on individuals is substantial. For example, a low income 64 year old adult who has income of \$16,000/yr, roughly 135% FPL, and qualifies for expansion Medi-Cal has essentially all health care costs covered. However, when that individual turns 65, she falls off Medi-Cal eligibility and faces 20% co-pays for her doctor visits and most other medical services. She is liable for an annual Medicare deductible, a separate hospital deductible and many other charges in fee-for-service Medicare (if she chooses a Medicare Advantage plan, she will face co-payments determined by the plan). She also loses access to many benefits that Medi-Cal covers but Medicare does not, such as dental coverage. Those costs are prohibitive for someone living on \$16,000 per year.

Just at the point in their lives where health concerns escalate, low income individuals caught in this gap find their coverage shrinking. Many, especially those with chronic conditions, simply cannot afford both their medical costs and the other necessities of life. They end up making impossible choices between health care, food, rent and other necessities. While they may eventually qualify for Medi-Cal if they meet their monthly share of cost, the share of cost requirement is so onerous that they simply cannot make ends meet. Turning 65 should not mean that all of these new costs are suddenly added to the burdens that these low income individuals already struggle with daily.

WASHINGTON

1444 Eye Street, NW, Suite 1100
Washington, DC 20005
202-289-6976

LOS ANGELES

3660 Wilshire Boulevard, Suite 718
Los Angeles, CA 90010
213-639-0930

OAKLAND

1330 Broadway, Suite 525
Oakland, CA 94612
510-663-1055

AB 763 would go a long way to correcting this inequality and ensuring that needy seniors and persons with disabilities continue to have affordable access to the health care that they so desperately need and that they deserve.

Thank you for the opportunity to submit this letter of support.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Prindiville". The signature is fluid and cursive, with the first name "Kevin" and last name "Prindiville" clearly distinguishable.

Kevin Prindiville
Executive Director

Cc: Members of the Senate Health Committee
Linda Nguy, Western Center on Law and Poverty

