



May 18, 2026

Dear Chair Abney and Members, House Finance Committee

**Re: Support for H7631**

With great enthusiasm SACRI supports H7631 sponsored by Representatives, Alzate, Morales, Furtado, McGaw, Shanley and Batista . SACRI's mission is to mobilize people to implement an agenda that improves the quality of life of older Rhode Islanders and adults with disabilities. It accomplishes this through *community organizing, public education, advocacy, and legislative action.*

**When we talk about quality of life for older adults addressing healthcare access and affordability is a priority.**

**H7631 removes the strict asset limit from eligibility for the Medicare Savings Programs (MSP), aka Medicare Premium Payment program (MPP).**

The Medicare Savings Programs are state/federal programs providing financial assistance to lower income older adults and adults with disabilities on Medicare by offsetting costs of deductibles, co-payments and premiums. The Part B premium alone amounts to almost \$2,500 a year and required co-payments often deter persons from seeking care. Income and asset levels are set by the federal government but states can exceed them and many states have done so. After many years of advocacy, in 2025 the legislature added a provision in the state budget to increase the income eligibility limits up to 168% of the federal poverty level (\$27,060/yr). These new income criteria began on February 1<sup>st</sup>. However, the asset limit, part of the original legislation remains preventing many thousands of lower-income persons from participating in MSP and receiving its benefits.

Current asset levels are \$9,950 (single); \$14,910 (couple). Thirteen states including our neighboring states of Massachusetts, Connecticut, Maine, Vermont and New York have all eliminated the asset limits as have other states and DC. It's time for Rhode Island to join with these states in removing the outdated and unrealistic asset limit.

**It is time for Rhode Island to join these states.**

**Why is this important?**

- Medicare enrollees with income between \$20,000 & \$30,000 spent 19% of income on out-of-pocket healthcare costs (KFF.)

- Currently, an older Rhode Islander or adult with disabilities on Medicare with just under \$10,000 in assets is ineligible for MSP, even if their monthly income is below the poverty level.
- Persons with lower incomes generally only have small amounts of assets -- the "rainy day" funds that often stand between an older adult and a housing crisis, a car breaking down or a home heating system fails. We should not force our elders to spend themselves into poverty to afford needed healthcare.
- Removing the asset limit is an equity issue. It is a relic of the past and serves as a barrier to our lower-income older neighbors.
- Eliminating the asset test has additional benefits:
  - **Increasing government efficiency.** The asset limit is a time-consuming part of the MSP application process for both the applicant and the state. Eliminating it would streamline government efficiency by reducing the red tape associated with verifying bank statements, insurance policies and burial plots.

**Maximizing Federal Support.** By expanding MSP eligibility, more Rhode Islanders will automatically qualify for the **Federal Part D Low-Income Subsidy (Extra Help)**. This brings more federal dollars into our state to help residents pay for prescription drugs, saving the average enrollee over **\$5,300 per year** at no additional cost to the state. In addition, for those who would become eligible as Qualified Individuals (QI), the federal government would pay for the Part B premiums. This saves persons almost \$2,500 in Part B cost – money they can use to pay for basic needs which adds to the state economy.

**Positive Economic Benefit on RI Economy.** Projections are that thousands of persons on Medicare across the state would become eligible for MSP by removing the asset limit. The dollars saved by enrollees (at least \$2,400/yr) will be used to help pay basic living expenses (food, gas, housing-related costs). Each dollar will return 1.5 in economic benefit to RI.

Eliminating the asset limit is a common-sense, compassionate policy that increases access to affordable healthcare, strengthens financial security and promotes dignity in aging. I urge you to support H7631 and make Rhode Island the next state to remove this unnecessary barrier to care.