



Elder Abuse
Institute of Maine

Testimony of Patricia Kimball on Behalf of the Elder Abuse Institute of Maine

To the Joint Standing Committee on Health and Human Services

In favor of LD 1522: An Act to Provide Economic Justice to Historically Disadvantaged Older Citizens by Amending the Laws Governing the Medicare Savings Program

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Senator Baldacci, Representative Meyer, and distinguished members of the Health and Human Services Committee, my name is Patricia Kimball, and I am the Executive Director for the Elder Abuse Institute of Maine, on behalf of which I submit this written testimony. The Elder Abuse Institute of Maine (EAIME) is a statewide organization committed to ensuring that all older Maine people impacted by abuse have access to the resources, services, and support they need to live the lives they choose. In this capacity, EAIME works extensively with individuals who have experienced lifetimes of discrimination and bias, which culminate in later life to create situations of extreme economic disadvantage.

I am writing in support of LD 1522, *An Act to Provide Economic Justice to Historically Disadvantaged Older Citizens by Amending the Laws Governing the Medicare Savings Program*, which will help to address some of the systemic economic inequity that many of our clients have experienced. As our staff members engage with older individuals who have been harmed by elder abuse, we all too often see the harms of economic injustice, as well. We advocate for the 84-year-old widow who, like many women of her age, provided care for multiple generations of her family rather than entering the workforce. We support the 72-year-old man with intellectual disabilities who spent his adult life doing low-wage, often temporary work. We assist the 66-year old gay man who is planning to leave a situation of intimate partner violence – but worries about how he will afford to live on his own given that LGBTQ+ individuals are nearly [1.5 times as likely to live in poverty](#) as their straight, cisgender peers.

Despite their hard work earlier in life, the economic injustices these individuals have experienced leave them without the retirement income to pay for the rising costs of community living. Nearly

every client that we encounter lives in a situation of economic vulnerability, making unsustainable trade-offs on housing, utilities, food, transportation, and medical care to “make ends meet” – all with significant implications for their health and well-being.

As we bear witness to the consequences of socioeconomic disadvantage across the lifespan, we know that there are clear steps that we can take to improve the financial situation for economically vulnerable older Mainers, including passing LD 1522.

Currently, income eligibility limits for Medicare Savings Program (MSP) participation range from \$21,876 to \$26,976, amounts that are based on the Federal Poverty Level (FPL). FPL is [based on the cost of a 1960 subsistence food budget](#) adjusted only for inflation; it also does not account for the age-related needs of older adults. Using the FPL, which is widely recognized as being far too low, to determine benefits eligibility excludes thousands of individuals in Maine who experience significant financial distress yet aren’t “poor enough” to qualify.

Meanwhile, several states have adopted the [The Elder Economic Security Standard™ Index \(Elder Index\)](#), developed by the Gerontology Institute at the University of Massachusetts Boston and maintained by the National Council on Aging, as a more comprehensive understanding of the costs of living for community-dwelling older adults. The Elder Index indicates that older Mainers in good health require an annual income averaging \$28,540 in order to meet their basic needs and age in place with dignity. Older adults in poor health – the population most likely to incur significant medical expenses – need an average of \$31,240 to maintain an adequate standard of living.

Tying the upper eligibility limit for MSP participation to the Elder Index, as proposed in LD 1522, would expand access to tens of thousands of lower-income older adults in Maine who currently struggle to meet their basic living expenses. By covering the Medicare Part B premium, which is automatically withheld from older adults’ Social Security benefits, the Medicare Savings Program would effectively [increase what participants put in their pockets by \\$165](#) each month in 2023. That amount, while modest, would provide greater financial security to Maine’s older adults while ensuring better health outcomes. LD 1522 also proposes to increase the upper eligibility limit for the Qualified Medicare Beneficiary (QMB) program. QMB covers not only premiums, but also deductibles, co-pays, and other out-of-pocket costs – which are not capped by annual limits and can run into multiple thousands of dollars – for those people least able to afford them.

At the Elder Abuse Institute of Maine, we believe that all older adults with annual income inadequate to cover the basic costs of living independently – that is, lower than the economic security standard established by the Elder Index – should benefit from access to the Medicare

Savings Program. This change would profoundly and positively affect not only EAIME clients, but thousands of other older Mainers living on the economic margins and worrying about how to meet their basic financial needs as they age. I therefore respectfully ask that you vote “ought to pass” on LD 1522, legislation that will provide a measure of economic justice and security to many of our older residents.