

Help Vermonters on Medicare

Support [H.721](#)

OFFICE OF THE HEALTH CARE ADVOCATE



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Medicare is not free care.

Most people on Medicare pay premiums, deductibles, and cost-sharing. These costs can be devastating for people with low incomes.

Medicare is a federal program, but states decide how much financial help residents get.

Massachusetts, Maine, New York, Connecticut, Indiana, and Washington D.C. have all increased the income eligibility limit for their state's Medicare Savings Program, taking advantage of federal funding to allow more residents to access free and low-cost health care. Vermont can and must do the same!

H.721 will lower the cost of Medicare for low-income Vermonters.

This bill will increase the income limit for Vermont's Medicare Savings Program. If passed, it will pay the Medicare Part B premium for a single person making up to \$2,824/month. And, if their income is lower than \$2,385/month, it will reduce their Medicare cost-sharing down to \$0. Everyone who qualifies will also have their prescription drug premium paid by the federal government and co-pays significantly reduced.

Why expand the Medicare Savings Program?

Older Vermonters and people with disabilities get the lowest amount of financial support to help them afford health care. H.721 can change this.

- The Affordable Care Act made no-cost and low-cost health care available to people under age 65 without a disability. Expanding Vermont's Medicare Savings Program will level the playing field for older Vermonters and people with disabilities.

H.721 will save qualifying Vermonters on Medicare an estimated \$7,396 each year, enabling more of them to meet their basic needs and age in place with dignity.

- The Medicare Savings Program pays eligible individual's Part B premium (\$174.70/month or \$2,096/year). It also makes you automatically eligible for the federal Low Income Subsidy which pays the Part D premium, erases late penalties, and lowers prescription drug costs. Social Security estimates this saves individuals \$5,300/year.

Expanding Medicare Savings Program eligibility promotes economic justice because people on Medicare with low incomes are more likely to come from disadvantaged backgrounds.

- Women, people of color, and people with disabilities have less favorable economic opportunities than non-disabled white men throughout their lifetimes. As a result, people with low incomes on Medicare are more likely to be women, people of color, and people with disabilities.
- For example: "Women's lower earnings result in reduced social security benefits – 59% of what Vermont men receive." Additionally, "44% of Vermont's senior women do not have enough income to meet basic expenses." (Change the Story 2019 Status Report: Women, Work, and Wages in VT)