



The **Wisconsin Aging Advocacy Network** is a collaborative group of individuals and associations working with and for Wisconsin's older adults to shape public policy to improve their quality of life.

Core member organizations:

Aging and Disability Professionals Association of Wisconsin (*ADPAW*)

Alzheimer's Association SE Wisconsin Chapter

Wisconsin Adult Day Services Association (*WADSA*)

Wisconsin Association of Area Agencies on Aging (*W4A*)

Wisconsin Association of Benefit Specialists (*WABS*)

Wisconsin Association of Nutrition Directors (*WAND*)

Wisconsin Association of Senior Centers (*WASC*)

To: Wisconsin Legislators
From: Wisconsin Aging Advocacy Network (WAAN)
Date: February 10, 2015
Subject: SeniorCare

On behalf of WAAN's member organizations and the nearly 85,000 SeniorCare enrollees, we request that you **keep SeniorCare as it is** and not include the Governor's proposed changes to the program in your final 2015-'17 State budget. The program is well targeted and continues to be extremely successful at meeting the needs of very low income older people in the state. The following are additional reasons to maintain the existing program:

1. The proposed changes would significantly increase the out-of-pocket costs for very low income seniors. The average cost for a Part D plan in Wisconsin is \$61/month; requiring SeniorCare enrollees to first purchase Part D insurance would increase their total out-of-pocket costs by an average of \$732/year.
2. Older people and their families like the administrative simplicity of SeniorCare. The program requires a \$30 annual fee and a \$5 or \$15 co-payment for each prescription with most drugs covered under the Medicaid formula. As you know, the same simplicity does not apply to Part D which requires extensive research every year to determine the best plan in terms of costs and benefits.
3. Because Medicare Part D requires seniors to have creditable coverage to avoid penalties and SeniorCare provides that coverage, over 25,000 enrollees would lose their "creditable coverage" provided by SeniorCare. This would take away their individual choice to not purchase a Part D plan, and force them to buy a Part D plan or face a penalty.
4. SeniorCare is very cost-effective with the largest share (61.4%) of program costs coming from rebates from pharmaceutical companies, 20% from federal matching, and 18.6% from Wisconsin GPR.
5. Any "savings" in GPR would result in at least the loss of an equal amount of federal matching dollars and the loss of 100% of the rebate revenues (\$52.9 million in SFY 2013-2014).

The Joint Committee on Finance rejected a similar proposal in 2011 on a 15-1 bipartisan vote. We urge you to continue your strong bipartisan support for Wisconsin's unique, successful, and popular SeniorCare program. Thank you.

Contact WAAN

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