National MLTSS Health Plan Association

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Aging & Disability Health Policy Lab
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The National MLTSS Health Plan Association's Comments on Simplifying Access to Medicare Savings Programs

The National MLTSS Health Plan Association (MLTSS Association) is pleased to provide input on the four draft state model policies to simplify access to the Medicare Savings Programs (MSPs).

The MLTSS Association represents managed care organizations (MCOs) that have Medicaid managed care contracts with one or more states and assume risk for long-term services and supports (LTSS) provided under Medicaid. Our member plans assist states in delivering high-quality LTSS at the same or lower cost as the fee-for-service (FFS) system, with a particular focus on ensuring members' quality of life and ability to live as independently as possible. Many MLTSS Association member plans are also leaders in integrated care for dually eligible individuals, offering Dual Eligible Special Needs Plans (D-SNPs) across the full spectrum of integration.[1]

Affordable access to Medicare is foundational to ensuring members can obtain timely, necessary care. When low-income Medicare members struggle to afford their Part A and Part B premiums and cost sharing, they delay or forgo care, often until conditions worsen to the point of requiring more intensive and costly interventions. We commend the Aging and Disability Health Policy Lab for advancing model policies that would meaningfully reduce these barriers, and we offer the following policy-specific comments in support of all four proposals.

Recommendation 1: Eliminate the Asset Test

The MLTSS Association supports this policy proposal to remove the asset test for MSPs and determine eligibility solely by income. Asset verification is consistently cited as a significant source of delay and confusion in the MSP application process, even though most income-eligible applicants hold few assets to begin with. Eliminating the asset test and determining eligibility on income alone would reduce administrative burden for both applicants and state eligibility staff, decrease error rates, and support automated (ex parte) renewals, all while extending coverage to older adults and people with disabilities who would otherwise decline necessary medical care due to cost. By keeping more low-income Medicare members enrolled in MSPs, states can help these individuals access primary and community-based care earlier, which may delay or reduce the need for more expensive services later. This may also help state Medicaid budgets over time.

[1] Members include Aetna, AmeriHealth Caritas, CareSource, Centene, Elevance Health, Florida Community Care, Humana, LA Care, Lakeland Care, Molina Healthcare, Neighborhood Health Plan of Rhode Island, VNS Health, UnitedHealthcare, and UPMC Community Health Choices

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Recommendation 2: Flatten the Benefit Cliff from Medicaid to Medicare

The MLTSS Association supports this policy proposal to eliminate Part B premiums and cost sharing for Medicare members with income up to 138% of the federal poverty level (FPL), and to provide full federal financing for those with income up to 100% FPL. Members who transition from Medicaid to Medicare often experience an abrupt loss of coverage and a sharp increase in out-of-pocket costs, which could create a coverage gap. Research has demonstrated that this coverage gap is associated with poorer health outcomes, including delayed treatment, increased financial hardship, and higher mortality.

By flattening the "benefit cliff," this policy proposal would reduce the financial burden members face, shorten the gap between meeting basic needs and accessing healthcare, and allow states to maximize available federal funding. As with the asset test proposal, the MLTSS Association believes this policy would help low-income Medicare members access timely, community-based care by supporting better health outcomes while helping to contain state long-term services and support costs in the long term.

Recommendation 3: End the MSP Family Caregiver Penalty

The MLTSS Association supports ending the MSP family caregiver penalty. Under current rules, most states calculate MSP eligibility based only on the applicant and spouse, excluding dependents from household-size calculations. As a result, caregivers, such as grandparents raising grandchildren or parents with disabilities supporting dependent adult children, qualify for MSPs only at lower income thresholds than non-caregivers, even though their financial obligations are often greater. Recognizing caregiving responsibilities by including dependents in the household size used for MSP eligibility would make coverage attainable at higher income levels for these households.

Recommendation 4: Simplify Eligibility by Disregarding the Value of Non-Liquid Assets

The MLTSS Association supports this proposal to disregard the value of non-liquid assets when determining MSP eligibility. We believe this is a meaningful incremental step for states not yet prepared to eliminate the asset test entirely. For individuals in rural areas, documenting the value of non-liquid assets such as land, farm equipment, or a secondary vehicle is a uniquely burdensome and often expensive process for both applicants and the state agencies tasked with verifying that value. Member counselors have explained that getting approval can be particularly challenging for farm families, as equipment valued at tens of thousands of dollars often pushes them above eligibility thresholds. These verification challenges can delay or altogether prevent enrollment for otherwise income-eligible individuals.

Excluding non-liquid assets from the MSP asset test would be applicable to qualified Medicare members, specifically low-income members, and qualifying individuals, which would expand access for rural members while reducing the administrative and financial burden states currently bear in valuing these assets. The MLTSS Association believes that this policy would help more eligible individuals start and remain enrolled in MSP coverage.

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Conclusion

The MLTSS Association appreciates the opportunity to comment on these four model policy proposals and support their continued advancement. Each proposal addresses a distinct, well-documented barrier to MSP enrollment, and together they offer states a flexible array of options to extend Medicare affordability to low-income older adults and people with disabilities. Investing in MSP access is a fiscally responsible long-term investment that will improve health outcomes and financial stability for members, while supporting more sustainable state Medicaid spending in the years ahead.

We commend the Aging and Disability Health Policy Lab for their work on these proposals and welcome the opportunity to provide further information as these model policies are finalized. If you have any questions, please feel free to contact me at mkaschak@mltss.org.

Sincerely,

Mary Kaschak

Chief Executive Officer