

Opening Statement of Senator Herb Kohl
Special Committee on Aging Hearing
SeniorCare Hearing
March 28, 2007

I call this hearing to order and welcome all of our witnesses. Today we are having a very unique hearing on a program that is very important to me, most of the witnesses assembled today, and more importantly, more than 100,000 low-income seniors in Wisconsin.

Since September 1, 2002, more than 103,000 Wisconsin seniors have participated in Wisconsin's SeniorCare prescription drug program. We're here today because the Bush administration has now threatened to end support for SeniorCare in Wisconsin, by not renewing the federal Medicaid waiver that expires on June 30th of this year. Without the federal waiver, this popular and incredibly successful program will come to end, forcing Wisconsin seniors to enroll in a private Medicare Part D prescription drug program with higher costs to both the seniors themselves and taxpayers.

SeniorCare should be the model for an affordable drug plan, this program has proven to be a simpler, more cost-effective way for seniors to get help with prescription drugs. SeniorCare has a one-page application, a \$30 annual fee, and participants make a co-payment of \$5 for generic drugs and \$15 for brand-name drugs. SeniorCare does not have an asset test, meaning that many seniors who currently have SeniorCare will not be eligible for the Medicare Low-Income Subsidy program which has a stringent asset test.

SeniorCare has strong bipartisan support in Wisconsin. We all recognize the program's value to our residents. As an AARP study points out, 94 percent of participants in SeniorCare are better off in the program than they would be under Medicare Part D because copayments are lower and coverage is more comprehensive. In fact, enrollment in SeniorCare actually increased after January 2006, proving that seniors not only didn't leave SeniorCare for Medicare Part D, but that through Part D outreach, more seniors found out about SeniorCare and signed up for it instead.

Additionally, Wisconsin's SeniorCare saves the federal government nearly \$500 on each beneficiary when compared to Medicare Part D. The SeniorCare waiver has also saved an estimated \$669 million in Medicaid funding as a direct result of reduced Medicaid payments for hospital and nursing home care because seniors with SeniorCare prescription drug coverage have stayed healthier longer.

Today we will hear from Leslie Norwalk, Acting Administrator for the Centers for Medicare and Medicaid Services (CMS) to give the Administration's perspective on SeniorCare. CMS ultimately has the authority to grant the waiver

that would allow SeniorCare to operate through June 30, 2010. I appreciate Ms. Norwalk's willingness to participate in this hearing and stay and hear the Wisconsin witnesses make their case for SeniorCare.

Next, we will hear from four Wisconsin witnesses who will make a strong case for the continuation of SeniorCare. Our Wisconsin witnesses include Wisconsin Governor Jim Doyle, an outspoken champion of SeniorCare, as well as Bette Linton a Wisconsin senior who is currently on SeniorCare. Bette is an example of one of the many Wisconsin seniors who will likely not qualify for the Medicare Low-Income Subsidy program and will be forced to pay more out of pocket for her prescriptions under Medicare Part D. Next, we will hear from two strong advocates of older persons in our state. Tom Frazier, the Executive Director of the Coalition of Wisconsin Aging Groups and Patricia Finder-Stone, the State President of AARP Wisconsin, will describe the circumstances that Wisconsin seniors will be in if SeniorCare is forced to end and the economic consequences of providing comprehensive drug coverage to Wisconsin seniors to our state and the federal government.

I hope the Administration will carefully consider what they hear here today. I believe it would be a huge mistake for the Bush administration to pull the plug on SeniorCare. We all have a responsibility to ensure that Wisconsin seniors are not worse tomorrow without SeniorCare and I'm committed to fighting to save SeniorCare.