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**SENATE BILL 5492**

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**State of Washington**

**68th Legislature**

**2023 Regular Session**

**By** Senator Cleveland

1 AN ACT Relating to improving health care affordability for older  
2 adults and people with disabilities on medicare; adding a new section  
3 to chapter 74.09 RCW; and creating a new section.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** (1) The legislature finds that:

6 (a) Medicare provides health coverage to adults 65 years of age  
7 and older, as well as people with disabilities, but it comes with  
8 significant out-of-pocket costs. Medicare enrollees pay premiums and  
9 cost-sharing for the services medicare covers and the full cost for  
10 the services that medicare excludes, including vision, dental, and  
11 hearing services. Half of low-income medicare enrollees with income  
12 at 200 percent of the federal poverty level spend 27 percent or more  
13 of their income on out-of-pocket health care costs;

14 (b) Lower income enrollees struggle with these costs and may  
15 defer or forgo care, with their health suffering as a result. In a  
16 recent survey of over 1,300 Washington residents, 75 percent of  
17 households that included a person with a disability and 32 percent of  
18 people over age 65 went without care in the last year due to cost.  
19 For example, 46 percent of households with a person with a disability  
20 did not fill a prescription, cut pills in half, or skipped a dose due  
21 to cost concerns;

1 (c) Compared to coverage available to younger people and people  
2 without disabilities, medicare enrollees in Washington get much more  
3 limited help with their health care costs and services;

4 (i) A medicare enrollee can stay on medicaid only if their income  
5 is below about 75 percent of the federal poverty level, compared to  
6 138 percent of the federal poverty level for a younger person or a  
7 person without a disability. This means that when a person who is  
8 living at the poverty level turns 65, they lose their access to  
9 affordable, comprehensive health coverage;

10 (ii) Medicare savings programs are joint federal-state programs  
11 that help enrollees with the cost of premiums, cost sharing, and  
12 prescription drug costs. Current standards for these programs in  
13 Washington are at the lowest level permitted by federal law;

14 (d) Other states have taken steps to expand the programs that  
15 help medicare enrollees with health costs, with some states  
16 harmonizing eligibility for medicaid and others expanding access to  
17 medicare savings programs. For example, California and New York  
18 recently raised income limits for medicaid to 138 percent of the  
19 federal poverty level, and Massachusetts has raised income limits for  
20 medicare savings programs to 226 percent of the federal poverty  
21 level.

22 (2) The legislature therefore intends to take a step toward  
23 parity in access to affordable health care by expanding the  
24 availability of medicare savings programs, in order to provide  
25 premium and cost-sharing assistance to an estimated 50,000 or more  
26 older adults and people with disabilities, helping them to afford the  
27 health care they need to thrive.

28 NEW SECTION. **Sec. 2.** A new section is added to chapter 74.09  
29 RCW to read as follows:

30 (1) The authority shall offer eligible clients the following  
31 medicare savings programs:

- 32 (a) The qualified medicare beneficiary program;
- 33 (b) The specified low-income medicare beneficiary program;
- 34 (c) The qualified individual program; and
- 35 (d) The qualified disabled and working individuals program.

36 (2) To be eligible for a medicare savings program, a client must  
37 be entitled to medicare part A and meet other eligibility  
38 requirements established by the authority and federal law.

1           (3)(a) A client is income eligible for the qualified medicare  
2 beneficiary program if the client's countable income is less than or  
3 equal to 138 percent of the federal poverty level.

4           (b) The authority may establish by rule income limits higher than  
5 the federally required minimum levels for the qualified medicare  
6 beneficiary program and other medicare savings programs. The  
7 authority shall seek to maximize the availability of the qualified  
8 individual program through the centers for medicare and medicaid  
9 services.

10          (c) The medicare savings programs may not require a resource  
11 test.

12          (4) The authority may adopt any rules necessary to administer  
13 this section. Nothing in this section may be interpreted to limit the  
14 authority's existing rule-making authority related to medicare  
15 savings programs.

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