

# Senate Health and Human Services Committee

*Sophie Walsh 271-3469*

**SB 545-FN**, relative to financial eligibility for the Medicare savings program.

**Hearing Date:** January 14, 2026

**Time Opened:** 9:01 a.m.

**Time Closed:** 9:31 a.m.

**Members of the Committee Present:** Senators Rochefort, Avard, Birdsell, Prentiss and Long

**Members of the Committee Absent:** None

**Bill Analysis:** This bill removes the resource limit for the Medicare savings program and, subject to CMS approval, makes the low income subsidy for Medicare Part D available to residents to assist with prescription drug costs.

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**Sponsors:**

Sen. Rosenwald

Sen. Long

Sen. Fenton

Sen. Watters

Sen. Perkins Kwoka

Sen. Altschiller

Rep. Wallner

Rep. Weber

Rep. Telerski

Rep. Hakken-Phillips

Rep. Nagel

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**Who supports the bill:** 149 people signed in support of the bill. Full sign in sheets are available upon request by contacting the Legislative Aide, Sophie Walsh (sophie.walsh@gc.nh.gov).

**Who opposes the bill:** 1 person signed in opposition to the bill. Full sign in sheets are available upon request by contacting the Legislative Aide, Sophie Walsh (sophie.walsh@gc.nh.gov).

**Who is neutral on the bill:** 1 person signed in neutral on the bill. Full sign in sheets are available upon request by contacting the Legislative Aide, Sophie Walsh (sophie.walsh@gc.nh.gov).

**Summary of testimony presented:**

Senator Cindy Rosenwald, Senate District 13

- Senator Rosenwald stated that this will help low income granite staters pay for Medicare parts A, B, and D by making one change and one clarification to New Hampshire's Medicare Savings Programs (MSP).
- Currently, there are about 20,000 residents enrolled in these programs.

- SB 545-FN removes the asset ceiling of \$9,600 for individuals and \$14,400 for a married couple living together. This change would make several hundred more people eligible for assistance to pay for Medicare hospital and doctor deductibles and co-pays.
- It would also relieve the Department of Health and Human Services (DHHS) of the administrative burden necessary to track assets.
- Applicants would still be subject to income limits.
- The fact that MSPs include automatic enrollment in the federally funded low income drug subsidy programs will be helpful to our lowest income Medicare enrollees.
- The second part of the bill clarifies that New Hampshire will continue to facilitate eligible Medicare beneficiaries' enrollment in these federally funded low income drug subsidies.
- Congress' H.R. 1 introduced some confusion as to whether states that were already doing this work had to stop doing so, but this clarifies that we will still do what we have been doing all along.
- Senator Rosenwald believes this is a reasonable approach to a serious problem.
- Senator Rochefort asked if this is similar to a bill Senator Rosenwald had last year, and she explained it was either last year's bill or the year before. The difference is that it removed the asset limit but also raised the income threshold. This legislation removes only one part, so the fiscal impact will be significantly reduced.
- Senator Rochefort commented that they did not get a fiscal note with this and asked if Senator Rosenwald has communicated with LBA. Senator Rosenwald stated that she does not have a fiscal note, but DHHS previously told her that when she removed the asset threshold the cost would be around \$1.5 million.
- Senator Avard asked how long the asset requirement has been in place.
- Senator Rosenwald replied that the Department could answer that question, but she knows it gets adjusted every year along with the federal poverty limit. She believes it has been in place since the MSP began.

Mary Roberge, AARP New Hampshire

- This bill seeks to remove resource limits for the MSP.
- With continued coordination with CMS, it will ensure the availability of the low income subsidy to assist with prescription drug costs.
- This bill aligns with AARP's mission by addressing the critical issue of health care and prescription drug cost affordability.
- This bill ensures that individuals who have modest savings or assets will not be disqualified from receiving the health care that they need. It allows older adults to maintain a small financial cushion without jeopardizing their health.

- Many low income adults are struggling to meet their monthly expenses. These costs are continually rising, and people must choose how they will maintain their quality of life and health care.
- This bill represents a significant step toward improving the financial security of low income older adults, as well as the disabled, in our state.

Judith Jones, New Futures & New Hampshire Alliance for Healthy Aging

- Ms. Jones believes this bill will put dollars back in the pockets of low income older adults.
- It is important for the Committee to look at the interplay between the MSP and Medicare.
- She referenced written testimony containing a chart that outlines the Medicare program, showing what costs are associated with traditional Medicare.
- Individuals who don't choose Medicare can choose a Medicare Advantage Plan. This provides the benefit of lower premiums and lower costs, but individuals are still required to pay their Medicare Part B premiums.
- Ms. Jones explained that Part D of Medicare is the prescription drug benefit. The low income subsidy is federal money that pays for the holes in Part D coverage. Increasing the eligibility for the MSP allows more people to benefit from the federal dollars through the subsidy program.
- This bill provides the benefit of federal dollars and helps older adults on Medicare Advantage Plans pay for their premiums.
- Ms. Jones believes this bill is a tangible way to help older adults in New Hampshire who are dealing with financial difficulties.
- Senator Avard commented that there is the potential to gain federal dollars and asked if New Hampshire's compliance would be in jeopardy if we get rid of the asset requirement.
- Ms. Jones explained that we would not be in jeopardy, as federal law allows states to have great flexibility on income and resources.

Lori Raymond, Partnership for Public Health

- Ms. Raymond explained that her professional experience as a State Health Insurance Assistance Program councilor gives her direct insight into how much this bill is needed.
- Ms. Raymond has heard countless stories from older adults and families about how they cannot get assistance because they have some modest savings. Many feel like they are being punished for being proactive and having savings. They need their savings for property taxes, car registrations, repairs, and other needs that may be unexpected.
- Ms. Raymond is often told that these individuals cannot afford the costs of rising Medicare deductibles and copays.

Cheryl Steinberg, New Hampshire Legal Assistance

- Ms. Steinberg explained that in the past few years, there has been an increase in older clients who need to apply for local welfare assistance.
- A legal needs assessment poll from last year received an overwhelming response from people concerned about their financial situation.
- 2/3 of the people served over the past 3 years would be income eligible for the MSP. Over 40% of their clients are at or below the federal poverty line. Many of them would be eligible, except for the fact that they are over the resource limit.
- Ms. Steinberg told a story about a current client who has no money left after being financially exploited. With increasing rent, they cannot afford their medication under the Part D Plan. Ms. Steinberg emphasized that this is a real issue being seen all the time.
- Ms. Steinberg said there would be less of an administrative burden for DHHS, and this would ultimately save money for the State.
- Senator Long asked if Ms. Steinberg has seen an increase in people seeking this aid in the past couple years, and Ms. Steinberg explained that many people do not know about it.

David Chorney, Department of Health and Human Services

- The Department estimates that about 2,000 new MSP enrollees would be added by removing the asset test.
- There are several different states that have removed the asset test, including Alabama, Mississippi, Arizona, Connecticut, Massachusetts, and Vermont.
- Senator Avar mentioned that the cost for this is about \$2.3 million from general funds and asked if there is an estimate for the reduction in administrative costs.
- Mr. Chorney replied that he does not have an estimate of how much it will save on administrative costs. He added that if these individuals become eligible for better health services by removing the asset test, they will be healthier when they become eligible for Medicaid and the State will save money on long-term costs.