

Legislative Finance Committee
Oct. 4, 2017
Exhibit 25

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TESTIMONY BEFORE THE LEGISLATIVE FINANCE COMMITTEE – Opposing Elimination of the Big Sky Rx Program

The Honorable Representative Nancy Ballance, Chair
Legislative Finance Committee
State Capitol Building, Room 102
P.O. Box 201711
Helena, MT 59620-1711

Chairman Ballance and Members of the Legislative Finance Committee,

For the record, my name is Kori Dee. I am a partner with Jacoby and Dee, Insurance LLC in Helena, MT and a Board Trustee on the **National Association of Insurance and Financial Advisors (NAIFA) MT**. My testimony here today is on behalf of NAIFA MT.

The Big Sky Rx program has been identified for elimination in the Governor's proposed reductions. We ask that you **oppose this proposal**.

I. Big Sky Rx provides financial assistance to over 11,000 Montanans, helping to pay premium on their prescription drug coverage

Up to \$30 per month is given to Medicare-eligible, low-income citizens of Montana to help pay the premium on their prescription drug plan.

Big Sky Rx is available to those who do not meet the limited asset and income threshold for the Federal Social Security Extra Help with Prescription Drug Plan Costs program. Big Sky Rx program limits for household income are \$24,120 or less for single and \$32,480 or less for two-person households.

II. This is not a whimsical budget line item – oftentimes this benefit is the difference between a low-income Montanan having prescription drug coverage or just having Original Medicare and going bare on prescription coverage

The implications of this are:

- Paying out of pocket for prescriptions, often at a higher cost, causing other financial hardships
- Not taking their prescription medications, leading to acute medical events and the associated costs and physical toll

You might suggest that manufacturer coupons; Good Rx discounts, financial assistance offered by the pharmaceutical company can replace the Big Sky Rx benefit, however ...

- Costs of some medications are not reduced enough by any of the above to bring the price down to an affordable level
- Lack of continuous enrollment in a prescription drug plan leaves a vulnerable population subject to the Medicare Part D late enrollment penalty – if they elect to enroll on a plan at a future date

III. Big Sky Rx eligibility affords Area on Aging/SHIP (State Health Insurance Plan) counselors & Health Insurance Agents an opportunity to help Medicare-eligible Montanans enroll on a plan any month of the year

Medicare Special Enrollment periods allow enrollment on either a prescription drug plan or Medicare Advantage plan any month of the year. Big Sky Rx eligibility is an SEP.

This allows flexibility in changing coverage mid-year, which is often helpful if a newly prescribed medication is covered at lower out of pocket costs on a different plan. Without the SEP, the individual would have the higher cost of the medication until the next Annual Medicare Open Enrollment Period.

In summary, please consider the Big Sky Rx program as a critical budget item allowing for financial protection of 11,000 Montana Medicare eligible citizens by giving them access to prescription drug insurance coverage and the associated copays or coinsurance for their medications.

Thank you, Madam Chairman, and members of the committee, for your attention. I am available to answer any questions the Committee may have.