Congress of the United States

Washington, DC 20510

April 26, 2022

The Honorable Rosa D. DeLauro Chairwoman Subcommittee on Labor, Health and Human Services, Education, and Related Agencies Committee on Appropriations U.S. House of Representatives Washington, DC 20515

The Honorable Tom Cole Ranking Member Subcommittee on Labor, Health and Human Services, Education, and Related Agencies Committee on Appropriations U.S. House of Representatives Washington, DC 20515

Dear Chairwoman DeLauro and Ranking Member Cole:

As you work on the fiscal year (FY) 2023 Labor-HHS-Education Appropriations bill, we ask that you provide adequate funding for two programs that are essential to our senior constituents: the Medicare State Health Insurance Assistance Program (SHIP) and the Senior Community Service Employment Program (SCSEP). We thank you for your leadership and your efforts in securing modest but much-needed increases for the SCSEP program in FY2020 and for both programs in the House-passed FY 2022 bill. SHIP provides essential assistance to seniors as well as people with disabilities in accessing their earned Medicare benefits, while SCSEP on-the-job training plays a critical role in helping unemployed, low-income individuals, 55 years and older, to develop employment-driven skills and relevant work experiences. Even maintaining level funding at a time when the number of older Americans is growing by 10,000 a day means that SHIP and SCSEP would be limited in their ability to meet ongoing needs. We urge you to invest in SHIP at no less than \$80 million and SCSEP at no less than \$509.8 million in your FY 2023 bill.

State Health Insurance Assistance Program (SHIP)

SHIPs provide older Americans, people with disabilities, and their families with unbiased, cost-free, and personalized information to help them navigate Medicare enrollment and obtain benefits. The average Medicare beneficiary must choose between 60 Medicare plan options each year. They have difficulty comparing plan benefits and making a selection that takes into account all the factors that impacts out-of-pocket costs and network access. Without the independent counseling and assistance that SHIPs provide, seniors and people with disabilities may make choices that are not right for them, leaving them with high out-of-pocket costs and limited access. Our offices know that Medicare is often confusing to our constituents, and we have relied on SHIPs to help provide them with the answers they need.

SHIPs operate in every state, territory, and the District of Columbia. They provide enrollment clinics, "Welcome to Medicare" events, information seminars, and one-on-one counseling that helps seniors and people with disabilities to choose wisely and, once they do, to navigate Medicare's benefit and appeals processes to get the most out of their hard-earned Medicare benefits. SHIPs were also crucial in helping beneficiaries learn to navigate the new Medicare plan finder tool, explaining the new Medicare supplemental benefits and changes in consumer

protections such as special enrollment periods.

The current funding level of \$53.1 million for SHIP amounts to less than a dollar for every person enrolled in Medicare. If the investment in SHIP had kept pace with the growth in the older adult population and inflation over the past decade, the funding level would be \$80 million. An increase in funding to \$80 million for SHIP in FY 23 is crucial for allowing over 2,000 local sites and nearly 16,000 SHIP staff and volunteer counselors to continue to provide needed services to the growing numbers and diversity of Medicare beneficiaries.

Senior Community Service Employment Program (SCSEP)

SCSEP is the only federal job training program targeted at unemployed, low-income individuals 55 years old and older. Each year, about 55,000 older adults from every state and congressional district receive part-time, on-the-job training through community service assignments. While SCSEP participants are diverse, including 65 percent women, 10 percent veterans, and 39 percent over age 65, they all enter the program with significant barriers to employment. This includes having a disability (26 percent), being homeless or at-risk of homelessness (62 percent), or living in an area that is rural (24 percent) or has persistent unemployment (12 percent), according to the most recent program year report.¹

Further, according to AARP's analysis of the monthly Bureau of Labor Statistics (BLS) Employment Situation Report², in March, one million people over age 55 were unemployed. Older workers struggle with long-term unemployment at greater rates and for longer durations than their younger counterparts, especially during economic downturns such as these. An increase in SCSEP funding would increase access to a crucial intervention targeted on older workers most in need, struggling with low-incomes and multiple barriers to employment.

Every older worker in SCSEP increases their economic self-sufficiency, one of the program's two mandated goals, through the paychecks they earn during their community training. While each SCSEP participant enters the program with, on average, three significant barriers to employment, about one in every two SCSEP participants transitions into unsubsidized employment, the program's other mandated goal. Of the thousands who find employment each year, 7 in 10 remained fully employed one year after exiting the program. A recent Urban Institute study, "The Role of SCSEP in Workforce Training for Low-Income Older Workers," found that "the benefits of SCSEP outweigh the costs," with participants earning more in the first year of unsubsidized employment than the program invested in them. An earlier independent program evaluation also concluded that, in addition to preparing individuals for employment success, SCSEP was "increasing the overall quality of life of low-income elders who are having difficulty meeting their financial needs."

Finally, a 2019 U.S. Senate Aging Committee report found that age discrimination, inadequate training opportunities, and other factors make it more difficult for older workers to find jobs and

 $^{^1\ \}underline{\text{https://www.dol.gov/sites/dolgov/files/ETA/seniors/pdfs/PY\%202019\%20Quarterly\%20Progress\%20Report.pdf}$

² https://www.aarp.org/ppi/info-2020/employment-data-digest.html

³ https://www.urban.org/research/publication/role-scsep-workforce-training-low-income-older-workers

⁴ https://www.mathematica-mpr.com/our-publications-and-findings/publications/evaluation-of-the-senior-community-service-employment-program-scsep-process-and-outcomes-study

thrive in the workplace. Coupled with a looming retirement savings crisis, where roughly one-third of workers do not have access to a retirement plan at work and the majority of older Americans do not have nearly enough savings,⁵ it is crucial that we continue to invest in this vital program.

We believe that SCSEP is an important way to help low-income older Americans become economically self-sufficient, and we strongly encourage you to, at a minimum, fund the program at \$509.8 million the current level called for by Congress in the 2020 bipartisan reauthorization of the *Older Americans Act* (P.L. 116–131).

Thank you for considering our request as you continue work on the FY 2023 appropriations bill.

Sincerely,

Jan Schakowsky

Member of Congress

Doris Matsui

Member of Congress

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Conor Lamb

Member of Congress

Ted Deutch

Member of Congress

Debbie Dingell

Member of Congress

Ayanna Pressley

Member of Congress

⁵ https://www.jec.senate.gov/public/_cache/files/bafb9923-7f9a-40ad-b287-4722b8b979cd/retirement-insecurity-jec.pdf

Alma S. Adams, Ph.D. Member of Congress

Suzanne Bonamici Member of Congress

André Carson

André Carson Member of Congress

Jul N. Cullie

David N. Cicilline Member of Congress

Peter A. DeFazio Member of Congress

Sheila Jackson Lee Member of Congress Sean Casten

Member of Congress

Danny K. **Q**avis
Member of Congress

Jimmy Gomez Member of Congress

Pramila Jayapal Member of Congress Henry C. "Hank" Johnson, Jr. Member of Congress

Eddie Bernice Johnson Member of Congress

William R. Keating Member of Congress Rick Larsen Member of Congress

Rick Zansen

Andy Levin Member of Congress

Stephen F. Lynch Member of Congress

James P. McGovern Member of Congress Seth Moulton Member of Congress

oe Neguse

Member of Congress

Marie Newman Member of Congress Chellie Pingree

Chell R

Member of Congress

Gregorio Kilili Camacho

Sablan

Member of Congress

Mary Gay Scanlon Member of Congress

Thomas R. Suozzi Member of Congress

Peter Welch Member of Congress Late Ports

Katie Porter Member of Congress

John P. Sarbanes Member of Congress

Elissa Slotkin Member of Congress

Rashida Tlaib Member of Congress

John Yarmuth Member of Congress A. Donald McEachin

Member of Congress