

Congress of the United States

Washington, DC 20515

March 24, 2023

The Honorable Robert Aderholt
Chair
Subcommittee on Labor, Health
and Human Services, Education,
and Related Agencies
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

The Honorable Rosa DeLauro
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 Chair Aderholt and Ranking Member DeLauro:

As you work on the fiscal year (FY) 2024 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 FY 2023 omnibus 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 \$540.34 million in your FY 2024 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 64 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.

For example: in Grant Year 2021 (Apr. 1, 2021-Mar. 31, 2022), over 4,400,000 Medicare beneficiaries used SHIP services. SHIP team members provided direct one-on-one services for nearly 1,770,000 contacts with beneficiaries, their families, and caregivers. Additionally, SHIP reached over 2,600,000 people in educational events explaining Medicare and its benefits. SHIP counselors' average session times with clients was 37 minutes in 2019, more than three times the 9.5-minute average call to the 1-800 Medicare call center. This reflects the greater complexity of issues handled by SHIPs in comparison to 1-800 Medicare.

The current funding level of \$55.2 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 24 is crucial for allowing over 2,200 local sites and nearly 12,500 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 February 2023, 957,000 people over age 55 were unemployed. Older workers struggle with long-term unemployment at greater rates and for longer durations than their younger counterparts,³ 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.⁴ An earlier independent program evaluation also concluded

¹ <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 In February 2023, 20.4 percent of unemployed workers aged 55 and older were long-term unemployed (27 weeks or longer) while 16.9 percent of unemployed workers aged 16 to 54 faced the same length of unemployment. These older workers' duration of unemployment exceeded 23 weeks. <https://www.aarp.org/content/dam/aarp/ppi/2023/3/february-2023-employment-digest.pdf>

⁴ <https://www.urban.org/research/publication/role-scsep-workforce-training-low-income-older-workers>

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.”⁵

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 thrive in the workplace.⁶ Coupled with a looming retirement savings crisis, where roughly one-half of workers do not have access to a retirement plan at work and the majority of older Americans do not have nearly enough savings,⁷ 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 \$540.34 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 2024 appropriations bill.

Sincerely,


Jan Schakowsky
Member of Congress


Doris Matsui
Member of Congress


Debbie Dingell
Member of Congress


Ayanna Pressley
Member of Congress


Lloyd Doggett
Member of Congress


Suzanne Bonamici
Member of Congress

⁵ <https://www.mathematica-mpr.com/our-publications-and-findings/publications/evaluation-of-the-senior-community-service-employment-program-scsep-process-and-outcomes-study>

⁶ https://www.jec.senate.gov/public/_cache/files/bafb9923-7f9a-40ad-b287-4722b8b979cd/retirement-insecurity-jec.pdf

⁷ <https://www.epi.org/publication/chapter-2-retirement/>

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Member of Congress

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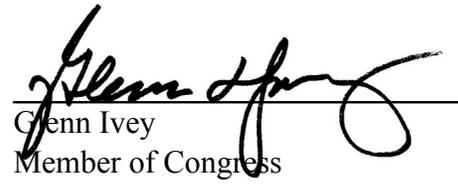
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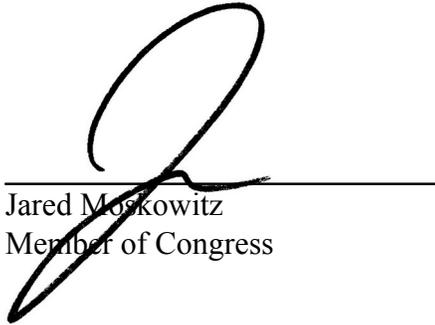
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