



March 15, 2019

The Honorable Katie Hill
1130 Longworth House Office Building
Washington, DC 20515

The Honorable Brian Babin
2236 Rayburn House Office Building
Washington, DC 20515

Dear Representatives Hill and Babin:

On behalf of the 1.7 million members of AMAC, the Association of Mature American Citizens, I am writing in support of H.R. 1788, the *Medicare Part B Penalties Fairness Act*. This important legislation will simplify the Medicare Part B enrollment process for millions of seniors, and provide millions of Americans with the flexibility they need when planning for their long-term health.

Under current law, seniors become eligible for Medicare Part B's initial enrollment period three months before and after reaching age 65. Seniors who miss this three-month window are subject to a hefty penalty that increases their monthly premium 10 percent for every year they delayed Part B enrollment. Unfortunately, because Medicare Part B and Social Security eligibility no longer occur at the same age, many seniors are unaware that they become eligible for Medicare Part B well before becoming eligible for Social Security. To date, approximately 701,000 Medicare beneficiaries pay this monthly Part B penalty, increasing individual premiums by an average of 31 percent. By extending the period of open enrollment, and putting a limit on the size and length of Medicare Part B penalties, H.R. 1788 will allow millions of future beneficiaries the flexibility they need when planning for retirement, and prevent millions of seniors from paying burdensome penalties in the future.

Additionally, this legislation would provide relief for individuals currently paying Part B penalties on COBRA plans, Retiree, and VA coverage. Under COBRA rules specifically, individuals who maintain their COBRA plan from a *current* employer do not incur a Part B penalty. Conversely, individuals who maintain a COBRA plan from a *previous* employer will incur a Part B penalty if they do not enroll within the three-month window. With more seniors choosing to work later in life, the *Medicare Part B Penalties Fairness Act* would fix the inequity in this rule and bring more consistency and clarity as seniors evaluate their best health plan options for their retirement.

As an organization committed to representing the interests of mature Americans and seniors, AMAC is dedicated to ensuring senior citizens' interests are protected. We commend Representatives Hill and Babin for your commonsense, responsible, and equitable solution that will benefit millions of aging Americans preparing to retire. AMAC is pleased to offer our organization's full support to the *Medicare Part B Penalties Fairness Act*.

Sincerely,

Dan Weber
President and Founder of AMAC