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April 28, 2023
Sent Via Electronic Mail

Chairperson Judy Ward
Senate Aging and Youth Committee
362 Main Capitol Building
Harrisburg, PA 17120-2006

Chairperson Maria Collett
Senate Aging and Youth Committee
543 Main Capitol Building
Harrisburg, PA 17120-2140

Chairpersons Ward and Collett:

On behalf of our 1.8 million members and all older Pennsylvanians, the purpose of this letter is to offer our support of Senate Bill (SB) 607, which will ensure that any current Pharmaceutical Assistance Contract for the Elderly (PACE) or PACE Needs Enhancement Tier (PACENET) recipient will not lose their eligibility due a Social Security cost-of-living adjustment (COLA).

As you know, Act 92 of 2021 ensured that approximately 10,000 PACE/PACENET beneficiaries were able to maintain their PACE/PACENET coverage even though their Social Security COLA would have pushed them over the established income limits. When the Social Security Administration first announced an 8.7 percent COLA for 2023 – the largest inflation-fueled increase in benefits in more than 40 years – we realized that without an extension of the PACE/PACENET COLA moratorium, over 19,000 PACE/PACENET cardholders would be pushed over the established eligibility limits and lose their benefit.

No one should have to choose between paying for their groceries and paying for the prescription drugs that keep them healthy and out of the hospital. Yet, that's exactly what's happening across the Commonwealth and throughout the country as Americans pay three times more than in other countries for the same prescription drugs.

With the COLA moratorium set to expire on December 31, 2023, we applaud the introduction of SB 607 and appreciate your committee's consideration of it. Those who depend on PACE/PACENET programs for help with their prescription drug costs should not have to worry that a Social Security cost-of-living increase could cause them to lose their eligibility.

We stand ready to work with you on this bill and other measures that would help to lower the drug prices for all Pennsylvanians. If you have any questions or would like to discuss further, feel free to contact me at tosborne@aarp.org or 717-237-6482.

Respectfully,

Teresa Osborne

Teresa Osborne
State Advocacy Director

