

BILL ANALYSIS

Senate Research Center
80R1876 CME-D

H.C.R. 35
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State Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Created in 1965, the federal Medicare program provides health insurance coverage for more than 40 million Americans. Although most of those enrolled in Medicare are senior citizens, approximately six million enrollees under the age of 65 have qualified because of permanent and severe disability, such as spinal cord injuries, multiple sclerosis, cardiovascular disease, cancer, or other illness or disorder. Despite the physical and financial hardships wrought by these conditions and the fact that Social Security Disability Insurance (SSDI) is designed for individuals with a work history who paid into the Social Security system before the onset of their disability, federal law mandates a 24-month waiting period from the time a disabled individual first receives SSDI benefits to the time Medicare coverage begins. A prerequisite to Medicare, the SSDI program itself delays benefits for five months while the person's disability is determined--effectively creating a 29-month waiting period for Medicare.

This restriction affects a significant number of Americans in need. As of January 2002, there were approximately 1.2 million disabled individuals who qualified for SSDI and were awaiting Medicare coverage, many of whom were unemployed because of their disability. Consequently, under these conditions, by the time Medicare began, an estimated 77 percent of those individuals would be poor or nearly poor, 45 percent would have incomes below the federal poverty line, and close to 40 percent would be enrolled in state Medicaid programs. Furthermore, it has been estimated that as many as one-third of the individuals currently awaiting coverage may be uninsured and likely to incur significant medical care expenses during the two-year waiting period, often with devastating consequences. Studies indicate that the uninsured are likely to delay or forgo needed care, leading to worsening health and even premature death, and the American Medical Association has determined that death rates among SSDI recipients are highest in the first 24 months of enrollment.

Eliminating the 24-month waiting period not only would prevent worsening illness and disability for SSDI beneficiaries, thereby reducing more costly future medical needs and potential long-term reliance on public health care programs, but could also save the Medicaid program as much as \$4.3 billion at 2002 program levels, including nearly \$1.8 billion in savings to states and \$2.5 billion in federal savings that would help offset a substantial portion of the accompanying increase in Medicare expenditures.

Recognizing the consequences of the waiting period to those suffering from amyotrophic lateral sclerosis (ALS), or Lou Gehrig's disease, the 106th United States Congress passed H.R. 5661 in 2000 and eliminated the requirement for enrollees diagnosed with the disease. In passing H.R. 5661, the congress acknowledged the enormous difficulties faced by those diagnosed with severe disabilities and established precedent for the exception to be extended to all the disabled on the Medicare waiting list.

RESOLVED

That the 80th Legislature of the State of Texas hereby respectfully urge the United States Congress to enact legislation to eliminate the 24-month Medicare waiting period for participants in Social Security Disability Insurance.

That the Texas secretary of state forward official copies of this resolution to the president of the United States, the speaker of the house of representatives and the president of the senate of the United States Congress, and all the members of the Texas delegation to the congress with the

request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.