



## COMMISSION ON AGING

June 18, 2019

Nancy Potok  
Chief Statistician  
Office of Management and Budget  
9257 New Executive Office Building  
725 17th St. NW, Washington, DC 20006

Re: Directive No. 14 Consumer Inflation Measures Produced by Federal Statistical Agencies

Submitted via [www.regulations.gov](http://www.regulations.gov)

Dear Ms. Potok:

The Montgomery County Commission on Aging was established in 1974 to advise the government of Montgomery County, Maryland, on the needs, interests, and issues of older adults, and to advocate on their behalf at the local, state, and federal levels.

We are writing in response to the Office of Management and Budget's request for comment on the various consumer price indexes and their potential use in the annual adjustment of income measures such as the Official Poverty Measure, also known as the poverty threshold. We are concerned that the changes being considered to the poverty threshold would affect the Federal Poverty Guidelines, which would reduce the number of low-income older adults eligible for services designed to meet their most basic health, housing, and economic needs.

The Federal Poverty Guidelines are used to determine eligibility and benefit levels for several federal government programs, e.g., Medicaid; subsidies for Medicare prescription drug and physician coverage; various housing assistance programs; Weatherization assistance; and the Supplemental Nutrition Assistance Program (food stamps). The Federal Poverty Guidelines are also used to determine eligibility for such significant programs as federally funded civil legal services and the Senior Community Service Employment Program. All of these programs are of critical importance to low-income older adults.

At this time, we do not take a position on the various consumer price index options under consideration, except to urge against options that will shrink the inflation adjustment and thereby artificially classify more low-income individuals as having incomes above the poverty line. The U.S. Census Bureau's Supplemental Poverty Measure demonstrates that the actual rate of people living in poverty is significantly higher than that estimated using the Official Poverty Measure, especially for seniors. (Kaiser Family Foundation, How Many Seniors Live in Poverty? November, 2018. <https://www.kff.org/medicare/issue-brief/how-many-seniors-live-in-poverty/>). The statistical fiction created by using an inaccurate measure of inflation will create additional undue hardships for low-income seniors, especially those whose earnings were low throughout their lives and who now rely on government benefit programs for their basic needs. Denying them these benefits by making the poverty threshold a less accurate reflection of their circumstances is contrary to Congressional intent and the national interest.

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**Department of Health and Human Services**

401 Hungerford Drive, 4th Floor, Rockville, Maryland, 20850 240-777-1120, FAX 240-777-1436  
[www.montgomerycountymd.gov/hhs](http://www.montgomerycountymd.gov/hhs)

OMB noted that it is not seeking comments on how its proposal would impact HHS's poverty guidelines; however, any endeavor to modify the poverty threshold formulation should not proceed without in-depth analysis and an opportunity for public participation. We request that before making any such changes, OMB engage in serious research and analysis, and also seek public comments regarding the impact of such changes on the people and households who access programs that use the poverty guidelines to determine eligibility; the effects on low- and middle-income populations in need of the services and supports provided by these programs; the effect on the organizations that provide these services; whether the resulting changes would accurately identify the low and middle-income populations targeted for, and in need of, these programs; and related questions. OMB should also solicit comments about the number of people who would lose assistance from federal need-based programs, and the demographic profiles of those individuals; the impact the proposed change would have on the type and degree of services; and the long-term impact of any change.

Thank you for your consideration of the Commission on Aging's comments.

Sincerely,  
Jean Dinwiddie, Chair  
Commission on Aging

cc:

Senator Ben Cardin  
Senator Chris Van Hollen  
Representative Jamie Raskin  
Representative John Sarbanes  
Representative David Trone