

NOVEMBER 15, 2005

SCHAKOWSKY, SENATORS OFFER MEDICARE BENEFICIARIES MORE TIME TO CHOOSE A DRUG PLAN

WASHINGTON, DC - Today, U.S. Representatives Jan Schakowsky (D-IL) and Senators Dick Durbin (D-IL), Bill Nelson (D-FL), and Chuck Schumer (D-NY) held a press conference in support of legislation that would give seniors and people with disabilities a full year to choose a Medicare drug plan. Their bill, the Medicare Informed Choice Act, would delay a late-enrollment penalty, prevent beneficiaries from losing their employer-based coverage, and allow seniors to switch plans if they make a mistake. Beneficiaries can begin enrolling in Medicare drug plans today, and in some areas, such as Cook County, IL, they must choose between over 60 plans.

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Representative Schakowsky's full statement is below:

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Medicare's 42 million beneficiaries have begun sorting through countless prescription drug plans to determine which covers the needed drugs for the best price at the right pharmacy. Enrollment begins today. But with drug companies marketing their private plans and giving the hard sell, beneficiaries could feel pressured into making a bad choice. This plan is so confusing that even a Harvard lawyer would have a tough time figuring it out.

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As I meet with my constituents, non-profit organizations and local officials, to discuss these plans, the responses have ranged from confusion and frustration to fear and anger. In Cook County, Illinois, beneficiaries must choose between over 60 plans. There are not enough trained, independent counselors to help them. Even those who are supposed to have answers are confused - the Bush Administration's Medicare and You 2006 handbook has mistakes that could cost beneficiaries money.

I've been holding a number of meetings in my district about the new drug benefit. Although I voted against the Medicare Modernization Act, like my colleagues, I want to do whatever I can to help my constituents understand the new law. I've met with advocates from the senior citizens and disabilities communities. I've talk with constituents and attended forums designed to explain the new law. I've tried to get enough independent counselors to provide one-on-one events throughout my district. Everywhere I've gone and everyone I've talked to has said that this is a complex, difficult program and that the information and the resources just aren't there to comply with the statutory deadlines.

According to the Kaiser Family Foundation's poll taken last month, 61% of elderly beneficiaries say they don't understand the benefit, only 1 in 5 seniors planned to enroll, and 39% say the Medicare drug benefit won't help them personally. But many seniors and persons with disabilities are desperately trying to understand the new benefit either because they are desperately in need of help in paying high prescription drug bills or because they don't want to incur a financial penalty. It is time that we step forward to help all beneficiaries.

The new drug benefit has been described as trying to go through a maze blindfolded. But it is a maze that punishes those who cannot get through it by the deadline with a permanent, late fee.

The first thing we need to do is to give beneficiaries more time. We have to recognize that we do not have the resources to guide every beneficiary through the maze, to provide the independent information and one-on-one assistance they need by May 15. That is why Representative Stark, Senators Nelson and Durbin, and I introduced the Medicare Informed Choice Act. This important bill would eliminate the permanent, late enrollment fee in 2006. It would give beneficiaries some peace of mind and prevent them from rushing into a decision because the clock is ticking.

It would also give every beneficiary a "do over." Even beneficiaries who take time to do the research will make mistakes, and those mistakes can be costly. Some retirees will enroll in a Part D plan without knowing that doing so will cost them their retiree health benefits. Others will enroll in a plan because they heard a good sales pitch, only to discover later on that another plan is much better for them. Others may rely on information that turns out to be wrong - already, over the past week, information on the costs of many plans have been changed. Our bill would give every beneficiary a chance to correct their mistake, a "do over" so that they can make the right decision.

But we also need more comprehensive changes. Many seniors are asking why they have to plow through dozens and dozens of plans - why they can't enroll in a Medicare-administered plan that is safe, guaranteed, and permanent. Senator Durbin, Representative Berry and I have sponsored the Medicare Prescription Drug Savings and Choice Act to create a uniform drug benefit in Medicare and require that Medicare negotiate for the best possible prices. Beneficiaries deserve an affordable and universal drug benefit. But in the meantime, beneficiaries need more time and assistance to

navigate through the confusing Medicare drug plans now available to them.

Even many health policy experts are having a tough time figuring out these new Medicare drug plans. Beneficiaries - many of whom are frail, living with chronic health problems or even suffering from dementia - certainly deserve more time to make a decision. And they deserve a better plan that provides them with clear options and affordable drugs.