

Extend the Medicare Drug Benefit Deadline Before the Holidays

Editorial

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Seniors and people with disabilities are facing more stress than usual this holiday season. As they shop for gifts and visit friends and family, Medicare beneficiaries are also sorting through dozens of Medicare drug plans. Under the current law, beneficiaries must choose a drug plan by May 15, even though in some areas (including Cook County, Illinois), there are over 60 options from which to choose. If beneficiaries miss the deadline, they face a significant and permanent late enrollment penalty. Congress should not adjourn for the holidays until the enrollment deadline for the Medicare drug benefit is extended.

As I meet with my constituents, non-profit organizations and local officials, the responses have ranged from confusion and frustration to fear and anger. Marketing games have begun in earnest. Insurers are pressuring Medicare beneficiaries to choose a plan that may not meet their needs. There are not enough trained, independent counselors to help them decide. 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.

President Bush and Republican leaders in Congress are continuing to sell their Medicare drug benefit even as it is being implemented. Their PR rollout is not helping beneficiaries sort through the benefit's complexities. Seniors need more assistance and they need more time.

Congress must act now to eliminate the financial penalty that will permanently increase drug premiums for beneficiaries who don't make a decision by May 15. Representative Pete Stark (D-CA) and I have introduced the Medicare Informed Choice Act to eliminate that penalty - giving everyone a full year to get the facts. This legislation will also allow beneficiaries who make a mistake to switch plans once, and protect beneficiaries from losing their employer-based coverage.

More problems could arise in the New Year. With 60 days notice, insurers may change the drugs available in their plans, leaving beneficiaries in the lurch. If forced to change plans because their benefits have changed, beneficiaries could have even less time to choose a plan. Additionally, retirees may find that they have lost their employer-based coverage after choosing a Part D plan.

Extending the enrollment deadline is only a short-term solution. Like many of my colleagues, I voted against the Medicare Modernization Act which created this complex and costly program. We are now working with our constituent advocates to help beneficiaries choose between these confusing drug plans, but we must overhaul the Medicare drug benefit to fix it.

Like most Americans, I support an affordable drug benefit in Medicare. This isn't it. Instead, the drug benefit is designed to protect the interests of pharmaceutical companies and HMOs, not beneficiaries. Because of that, it differs from every other Medicare benefit in three critical ways.

First, you have to buy private coverage or enroll in a Medicare managed care plan to get coverage. Congress could have added outpatient prescription drugs as a benefit in Medicare, allowing beneficiaries to get access without having to purchase a separate policy. Beneficiaries wouldn't have to pay two premiums or carry two insurance cards - one for doctor visits and another for prescription drug coverage.

Second, there is no uniform benefit. Private plans differ based on what premiums and cost-sharing they charge, what drugs they cover, and whether you have to pay more to go to your local pharmacy.

Last but by no means least, Medicare is actually prohibited from taking any action to lower drug prices. It is prohibited from using its bargaining power to negotiate for discounts, like the VA and large employers do today. As a result, senior citizens and persons with disabilities will still face high prescription drug costs.

Because we believe that there is no justification for giving special treatment to pharmaceutical companies, private drug plans, and HMOs at the expense of senior citizens and persons with disabilities, Representative Marion Berry (D-AR) and I have introduced H.R. 752, the Medicare Prescription Drug Savings and Choice Act. This bill would create a uniform drug benefit in Medicare and require that Medicare negotiate for the best possible prices. A Medicare plan would lower costs, provide security, and let beneficiaries get the drugs their doctors prescribe.

Members of Congress have the power to give seniors and people with disabilities a gift this holiday season. By extending the Medicare drug enrollment deadline, we could give beneficiaries peace of mind as they celebrate with their families. But America's 42 million beneficiaries deserve better than a drug benefit structured to benefit pharmaceutical companies. We must also create a uniform drug benefit in Medicare that is affordable and universal.