

Medicare Drug Benefit Presents Many Flaws That Demand Correction

By Rep. Jan Schakowsky

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Schakowsky, a Democrat from Evanston, represents the 9th House District of Illinois.

The marketing games are beginning in earnest this month as Medicare's 42 million beneficiaries, their family members and friends are being targeted by private drug plans trying to sell them prescription drug policies.

As I meet with my constituents, non-profit organizations and local officials, the responses have ranged from confusion and frustration to fear and anger. Senior citizens and persons with disabilities in Chicagoland are struggling to sort through 60 different plans that vary dramatically. 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.

The first thing Congress must do is eliminate the financial penalty that will permanently increase drug premiums for beneficiaries who don't make a decision by May 15. Rep. Pete Stark, D-Calif., and I have introduced the Medicare Informed Choice Act to eliminate that penalty - giving everyone a full year to get the facts.

But eliminating the penalty is only a first step. I voted against the Medicare Modernization Act which created this complex and costly mess. 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.

Instead, Chicagoland beneficiaries will have to sort through marketing brochures, wait for someone to answer a 1-800 number, or try to navigate a complicated Web site, while protecting themselves against fraudulent marketers and scam artists. And, they will have to go through the same process every year if the private drug plan or managed care plan they choose leaves the market or decides to drop the drugs they need.

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.

Trying to compare plans is more than a challenge. But, even if you do the research to find the best deal for the drugs you take, the plan you pick can drop specific drugs after giving 60-days notice. You, however, cannot leave the plan for the rest of the year.

Last but by no means least, Medicare is 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 I 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, Rep. Marion Berry, D-Ark., 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.

It's time we enact a drug benefit that works for beneficiaries, not pharmaceutical companies.