

Lawmakers Fear Another Senior Citizens' Revolt

Against Medicare Bill

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WASHINGTON - As they weigh their votes on a massive Medicare prescription drug bill, a lot of nervous lawmakers keep seeing the ghosts of a senior citizens' revolt 14 years ago.

Then as now, Congress was on the verge of expanding Medicare coverage. Critics were warning seniors they were getting a raw deal. And lawmakers back in 1989 were equally eager to convince Americans that their new Medicare benefits were a wonderful idea.

For Dan Rostenkowski, D-Ill., then powerful chairman of the House Ways and Means Committee, it all boiled over on a hot day in August when he failed to sell the new coverage to elderly activists at a seniors' center on Chicago's North Side. Brandishing canes, some waving signs saying "Rottenkowski," they chased the sweating, panicked lawmaker to his car. When they surrounded his car, he got out and ran down the street.

Within months, Congress had repealed the law.

"The backlash will be bigger," this time, Anthony Wright, executive director of Health Access California, a consumer health advocacy group, predicted last week. For one thing, the current Medicare changes are bigger than 1989's. They're also hard to explain, passed by a partisan

vote, and will adversely affect some seniors.

Democrats last week taunted Republican backers of the new Medicare prescription drug bill with videotapes of Rostenkowski's misadventure.

"You better get your running shoes!" Rep. Janice **Schakowsky**, D-Ill., jeered.

Senate passage of the Medicare bill is almost certain Monday. President Bush is expected to sign it eagerly.

Supporters argue that this bill isn't like the debacle of the 80s. This time, the benefit will be voluntary, low-income seniors will pay little or nothing for their coverage, and cheaper medicines will be impossible to oppose.

But the legislation also has its pitfalls. The benefit itself won't begin until 2006 and is not comprehensive. For seniors with lower drug costs, the premiums, deductibles and cost-sharing requirements can cost more than the drugs themselves. The plan also has a gap in coverage for seniors whose total drug costs fall between \$2,250 and \$5,044. When elderly Americans learn the details of the plan, the reality may not meet expectations that politicians have encouraged.

What's more, the legislation is likely to leave some seniors worse off. About 12 million retirees now buy their drugs through employer health plans that are more extensive than the government plan. In recent years, employers have been dropping their retirees from these plans. Private and government analysts predict more companies will do so once Washington offers an alternative.

To reduce that likelihood, the bill would offer employers, many of them large corporations, 28 cents in tax-free government subsidies for every dollar they spend on prescription drug coverage for their retirees. Even with that enticement _ worth about \$86 billion to employers over 10 years _ some experts predict more than 2 million retirees will lose employer-sponsored drug coverage.

Other assumptions policy makers have made about the bill also are untested. It relies, for example, on private health plans to deliver the drug benefit through a system of health coverage regions. Experts are divided on whether private health plans will participate in the numbers needed to provide coverage nationwide. As a fallback, the legislation guarantees that Medicare itself will deliver the benefit if no private plans participate.

For the first time, Medicare would require wealthier Americans to pay higher premiums for Medicare's standard Part B coverage, which pays for doctors' visits. The Congressional Research Service estimates 2 million seniors will pay higher premiums.

The bill also envisions greater private sector involvement in Medicare as a whole. It creates a plan called Medicare Advantage, which would encourage preferred provider organizations to offer alternatives to standard, fee-for-service Medicare. The bill sets aside \$12 billion to help

private insurers enter markets that might be unprofitable otherwise. The bill also sets up pilot projects beginning in 2010 that will put private plans in direct competition with Medicare.

Those provisions have opened up the bill to charges that Republicans want to privatize Medicare _ a loaded accusation that has been a potent political argument for Democrats in the past.

AARP, the seniors' lobby, and moderates in Congress repeatedly called for bipartisanship on the vote, reckoning that a partisan split would turn the drug benefit into a contentious political issue up and down the ticket in 2004.

Right now, that seems inevitable.

On Sunday, Sen. Edward Kennedy, D-Mass., promised to lead a filibuster against the bill.

"Surely senators cannot roll over now and swallow this turkey without a fight," Kennedy said in a Senate floor speech.

"I make no apology for obstructing the massive benefits for the insurance industry and the pharmaceutical industry spread throughout this legislation," he added.

Sen. Joe Lieberman of Connecticut said Sunday that he'd back Kennedy's filibuster.

Senate Democratic Leader Tom Daschle, D-S.D., noted Sunday that he doesn't believe Democrats have the votes to sustain a filibuster. He said he might try other delaying tactics.

Criticism of the bill also comes from conservatives who say it's too expensive, doesn't go far enough to control the growing costs of Medicare and is inadequate in promoting private sector participation in Medicare.

"The most ominous consequence is that it will usher in the beginning of socialized medicine in America," said Rep. Mike Pence, R-Ind.

As Rep. Mike Simpson, R-Idaho, who voted for the bill, put it: "I don't want to see the speaker of the House be the next Dan Rostenkowski, with seniors chasing him and canes hitting his car."