

Medicare prescription-drug plan stumps seniors

By Richard Wolf, USA TODAY

WASHINGTON — Most seniors don't understand the new prescription-drug program being offered under Medicare and don't plan to sign up for coverage, even after months of salesmanship by the Bush administration.

A USA TODAY/CNN/Gallup Poll taken last week shows 37% say they understand the program at least somewhat well, but 61% don't. Those figures haven't changed much from polls in July and August.

About one in four seniors, 24%, say they plan to join the program, compared with 54% who say they don't. Twenty-two percent have no opinion. The poll of 275 adults age 65 and older has a margin of error of +/- 7 percentage points.

President Bush has touted the benefit at events across the country. Outside groups such as the AARP, the nation's largest advocacy group for seniors, have sponsored education campaigns. The Centers for Medicare and Medicaid Services placed an ad insert explaining the program in the Sept. 25 edition of *Parade*, a Sunday newspaper supplement with a circulation of 34.5 million.

"The (poll) numbers suggest an abysmal program," says Robert Hayes of the Medicare Rights Center, an advocacy group. "This benefit was designed to make it impossible for consumers to understand it."

Administration officials call the numbers encouraging. Only this week did insurers start marketing specific drug plans, they note.

"This is positive movement," says Kathleen Harrington of the Centers for Medicare and Medicaid Services. "We know that we have more work to do, but we have plans in place to do it."

Advocates for seniors say the array of choices can make things more difficult. Ten plans will be sold nationally. In some states, seniors will have more than 20 companies offering competing versions.

Plans vary. Monthly premiums range from \$1.87 to nearly \$100. Deductibles range from zero to \$250. Co-payments differ from one plan to another, as do benefit packages.

Under a typical plan, participants would have a \$250 annual deductible and pay a monthly premium of \$20 to \$37. In most cases, Medicare will cover 75% of their drug costs to \$2,250; nothing more until costs reach \$5,100; and 95% thereafter.

"People are very confused," says Vicki Gottlich of the Center for Medicare Advocacy, a consumer group. "Part of the confusion stems from all the variables. If you're going to get mailings from 15 different companies offering a different array of plans, you might throw it all in the garbage."

Bush pushed the drug benefit through Congress in 2003 and counts it as a signature achievement. It's the most significant change in Medicare since the health insurance program for seniors and the disabled was created in 1965.

Seniors can enroll for coverage from Nov. 15 until May 15. Coverage will begin Jan. 1 for those who have signed up by then. Those who enroll after mid-May will pay a penalty in the form of higher premiums.

The government hopes to sign up about 30 million of the nation's 42 million Medicare beneficiaries. About 12 million are expected to keep their existing coverage through current or former employers.

The program is projected to cost \$720 billion over 10 years, according to the latest calculations by the Bush administration. Some members of Congress have suggested delaying the program's start to help offset the costs of recovery from hurricanes Katrina and Rita, but the White House has rejected those appeals.

"It's early. It's opening day, if you will," says George Kelemen, head of the AARP's outreach effort. "We have seen steady progress in the raising of the awareness needle. The real teachable moments are now throughout the remainder of this year and next year."