

Medicare Beneficiary Protection Act of 2008

Senators Olympia J. Snowe (R-ME) and Jay Rockefeller (D-WV)

Today over 44 million Medicare beneficiaries face choices in coverage which are often overwhelming. Options for prescription drug coverage and private plan alternatives to traditional fee-for-service have resulted in considerable confusion among beneficiaries. The complexity of choices – coupled with abusive marketing and business practices – has resulted in beneficiaries facing both gaps in coverage and higher costs.

The Medicare Beneficiary Protection Act offers immediate solutions to address the serious problems beneficiaries have encountered with plans. Many of these were described in a series of recent hearings of the Senate Finance Committee. Specifically, this legislation would:

- **Ban abusive marketing practices.** These include telemarketing and door-to-door “cold call” solicitations from both stand-alone prescription drug plans and Medicare Advantage plans, as well as “cross-selling” and “up-selling” of other insurance products.
- **Provide beneficiaries more time to make annual enrollment decisions.** Individuals would have three months beginning on October 1 each year - to examine and select from options for coverage – ending today’s brief “holiday season” enrollment process. With beneficiaries examining as many as 40 to 50 plan choices, more time is needed to make a wise decision.
- **Allow individuals to make a one-time change in Medicare Advantage and Prescription Drug Plan coverage.** Such a change would be allowed to either type of plan coverage during the first three months of the year. In addition, those enrolling at other times, such as when first becoming Medicare-eligible, would be assured they could change coverage for up to 60 days to ensure that inappropriate enrollment could be corrected promptly. Beneficiaries would no longer find themselves “locked in” to inappropriate coverage while facing lengthy appeals.
- **Prohibit the payment of incentives to enroll.** The legislation prohibits the use of gifts or meals to entice beneficiaries to join or participate in “seminars” and other events at which some have been enrolled unwittingly. Sales events should be clearly labeled as such.
- **Require that Medicare Advantage plans which lack a service network disclose to beneficiaries a list of those providers which have refused to serve the plan’s enrollees.** Beneficiaries should be able to clearly determine if their local health care providers will no longer be accessible to them under a new plan.
- **Establish a beneficiary complaint system to collect and process complaints regarding Medicare Advantage and Prescription Drug Plans.** This system is designed to meet all eight criteria identified by the HHS Office of the Inspector General (OIG) of an effective complaint process. It will ensure that all beneficiary complaints about the Medicare prescription drug program are tracked and addressed in a timely manner.

To cosponsor, contact Bill Pewen in Senator Snowe’s office (4-5344) or Jocelyn Moore in Senator Rockefeller’s office (4-6472).