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Groups take on Medicare law

A coalition plans to publicize what it sees as "serious flaws" in the controversial legislation.

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Some Florida advocacy groups are banding together in a call to overhaul -- if not repeal -- President Bush's controversial Medicare legislation.

The Medicare reform package, which narrowly passed late last year and was recently signed into law, for the first time adds a prescription drug package to the federal program.

But the complicated formula has many critics. AARP has come under heavy fire for supporting it.

Florida members of the Coalition for a Real Medicare Rx Plan kicked off a yearlong campaign in downtown Tampa on Thursday to publicize what they deemed "serious flaws" in the \$400 billion plan.

They're demanding that political candidates replace it with one that would lower drug prices and offer seniors a comprehensive drug benefit.

Bush has defended the plan, hailing it as a "great achievement of a compassionate government" that makes medications available to those who can least afford them.

But the activists characterized the plan as a sell-out to pharmaceutical houses and insurance companies at the expense of 41 million elderly and disabled Americans. The biggest problem, they say, is that Medicare won't be allowed to negotiate prices with drug makers but insurance companies will. That disadvantage will lead to the dismantling of the federal program, they said.

Also, the plan fails to address rising drug

prices.

"Republicans have put their feet in cement on this, and their whole success is based on smoke, mirrors, and the politics of confusion," Tony Fransetta, president of the Florida Alliance for Retired Americans, said after the press conference.

"They are counting on confusing the voters ... I think the politics of confusion will leave the Bush administration confused after November over what happened."

The coalition's campaign aims to educate Medicare beneficiaries, not to unseat Bush. But Fransetta said that a repeal of the plan would only be possible under a different administration.

The groups, which include the Florida Consumer Action Network, are organizing community forums to explain how the new Medicare plan will work. They're urging consumers to contact their elected officials and tell them what they think about it.

"We're not going to campaign against Bush. We're going to deal with the issues that relate to his administration and his actions," Fransetta said.

On the political front, the fight over the voluntary Medicare prescription drug plan appears far from over.

Democrats have promised to rewrite the law to reduce the role of private health plans, and it's shaping up as a campaign issue this election year.

A TV advertisement now running in Florida and

a few other states depicts Bush only as a pair of cowboy boots monogrammed with "GWB" and a hand that pulls the rug out from under unsuspecting seniors.

Another one, scheduled to run in the nation's capital Tuesday before Bush's State of the Union address, will highlight the plan's perceived flaws.

As the law stands now, beginning in 2006, Medicare beneficiaries will pay an estimated \$35 in monthly premiums for the prescription drug benefit.

After paying a \$250 annual deductible, they will pay 25 percent of drug costs up to \$2,250 and 95 percent of expenses from \$5,101 on.

There is no insurance coverage for drug costs from \$2,250 to \$5,100, a coverage gap sometimes referred to as a "doughnut hole." The premiums, deductible and coverage gap will be waived for low-income participants.

In the interim, discount cards will be offered starting in June. Those eligible will pay roughly \$30 for discounts of 10 percent to 15 percent.

AARP has suffered a barrage of criticism for backing the plan, which it characterized only as a first step. But some have seen it as siding with big business.

According to health reform program directors at Boston University's School of Public Health, drug makers stand to benefit most from the plan, reaping about \$139 billion in new profits over eight years.

Like many Medicare beneficiaries, 81-year-old Hannah Honeyman says she doesn't know yet how the changes will affect her and her husband, Max.

The retired school psychologist from Michigan, now living in south Manatee County, takes five medications a day; her husband takes seven.

"It's such a mishmash of unknowns," said Honeyman, who gets health coverage through her former employer. "I know that we can afford whatever is going to happen. It may keep us from some luxury things, but it won't keep us from eating."

But she is irked, especially with the drug manufacturers, because she has seen her co-payments climb over the years from \$2 per drug to 20 percent. Her annual out-of-pocket costs now are \$2,908.

"It is the most grossly unfair piece of legislation. It has weakened, not strengthened Medicare," said Honeyman. "It's another way of subsidizing insurance companies and pharmaceutical companies."

Honeyman said the country's priorities are out of whack when it does nothing to lower drug costs but pledges to spend on rebuilding Iraq and exploring space.

"Every other industrial country has universal health care; they have drugs that are affordable," Honeyman said. "Why in the United States do we pay more than people in any other country? Why do we in the United States have to go to Canada to buy our drugs?"

In a new report, the Institute of Medicine said the federal government must begin working to expand coverage to all Americans as the growing number of uninsured weakens the national economy and undermines the entire health care system.