Testimony before the District of Columbia Council Committee on Health Hearing on the Implementation of the Medicare Part D Program Jennifer Mezey Supervising Attorney, Public Benefits Unit Legal Aid Society of the District of Columbia¹

November 14, 2005

Good morning Councilmember Catania. My name is Jennifer Mezey, and I am the supervising attorney for public benefits at the Legal Aid Society of the District of Columbia

The Medicare Part D program will have a large impact on the low-income elderly and disabled individuals served by our organization. Some of our low-income clients will benefit from Part D because for the first time, they will receive help paying for prescription drugs. However, we are concerned about potential coverage gaps due to inability to pay premiums, deductibles or co-payments. As the Part D program is implemented, we hope that the Council will monitor its impact on low-income Medicare recipients and consider allocating resources to address coverage gaps that are likely to occur.

However, my primary purpose today is to urge the District to reach out to and assist the approximately 16,000 lowest income Medicare recipients who currently receive their drugs through Medicaid. These so-called dual eligibles are some of our most vulnerable District residents – those who are old, sick, disabled and poor.

As of January 1, 2006, Medicaid will no longer pay for the prescription drugs upon which these individuals' lives depend. Instead, if everything goes according to plan, these individuals will begin to receive their drug coverage through Part D with additional help from the Low Income Subsidy Assistance program and experience no service breaks.

However, we are extremely concerned that all will not go according to plan. Many of our most vulnerable clients do not adequately understand nor will they be able to respond to the planned changes and inevitable computer glitches and human error that will occur as this program is implemented. As a result, many could lose their drug coverage altogether or be randomly enrolled in plans that don't cover all of their drugs. Both possibilities could cause much human suffering and financial costs to the District.

We understand that the Medical Assistance Administration has reached out to doctors, pharmacists and beneficiaries to explain Part D changes. However, we believe that the outreach to beneficiaries has largely consisted of supplementing written notices from the federal

¹ The Legal Aid Society was formed in 1932 to "provide legal aid and counsel to indigent persons in civil law matters and to encourage measures by which the law may better protect and serve their needs." Over the last 70 years, tens of thousands of the District's neediest residents have been served by Legal Aid staff and volunteers. Legal Aid has been practicing in the area of public benefits for a number of years, representing clients with TANF, Food Stamps, and Medicaid cases.

government with written notices from the District.

Written notices without more will not be effective. This population by its nature has a high incidence of disabilities and low literacy levels. There are homeless individuals who will not receive notices and individuals with limited English proficiency who will not understand them. Furthermore, although dual eligibles will be enrolled automatically in a drug plan by the federal Medicare agency, this process will be random with no guarantees that the plan chosen will cover all of an individual's drugs.

The District retains its shared responsibility for these individuals' health care and should take affirmative steps to ensure that they do not lose their drug coverage. We call upon the District to conduct intensive outreach through a variety of media to these dual eligibles and counsel them about appropriate drug plans. As part of these efforts, the District should specifically reach out to individuals who use certain classes of drugs that will not be covered by Part D. These dual eligibles need to understand how to continue to receive these drugs under the new Part D regime.

As you can see implementation of Part D poses many complicated and troubling concerns for our most vulnerable Medicare beneficiaries. It is through hearings like this that these concerns can be surfaced and remedies can be explored. Thank you again for allowing me to testify. I would be happy to answer any questions.

² The intensive outreach we are calling for could be done through detailing MAA staff to or contracting with community-based organizations and service providers. The District could also play a coordination or clearinghouse role to ensure that information is disseminated. However, the outreach is done, the important thing is to avoid old and sick people losing the drug coverage upon which their lives depend.