

Congress of the United States
Washington, DC 20515

October 15, 2001

Thomas Scully
Administrator
Center for Medicare & Medicaid Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Administrator Scully:

We recently visited the Medicare web page, www.medicare.gov to view the Health Plan Compare site to see what information our constituents could obtain about their Medicare choices via the web. We are very concerned about some of the information presented on that site, in particular on the page entitled "Personal Plan Finder." We have serious questions about this option because it presents information in a manner that appears inaccurate and misleading and appears to favor private plans over traditional Medicare.

We share your desire to ensure that beneficiaries are fully informed about their choices in Medicare. However, we believe it should be done in an objective fashion, and we ask your attention to the following matters:

- The site indicates that Medicare FFS pays \$512 a month toward coverage for each beneficiary. We were not aware that capitated or lump sum payments were made on behalf of beneficiaries in fee-for-service. While this idea was proposed by the Bipartisan Commission on the Future of Medicare, it was defeated. Currently, an individual in FFS Medicare is entitled to payment for all Medicare covered benefits that are deemed "reasonable and necessary." Please explain why the agency portrayed this information to seniors in this manner.

- The Medicare+Choice graph states that the government spends more money per month for Medicare+Choice plans than for FFS enrollees (\$533 vs. \$512). Clearly, the inference is for beneficiaries to believe that Medicare+Choice is a richer option for them. Why was this comparison --which we believe is misleading -- chosen, particularly without any context? For example, the site fails to mention that even though M+C plans are paid an average monthly amount of \$533, it does not mean that the plan spends one dime on any particular senior. Is it your current view that Medicare + Choice plans are more richly compensated than fee for service plans?

- Why does the Medicare+Choice graph focus solely on additional benefits provided above those offered in Medicare and fail to include any information about premiums, cost-sharing, deductibles, limits on access to specialists or other limits on accessing care, or availability of providers? While it is important for beneficiaries to know what additional benefits they may receive, beneficiaries need to fully understand the tradeoffs in basic care that they may be making by choosing a Medicare+Choice option.
- When you enter specific plans, there is a disclaimer that all information is not yet available on a plan-specific basis. However where such information is included, the key questions about deductibles, costs associated with seeing an out-of-plan provider, and other key information appears at the bottom of the chart, outside of it, and in tiny print that many seniors will find illegible or fail to notice. Why was this done? We note that your agency, under its previous name, worked to find the most consumer-friendly and easily comprehensible way to display information for beneficiaries it was charged with protecting. Has that policy changed?

Again, this is an illustrative list of our concerns and not all-inclusive. We believe this site is at best poorly designed and confusing – and at worst misleading to beneficiaries. We urge you to correct this situation immediately, working with a broad spectrum of senior advocacy organizations to ensure that the information is fairly presented and helps seniors make balanced decisions about their choices in Medicare.

Thank you for your attention to this matter.

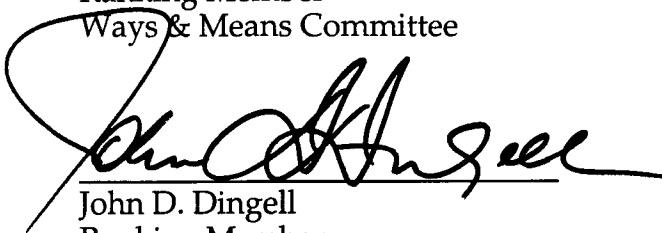
Sincerely,



Charles B. Rangel
Ranking Member
Ways & Means Committee



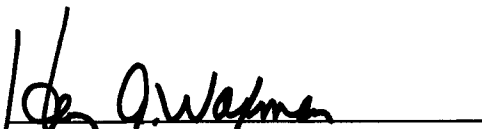
Pete Stark
Ranking Member
Ways & Means Health
Subcommittee



John D. Dingell
Ranking Member
Energy & Commerce Committee



Sherrod Brown
Ranking Member
Energy & Commerce Health
Subcommittee



Henry Waxman
Ranking Member
Government Reform Committee