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Ann Womer Benjamin, Director, Ohio Department of Insurance

Testimony on Centers for Medicare and Medicaid Services

Chairman George Voinovich, Ohio

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Good Morning. I am Ann Womer Benjamin, Director of the Ohio Department of Insurance.

Thank you Chairman Voinovich and distinguished senators for the opportunity to provide testimony on the education, resources, and outreach efforts of the Centers for Medicare and Medicaid Services (CMS) specifically as they relate to the Medicare prescription drug program. CMS has been a reliable and supportive partner in working with the Ohio Department of Insurance and our Ohio Senior Health Insurance Information Program (OSHIIP) section to educate and enroll Ohio seniors and Medicare beneficiaries in the prescription drug program. With any working partnership, opportunities exist to strengthen and improve delivery of this critical assistance to Ohio's beneficiaries.

Overview

The Ohio Department of Insurance ("Department") is committed to providing consumer protection through fair but vigilant regulation while promoting a competitive environment for insurers. The Department regulates and licenses approximately 1,740 insurance companies, nearly 180,000 agents, and more than 13,000 insurance agencies, and monitors the financial solvency of the insurance industry in Ohio.

Another very important facet of our consumer protection mission, and of relevance to the hearing today, is the Ohio Department of Insurance's OSHIIP, headed by Gretchen Margraf. OSHIIP was established in 1991 by then Governor Voinovich, and plays an essential role in educating Ohio seniors and others who qualify for Medicare. Through its toll-free help line, 950 volunteers, objective and understandable literature, and speakers' bureau, OSHIIP provides valuable information to many of Ohio's 1.8 million Medicare beneficiaries. The number of beneficiaries continues to grow rapidly with approximately 12,000 Ohioans turning 65 each month. Our population is aging quickly, so we need to ensure that seniors are educated about their health insurance and Medicare options.

In addition to assistance with Medicare, OSHIIP also provides planning for long-term care expenses. Part of that planning includes outreach to large employers. This initiative is geared to educate employers and their employees about the options available for long-term care costs. Workshops offer information on various financing options such as (1) long-term care insurance, (2) accelerated death benefits on life insurance, (3) long-term care riders on life insurance products, (4) annuities, and (5) HUD reverse mortgages. The

Department's guides on annuities, life insurance and long-term care insurance are also distributed.

I would like to take a brief moment to publicly thank Senator Voinovich for his leadership and support of senior issues including but not limited to Medicare and his launching of OSHIIP. Further, I would like to thank Governor Bob Taft for his ongoing support of our programs. Finally, I would like to thank Dr. McClellan for his strong commitment to provide the needed resources and information to educate Ohio's Medicare population.

The Ohio Department of Insurance and OSHIIP have always been very aggressive in our efforts to assist and educate Medicare recipients on the many intricacies of the program. OSHIIP is an invaluable resource for Ohio seniors and has some very impressive results that I would like to point out: OSHIIP personnel have counseled more than 395,000 people, saved Ohio consumers \$3.6 million, distributed more than 1,000,000 publications, trained and certified more than 1,926 community-based volunteers and established more than 250 information sites since 1992.

While these general efforts continue, we have also been increasing the scope of our work and outreach in preparation for the full implementation of Medicare's new prescription drug coverage, as well as the increasing numbers of Ohioans who each day move closer to Medicare eligibility. In calendar year 2004, OSHIIP assisted 57,197 consumers, recovered nearly one million dollars for consumers, recertified 367 volunteers and trained 281 new volunteers, bringing the total number of currently trained and certified volunteers to over 950.

These accomplishments I have just highlighted would not be possible without the dedication of OSHIIP's 13 employees and volunteers serving all 88 of Ohio's counties, and CMS. Their hard work and willingness to invest the needed time and energy for the consumers of Ohio should be commended.

CMS Collaboration

Since the passage of the Medicare Modernization Act of 2003 (MMA), CMS has been instrumental in helping us with information and resources to prepare and respond to the many changes that are coming to Medicare. These efforts could not have been more apparent than last April when Senator Voinovich and Dr. McClellan joined Governor Taft and me at an OSHIIP volunteer training session. We kicked off Ohio's introduction of the Medicare prescription drug card program with more than 100 community volunteers participating in the training, designed by CMS to provide the critical program information they needed. The Ohio Department of Insurance and OSHIIP staff and volunteers also aggressively spread the word and were available on a state holiday to assist seniors with enrolling in the discount drug card program and the \$600 credit associated with it. On December 31, 2005, the last day to register for the \$600 credit for 2004, our OSHIIP employees enrolled 115 low-income Ohioans and helped them save over \$138,000 on much needed prescription drugs.

CMS has continued to provide OSHIIP and Ohio consumers with invaluable assistance, such as annual train-the-trainer workshops which allow our training teams to keep updated on the many facets of the Medicare program. CMS also facilitates and produces helpful training toolkits and numerous publications. CMS seeks the input of all state SHIP programs to ensure the material is meeting the needs of the consumer, and regularly distributes e-mails on critical issues and common problems facing states.

Outreach and educational efforts have increased at the state and local levels with the support and coordination of CMS. CMS has facilitated bi-weekly conference calls on all aspects of the MMA. This opportunity to keep lines of communication open has allowed OSHIIP to have the most current and pertinent information available. CMS has also facilitated monthly conference calls with the Ohio Medicare Partners. This partnership was established to help answer a wide range of health and health insurance related questions here in Ohio. This partnership is made up of the Ohio Department of Insurance, the Medicare Part A and Part B contractors, the Medicare Durable Medical Equipment Carrier, the Ohio Department of Aging, Ohio Department of Health, Ohio Department of Job and Family Services, and the Social Security Administration.

In mid-February of this year, CMS hosted a train-the-trainer and Medicare Partners strategic planning session in Chicago. CMS introduced its "2005 REACH National Medicare & You Training Program" focusing on the new prescription drug coverage training module. CMS also facilitated working sessions for each state's Medicare Partners (e.g. the Part A , Part B, and DMERC contractors and others) so that coordinated outreach plans could be jointly developed to maximize population penetration and group efficiency.

Later this year, the Ohio Department of Insurance and OSHIIP will be hosting local Medicare Prescription Drug Coverage enrollment events in each of Ohio's 29 most rural counties. These day-long events will include educational presentations on the new prescription drug option, individual counseling to assist people in making informed decisions and, in most cases, online enrollment opportunities. CMS has committed to mailing invitations to these events to the low-income residents of these counties.

The Department and OSHIIP have been very pleased with our collaboration with CMS, but there is always room for improvement and increased efficiencies. We have experienced some delay in getting training materials needed to conduct our volunteer training sessions. While this delay was only a couple of weeks, it has compressed the time we have to conduct the training of our volunteers, particularly since CMS has established a deadline of July 1, 2005, for training all SHIP volunteers. OSHIIP anticipates meeting this requirement by June 1, 2005. We also have experienced delays regarding technical and statistical inquiries we make to CMS. While our impression is that CMS is trying to ensure that the proper individuals respond and provide the most accurate information in a timely fashion, CMS delays sometimes result in gaps in accurate information.

The process of selecting the appropriate Medicare program and benefit plan is not a choice that seniors should make quickly without assessing all of their needs. OSHIIP provides free accurate, objective, and personal assistance to each consumer we encounter. By providing individualized prescription drug comparison reports and a willingness to spend whatever time is required, OSHIIP staff and volunteers continue where the 1-800-MEDICARE hotline stops. The nationwide hotline is a great resource and starting point, but responders do not have the ability to spend an extraordinary amount of time with callers nor do they have the ability to meet face-to-face as our volunteers do.

Conclusion

This year we have received a substantial increase in our annual federal grant to help administer OSHIIP, and Ohio and I thank you. We will utilize some of those additional resources to hire another employee to assist in what we predict will be a dramatic increase in calls. The initial open-enrollment period for the Medicare prescription drug coverage is November 15, 2005 thru May 15, 2006. With the expected increase in our workload, the ever-increasing 65-plus population, and the many options consumers face, our challenge will be to continue excellent consumer service to those Ohioans struggling to make an informed decision.

Dr. McClellan has been a real champion of seniors and his leadership of CMS has reflected this commitment. He and CMS have worked hard to take Medicare benefits and options to seniors in ways to make their choices easier to understand and evaluate. Strong partnering with SHIP initiatives has made the CMS effort all the more helpful to seniors everywhere.

I would like to thank Chairman Voinovich again for the opportunity to share the many positive and exciting things we are doing for seniors in Ohio. From our perspective we feel the collaboration with CMS has been very beneficial, and we hope it only grows stronger.