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## U.S. House of Representatives Committee on Energy and Commerce Washington, DC 20515-6115

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March 8, 2007

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The Honorable David M. Walker Comptroller General U.S. Government Accountability Office 441 G Street NW Washington, D.C. 20548

Dear Mr. Walker:

The open enrollment period is the one time each year when people with Medicare Part D coverage can change their Medicare drug plan. It is also the time when plans make changes to their benefits and new plans are introduced. The 2006 open enrollment period ran from November 15, 2006 to December 31, 2006.

Last fall, some organizations announced that beneficiaries should only change coverage if they were not satisfied with their current plan. This advice, however, ignores the fact that both plan benefits and beneficiary needs may change from year to year. For example, a plan may change the amount of the monthly premium or required copayments. Plans may also change the drugs covered on their formulary, which drugs are on each tier of the plan's formulary, the use of coverage restrictions for a drug, or the type of coverage offered in the coverage gap. Thus, the 2006 plan used by beneficiaries may not necessarily be the best plan to meet their prescription drug needs in 2007.

The Centers for Medicare and Medicaid (CMS) required all Part D plans to notify enrollees of any changes by October 31, 2006. Many beneficiaries, however, did not receive information from their prescription drug plan, and CMS had to extend the enrollment period for them until February 15, 2007. These events raise questions about the efforts of Part D plans to inform enrollees of impending changes and CMS's oversight of both the open enrollment process and plan changes that occur during the year.

Therefore, I request that GAO undertake a study to address the following questions:

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- 1. To what extent did the costs and benefits of the Medicare prescription drug plan change between 2006 and 2007?
- 2. How were beneficiaries informed of the changes being made by their plan sponsor for 2007? Was the information received in a timely fashion?
- 3. How did CMS oversee plan sponsors' compliance with open enrollment requirements?

Thank you for your attention to this matter. If you have any questions, please contact Bridgett Taylor with the Committee on Energy and Commerce staff at (202) 225-2927.

Sincerely,

JOHN D. DINGELL CHAIRMAN

cc: The Honorable Joe Barton, Ranking Member Committee on Energy and Commerce