Meeting Summary
Advisory Panel on Medicare Education (APME)
Tuesday, May 11, 2004, 9:15 a.m. – 4:00 p.m.

Agenda
Centers for Medicare & Medicaid Services Update
Medicare Modernization Act Preventive Benefits
Medicare Parts A, B, C, and D Education
Monitoring the Utilization of the Drug Card

Location:

The meeting was held at the Wyndham Washington, 1400 M Street, NW, Washington, D.C., 20005.

***Federal Register* Announcement:**

The meeting was announced in the January 6, 2004 *Federal Register* (Volume 6, Number 3, Pages 665-666) (Attachment A).

Panel Members Present:
Dr. Susan Reinhard, Chair, Advisory Panel on Medicare Education; Co-Director, Center for State Health Policy, Rutgers University
James Bildner, General Partner, New Horizons Partners, LLC
Dr. Jane Delgado, President and Chief Executive Officer, National Alliance for Hispanic Health
Clayton Fong, President and Chief Executive Officer, National Asian Pacific Center on Aging
Thomas Hall, Chairman/Chief Executive Officer, Cardio-Kinetics, Inc.
David Knutson, Director, Health System Studies, Park Nicollet Institute for Research and Education
Brian Lindberg, Executive Director, Consumer Coalition for Quality Health Care
Katherine Metzger, Director, Medicare and Medicaid Programs, Fallon Community Health Plan
Dr. Marlon Priest, Professor of Emergency Medicine, University of Alabama at Birmingham
Dr. Everard Rutledge, Vice President of Community Health, Bon Secours Health Systems
Dallas Salisbury, President and Chief Executive Officer, Employee Benefit Research Institute
Bruce Taylor, Director, Employee Benefit Policy and Plans, Verizon Communications
Rosemarie Sweeney, Vice President, Socioeconomic Affairs and Policy Analysis, American Academy of Family Physicians

Panel Members Absent:
Joyce Dubow, Senior Policy Advisor, Public Policy Institute, AARP
Timothy Fuller, Executive Director, Gray Panthers
John H. Graham, IV, Chief Executive Officer, American Diabetes Association
Dr. William Haggett, President and Chief Executive Officer, Amerihealth Insurance of New Jersey, Amerihealth HMO, Inc.
Dr. Laurie Powers, Co-Director, Center on Self-Determination, Oregon Health Sciences University

Designated Federal Official:
Lynne J. Johnson, Center for Beneficiary Choices (CBC), Centers for Medicare & Medicaid Services

Others:
A sign-in sheet listing other attendees is incorporated as Attachment B.

Welcome and Open Meeting
Lynne Johnson, Centers for Medicare & Medicaid Services (CMS)

Ms. Johnson, the Designated Federal Official for the Advisory Panel on Medicare Education (APME), called the meeting to order at 9:15 a.m.

Introduction of Members/Review of Previous Meeting
Dr. Susan Reinhard, Chairperson, APME

Dr. Reinhard welcomed the panel members and public participants. Dr. Reinhard reviewed highlights of the previous meeting (Attachment C). She thanked Gail McGrath, Director of the Center for Beneficiary Choices, for inviting the panel to the drug discount card kickoff conference and for giving APME members a chance to review and comment on the 2005 edition of the "Medicare & You" handbook. Dr. Reinhard recommended that the 2005 edition contain information on the state pharmacy programs.

Clayton Fong reiterated two suggestions he had originally made at the February meeting, asking that they be made part of the official meeting record: (1) Build into the price comparison web site, a search by individual pharmacy feature. This feature would especially help low-income and limited-English-speaking beneficiaries. (2) Translate key materials relating to the new drug discount card program, including standard enrollment forms into Spanish and other languages.

Centers for Medicare & Medicaid Services Update
Gail McGrath, Director, Center for Beneficiary Choices (CBC), CMS

Ms. McGrath described the Agency's tremendous effort and challenges in rolling out the new Drug Discount Card. She highlighted improvements made to the website and call center. She mentioned that additional staff were hired to handle the increased call center volume and improvements were made to reduce hang-ups by Spanish-speaking callers. Ms. McGrath welcomed any comments or suggestions for making additional improvements to the website and 1-800-MEDICARE.

Discussion
The panel raised concerns about: increases in drug card sponsor drug prices, the need for drug companies to lower their prices to an affordable level in order to make the discount drug program more meaningful, the reluctance of some beneficiaries to reveal their personal information to a federal agency when seeking assistance, seniors confused by non-CMS literature related to the new drug discount card, and fraud and abuse in the program.

In addition, the panel noted that low-income Asian seniors attending Medicare meetings held in Asian communities around the country know very little about the new Drug Discount Card. CMS would better serve the Asian and other non-English speaking Medicare beneficiaries by providing standard enrollment forms written in their native languages.

The panel thanked Ms. McGrath for committing additional CMS funds to help the State Health Insurance Assistance Programs (SHIPs) educate Medicare beneficiaries about the new drug benefit.

Listening Session with CMS Leadership
Dr. Mark McClellan, Administrator, CMS

Dr. McClellan noted that 93 percent of Medicare and Medicaid spending is directed towards treating complications of illnesses and not towards prevention. CMS needs to continue focusing on ways to more actively involve beneficiaries in their own care and to educate them about how to better utilize Medicare services. CMS is working hard to design programs that are responsive to the diverse needs of the beneficiary population and has expanded its support to SHIPs as well as community and public health organizations that can assist populations CMS has historically found difficult to reach. The changes that have resulted from the Medicare Modernization Act will enable CMS to work more closely with beneficiaries to prevent illnesses and their complications. He described the Agency's new emphasis on interacting individually with beneficiaries, e.g., the print-on-demand booklet that personalizes health services that best suit a beneficiary's need. He asked the panel to help CMS find new and innovative ways to reach and educate beneficiaries, their families, and caregivers about the Medicare program and how best to access benefits.

Discussion
The panel discussed: whether drug card sponsors could include information about the Medicare Savings Program with their materials; the need to make drug prices more transparent; the need to commit more resources to reach the historically underserved populations; and ways to educate beneficiaries with chronic illnesses, not only those participating in the chronic care pilot project, but others as well. The panel also discussed the status of the Long-Term Care Initiative.
In addition, a panel member noted that hospital emergency departments would provide an excellent opportunity to reach hard-to-reach beneficiaries who turn to emergency rooms for their routine medical care. He suggested that a video explaining Medicare services and eligibility can be shown while these beneficiaries are waiting to receive care. The panel applauded CMS for moving the Agency towards a new, more "personalized" Medicare program.

Medicare Modernization Act – Preventive Benefits Education
Dr. Marlon Priest, APME, Moderator

Dr. Priest stated that one of Medicare's most important challenges is to meet the changing expectations of beneficiaries. He announced that the discussion would focus on the Medicare Modernization Act and preventive benefits.

CMS Education – Erin Pressley, Director, Division of Publications Development, CMS (Attachment D)
Ms. Pressley announced that three new preventive benefits would be made available to Medicare beneficiaries starting on January 1, 2005. They are: (1) "Welcome to Medicare" physical examination, (2) diabetes screening, and (3) cardiovascular screening. Ms. Pressley explained that the covered physical exam is intended specifically for people who enroll in Medicare Part B on or after January 1, 2005. The exam will entail a thorough health review that includes measuring a beneficiary's weight, height and blood pressure; an electrocardiogram; health counseling and education; and, where appropriate, referral to other preventive screenings and services covered by Medicare, such as mammograms, colorectal screenings, flu shots and other vaccinations. The beneficiary must have the exam within the first six months of enrollment or lose the benefit. Diabetes screenings will be provided to beneficiaries at risk of developing the disease through obesity, hypertension, or other risk factors. The benefit includes a fasting plasma glucose test as well as other tests authorized by Medicare. The cardiovascular screening will include tests for cholesterol, lipid and triglyceride levels.

With regard to beneficiary education, CMS is currently updating the "Medicare & You" handbook for 2005, the "Guide to Medicare Preventive Services," and "Medicare Coverage of Diabetes Supplies and Services," to include the new benefits. Ms. Pressley encouraged panel members to suggest any ideas they may have for reaching potential users of the new benefits.

Discussion
As a result of Ms. Pressley's presentation, the panel raised issues about educating Medicare providers about the preventive benefits and plans for the translation and dissemination of materials in languages other than English and Spanish.

National Alliance for Hispanic Health Education - Adolph Falcón, Vice President for Science and Policy (Attachment E)
Mr. Falcón said the Alliance currently reaches some 12 million Hispanic "health consumers" each year, noting that the number of elderly Hispanics in this country will quadruple by 2020. This increase will put a greater burden on the federal health care system. The new Medicare diabetes screening benefit could prove especially beneficial to Hispanic beneficiaries, who are twice as likely as non-Hispanic whites to develop the disease. Mr. Falcón said the Alliance began an education and outreach effort to its Medicare age population when the Medicare Modernization Act was passed. The Alliance has found that the two most effective ways to reach beneficiaries are through community-based organizations (CBOs) and health care professionals—the institutions and individuals, respectively, inspiring the most trust among the Hispanic elderly. Quite often, winning the potential beneficiary's trust requires one-on-one counseling. Mr. Falcón noted some of the important messages sent to the Alliance by way of feedback from the target audience:

- Keep the message simple. Focus on what is relevant to elderly Hispanic health care consumers today, not on some future program from which they may benefit.
- Make the educational material "action-oriented" (i.e., tell the beneficiary exactly what he or she needs to do to obtain the new Medicare benefits).
- Use non-print materials, such as videos, radio and television spots, to get the message across to Hispanic seniors.

Cardio-Kinetics Education - Thomas Hall, Cardio-Kinetics, APME (Attachment F)
Mr. Hall stated that in order for Medicare to communicate its new emphasis on preventive medicine to beneficiaries it needs to re-engage the consumer in the process. The best way to get consumers' attention and cooperation may be to offer them a financial incentive for choosing a healthy lifestyle. In many cases, developing healthy eating and exercise habits can head off a chronic disease before it ever occurs. Not only would the consumer benefit, but this would also bring down health care costs. He suggested that one way to reward beneficiaries who voluntarily adopt a healthier lifestyle would be to reduce their Medicare premiums (e.g., if they are able to bring down their blood pressure or cholesterol levels through a healthy diet and exercise). The same principle holds true for motivating health care providers to emphasize preventive health measures. They could be paid, for example, each time they sat down with a patient and reviewed a preventive health guideline that would benefit the patient. Peer pressure can also be an incentive for people to change unhealthy behaviors; however, he stated that financial incentives are most effective. Mr. Hall cited, as an example, a private company that provides annual bonuses to employees who are able to reduce their cholesterol levels or hypertension through healthy behaviors. He predicted that Medicare beneficiaries who are offered similar financial incentives would likely respond in a similarly positive manner.

Fallon Community Health Plan Education – Katherine Metzger, APME
(Attachment G)
Ms. Metzger explained that the new benefits would have little impact on the Fallon Community Health Plan because it already provides an annual preventive physical. The Plan also has had disease management programs for both diabetes and cardiovascular disease in place for a number of years. She said these programs brought participating beneficiaries an improved quality of life while simultaneously reducing health care costs for such consumers by 12 to 15 percent.
The Plan keeps its participating physicians informed about any changes in Medicare coverage, a courtesy they appreciate. The physicians have offered to place in their offices any informational brochures or posters describing such changes. She predicted that most physicians would be equally receptive to any outreach efforts by CMS.

Following a lunch break, the meeting continued.

Educating Beneficiaries About Medicare Parts A, B, C and D
Brian Lindberg, APME, Moderator

Mr. Lindberg introduced the two speakers for this topic**.**

CMS - Don Johnson, Deputy Director, Office of Legislation
Mr. Johnson briefed the panel on the history of Medicare and the new benefits that resulted from the Medicare Modernization Act of 2003. He highlighted the Agency's beneficiary education and outreach efforts. He explained that the focus of the education and outreach efforts is on the health care choices beneficiaries will have to make as their benefits expand over the next 2 years. Mr. Johnson stated that many beneficiaries are calling 1-800-MEDICARE and visiting medicare.gov in record numbers and using such web site features as "Drug Price Compare" in order to make informed decisions about the new discount drug card. In addition, CMS is working with the State Health Insurance Assistance Program (SHIP) to help educate beneficiaries. The Agency plans to disseminate new educational materials on Medicare Advantage and the

expanded drug benefit in the summer of 2005 in preparation for these programs' January 1, 2006 rollout. CMS also plans to run more public service announcements on the new Medicare benefits.

AARP - Elinor Ginzler, Campaign Manager, State and National Initiatives Division
Ms. Ginzler stated that AARP is currently undertaking an enormous job of helping Medicare beneficiaries, their families, non-covered AARP members and the general public understand the new Medicare legislation and make informed choices regarding the new benefits. She showed the panel AARP's new booklet, "Medicare Changes that Could Affect You" (Attachment H). AARP will issue two additional publications, "Medicare Drug Discount Card: What You Need To Know" and "Medicare Drug Discount Card: Extra Help For Limited Incomes." All three booklets are being disseminated in both English and Spanish. AARP also routinely provides its members with updates on Medicare programs in its monthly newspaper, "The AARP Bulletin" and in its bimonthly magazine, "AARP: The Magazine."

According to Ms. Ginzler, AARP conducts "face-to-face" outreach and education through its 50 state offices and additional offices in the District of Columbia, the U.S. Virgin Islands, and Puerto Rico, and holds "town hall meetings" on Medicare's added benefits. AARP has updated its web site to include detailed information on Medicare Parts C and D, including a "drug price calculator" that will provide estimates of how much beneficiaries will pay for prescriptions once the more comprehensive new drug benefit becomes available in January 2006. She explained that one of the most important, yet also most difficult outreach efforts will be directed at low-income beneficiaries eligible for the $600 of transitional assistance.

Discussion
The members discussed outreach to low income beneficiaries as well as the need for these beneficiaries to communicate with a trusted source. The members also expressed concerns about the lack of understanding about the income parameters on the discount drug card enrollment form and citizenship issues the non-English speaking Asian population is experiencing. This population also has difficulty in understanding the prescription drugs they are taking and do not have a clear understanding of Medicare and Medicaid.

The APME Chair reminded panel members that, per the previous meeting, a few panel members had proposed creating a subcommittee to work specifically on the issue of reaching out to low-income beneficiaries. The Designated Federal Official explained the official requirements for setting up such a subcommittee. However, with the expiration of the terms of many of the members, a decision to pursue the idea was put on hold.

Following a mid-afternoon break, the meeting was reconvened.

Monitoring the Utilization of the Drug Card
David Knutson, APME, Moderator

Mr. Knutson introduced the speaker for this session.

CMS - Laura Minassian-Kiefel, Managed Care Specialist, Health Plans Benefit Group
(Attachment I)
Ms. Minassian-Kiefel described the approval process for drug card sponsors (both general and exclusive). She stated that each sponsor must demonstrate, among other things, the ability to provide negotiated prices on prescription drugs, effectively manage the enrollment process, and provide good customer service. In addition, every participating drug card sponsor must provide a grievance process for beneficiaries, and it must comply with HIPPA regulations.

Ms. Minassian-Kiefel presented an overview of the extensive system CMS has in place to monitor the drug card sponsors' performance. CMS will closely monitor drug sponsors to ensure that they: accurately advertise prices; make sure sponsor pharmacies provide the beneficiary with the correct prescription and the correct amount of drugs for each prescription; make sure the beneficiary does not try to sell the card to anyone else; provide enrollment packages to beneficiaries in a timely manner and dis-enroll beneficiaries only for a valid reason; provide services to beneficiaries living anywhere in their service area; create a mechanism to allow beneficiaries who qualify for transitional assistance to find out on-the-spot the exact balance left on their $600 annual drug credit anytime they use the drug discount card to buy prescription drugs. In addition, card sponsors must ensure that: transitional assistance beneficiaries are being charged the proper co-insurance rate, based on the percentage of their income that is either above, or below, the federal poverty level; beneficiaries have access to the advertised, negotiated discount drug prices; participating pharmacies are consistently charging beneficiaries the lowest negotiated rate; beneficiaries are provided with a toll-free customer service number; quarterly reports are sent to CMS; the same standard services are provided to non-English speakers and the hearing-impaired; Asian beneficiaries receive information in Chinese, and they meet the HIPPA privacy requirements.

CMS will closely monitor drug sponsors to ensure that they do not: use enrollee information for marketing purposes, such as selling member mailing lists to commercial entities; allow beneficiaries to use transitional assistance funds for improper drugs, such as over-the-counter drugs; over fill prescriptions with a significant abuse or misuse potential (drugs on the A control Schedules 2 through 5); engage in illegal marketing practices, such as claiming the card they are selling is Medicare-approved when it is not; charge beneficiaries too much for their enrollment fee; raise drug prices in amounts that exceed market price increases; and drop any drugs from their original discount card offerings.

CMS will analyze its own data as well as data from the drug card sponsors (e.g., weekly pricing data, quarterly customer service data, etc.), from CMS contractors. The information will be entered into a health plan management system (HPMS). Customer complaints will also be entered into the HPMS and will be relayed to the appropriate regional office for follow-up. Complaint information will also be entered into a performance monitoring tool, which the agency will use to monitor the different drug card sponsors. CMS will employ "mystery shoppers" to call the sponsors' 1-800 numbers to ensure that they are providing accurate information to beneficiaries.

CMS - Mary Ellen Stahlman, Senior Policy Analyst, Planning and Policy Analysis Group, Office of Research, Development and Information
Ms. Stahlman described a newly-released CMS report on the level of pricing discounts currently being offered to Medicare beneficiaries by the drug card sponsors. She reported that the study

found beneficiaries who use the cards save an average of 10 to 17 percent for brand name drugs, and 30 to 60 percent for generic drugs. National data show that the "typical American" would pay $363.60 a month to a retail pharmacy for a "basket" of prescription drugs. With the drug discount card, this typical consumer could save up to $63 a month, or $750 a year, for the same "basket" of drugs, based on a discount of 17 percent off their retail price.

Panel Discussion
As a result of the presentation, members discussed CMS's plans for publishing the information collected on drug card sponsors' pricing and customer service. They also discussed the drug card sponsors' plans for providing service to non-English speaking customers.

Public Comment
Dr. Susan Reinhard
There were no public comments.

Next Steps Discussion
Dr. Susan Reinhard
The panel discussed addressing the following topics at future meetings:

- CMS's communication plan;
- Medicare.gov/website education;
- Quality initiatives;
- Hospital Compare; and
- Electronic Medical Record (EMR).

Adjournment
Dr. Reinhard thanked the panel members and other participants. There being no further business, the meeting adjourned at 3:52 P.M.

Prepared by:
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Approved by:
Dr. Susan Reinhard, Chairperson
Advisory Panel on Medicare Education

Attachments

A. *Federal Register* Notice, January 6, 2004, Volume 6, Number 3, Pages 665-666.
B. Sign-in Sheet
C. Meeting Summary, Advisory Panel on Medicare Education, February 5, 2004.
D. *Medicare Modernization Act Preventive Benefits Education,* CMS.
E. *Reaching Hispanic Communities with Diabetes Benefit Information and Services,* National Alliance for Hispanic Health
F. *Cardio-Kinetics Education,* Cardio-Kinetics.
G. *Fallon Community Health Plan Preventive Benefits.*
H. *Medicare Changes that Could Affect You,* AARP.
I. *Monitoring the Utilization of the Drug Card*, CMS.