Meeting Summary
Advisory Panel on Medicare Education (APME)
Thursday, September 9, 2004, 9:00 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 July 23, 2004 *Federal Register* (Volume 69, Number 141, Pages 44034-44035) (Attachment A).

Panel Members Present:
Katherine Metzger, Chair, Advisory Panel on Medicare Education; Director, Medicare and Medicaid Programs, Fallon Community Health Plan
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.
Bobby Jindal
David Knutson, Director, Health System Studies, Park Nicollet Institute for Research and Education
Donald J. Lott, Executive Director, Indian Family Health Clinic
Dr. Frank Luntz, President and Chief Executive Officer, Luntz Research Companies
Davis Null, Financial Advisor, Merrill Lynch
Susan O. Raeztman, Associate Director, Health Team, Public Policy Institute, AARP
Catherine Valenti, Chairperson and Chief Executive Officer, Caring Voice Coalition

Panel Members Absent:
Dr. Drew Altman, President and Chief Executive Officer, Henry J. Kaiser Family Foundation
James Bildner, General Partner, New Horizons Partners, LLC
Jeffrey McWaters, Chairman and Chief Executive Officer, AMERIGROUP Corporation
Dr. Marlon Priest, Professor of Emergency Medicine, University of Alabama at Birmingham

Designated Federal Official:
Lynne G. 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 9:00 a.m.

Greeting and Swearing in of New Members
Charge to the Panel
Listening Session with CMS Leadership
Leslie V. Norwalk, Deputy Administrator, CMS, Acting Director, Center for Beneficiary Choices

Ms. Norwalk welcomed the panel members and asked them to introduce themselves. She administered the oath of office.

Ms. Norwalk explained the panel's purpose to advise the Secretary of the Department of Health and Human Services and CMS on ways to enhance the National Medicare Education Program (NMEP). She stated that while educational initiatives under NMEP have shown valuable results, she welcomed recommendations from the panel on new ways to improve the Agency's education and outreach efforts. Ms. Norwalk pointed out that because of changes in the program resulting from MMA, CMS faces a huge challenge and must become more resourceful in educating beneficiaries about their choices before the new, more comprehensive drug benefit begins in January 2006. She also stated that CMS has partnered with the Social Security Administration (SSA) to send out a letter to low-income beneficiaries about their eligibility for receiving the $600 credit to help pay for their prescription drugs and that CMS has been working with HRSA and community health centers to educate beneficiaries. Ms. Norwalk thanked the panel for their participation.

Discussion
The panel discussed the following issues as a result of Ms Norwalk's discussion with them: the challenges CMS faces in educating beneficiaries about choosing a drug plan; the need to provide face-to-face counseling to beneficiaries; the confusion beneficiaries face because of negative media stories; the additional burden organizations face in introducing new Medicare programs to their constituents; making the Internet a key part of the Agency's future outreach strategy; the problems doctors face with having insufficient time to educate their Medicare patients about the changes in their benefits; the states must serve as the "backbone" of the effort to disseminate Medicare information to beneficiaries; the importance of provider education; and the effectiveness of CMS's outreach efforts.

In response to a question from the panel, Michael McMullan, Deputy Director for Beneficiary Education, noted that the Agency is providing printed materials to health care providers to disseminate to their Medicare patients. Also, at this time, CMS does not provide videos or closed-circuit television systems in hospital emergency waiting rooms and clinic waiting rooms, but fully intends to bring its messages to these audiences.

Mid-morning break.

Katherine Metzger, Chairperson, APME

APME Chairperson, Katherine Metzger, asked Ms. McMullan to brief the committee on the structure of the National Medicare Education Program. Ms. McMullan stated that the Agency's education and outreach goal effort is to make sure that people have accurate, reliable, relevant, and understandable information. She also pointed out that it is important to provide consistent and persistent messaging so that people are hearing the same thing over and over again. She described the information channels used to educate beneficiaries, i.e., the *Medicare & You* handbook, 1-800 MEDICARE, medicare.gov, ad campaigns, partnering, training, REACH, SHIPs, Assessment, and the Alliance Network. Ms. McMullan asked the panel to keep the education framework in mind when listening to the day's presentations.

MMA Overview – Robert Donnelly, Director, Medicare Drug Benefit Group, CMS
(Attachment C)

Mr. Donnelly stated that the Agency's strategy in launching the new drug benefit, is to leverage the private sector's knowledge of how to provide benefits like this instead of trying to rebuild it. He also stated that the agency published its Notice of Proposed Rulemaking (NPRM) on August 3, 2004, and is in the middle of the comment period. The Agency has asked for comments on a wide range of operational and policy issues, particularly in Title I. The comment period ends on October 4, 2004. The Agency is looking to publish its final rule and to send out the Request for Proposal (RFPs) or applications in early 2005 to give plans enough time to understand the rule and decide if they want to participate in the program. From the beneficiary perspective, enrollment for the low-income subsidy begins on July 1, 2005. November 15, 2005 is the start of the initial enrollment period for the prescription drug and Medicare Advantage plans that begin on January 1, 2006. He also stated that CMS is working closely with the Social Security Administration on outreach to low-income beneficiaries to get as much participation as possible in the low income subsidy.

Discussion
Although Mr. Donnelly presented on the new drug benefit, the panel brought up concerns about the negative press surrounding the drug card. In addition, it was stated that many beneficiaries lack experience in navigating the medicare.gov website to obtain information about the card.

Timothy Trysla, Senior Policy Advisor, CMS, acknowledged that the introduction of the drug card has been strongly opposed. He explained that CMS utilizes 1-800 MEDICARE, medicare.gov, SHIPs, pharmacists, marketing material, and other outreach avenues to make it as simple as possible for people to obtain information. He predicted a large jump in drug card enrollment this fall as more and more beneficiaries learn, often from other beneficiaries, about the benefits of the drug card.

Prescription Drug Benefit – Tracy McCutcheon, Health Insurance Specialist, Division of Drug Plan Policy, Medicare Plan Policy Group, CMS (Attachment D)

Ms. McCutcheon told the committee that CMS is going to issue the final rule for the Part D prescription drug coverage by early next year so that plans will have time to prepare their bids (due in June 2005). With regard to beneficiary eligibility, she explained that the new statute mirrors the enrollment and election procedures that already exist for the Medicare Enrollment Program, and it has directed CMS to establish three enrollment periods, starting in November 2005. Under the new statute, full benefit dual-eligibles who do not choose a Part D plan will be automatically enrolled. She explained that beneficiaries can avoid late-enrollment penalties if they have had creditable coverage. She said that in drafting the new law, Congress wanted to make sure there was some drug coverage for everyone, coverage that had never existed before. She explained that under MMA there is extensive coverage for people with very high catastrophic levels of insurance and very generous low-income subsidies for beneficiaries at or below 135 percent of the federal poverty level.

In highlighting prescription drug prices, she stated that according to the statute, price concessions must be passed on in the form of lower beneficiary premiums, lower point-of-sale prices, and lower government subsidies and risk-sharing outlays. With regard to grievances, coverage determinations and appeals, the statute directs CMS to carry over the procedures and time frames used in the Medicare+Choice program. She described the various options by which an employer who provides retirement health care coverage to retirees can participate in the new prescription drug plan, and numerous other technical aspects of the new PDP program's rules and regulations.

Discussion
The panel discussed: the late-enrollment penalty, the appeals process for the late-enrollment penalty, and the employer subsidy.

Lunch break.

Jane Delgado, Ph.D., APME
Dr. Delgado shared a copy of the *Steps to Get Your Medicare-Approved Drug Discount Card Kit* (Attachment E) put together by the National Alliance for Hispanic Health and AARP and distributed to 5,000 organizations. She explained the message on the video that was included in the kit and that the video is being played in the waiting rooms of many community health centers. She also stated that the Alliance has distributed 125,000 copies of the brochure that is included in the kit.

Low-Income Subsidy Outreach and Enrollment – Alissa Deboy, Special Assistant, Medicare Drug Benefit Group, CMS (Attachment F)

Ms. Deboy explained that the low-income subsidy is designed to give extra help to low-income Medicare beneficiaries in the form of premium assistance and reduced cost sharing. Eligibility for the subsidy will be determined either by State Medicaid agencies or the Social Security Administration. To apply, an individual must meet both an income and asset test. There are approximately 7 million low-income beneficiaries who are automatically eligible for the subsidy.

She explained that there are two different mechanisms to receive the subsidy. One way is to fall into a special group to be deemed automatically eligible. The other is to file an application. Ms. Deboy then described other technical aspects of the subsidy program, including eligibility criteria, auto-assignment of dual-eligibles, the process for eligibility appeals and re-determinations, and educating low-income beneficiaries about the subsidy.

Discussion
The panel discussed in detail eligibility issues concerning the low income subsidy and suggested that it would be helpful to plans if CMS published a calendar of its mailings.

Medicare Advantage (MA) - Phil Doerr, Acting Deputy Director, Medicare Advantage Group, CMS (Attachment G)
Mr. Doerr stated that about 4.5 million Medicare beneficiaries are currently enrolled in a Medicare Advantage plan provided by one of the 150 qualified plans. Mr. Doerr stated that the number of MA plan participants will increase with the implementation of the MMA. He said the number of plans applying to participate in Medicare has increased in recent months over the same period last year. One of the new provisions under MMA is a "special needs plan." These plans will serve specialized populations such as dual eligibles or institutionalized beneficiaries. A number of applications already have been received by the agency. The agency hopes to make regional MA plans a viable option for Medicare beneficiaries. He described Medicare Advantage as a new type of coordinated care choice that will benefit from the popularity of Preferred Provider Organizations (PPOs).

Mr. Doer explained that as a result of MMA, a stabilization fund will be established over the next few years that will provide financial incentives to regional PPOs that agree either to establish a new Medicare Advantage plan in a region without one, or that agree to remain in a region they are already serving. CMS will also be authorized to provide supplemental funds to hospitals that otherwise would not participate with Medicare contractors or PPOs in their region.

Panel Discussion
As a result of the presentation on Medicare Advantage plans, the panel discussed: the stabilization of enrollment in Medicare+Choice plans; the challenges in educating beneficiaries about Medicare Advantage; and the lessons learned from the application process for the drug discount card program.

Afternoon break.

Public Comment – Katherine Metzger, APME Chairperson

Jolie Crowder, Co-Director of the National Consumer Protection Technical Resource Center
Ms. Crowder stated that the collective goal of the Center is to educate and empower seniors to prevent health care fraud and abuse, particularly in Medicare and Medicaid. Member organizations include state agencies such as SHIPs, community-based organizations, ombudsman programs, and Area Agencies on Aging. Ms. Crowder requested to share issues members of her organization wanted her to raise before the panel. She suggested that CMS:

- Consider targeting its educational messages at staff and nurses in physicians' offices;

- Consider developing and providing to health care providers practical tools and resources, e.g., for example, a template for a letter a physician could send to Medicare patients under his or her signature, explaining the new benefits that will be accessible to them under the MMA;
- Consider outreach to medical and nursing schools students;
- Consider engaging community-based organizations directly and allowing them to ask questions and provide immediate feedback to the agency;
- Provide better information and support to non-SHIP Medicare programs.
- Show community-based organizations how to tap into the satellite broadcasts the agency sponsors in real time;
- Publish information on the interaction between long-term care and the drug benefit;
- Publish more information showing consumers how to prevent fraud and abuse;
- Publish information about the new "Welcome to Medicare" Physical benefit under the MMA;
- Create press and media templates that local organizations can use to customize their own PSAs, press releases, and newspaper articles; and
- Consider revamping both the medicare.gov and cms.gov web sites.

Next Steps and Next Meeting – Katherine Metzger, APME Chairperson

Ms. Metzger announced that the next APME meeting will be held on Tuesday, November 30, 2004 at the Wyndham Washington Hotel. The panel discussed addressing the following topics at future meetings:

- CMS's communication plan;
- Effectiveness of CMS's educational outreach campaigns;
- Medicare.gov/website education along with the ABC website;
- Quality initiatives;
- Caregiver-based outreach;
- Hospital Compare; and
- Electronic Medical Record (EMR).

Adjournment

Ms. Metzger thanked the panel members and other participants. There being no further business, the meeting adjourned at 3:30 P.M.

Prepared by:
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Approved by:
Katherine Metzger, Chairperson
Advisory Panel on Medicare Education

Attachments

A. *Federal Register*, Notice, July 23, 2004, Volume 69, Number 141, Pages 40434-40435
B. Sign-in Sheet
C. *MMA Overview*, CMS
D. *The Prescription Drug Benefit*, CMS
E. *Steps to Get Your Medicare-Approved Drug Discount Card* Kit, National Alliance for Hispanic Health
F. *Low Income Subsidy Outreach and Enrollment*, CMS
G. *Medicare Advantage Plans*, CMS

Additional Attachment

Meeting Summary, Advisory Panel on Medicare Education, May 11, 2004