

# *United States Senate Committee on Finance*

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## Grassley, Baucus plan a meeting with Medicare, Social Security administrators on drug benefit

WASHINGTON - Sens. Chuck Grassley and Max Baucus said today that they are working to plan a meeting for Finance Committee members with the administrators for the Medicare and Social Security programs to find out what the government agencies are doing to address premium payment problems with the new prescription drug benefit.

The senators said they're hearing about a number of beneficiaries who are not being charged for their Part D premiums, or being charged for the wrong premiums, after those beneficiaries have arranged for premiums to be taken out of their Social Security checks.

"These beneficiaries have legitimate concerns about being disenrolled or having coverage interrupted over the administrative confusion. We need to make sure the program gets ahead of the problem, before it gets any bigger, and resolves it for those already facing the issue," Grassley said.

"Medicare beneficiaries need to be able to count on the drug benefit program, not only for prescription drugs, but also for accurate administration that doesn't cause financial hardship," said Baucus. "I want to know whether this is a one-time mistake, or whether there are structural problems around withholding premiums that might lead to this issue again."

This problem is emerging on top of the announcement last week by Medicare program officials that 230,000 Medicare beneficiaries -- including more than 6,000 in Iowa and 1,700 in Montana -- had mistakenly received refunds of their premiums for Medicare Part D from the Social Security Administration. The government made a processing error and refunded the money by mistake. Both Grassley and Baucus wrote to Dr. Mark McClellan, the Administrator of the Centers for Medicare and Medicaid Services, over this matter and are keeping close tabs to see that there's no repeat of that kind of error and that any systemic problems are addressed very aggressively by the Medicare program.

Grassley said that the new prescription drug benefit is working very well for the vast majority of beneficiaries. "I'm getting a lot of positive feedback in letters from Iowans," he said. "By keeping the pressure on the agency to get glitches fixed, I want to help make sure the Medicare prescription drug program delivers for every participant."

"Montana seniors want this drug benefit to work, and they deserve swift action when problems arise," Baucus said. "Dr. McClellan should have told all of us about these problems

when he visited Montana this month. In this meeting, I intend to get to the bottom of the issue, to find out whether Medicare even anticipated a problem like this, and to get an appropriate remedy for seniors in my home state and across the country.”

A date certain has not been set for this meeting. Grassley and Baucus said it would be soon after Congress reconvenes, following the August break.

Grassley is chairman and Baucus is ranking member of the Senate Committee on Finance. They co-authored the Senate legislation that created the Medicare prescription drug benefit. The *Medicare Prescription Drug, Improvement and Modernization Act* was enacted in 2003. The drug benefit became available this year.