

Testimony of Robert J Kenny

Good morning Mr. Chairman, ladies and gentlemen of the Committee. I am delighted to be here today to give the message that there really are successful sign-ups for Medicare D.

I have worked with Medicare D both on a personal basis and as a volunteer for the Senior Health Insurance Benefits Assistance program (SHIBA).

At 78 years of age I have recently undergone a triple bypass operation and have mild emphysema. My drug cost would be about \$300 a month without Medicare D. With my Medicare D prescription plan, my total cost including premium will be cut to \$141 a month, a savings of 53% or a total of \$1,908 a year.

How did I go about signing up? Because of my SHIBA training I knew the shortest route would be to use the government web site Medicare.com. I went to that site armed with a list of my six prescriptions and my Medicare card. The site was new to me so I did site exploring and then started in earnest. I told the site that I wanted to compare plans, filled in the personal information and after that my drug usage. It was time consuming, about three- quarters of a hour. The comparison showed the plans from the least to the most expensive with the yearly cost for each. I checked pharmacies to make sure mine was included and identified the parent company for the plan as a stable firm. In addition, I went over the math to verify the yearly cost figure. Having decided that the lowest cost plan was acceptable I enrolled.

My membership card arrived in a little over two weeks. Shortly after January 1, I registered my plan with my pharmacy and ordered medication. The medication was quickly approved and provided at the proper discounted price. Since that time I have filled more prescriptions with the same results.

I am sure that my good results , in some measure, reflected my half day Medicare D training and my computer savvy.

My work as a SHIBA volunteer began in 1993. According to the last census my county of Tillamook in Oregon has a population with 19.8% seniors as compared 12.4% for the US as a whole. I have counseled about 30 Medicare D clients since mid-November. The seniors that come to me for Medicare D

are often very confused by the publicity that tells them they should be confused or they have been talking to plan salesmen or they have been looking into plans and they are really confused. In most cases this confusion was either eliminated or considerably reduced by going through the steps required by Medicare.gov. Few of my clients know how to use a computer and those that do may not have internet access. At the end of the appointment, however, almost all are thrilled by the amount they will save in drug costs. There has been only one client of mine who found that there would be no reduction in her costs. She was a lady in extremely good health who did not spend enough to cover the \$250 deductible. Even this lady decided to enroll anyway in order to avoid the 1% per month penalty which would be added to her premium if she did not enroll before May 15.

Lest I paint too pretty a picture, I know there are real problems in some areas. I work with the general population of seniors and that has yielded good results. At the same time, I have heard from those who work with dual eligibles (those with Medicare and Medicaid) that they have seen serious difficulties in everything from getting clients into the right plan to straightening out computer records so medications could be dispensed.

In spite of all the real problems you are hearing about, Medicare D is a good thing for an overwhelming portion of those eligible. In our county, there is even a plan available which will produce savings with drug costs of as little as \$35 a month. Not many seniors have drug costs that low.

The Medicare.gov web site is, in my opinion, now doing a good job leading people through the process. When the sign-up period started in November it was often not available due to excess traffic, had errors in plan information and was much harder to use. Since then the information has been corrected, major improvements have been made and the site is both faster and easier to use.

In spite of my satisfaction with the results and a real conviction that Medicare D is a good deal for the elderly, it is obvious that improvements can be made. I would recommend, to the committee, that the following changes be considered.

- Provide a paper application for those who do not have computer access.

- On the Medicare.gov web site, at present, medications and their dosages must be entered one at a time to allow the program to make the notation. This results in a processing wait each time a single drug or change in dosage is entered. It would be more efficient if all drugs and their dosages could be entered at the same time resulting in a single but longer wait.
- Stop auto-enrollment to reduce confusion and save manpower.
- Standardize the formulary for all plans to provide improved comparability.
- As with Supplemental plans A thru J, reduce the number of prescription plans (not vendors) to a manageable number which can be compared one to the other.
- There are more than 4,800 seniors in Tillamook County. Only about 500 of these have been helped because most of them do not know how to get that help. My schedule is now running empty. We could nationally provide local TV and radio advertisements giving the telephone number of the closest SHIBA office or its equivalent which can be called to get real one on one help in a timely manner.