



# Medicare Rights Center

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June 11, 2008

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Medicare Rights Center

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**Washington, D.C. Office:**  
110 Maryland Ave, NE, Suite 112  
Washington, DC 20002  
Tel: 202-544-5561/Fax: 202-544-5549

The Honorable Max Baucus  
United States Senator  
511 Hart Senate Office Building  
Washington, DC 20510

The Honorable Gordon Smith  
United States Senator  
404 Russell Senate Office Building  
Washington, DC 20510

The Honorable Jay Rockefeller  
United States Senator  
531 Hart Senate Office Building  
Washington, DC 20510

The Honorable Olympia Snowe  
United States Senator  
154 Russell Senate Office Building  
Washington, DC 20510

Dear Senators Baucus, Rockefeller, Smith, and Snowe:

On behalf of the Medicare Rights Center, a nonpartisan consumer service organization for people with Medicare, I would like to thank you for introducing the Medicare Improvements for Patients and Providers Act of 2008. In particular, we are grateful for the many provisions that will improve benefits for people with Medicare and assist those with low-incomes pay for their Medicare premiums.

We strongly support increasing the Medicare Savings Program (MSP) asset test to the full Medicare Part D Low-Income Subsidy (Extra Help) levels. The Medicare Savings Programs provide needed assistance to people with Medicare to ensure that they can afford the care that they need. Currently, to qualify for a Medicare Savings Program, a person with Medicare may not have assets of more than \$4,000 for individuals and \$6,000 for couples. These asset limits have not been adjusted since 1989. Many people with Medicare qualify for these programs, which improve access to care, on the basis of income, but are ineligible because they have slightly too many assets because of modest savings.

In addition, people with Medicare are often unable to complete the Extra Help application because they cannot determine the cash surrender value of their life insurance policy. Others are excluded because help they receive from family members is counted as “in-kind support and maintenance” and puts them over the income limit. Eliminating consideration of these resources will remove significant barriers to enrollment in Extra Help.

In its March 2008 report to Congress, the Medicare Payment Advisory Committee (MedPAC) recommended several important changes to the Medicare Savings Programs that would improve enrollment, including enlisting the Social Security Administration to help low-income beneficiaries apply for the Medicare Savings Programs and providing funding for State Health Insurance Assistance Programs and other organizations to conduct outreach and enrollment to help low-income people with Medicare enroll in the Low-Income Subsidy and Medicare Savings Programs. We are pleased to see these important changes included in the bill.

This legislation makes long overdue improvements to Medicare by providing improved access to preventive services and parity in coverage for mental health services. By phasing down the higher coinsurance rate for mental health services, S. 3101 removes an historic barrier to needed care and ends Medicare's discriminatory treatment of the mentally ill.

We are pleased that the bill includes provisions that will protect people with Medicare by requiring Private Fee-For-Service plans to establish provider networks, rather than "deeming" doctors to be part of the plans. Far from limiting consumers' choice of plans, this provision will help ensure that people with Medicare who chose a Private Fee-For-Service plan will have adequate access to specialists and other providers. We hear from numerous people with Medicare who have signed up for a Private Fee-For-Service plan and are then unable to find a doctor or hospital in their area that accepts the plan. It is vital that people with Medicare have access to the care they need, when they need it.

Finally, we also support consumer protections in the bill that should help prevent abusive marketing practices by Medicare Advantage plans. We have assisted many people with Medicare that have been victims of aggressive and deceptive marketing practices used to enroll people with Medicare into Medicare private health plans. If these protections are coupled with stringent oversight and effective enforcement, we can expect to see a sharp reduction in the number of reports about predatory marketing tactics.

The Medicare Rights Center is eager to work with you to ensure that the important legislative improvements in the Medicare Improvements for Patients and Providers Act of 2008 are enacted into law. Thank you again for your efforts to help people with Medicare obtain the care they need.

Sincerely,

A handwritten signature in blue ink that reads "RM Hayes". The signature is written in a cursive, slightly slanted style.

Robert M. Hayes