



Summary of Testimony by Joe Baker, President of Medicare Rights Center December 4, 2013

The Medicare Rights Center is a national, non-profit organization that works to ensure access to affordable health care for older adults and people with disabilities through counseling and advocacy, educational programs, and public policy initiatives.

People with Medicare Advantage: Medicare Rights counsels thousands of people with Medicare Advantage (MA) each year. Today, 15 million Medicare beneficiaries (29%) are enrolled in MA. The most common call to our national helpline comes from a beneficiary who is having difficulty affording a health care service or a prescription medicine. Other calls concern:

- **Denied claims and appeals:** Of all calls received on Medicare Rights' helpline in 2012, 33% concerned appeals, and the majority of these related to MA denials of coverage. Research shows that MA enrollees are more likely to report access problems than those with Original Medicare.
- **Enrollment and disenrollment:** Older adults and people with disabilities find choosing among multiple MA plans a dizzying experience. Despite regular plan changes, research suggests that inertia is widespread and most people with Medicare fail to reevaluate their coverage options on an annual basis. There are *too many* MA plans, *too many* plan variables to compare, and not enough meaningful variation among options.

Medicare Advantage Strengthened Since the Affordable Care Act: The ACA included a set of policies designed to make the MA system more efficient and to enhance plan quality. Some claimed that MA enrollees would experience increased cost sharing, tightened provider networks, and fewer plan choices as a result of changes to MA payments, but this has not proven true.

While there appears to be some slimming of MA provider networks this year, these adjustments are an *inherent risk* of any managed care system, have happened in the past, and will happen in the future. Our advice to beneficiaries remains the same: people can change their coverage during the Fall Open Enrollment Period (November 15 – December 7) if an MA plan no longer meets their health and financial needs.

ACA savings secured largely from MA payment adjustments are producing positive returns for the Medicare program overall, benefiting both current and future beneficiaries. The ACA made many other critical improvements to MA benefitting people with Medicare and their families, including:

- Enhancing coverage and reducing costs for select preventive services
- Prohibiting higher cost sharing for renal dialysis, chemotherapy, and skilled nursing stays
- Mandating a medical loss ratio requiring that 85% of premiums and MA payments are spent on care

Recommendations to Improve Medicare Advantage:

- Improve beneficiary notices regarding annual plan changes
- Further streamline and standardize plans
- Strengthen the MA appeals system
- Adequately fund independent counseling resources, namely State Health Insurance Programs (SHIPs)
- Expand access to supplemental coverage options for people with Original Medicare
- Approach with caution V-BID models to increase cost sharing for some beneficiaries

[Read the full testimony.](#)