

The National Council of Social Security Management Associations, Inc.

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• **Medicare Reform and Potential SSA Involvement**

We have received questions from NCSSMA members regarding passage of Medicare reform legislation and potential implications for SSA. The House and Senate conference committee must still iron out the differences between the House and Senate versions of the Medicare prescription drug package bill. It is expected that conferees will consider a series of policy options when they return from the August recess. Lawmakers have set an ambitious schedule for passage of the legislation – Conference Committee Chairman Bill Thomas (R-CA) has not planned any sessions beyond September 13, and Senate Majority Leader Bill Frist (R-TN) said before adjourning the Senate for recess that he wanted the conference report finished by the end of September.

Of specific interest to our membership are the following provisions:

The House version included a provision (Section 924, see below) that instructed the Secretary of Health and Human Services to establish a demonstration project to assist Medicare beneficiaries. Medicare “specialists” employed by HHS would provide advice and assistance pertaining to the Medicare program at local Social Security Administration offices. The bill language follows:

“SEC. 924. BENEFICIARY OUTREACH DEMONSTRATION PROGRAM.

(a) IN GENERAL- The Secretary shall establish a demonstration program (in this section referred to as the `demonstration program') under which Medicare specialists employed by the Department of Health and Human Services provide advice and assistance to individuals entitled to benefits under part A of title XVIII of the Social Security Act, or enrolled under part B of such title, or both, regarding the Medicare program at the location of existing local offices of the Social Security Administration.

(b) LOCATIONS-

(1) IN GENERAL- The demonstration program shall be conducted in at least 6 offices or areas. Subject to paragraph (2), in selecting such offices and areas, the Secretary shall provide preference for offices with a high volume of visits by individuals referred to in subsection (a).

(2) ASSISTANCE FOR RURAL BENEFICIARIES- The Secretary shall provide for the selection of at least 2 rural areas to participate in the demonstration program. In conducting the demonstration program in such rural areas, the Secretary shall provide for Medicare specialists to travel among local offices in a rural area on a scheduled basis.

(c) DURATION- The demonstration program shall be conducted over a 3-year period.

(d) EVALUATION AND REPORT-

(1) EVALUATION- The Secretary shall provide for an evaluation of the demonstration program. Such evaluation shall include an analysis of--

- (A) utilization of, and satisfaction of those individuals referred to in subsection (a) with, the assistance provided under the program; and
- (B) the cost-effectiveness of providing beneficiary assistance through out-stationing Medicare specialists at local offices of the Social Security Administration.

(2) REPORT- The Secretary shall submit to Congress a report on such evaluation and shall include in such report recommendations regarding the feasibility of permanently out-stationing Medicare specialists at local offices of the Social Security Administration.”

The Senate Medicare prescription drug bill does not include the elements of Section 924 as found in the House bill. Instead of using local SSA offices as locations for providing Medicare assistance, the Senate proposed the creation of the “Office of the Medicare Beneficiary Advocate” (see Section 134 below). This new office would establish a toll-free number and an Internet site that would provide Medicare beneficiaries with information about Medicare prescription drug plans and other Medicare benefit plans. The proposed “Office of the Medicare Beneficiary Advocate” would be operated within HHS, not SSA. The bill language follows:

“SEC. 134. OFFICE OF THE MEDICARE BENEFICIARY ADVOCATE.

(a) ESTABLISHMENT- Not later than 1 year after the date of enactment of this Act, the Secretary shall establish within the Department of Health and Human Services, an Office of the Medicare Beneficiary Advocate (in this section referred to as the ‘Office’).

(b) DUTIES- The Office shall carry out the following activities:

(1) Establishing a toll-free telephone number for Medicare beneficiaries to use to obtain information on the Medicare program, and particularly with respect to the benefits provided under part D of title XVIII of the Social Security Act and the Medicare Prescription Drug plans and Medicare Advantage plans offering such benefits. The Office shall ensure that the toll-free telephone number accommodates beneficiaries with disabilities and limited-English proficiency.

(2) Establishing an Internet website with easily accessible information regarding Medicare Prescription Drug plans and Medicare Advantage plans and the benefits offered under such plans. The website shall--

- (A) be updated regularly to reflect changes in services and benefits, including with respect to the plans offered in a region and the associated monthly premiums, benefits offered, formularies, and contact information for such plans, and to ensure that there are no broken links or errors;
- (B) have printer-friendly, downloadable fact sheets on the Medicare coverage options and benefits;
- (C) be easy to navigate, with large print and easily recognizable links; and
- (D) provide links to the websites of the eligible entities participating in part D of title XVIII.

(3) Providing regional publications to Medicare beneficiaries that include regional contacts for information, and that inform the beneficiaries of the prescription drug benefit options under title XVIII of the Social Security Act, including with respect to-

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- (A) monthly premiums;
- (B) formularies; and
- (C) the scope of the benefits offered.

(4) Conducting outreach to Medicare beneficiaries to inform the beneficiaries of the Medicare coverage options and benefits under parts A, B, C, and D of title XVIII of the Social Security Act.

(5) Working with local benefits administrators, ombudsmen, local benefits specialists, and advocacy groups to ensure that Medicare beneficiaries are aware of the Medicare coverage options and benefits under parts A, B, C, and D of title XVIII of the Social Security Act.

(c) FUNDING-

(1) ESTABLISHMENT- Of the amounts authorized to be appropriated under the Secretary's discretion for administrative expenditures, \$2,000,000 may be used to establish the Office in accordance with this section.

(2) OPERATION- With respect to each fiscal year occurring after the fiscal year in which the Office is established under this section, the Secretary may use, out of amounts authorized to be appropriated under the Secretary's discretion for administrative expenditures for such fiscal year, such sums as may be necessary to operate the Office in that fiscal year.”

The new office (as proposed in the Senate bill) would work with other benefits agencies and advocacy groups to make sure that Medicare beneficiaries receive helpful information. This approach would be appropriated \$2,000,000. The House bill did not mention any specific funding for its approach; however, it appears that HHS, not SSA, would be responsible for funding the work of the Medicare specialists at SSA local offices if the House approach is chosen during the conference committee.

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