

## **Medicare D Needs To Be Fixed**

**By Woodrow Wilcox**

January 1, 2006 marked the start of Medicare Part D prescription drug benefits. The new Medicare coverage has many problems.

A big problem is that it is not standardized. With Medicare Part A and Part B, the federal government standardized the plans for Medicare supplement insurance coverage. In that way, the Plan A of one company covered exactly the same things as the Plan A of another insurance company for Medicare supplement coverage. This reduced the chances for confusion of senior citizens while still allowing them to have choices.

With Medicare Part D, the federal government did not standardize the plans that could be offered by insurance companies. Instead, the federal government set a minimum standard of benefits and then let insurance companies get creative with their coverage plans. There are over 500 insurance companies that offer Medicare D insurance plans and most of them have four different plans. So, there are about 2,000 different plans that senior citizens and insurance agents could study and consider. That has overwhelmed many senior citizens and their insurance agents.

The federal law that created Medicare Part D created a “donut hole” of coverage in all plans that will force the average senior citizen to pay \$3,600 per year in medicine costs before the 95% cost coverage assistance starts. In addition to the \$3,600 that a senior citizen would pay for medicine, the senior citizen now must pay a new insurance premium for a Medicare D plan directly from the Social Security monthly check that the senior citizen would otherwise receive. So, the Medicare D program reduces senior citizens’ Social Security checks.

In my opinion, the new law is too complicated and does not offer any real relief for most senior citizens. Complicated laws are difficult for anyone, but especially for senior citizens and the relatives, friends, and insurance agents who try to help them. Also, the Medicare Part D program does not offer any real financial relief to the average senior citizen. The law just complicates the lives of senior citizens even more than what existed before Medicare Part D.

I believe that Congress would serve senior citizens and our country better by passing laws to regulate the price of drugs so that pharmaceutical companies make a reasonable profit, but not astronomical profits by setting the prices at whatever level the executives of those companies want. Billions of dollars in tax breaks and grants are already given by our government for research and development. If our tax dollars help to pay to develop and test drugs, then we should have a say in what will be the price of those drugs.

I suggest a much simpler two prong approach to helping senior citizens with prescription medicine costs. First, let's pay for the prescription drugs of every senior citizen who was born or moved to the U.S.A. in 1945 or earlier. These senior citizens participated in the hardship and sacrifices of the Great Depression and World War Two. They have gone through plenty of hardship to benefit our country and our citizens already. Why not help them in their senior years by sacrificing some other things in the federal budget to help these very special senior citizens who have done so much for the rest of us? Also, I believe that we should give these senior citizens help in paying for their eyeglasses and hearing aids. I believe that they deserve that help.

Second, let's control the price of medicines in the same way that we regulate the price of other essential services. It seems to me that the health of our people is such a vital national interest that there is no reason to allow medical service providers or pharmaceutical companies to charge ANYTHING that they want to charge. In medical emergencies, like car accidents, the customer-patient can not shop around for the best price. The normal market forces that exist with many other businesses are absent when someone is injured or dying. Without controlling what medical service providers and pharmaceutical companies can charge, every citizen who needs medicine and medical services is likely to become a victim of price gouging.