

City of Alexandria, Virginia

MEMORANDUM

DATE: MAY 3, 2006

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: REQUEST FROM THE COMMISSION ON AGING THAT CITY COUNCIL ASK THE CITY'S CONGRESSIONAL DELEGATION TO SUPPORT CHANGES TO THE MEDICARE PART D PRESCRIPTION PROGRAM

ISSUE: Request for Council to ask the City's Congressional Delegation to support changes to the Medicare Part D Prescription Program.

RECOMMENDATION: That City Council authorize the Mayor to sign the attached letters to the members of Alexandria's Congressional delegation, asking them to support changes to the Medicare Part D Prescription Program (formally known as the Medicare Modernization Act). The Alexandria Commission on Aging has asked Council to support these legislative changes.

DISCUSSION: In 2004 Congress passed legislation establishing the Medicare Part D Prescription Program, which is now being implemented. The phase-in of Part D has been burdened with problems. For example, thousands of low-income seniors, who thought they were enrolled in a plan, found they were denied access to their benefits earlier this year. Helping seniors sort out the confusing array of choices and regulations has drained precious time and resources from the nation's aging network, including our local aging providers, not to mention the huge time investment for seniors to try to figure it all out.

Legislation has been introduced in Congress to help address these problems. The Medicare Informed Choice Act (H.R. 3861/S. 1841, introduced respectively by Congressman Pete Stark and Senator Bill Nelson), addresses some of the immediate problems facing Part D beneficiaries. This legislation would:

- 1) Delay the late enrollment penalty, which will impact thousands of seniors who do not enroll by May 15th, until the end of the year;
- 2) Allow a one-time switch between different Part D plans this year; and
- 3) Prevent individuals from losing their employer health coverage if they mistakenly sign up for a Part D plan.

A second bill, the Medicare Prescription Drug Savings and Choice Act of 2005 (H.R. 752/S. 345, introduced respectively by Congressman Marion Berry and Senator Richard Durbin) seeks to provide bulk purchasing power, cost containment and flexibility for beneficiaries. As many major organizations have pointed out, the simplest and most effective way to offer prescription drug coverage for seniors is through the traditional Medicare program. This would provide a simple, familiar benefit option to all, which would harness the purchasing power of more than 42 million Medicare beneficiaries to contain the skyrocketing cost of prescription drugs. The Veterans Administration does this very effectively, and so could Medicare. But such effective cost containment is specifically prohibited in the current Part D legislation. More specifically, this legislation would establish a standard drug-coverage plan administered by Medicare, and mandate negotiated prices for prescription drugs under this plan.

The Alexandria Commission on Aging believes that Alexandria residents and others deserve simpler, more straightforward access to affordable prescription drug coverage. The Commission urges Council to ask the City's Congressional delegation to work for the passage of this legislation to bring urgently needed changes to the current Part D prescription drug program this year.

ATTACHMENTS:

- Attachment I. Draft Letter to the Honorable James P. Moran, U.S. House of Representatives
- Attachment II. Draft Letter to the Honorable George F. Allen, U.S. Senate
- Attachment III. Draft Letter to the Honorable John W. Warner, U.S. Senate

STAFF:

- Bernard Caton, Legislative Director
- Members of the Commission on Aging
- Debra Collins, Director of Human Services
- Jack Powers, Director of Community Programs, DHS
- MaryAnn Griffin, Director of Aging and Adult Services, DHS
- Debbie Ludington, Long-Term Care Coordinator, DHS/OAAS

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May xx, 2006

The Honorable James P. Moran
United States House of Representatives
2239 Rayburn House Office Building
Washington, DC 20515

Dear Congressman Moran:

I write on behalf of the City of Alexandria about several initiatives in Congress that would begin to address the problems that have arisen in implementing Medicare Part D. We appreciate the efforts you have already made to bring these problems to the public's attention, and in assisting your constituents in navigating their way through the Part D system.

As many Alexandria seniors, the poor and the disabled know first hand, the rollout of Part D has been burdened with problems. For example, thousands of low-income seniors, who thought they were enrolled in a plan, found they were denied access to their benefits earlier this year. Helping seniors sort out the confusing array of choices and regulations has drained precious time and resources from the nation's aging network, including our local aging providers, not to mention the huge time investment for seniors to try to figure it all out.

To help address this problem, the City of Alexandria urges you to continue working with your fellow Congressmen to address major flaws in the 2003 Medicare Modernization Act. More specifically, we urge you to work for the passage of the Medicare Informed Choice Act and the Medicare Prescription Drug Savings and Choice Act of 2005.

The first of these, the Medicare Informed Choice Act (H.R. 3861/S. 1841, introduced respectively by Congressman Pete Stark and Senator Bill Nelson), addresses some of the immediate problems facing Part D beneficiaries. This legislation would:

- 1) Delay the late enrollment penalty, which will impact thousands of seniors who do not enroll by May 15th, until the end of the year;
- 2) Allow a one-time switch between different Part D plans this year; and
- 3) Prevent individuals from losing their employer health coverage if they mistakenly sign up for a Part D plan.

As many major organizations have pointed out, the simplest and most effective way to offer prescription drug coverage for seniors is through the traditional Medicare program. This would

provide a simple, familiar benefit option to all, which would harness the purchasing power of more than 42 million Medicare beneficiaries to contain the skyrocketing cost of prescription drugs. The Veterans Administration does this very effectively, and so could Medicare. But such effective cost containment is specifically prohibited in the current Part D legislation. The Medicare Prescription Drug Savings and Choice Act of 2005 (H.R. 252/S. 345, introduced respectively by Congressman Marion Berry and Senator Richard Durbin) would provide such bulk purchasing power, cost containment and flexibility for beneficiaries. It would establish a standard drug-coverage plan administered by Medicare, and mandate negotiated prices for prescription drugs under this plan.

Our citizens deserve simpler, more straightforward access to affordable prescription drug coverage. We urge you to work to make these and other urgently need changes to the current Part D prescription drug program this year.

Sincerely,

William D. Euille
Mayor

cc: The Honorable Members of City Council
Christina C. Forbes, Chair, Alexandria Commission on Aging
Debra R. Collins, Director of Human Services
MaryAnn Griffin, Director, Office of Aging and Adult Services
Bernard Caton, Legislative Director

Draft

May xx, 2006

The Honorable George F. Allen
United States Senate
204 Russell Senate Office Building
Washington, DC 20510

Dear Senator Allen:

I write on behalf of the City of Alexandria about several initiatives in Congress that would begin to address the problems that have arisen in implementing Medicare Part D.

As many Alexandria seniors, the poor and the disabled know first hand, the rollout of Part D has been burdened with problems. For example, thousands of low-income seniors, who thought they were enrolled in a plan, found they were denied access to their benefits earlier this year. Helping seniors sort out the confusing array of choices and regulations has drained precious time and resources from the nation's aging network, including our local aging providers, not to mention the huge time investment for seniors to try to figure it all out.

To help address this problem, the City of Alexandria urges you to work with your fellow Senators to address major flaws in the 2003 Medicare Modernization Act. More specifically, we urge you to work for the passage of the Medicare Informed Choice Act and the Medicare Prescription Drug Savings and Choice Act of 2005.

The first of these, the Medicare Informed Choice Act (S. 1841/H.R. 3861, introduced respectively by Senator Bill Nelson and Congressman Pete Stark), addresses some of the immediate problems facing Part D beneficiaries. This legislation would:

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Veterans Administration does this very effectively, and so could Medicare. But such effective cost containment is specifically prohibited in the current Part D legislation. The Medicare Prescription Drug Savings and Choice Act of 2005 (S. 145/H.R. 752, introduced respectively by Senator Richard Durbin and Congressman Marion Berry) would provide such bulk purchasing power, cost containment and flexibility for beneficiaries. It would establish a standard drug-coverage plan administered by Medicare, and mandate negotiated prices for prescription drugs under this plan.

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Debra R. Collins, Director of Human Services
MaryAnn Griffin, Director, Office of Aging and Adult Services, DHS
Bernard Caton, Legislative Director

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The Honorable John W. Warner
United States Senate
225 Russell Senate Office Building
Washington, DC 20510

Dear Senator Warner:

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