WORD FROM WASHINGTON

Seniors Group Calls On President To Provide Leadership On Rx Bill

(NAPSA)—The National Committee to Preserve Social Security and Medicare is urging the President to take more decisive action to move the bogged-down prescription drug bill forward.

National Committee President Barbara B. Kennelly urged the President to ask conferees to set aside the controversial privatization provisions, which threaten to block a prescription drug bill this year. Her remarks came in response to a recent Medicare speech by the President.

Kennelly

"We need leadership. What we got was a pep rally," she says.

Kennelly warns that the privatization provisions, which require Medicare to compete against private plans beginning in 2010, would transform Medicare from a defined-benefit to a defined-contribution program and, ultimately, result in the dismantling of Medicare as a universal entitlement. The President's general call to give seniors more "choice" of private health plans ignores the kind of benefit reductions and coverage disruptions experienced by millions of seniors since 1997 under the existing Medicare Plus Choice program.

Seniors fear that, under privatization, private plans (most likely HMOs and PPOs) would likely gather up healthy seniors who are less expensive to insure, leaving the sickest, most expensive seniors in traditional fee-for-service Medicare. Heavy use of health services concentrated in traditional Medicare would eventually collapse the program.

"Seniors are aware that the privatization provisions carry the seeds of Medicare's demise, and they're rightfully wary," says Kennelly. "They want Medicare to remain a social insurance program because they've experienced the program's success. Some seniors are expensive to insure, and Medicare is successful because it can spread the risk of insuring the sickest over 41 million participants."

"This legislation is supposed to be about helping seniors pay for their medicine, not making wholesale changes to Medicare," says Kennelly.