

Nearly two months after Maryland seniors were forced to enroll in Medicare Part D or face a lifetime penalty, news about the failures of this confusing law continues to pour in.

A recent report by Families USA shows that during the first five months of active enrollment in the new Medicare drug benefit, almost all private drug plans raised prices for the 20 most commonly prescribed drugs for seniors. The median price for the plans' top 20 drugs rose 3.7% between mid-November 2005 and April 17, 2006—a finding supported by an AARP report that recorded a 4% jump in brand-name drugs in 2006.

This report highlights one of the most outrageous provisions of Medicare Part D—its prohibition of the Secretary of Health and Human Services from negotiating lower drug prices on behalf of the 40 million seniors enrolled in Medicare—even though similar types of negotiations currently in practice at the Veterans Administration (VA) saves them over 40% on many medicines. Another glaring flaw of this program has resulted in many beneficiaries being denied payment for their drug costs between \$2,250 and \$5,100—known as the “donut hole”—while still having to pay monthly premiums.

Furthermore, a GAO report released just this week found that the call centers run by private Medicare drug plans provide inaccurate and incomplete information most of the time. According to GAO, the private plans that are responsible for running the new Medicare drug benefit “did not consistently provide callers with accurate and complete information.”

The confusion and complexity surrounding the new prescription drug program reflects the law’s inability to provide seniors and people with disabilities with access to the most affordable prescription drugs possible.

After a lifetime of hard work, America’s seniors have earned their right to a dignified retirement. Their monthly payroll contributions to Medicare and Social Security have served as a down payment toward a secure retirement. Unfortunately, Republican policies have undermined this security. First, Congress enacted a prescription drug program that does little to make prescription drugs more affordable for seniors. Then, President Bush and House Republicans pursued a risky Social Security privatization plan that would have turned a guarantee into a gamble.

My colleagues and I successfully fought against Social Security privatization, and we are now working to fix the flaws in the Medicare prescription drug program.

Fiscal responsibility is critical to this process given the trillions of dollars in debt that our children and grandchildren will be forced to pay back because of the fiscal irresponsibility of the President and this Congress. I am committed to pay-as-you-go rules, which require that tax cuts and new spending be paid for with savings elsewhere in the budget. Cost-saving measures in our proposal can be used to fix the current program for seniors and people with disabilities.

Recently, my Democratic colleagues and I unveiled the “Democratic Prescription for Change,” an agenda to make key improvements to Medicare Part D so that beneficiaries get the simple, affordable, and reliable prescription drug benefit they deserve. The Democratic Prescription for Change will enact the following:

- Require Medicare to leverage its bargaining power and negotiate lower prices so that seniors get a better deal.

- Help close the “donut hole” by dedicating the cost savings from price negotiation toward ending the coverage gap.

- Stop drug plans from creating burdensome administrative hurdles during the year, when beneficiaries are not allowed to change plans.

- Ensure moderate-income Medicare beneficiaries get the drug coverage assistance they need by eliminating complex barriers.

- Allow seniors to choose a plan administered directly by Medicare – efficiently guaranteeing a simple and secure benefit that will reduce drug costs and ensure comprehensive coverage.

- Extend the enrollment deadline to December 31st without penalty, so that individuals are not locked out of drug coverage for the rest of the year.

These changes will go a long way toward giving Maryland's seniors the prescription drug benefit they have earned.