



WASHINGTON UPDATE

OCTOBER 2014

MEDICARE OPEN ENROLLMENT BEGINS OCTOBER 15

Medicare's yearly open enrollment period is from October 15 to December 7. During this period, beneficiaries can change their Part D and Medicare Advantage plans as well as transfer from traditional Medicare to a Medicare Advantage plan (and from MA to traditional Medicare). For information about changing plans, visit the Medicare website at www.medicare.gov and read this Medicare blog post at <http://blog.medicare.gov/2014/10/01/medicare-open-enrollment-is-coming-soon-do-you-need-to-make-a-change/>. You can use the Medicare Plan Finder to compare plans. Kaiser Family Foundation has also released general information on the Part D prescription drug benefit at <http://files.kff.org/attachment/medicare-prescription-drug-benefit-fact-sheet>

The Benjamin Rose Institute on Aging's Medicare and Benefits Enrollment Call Center works with consumers during the open enrollment period to help them sort out which plans work best for them. Toll-free 866.885.1650.

Congressional Update

FY 2015 Begins; Programs in Spending Freeze

On October 1, the government's 2015 fiscal year began. The government is currently being funded under a continuing resolution, which holds spending to FY 2014 levels and runs through mid-December. Legislators will return on November 12 to negotiate a spending package for the balance of the fiscal year. The Older Americans Act now enters its fourth year without authorization; it is currently stalled in both the Senate and the House. There is a small chance the reauthorization could pass during the "lame duck" session in November.

Study Shows Public May Back Restricting Medicare to Provide New Benefits

According to a report released in September, the public may be willing to reduce Medicare benefits under traditional Medicare in order to provide coverage in new categories. Participants in a study said Medicare should require beneficiaries to enroll in a provider network, change end-of-life care to support hospice, but not "treatments unlikely to make a difference," apply penalties and rewards for controlling chronic conditions, and charge higher-income seniors more for Part B. They said Medicare should offer long-term-care coverage, dental, vision and hearing care, transportation to appointments, and mental health coverage. The report can be found at:

www.aei.org/files/2014/09/19/-medchat-full-report_163049183930.pdf

Medicare Readmissions Fines Reach Record High

According to analysis by Kaiser Health News, Medicare is fining 2,610 hospitals, a record high, for readmissions rates that are too high. Though overall readmissions rates nationwide are dropping, Medicare will have higher average fines, with three-quarters of eligible hospitals under the program penalized. These hospitals will receive lower Medicare payments for every patient stay, not just for readmitted patients, losing up to three percent of each payment. Over the course of fiscal year 2015, the fines will total about \$428 million, Medicare estimates. A majority of hospitals in Ohio will lose money, as will a majority in 28 other states. Kaiser Health News has analyzed the data.

Contact Us

We welcome your feedback!
Please share questions,
suggestions or concerns.

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Medicaid Directors Recommend Consumer Protections to CMS

In a letter to CMS on September 25, the National Association of Medicaid Directors (NAMD) suggested consumer protections for Medicaid managed care programs to CMS in the areas of network adequacy, enrollment practices, long-term services and supports, and communications standards. For long-term services and supports, they suggest leveraging existing state programs to build on existing consumer protections and oversight structures and to use multiple entities and resources to strengthen education for consumers. This letter precedes a CMS-proposed rule that would overhaul its Medicaid managed care regulations, predicted by the agency to be issued in December 2014.

GAO REPORTS

Report on Dual-Eligible Spending Released

The Government Accountability Office (GAO) released a report on August 29 entitled "Disabled Dual-Eligible Beneficiaries: Integration of Medicare and Medicaid Benefits May Not Lead to Expected Medicare Savings." The GAO found that, contrary to Congress and CMS's expectation that benefit integration for dual-eligible beneficiaries will lead to reduced spending, the specialized integrated plans (including the new financial alignment demonstration) may not reduce the duals' spending compared with Medicare spending in settings without integrated benefits. Though duals had moderately better health outcomes, this did not translate into reduced spending.

Read the report at: www.gao.gov/assets/670/665491.pdf

Report on IRS Refund Identity Theft

On September 22, the Senate Aging and Finance Committees and House Ways and Means Committee jointly released a GAO report entitled "Identity Theft: Additional Actions Could Help IRS Combat the Large, Evolving Threat of Refund Fraud." More than \$5 billion is released annually in fraudulent refunds. "This problem isn't going away, unless we go hard after these criminals while also doing what we can to prevent this crime," said Sen. Bill Nelson (D-FL). "Too many Americans already have paid a high price, especially those unfortunate enough to have fallen victim to identity theft. Many of them sometimes end up waiting years just to get their own tax refund. The time has come for Congress to act."

Read the report at: www.gao.gov/assets/670/665368.pdf