

Democrats Target Medicare Insurers

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<?xml version="1.0"?> Democrats Target Medicare Insurers KEVIN FREKING Associated Press Writer The Associated Press

WASHINGTON_Democratic lawmakers will propose banning private Medicare insurance plans from door-to-door sales pitches after some seniors complained they were pressured or misled into enrolling in the wrong plans.

The legislation being crafted also would prohibit the private insurers from using call centers to generate leads for potential sales.

About 9 million elderly and disabled beneficiaries have signed up to get their Medicare benefits from private plans through a program called Medicare Advantage. Democrats say the plans are overpaid by the federal government and under-regulated.

Over the past year, the Bush administration has tried to respond to complaints from beneficiaries, including the use of "secret shoppers" to monitor agent's presentations. It also required some of the plans to call all new enrollees to make sure they understand the plans are not traditional Medicare.

The chairman of the Senate Finance Committee, Sen. Max Baucus, D-Mont., believes that many lawmakers aren't satisfied with the agency's progress.

"It's become apparent that it's going to take legislation to get this cleaned up," said Carol Guthrie, a spokeswoman for Baucus.

A congressional hearing Thursday was expected to examine problems with marketing practices. George Harper, 73, of Mayflower, Ark., was scheduled to tell the committee how he was signed up for a plan even though he made it clear to the agent that he didn't want it.

Harper said in an interview that his signature was forged on an application. It took three months for him to get disenrolled, but he said the experience was a nightmare. He was constantly worried about what the switch would mean for his wife, who must undergo regular dialysis, and to the family's finances.

"It broke my pocketbook and my spirit," he said.

Guthrie said Baucus also is seeking a ban on agents representing themselves as being from the Medicare program, and the awarding of bonuses or commissions based on how many seniors an agent enrolls. She said that Baucus will also consider giving states a greater role in regulating marketing practices by the insurance companies.

Peter Ashkenaz, a spokesman for the Centers for Medicare and Medicaid Services, said agency officials believe legislation is unnecessary because the activities targeted by the proposed changes are prohibited by regulations and contract requirements. The agency has imposed sanctions against those plans whose sales agents have taken advantage of Medicare beneficiaries, he said.

Under traditional Medicare, health care providers bill the government for the services they perform. But with Medicare Advantage managed care, the insurers get a set amount per person. Then, the insurers reimburse those who provide the care.

The trade group representing health insurers said it would work with the Finance Committee to address lawmakers' concerns, but that many of the concerns are already addressed through regulation or through voluntary guidelines put in place by the industry.

"It's in nobody's interest to have somebody in a plan who doesn't want to be there," said Mohit Ghose, spokesman for America's Health Insurance Plans.

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