

## WORLD-HERALD BUREAU

WASHINGTON - Their names, ages and medical needs are similar, but Lincoln retirees Patrick and Patricia Henry had opposite experiences after signing up for the federal government's new Medicare prescription drug benefit.

"The plan I enrolled has been smooth as silk," Patrick Henry said.

He's saving 35 percent on medications that last year cost \$500 a month.

The view of his wife? "To me, it's one of the cruelest things they've ever done to this country."

The difference? She enrolled with a different company that she said made errors in the initial paperwork, causing months of headaches to try to correct.

Elderly Americans nationwide have run into glitches with the major health program that made its debut in January. A recent federal report said senior citizens may have gotten bad information from some companies offering coverage.

Also, millions may be missing out on low-income aid, say Medicare experts. And many senior citizens will run into a coverage gap that could hit their wallets hard this fall.

But many, including Nebraskans and Iowans, apparently were eager for the new benefit, judging by enrollment in the program known as Medicare Part D.

Iowa ranks third-highest among the states and Nebraska fourth in the percentage of elderly residents who signed up for stand-alone insurance plans under Medicare, according to an analysis of Medicare records by the Kaiser Family Foundation. That's an indicator that those people had little or no prescription drug insurance before.

North and South Dakota ranked first and second; other Plains states were in the top 10.

Nearly a quarter million Iowans and 115,000 Nebraskans enrolled for prescription drug coverage under Medicare before a May 15 deadline.

Sen. Chuck Grassley, R-Iowa, a principal author of the law creating the program, said the enrollment rate "tells me that Iowans wanted and needed the Medicare prescription drug benefit."

In Nebraska, GOP Rep. Lee Terry worked to educate constituents about the program. After an initially bumpy start, the feedback he's received has mostly been "very positive."

"A lot of people say, 'This is really saving me money,'" Terry said.

Among them are Diane and Mike Millea, two recent Omaha retirees who previously had no drug discount plan. They had been spending about \$5,000 a

year of their own money for medications.

Now individual drugs that used to cost \$150 per month cost \$30.

"That is significant savings," Diane Millea said.

Devorah Lanner of AARP of Nebraska said many senior citizens had no prescription coverage before. The new program is saving people \$800 to \$1,000 a year on average, she said.

Some problems remain to be ironed out, however.

Helped by a coalition that fanned out across Nebraska to get people enrolled, 92 percent of eligible Nebraskans, or 242,000 people, are enrolled in some form of insurance providing lower-cost drugs, Lanner said.

Besides the Medicare plans, Nebraskans receive coverage through former employers and the Department of Veterans Affairs.

About 20,000 elderly Nebraskans who could qualify for help under Medicare haven't signed up for any insurance, Lanner said. Some take prescription drugs rarely, some still distrust the government program and others are just hard to reach, advocacy groups for the elderly say.

Those who didn't sign up by the May 15 deadline face a small penalty added to their monthly premiums. Grassley has introduced legislation that would waive the penalty for this year.

Further, some who enrolled are hitting a so-called "donut hole" in their coverage.

When their total prescription drug costs - insurance and co-payments - exceed \$2,250, they must pay 100 percent for subsequent prescriptions until total expenses exceed \$5,100 or they have paid \$3,600 out of pocket in a year. Medicare then takes over again and pays 95 percent of the costs.

That provision wasn't predicted to begin to affect senior citizens until the fall.

Terry said that Congress debated the matter during creation of the drug benefit, and the donut hole was designed to hold down the program's total cost. Instead of a \$400 billion annual program, it would have cost \$1 trillion without the donut hole.

As many as 23 percent of those enrolled in the new benefit, generally those who take a number of prescription drugs, could hit the donut hole, Terry said.

Bob Hayes, president of the Medicare Rights Center, a private foundation-backed independent counseling service, said his organization has fielded dozens of calls about the coverage gap.

"Nearly every consumer is flabbergasted to hear about it," he said. "They're suddenly finding medicine unaffordable again and they're hitting it without advance notice."

He blames those who promoted the plan - the government, insurance companies and lawmakers - for playing down potential problems.

The Government Accountability Office tested call centers set up by insurance companies to help people enroll in one of the dozens of drug coverage plans. After 900 calls to 10 of the largest plan sponsors, the GAO reported in June that 34 percent provided accurate information, while 22 percent gave inaccurate information and 29 percent gave incomplete information.

The federal Centers for Medicare and Medicaid Services, which oversees the drug benefit, complained that the study didn't ask the right questions. But GAO officials maintain that their findings were sound.

In Nebraska, a coalition of advocates worked with companies to try to give senior citizens accurate advice, help and encouragement as they signed up for the drug benefit program.

Aimee McKim, executive director of Volunteers Intervening for Equity, a member of the coalition, said most Nebraskans seem satisfied. "We've had a tremendous amount of positive reaction," she said.

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