

# SENIOR LIFESTYLES

## Speaker wary about HMO plans for Medicare

By Rob Cullivan  
Staff writer

ROCHESTER — If you're a Medicare recipient, you may be considering obtaining health-care services via a plan offered by an HMO — health maintenance organization.

If so, be careful, because in exchange for the lower premiums HMOs usually offer Medicare customers, you may give up a number of health-care options as well as put yourself at risk if the HMO decides to drop you.

That's the warning being sounded by Michael Burgess, executive director of the New York StateWide Senior Action Council, a not-for-profit senior citizens' advocacy group based in Albany. Burgess brought this message to almost 100 people Dec. 2 at the Unitarian Church of Rochester. Among sponsors of his speech were the Mercy Center with the Aging and Catholic Family Center's Elder Services, both in Rochester.

Burgess further commented in a follow-up interview with the *Catholic Courier*. Started in the 1960s, Medicare is the federal government's health insurance program for people 65 and older, as well as for people with disabilities or permanent kidney failure. Unless they pay their Medicare premiums through a managed care plan, Medicare enrollees can use any doctor with the plan or any service covered by the plan, Burgess said.

Since the 1980s, an increasing number of Medicare enrollees have opted to get their health care via an HMO, Burgess said. Poor people, in particular, he said, find HMO plans attractive because they often cover costs of prescription drugs not covered by Medicare. He added that traditionally fee-for-service Medicare enrollees often must purchase supplemental insurance ("Medigap") for services not covered by Medicare, another reason HMO plans

can be attractive.

Burgess said he understood why Medicare enrollees find HMO plans appealing. However, he cautioned that HMO enrollees have far less choice when it comes to how they will be treated, and less access to the wide range of services and physicians than traditional Medicare enrollees have. For example, he said, some HMO plans may not allow a patient as much time to rehabilitate in a hospital after surgery as traditional Medicare enrollee.

"(Enrollees) have to make the determination if saving a few hundred dollars is worth the restrictions in health care," he said.

He added that HMOs have dropped Medicare clients in large numbers over the

past year, noting that several HMOs in New York state dropped a total of 54,508 Medicare beneficiaries this year.

Burgess sounded his warnings at a time when Medicare comes under heavy scrutiny. The program is currently being studied by the National Bipartisan Commission on the Future of Medicare, which consists of congressional representatives and health-care experts. The commission is slated to issue a report in March 1999, suggesting various changes in Medicare.

And it's a program in serious trouble, according to commission documents.

According to the commission, there's a decreasing number of workers available to pay taxes to support a growing number of retirees. This problem, the commission

says, will become overwhelming early in the next century when the 77 million citizens born between 1946 and 1964 — the "baby boomers" — will start retiring in 2010. By 2040, if current demographic trends continue, there will only be 2.2 workers supporting each Medicare recipient as opposed to the nearly four workers supporting each retiree now, the commission says.

"The future of this program is up in the air," Burgess told his audience, noting that the commission says Medicare will become insolvent by 2008 — even before the boomers begin using it. "My concern is that we don't use the threat of this program becoming insolvent to privatize the program."

Burgess said one of the proposals the commission is studying is giving every Medicare enrollee health vouchers — a certain amount of money they can spend on any health plan they want. In part, voucher supporters claim that allowing private companies to essentially administer Medicare funds will be more efficient than allowing the government to do so, he noted.

Privatization supporters have some valid points, Burgess said, noting that, until the 1990s, Medicare suffered greatly from fraud and abuse. However, he said, more stringent government oversight of the program in recent years has cut down fraud and waste. He added that Medicare administration costs are far lower than those of private HMOs, especially for-profit HMOs that pay huge salaries to their chief executive officers.

In the end, Burgess said, Medicare is designed to serve all the nation's senior citizens, and the country should be cautious before turning it completely over to the private sector.

"We're not trying to make Medicare as bad as the rest of the (health) system," he said.

### Before you join a Medicare HMO ...

The New York StateWide Senior Action Council suggests you find out:

- If your doctor is a member of the HMO plan.

- Your access to specialists.
- What coverage is provided if you're on vacation out of the area the plan covers.

The council also suggests you ask HMO representatives:

- If you were diagnosed with a life-threatening illness like cancer, would the plan pay for specialists outside the plan?

- If you needed hip or knee replacement surgery, how would the plan determine the amount of home care you could receive?

- If you needed post-hospital care, how would the plan determine the amount of home care you would receive?

- If prescription drug coverage is offered, will the drug(s) you are taking be

paid for by the plan? If so, will you be asked to switch to a generic brand of the drug if it is available?

- What is the Disenrollment Rate for seniors in the plan?

- How many complaints were made to the plan internally? What internal grievance procedures are available? Know that you can appeal about your rights to Medicare.

- How many complaints were made against the plan with Medicare and the New York State Department of Health or Department of Insurance?

- Is the plan a for-profit, investor-owned company, or is it a not-for-profit?

- Has the plan lost money in the last year, and, at any time, reduced benefits to Medicare plan members?

For more information, you can call the NY StateWide Senior Action Council Patient Rights Hotline at 800/333-4374.



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