

United States Senate

WASHINGTON, DC 20510

April 30, 2004

The Honorable Tommy Thompson
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Mr. Secretary:

Earlier this week, you suggested that Medicare beneficiaries should wait before enrolling in a Medicare-approved discount card. The *Houston Chronicle* has quoted you as saying, "We are not encouraging everybody to sign up immediately because there's more information coming in" after enrollment begins. We are very concerned about this statement and worry that our constituents may end up signing up for a card and wishing later they could change their selection when new information becomes available.

As you know, enrollment in the card program begins on May 3. We have recently learned that your Department is beginning an "education campaign" about the cards. Given the General Accounting Office's findings that your other campaigns related to the new Medicare law had a "political tone" and contained "notable omissions and other weaknesses," we have significant concerns about your newly-announced activities to promote the cards.

We are also perplexed that your important warnings to beneficiaries to delay their enrollment are not included in the "campaign" advertisement we have seen. If your advertisements truly seek to provide the information beneficiaries need to enroll, then surely your warning should be included. Our fear is that many seniors will not learn they should wait until it is already too late.

As your comments earlier this week underscore, the enrollment process for beneficiaries is very confusing. Already, beneficiaries have been the victims of scams related to this program. Many beneficiaries will try to compare numerous cards and discounts. As beneficiaries will be locked into the card they select, they are entitled to have full information as they determine whether a card is a good option for them and, if so, which card to choose.

We fear these cards will provide only minimal discounts for most seniors, and we strongly opposed the provisions that allow the card sponsors to change discounts at any time, even while beneficiaries are locked into the card. At the very least, we need to ensure that full information is available to the beneficiaries who do choose to participate, and particularly to those who receive the transitional assistance accessible only through their card.

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In light of this confusing process and your acknowledgment that full information will not be available immediately, we request that you offer beneficiaries a grace period of 30 days after enrollment. During that time, beneficiaries should be permitted to change cards as a matter of simple fairness. We look forward to your response.

Sincerely,

Tom Juschke
Rebbie Sabenew

Frank R. Santenberg

Dick Dub

Almy

Ed Kennedy

Robert A. Mihalchik

J. Liden

Jim Johnson

Patty Murray

Marie Cantwell

Charles Scherer