

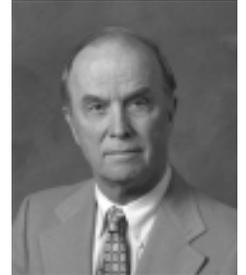


President's Comment

David O. Taber, M.D.

President

El Paso County Medical Society



ADVANTAGE OR DISADVANTAGE?

Medicare Advantage programs were set up to privatize some of the Medicare patients but has had mixed results. Approximately 25 million seniors out of 44 million Medicare seniors currently enrolled in Medicare are now participating in one of the many private plans. Congress has recently approved a 13% increase in reimbursement of Advantage programs over the standard Medicare program. These so-called advantage programs have not compared favorably well to traditional Medicare in the recent past. They have failed to provide cost effective care by requiring such things as two monthly premium payments, deductible payments and co-pay payments when a participating physician provides a service. Participation in general has been low by physicians in our state because the insurance companies have limited medical treatments such as x-rays, lab work that has made the enrollment in such programs undesirable.

Over the past several months the National Association of Insurance Commissioners have received a large number of complaints from enrollees. In our own community, Representative Chente Quintanilla has received several hundred complaints about lack of full disclosure of coverage to patient, i.e., making promises for unlimited care and in some instances signing up patients for bogus programs only to have the sales agent abscond with the money. I have written a letter to the commissioner of Insurance Board of Texas making him aware of the problem that exists in our city, and is probably a statewide problem. I have requested that he conduct investigation in these alleged acts, and bring justice to those that have committed such acts of fraud, theft, and misrepresentation.

Jurisdictional problems have arisen for the enrollees with legitimate complaints. The States initially passed regulations regarding the activities of insurance agencies and their brokers but the federal government stepped in and usurped the states rights and regulations on these insurance plans. Therefore, when a patient has a particular complaint he is not sure whether to ask the Insurance board of Texas or the federal government for assistance in settling their problem.

The federal government had set standards for Medicare Advantage programs but left two large loopholes in such programs. They have apparently left the job of licensing and solvency of insurance companies up to the individual states. I feel that regulations concerning insurance companies and Medicare Advantage Programs need to be scrutinized and tightened to achieve compliance and to minimize patient scamming. I hope they will come up with new

regulations to clarify this muddled issue. Until they comes to fruition you would be best be advised to warn your patients about Medicare Advantages programs until more clear-cut guidelines are enacted.

A hot line is available for the enrollee to check on insurance companies track record at 1-800-252-3439.

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