



Committee On Finance

Max Baucus, Ranking Member

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Baucus Concerned about Progress on Transfer of Medicare Appeals Function *Senator Looking Forward to Continued Oversight*

(WASHINGTON, D.C.) The Government Accountability Office (GAO) released a report today evaluating the progress of the Social Security Administration (SSA) and the Department of Health and Human Services (HHS) in implementing the transfer of the Medicare appeals function from SSA to HHS. Section 931 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) requires the agencies to implement the transfer between July 1, 2005 and October 1, 2005. The MMA also required the agencies to develop a transfer plan and submit it to the GAO for review.

The GAO report, entitled "Medicare: Incomplete Plan to Transfer Appeals Workload from SSA to HHS Threatens Service to Appellants", points out that the agencies failed to provide sufficiently detailed information to allow the GAO to conduct a meaningful evaluation of the agencies' efforts to implement the transfer successfully and on time. The GAO also raised the lack of contingency planning by the agencies as a potential problem.

In response to the report, Baucus stated, "I am concerned that the agencies have not made more progress in planning for the transfer. It is important to get this transfer done right and on time so that Medicare beneficiaries have continuous access to the appeals process."

Baucus plans to join with Senator Charles Grassley (R-IA), the Chairman of the Finance Committee, in requesting that the GAO continue monitoring the agencies as the required implementation date draws closer and assuring continued oversight by the Committee. Baucus added, "I expect that the agencies will take whatever steps are necessary to ensure a successful transfer. Appeals under the new prescription drug benefit will begin in early 2006, so it is imperative that HHS has an appeals process up and running before then."

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