



For Immediate Release
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**BAUCUS CALLS FOR INCREASED OVERSIGHT OF MARKETING
BY MEDICARE DRUG PLANS**

Finance Chairman asks CMS to increase oversight of drug benefit marketing following agency initiative on Medicare Advantage marketing oversight

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) is calling on the Centers for Medicare and Medicaid Services (CMS) to make a commitment to solid and robust oversight of the Medicare prescription drug benefit, as the marketing season for Medicare plans began on October 1. Baucus promised continued vigilance over CMS to ensure that it is fulfilling its responsibility to monitor all Medicare plans that market directly to seniors to ensure that they meet the highest standards of conduct. In a letter to Kerry Weems, the Acting Administrator of CMS, Baucus also requested that the agency develop a strategy for increasing oversight of marketing by prescription drug plans. Baucus is asking CMS to provide a plan similar to the commitment made by the agency earlier this month to expand oversight and enforcement of marketing activities by Medicare Advantage plans.

The text of the Senator's letter follows here.

October 1, 2007

Via Electronic Transmission

The Honorable Kerry Weems
Acting Administrator
Centers for Medicare & Medicaid Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Acting Administrator Weems:

Today is the beginning of the annual marketing season for Medicare Advantage plans and Medicare prescription drug plan sponsors. Given the number and severity of problems that occurred this year, it is critical that the Centers for Medicare & Medicaid Services (CMS) be a more proactive and authoritative regulator of Medicare insurance products.

As we have discussed, one of my top priorities as Chairman of the Finance Committee is to ensure that CMS fulfills its duty to oversee and regulate the activities of insurers and their agents who sell Medicare benefit packages directly to America's seniors through the Medicare Advantage and the Medicare prescription drug programs.

Recently, you publicly pledged to increase oversight and enforcement of the marketing activities of Medicare Advantage plans, in particular, of private-fee-for-service Medicare

plans. I hope your pledge means CMS will leave no stone unturned in its efforts to monitor marketing activities this season and that you will exercise the agency's full authority in dealing with misconduct. CMS should hold plan sponsors to the highest standards. CMS should impose swift and significant consequences for improper behavior by the plans and their brokers and agents. I am concerned, though, that you have not made a similar commitment to oversight of the prescription drug benefit.

You and I agree that CMS must ensure that seniors who purchase a Medicare Advantage or prescription drug plan fully understand the benefits they will receive. Differences in benefits among Medicare Advantage and prescription drug plans should be easier for seniors to identify and comprehend. In addition, differences between Medicare Advantage and the traditional Medicare program should always be clear to beneficiaries before they enroll in any plan. Both Congress and CMS have more work to do in this area.

CMS has recently announced several new or expanded oversight, enforcement, outreach, and education efforts; I asked for details about them when I wrote you on September 25, 2007. Let me be clear -- I will follow the implementation of these initiatives very closely. A vigilant and watchful regulator is everyone's best hope to protect the integrity of the Medicare program, its 40 million-plus beneficiaries, and the taxpayers who fund it.

Thank you for your attention to this matter.

Sincerely,

Max Baucus
Chairman