

CURRENT ISSUES IN MEDICARE POLICY

**Summer Institute in Health Policy and Management
Johns Hopkins University
Bloomberg School of Public Health
19-20 June 2006**

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COURSE DESCRIPTION

Medicare is the largest single health insurance program in the U.S. It covers 42 million beneficiaries and accounts for one-fifth of national spending on personal health services. In recent years, policy makers have proposed, debated, and in some cases adopted significant changes affecting beneficiaries, private insurers, health care providers, and the pharmaceutical industry. Many issues regarding the current performance and future viability of the program remain unsettled. This course will provide an overview of the current structure and operations of the Medicare program, including enrollment and benefits under fee for service and managed care options, patterns of supplemental coverage, provider payments, program financing and expenditures, and administration. It will also examine the key actors in Medicare policy and important developments in the program since its creation, particularly the design and implementation of the new Part D prescription drug benefits and other changes authorized under the Medicare Modernization Act. Students taking this course for academic credit will be evaluated based on class participation and a written assignment analyzing Medicare policies and options for further changes in the program. The written assignment will be due on 4 August 2006.

COURSE SCHEDULE AND READINGS

19 June

9:00-9:30

INTRODUCTION AND EXPECTATIONS FOR THE COURSE

Tom Oliver and Michelle Kitchman Strollo

9:30-10:30

SESSION 1

Tom Oliver

The Politics of Medicare

- The political origins of Medicare
- Understanding the original design of Medicare and its implications
- Shifts in the politics of Medicare since its inception
- The politics of contemporary Medicare reform

Readings: Oberlander (2003), Chapters 1, 2, 3, 7; Marmor and Mashaw (2006)

10:30-10:45

BREAK

10:45-12:15

SESSION 2

Michelle Kitchman Strollo

The ABCs of Medicare

- Characteristics of the Medicare population
- Benefits, spending, and financing
- Supplemental insurance coverage (Retiree, Medigap, Medicaid)
- Medicare Advantage

What are the Major Challenges for Medicare?

Readings: Kaiser Family Foundation fact sheets on “Medicare at a Glance,” “Medicaid’s Role for Low-Income Medicare Beneficiaries,” “Medicare Advantage,” and “Medicare Spending and Financing; Moon (2001, 2000); Kaiser Family Foundation (July 2005); Davis and Collins (Winter 2005/2006)

12:15-1:15

LUNCH

1:15-2:45

SESSION 3

Robert Berenson, M.D.

Senior Fellow

Urban Institute

Containing Costs, Improving Quality: The Role of Medicare Payment Systems

Readings: Mayes and Berenson (In press), Ch. 9; Berenson (2005); Rosenthal and Frank (2006); Mayes (In press); Alliance for Health Reform (2006)

2:45-3:00

BREAK

3:00-3:45

SESSION 4

Tom Oliver

Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA)

- Background leading to the passage and basic design of Medicare Part D and other provisions of the MMA

Readings: Oliver et al. (2004)

3:45-5:00

SESSION 5

Michelle Kitchman Stollo

Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (cont.)

- Enrollment update
- Role of private insurance plans, including Medicare Advantage and prescription drug plans; employers; and state pharmacy assistance programs
- Challenges for beneficiaries including those with low-incomes
- Public opinion: awareness and perceptions of the law

Readings: Kaiser Family Foundation fact sheets on “The Medicare Prescription Drug Law” and “Low-Income Assistance under the Medicare Drug Benefit”; Kaiser Family Foundation (April 2006), Kaiser Commission on Medicaid and the Uninsured (May 2006), Gold (May 2006), Hoadley (2006), Safran et al. (2005), Stuart et al. (2005)

20 June

9:00-10:30

SESSION 6

Michael McMullan

Former Deputy Director and Senior Advisor to the Administrator
Centers for Medicare and Medicaid Services

New Policy Developments: Perspectives from the Centers for Medicare and Medicaid Services

- What are the chief accomplishments and challenges ahead for implementation of the Medicare drug benefit and other MMA reforms?
- What is the likelihood of further action on Medicare in the near future? What types of legislative and administrative changes are under consideration?

10:30-10:45

BREAK

10:45-12:15

SESSION 7

John O'Brien, Pharm.D., M.P.H.

Director of State Health Policy

Pharmaceutical Research and Manufacturers of America (PhRMA)

New Policy Developments: Implementation of Medicare Part D from the Perspective of Industry and the States

- Successes and challenges in program enrollment
- Interface with state pharmacy assistance programs
- Early experience with Part D formularies
- "Clawback" provision for state reimbursement of Medicaid savings

12:15-1:30

LUNCH

1:30-2:45
SESSION 8
Tom Oliver

The Evolution of Medicare Policy

- Changes in the basic characteristics of the Medicare program
- Sources of change in Medicare policy
- Patterns of policy making in Medicare
- Tension between need for regulation and greater role for private sector?
- Administrative challenges in Medicare

Readings: Oberlander (2003), Chapters 4-6; Oliver and Lee (2000): pp. 22-40, pp. 90-92; Gusmano and Schlesinger (2001); Gluck and Sorian (2004); Stanton (2004)

2:45-3:00
BREAK

3:00-4:00
SESSION 9
Michelle Kitchman Stollo and Tom Oliver

The Future of Medicare: Sustainability of Financing, Benefits and Program Structures

Readings: Antos (2006), Biles et al. (2004), Gold et al. (March 2006, 2003), Smith and Rosenbaum (2001)

4:00-4:30
SESSION 10

Group Discussion and Exercise

REQUIRED COURSE READINGS

Alliance for Health Reform. 2006. "Pay-for-Performance: A Promising Start." Washington, D.C. (February).

Antos, J. "Will Competition Return to Medicare?" American Enterprise Institute, February 7, 2006. http://www.aei.org/publications/filter.all.pubID.23843/pub_detail.asp

Berenson, Robert A. 2005. "Medicare Value-Based Purchasing for Physicians Act." Testimony before the Subcommittee on Health, Ways and Means Committee, U.S. House of Representatives, 29 September.

Biles, B, Nicholas LH, and Cooper BS. *The Cost of Privatization: Extra Payments to Medicare Advantage Plans*. The Commonwealth Fund. December 2004. http://www.cmwf.org/publications/publications_show.htm?doc_id=250460

Davis, Karen and Sara Collins. Winter 2005/2006. "Medicare at Forty." *Health Care Financing Review* 27(2): 53-62. http://www.cms.hhs.gov/HealthCareFinancingReview/10_2005_Edition.asp#TopOfPage

Dewalt, Darren et al. Winter 2005/2006. "Significance of Medicare and Medicaid Programs for the Practice of Medicine." *Health Care Financing Review* 27(2): 79-90. http://www.cms.hhs.gov/HealthCareFinancingReview/10_2005_Edition.asp#TopOfPage

Gluck, Michael and Richard Sorian. December 2004. "Administrative Challenges in Managing the Medicare Program." Washington, DC: AARP.

Gold, Marsha. "The Growth of Private Plans in Medicare, 2006." Washington D.C.: Kaiser Family Foundation, March 2006a.

Gold, Marsha. 2003. "Can Managed Care and Competition Control Medicare Costs?" *Health Affairs* (2 April 2003): W3-176-188.

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Kaiser Commission on Medicaid and the Uninsured. May 2006. "Dual Eligibles and Medicare Part D." <http://www.kff.org/medicaid/upload/7454.pdf>

Kaiser Family Foundation. April 2006. "Kaiser Health Poll Report Survey: Seniors' Early Experiences with the Medicare Prescription Drug Benefit." <http://www.kff.org/kaiserpolls/pomr042506pkg.cfm>

Kaiser Family Foundation. February 2006. "Dual Eligibles: Medicaid's Role for Low-Income Medicare Beneficiaries." <http://www.kff.org/medicaid/4091.cfm>

Kaiser Family Foundation. July 2005. "Medicare and Medicaid at 40." Retrospective video and Interviews. <http://www.kff.org/medicaid/40years.cfm>

Kaiser Family Foundation. June 2006. "Medicare Advantage." <http://www.kff.org/medicare/2052-08.cfm>

Kaiser Family Foundation. May 2006. "Low-Income Assistance Under the Medicare Drug Benefit." <http://www.kff.org/medicare/7327.cfm>

Kaiser Family Foundation. May 2006. "Medicare at a Glance." <http://www.kff.org/medicare/1066-09.cfm>

Kaiser Family Foundation. May 2006. "The Medicare Prescription Drug Law." <http://www.kff.org/medicare/7044.cfm>

Kaiser Family Foundation. April 2005. "Medicare Spending and Financing Fact Sheet" <http://www.kff.org/medicare/7305.cfm>

Marmor, Theodore and Jerry Mashaw. 2006. "Understanding Social Insurance: Fairness, Affordability, and the Modernization of Social Security and Medicare." *Health Affairs – Web Exclusive* (21 March 2006): W114-W134.

Mayes, Rick and Robert Berenson. In press. Medicare Prospective Payment. (Baltimore, MD: Johns Hopkins University Press). Chapter 9, "How Medicare Does and Should Shape U.S. Health Care."

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Rosenthal, Meredith B. and Richard G. Frank. 2006. "What is the Empirical Basis for Paying for Quality in Health Care?" *Medicare Care Research and Review* 63 (2): 135-57.

Safran, Dana et al. 2005 "Prescription Drug Coverage and Seniors: Findings from a 2003 National Survey." *Health Affairs – Web Exclusive* (19 April 2005): W5152-W5166.

Smith, Barbara Markham and Sara Rosenbaum. 1999. "Potential Effects of the 'Premium-Support' Proposal on the Security of Medicare." *Journal of the American Medical Association* 282 (10 November): 1760-63.

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SUPPLEMENTAL COURSE READINGS

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Marmor, Theodore R. 2001. *The Politics of Medicare*, 2d ed. New York: Aldine de Gruyter.

Moffit, Robert, Ph.D.; Director of the Center for Health Policy Studies, Heritage Foundation. "A Road Map to Medicare Reform: Building on the Experience of the FEHBP," testimony before the Senate Special Committee on Aging, U.S. Senate, May 6, 2003.
<http://www.heritage.org/Research/HealthCare/test050603.cfm>

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http://www.cmwf.org/programs/medfutur/moon_policybriefs10152003.asp

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