

A new GAO report released today by Reps. Waxman, Dingell, Rangel, Stark, and Brown finds that the call centers run by private Medicare drug plans provide inaccurate and incomplete information most of the time. According to GAO, the private plans that are responsible for running the new Medicare drug benefit “did not consistently provide callers with accurate and complete information.”

"Seniors with basic questions about the Medicare drug benefit are being left in the dark."

-Rep. Henry A. Waxman

The report finds that call centers run by private Medicare drug plans provide inaccurate and incomplete information to consumers. GAO found that in most instances, prescription plan providers were unable to accurately respond to simple questions about plan costs, low-income coverage, plan formulary procedures, and plan utilization management techniques.

This is the second report analyzing the drug plan information available to Medicare beneficiaries. In May 2006, [GAO analyzed the information provided to seniors by the federal Center for Medicare and Medicaid Services](#), concluding that this information was frequently confusing, inaccurate, or incomplete. The new GAO findings show that the private plans are also failing to answer seniors' questions, leaving millions of seniors unable to get accurate answers to their questions about the Medicare drug plans.

The report reaches several conclusions:

- **Two-thirds of phone calls were not answered completely or accurately.** The phone centers operated by private Medicare providers gave accurate and complete answers on only 34% of calls. The centers provided no information at all on 15% of calls; inaccurate information on 22% of calls; and incomplete information on 29% of calls.

- **Some Medicare drug plan providers gave out inaccurate information even more frequently.** GAO found that two drug plan providers gave inaccurate or incomplete information at least 75% of the time. Only one drug plan provider gave beneficiaries

accurate information more than 50% of the time.

- **Medicare drug plan providers were unable to provide critical cost information for beneficiaries to choose among plans.** Each of the providers called by GAO offered several different plan choices. Two GAO questions focused on which of these plan offerings would provide beneficiaries with the lowest out-of-pocket costs and what these costs would be. Medicare providers failed to give accurate or complete answers to these questions more than 70% of the time, and often severely underestimated the actual out-of-pocket costs beneficiaries would face. Ten times, sponsors' call centers underestimated costs by at least \$1,000. On one phone call, the cost estimates provided by the plan sponsor were over \$6,000 less than the actual costs under the plan.

- **Low-income beneficiaries often received inaccurate information.** Another question asked by GAO sought information about which plans offered by the provider were available to low-income beneficiaries with no premium. This question was answered incorrectly or inaccurately 66% of the time.

- **Medicare drug plans often provided inconsistent information.** Providers often gave different answers to the same question — for example, saying that one of their plans was the least expensive on one call, then saying that a different plan was the least expensive on a separate call.

Documents and Links

- [GAO Report: Prescription Drug Plan Sponsor Call Center Responses Were Prompt, But Not Consistently Accurate and Complete](#)
- [Press Release](#)
- [Fact Sheet: Medicare Prescription Plan Call Center Performance](#)