

Independence Blue Cross announced this Fall that they are discontinuing their Special Needs Plans for persons who are dually eligible for Medicare and Medicaid and their low-fee plan for other low-income Medicare beneficiaries. Why? They say the reimbursement rates from Medicare are not sufficient to provide case management, managed care, prescription drugs and additional services. As many as 40,000 individuals in Southeastern Pennsylvania are affected by this and we just learned Aetna is also pulling out of the market. While Aetna currently only has about 1,000 beneficiaries in its plan, all low-income beneficiaries will have fewer options as they choose new plans or return to traditional Medicare. And, since IBC is by far the largest provider, the two remaining providers in the market will be taking on a particularly large burden.

While this is happening, the federal government is planning "health care reform." We continue to have problems with the Medicare program - much of it as a result of Medicare Part D prescription drug coverage based on a free market system with many providers in competition. And, our low-income dually-eligible? They used to get their drugs via Medicaid; now they need to navigate a confusing private system to get the medications they need. Medicare is a public program that has in recent years become more and more privatized - if we begin a program based on the private model - for how long can we contain costs, provide quality care and keep insurers in the game? Since some of the costs of the new plan are based on savings in the Medicare program (cuts to the payments made to insurance companies); how many of the insurers will stay in this business? How many more seniors and disabled persons will be left out in the cold?