Keep AAP, AARP Interests Separate

I write this to disagree strongly with the “Letter from the President” (January 2004. AAP News, page 6).

Carden Johnston, M.D., FAAP suggests the Academy should enlist the support of the AARP for the purpose of advancing the causes of children. He bases this on AARP’s success in lobbying for the passage of what he perceives to be “a much needed prescription drug benefit package.” As a member of the age group who is supposed to benefit from this Medicare Drug bill, I disagree. Let’s take a brief look at what the powerful AARP lobby supported.

The Medicare Prescription bill is a wolf in sheep’s clothing. It is a complicated piece of legislation, the judgment of which ranges from “not perfect but at least a start” to “a dirty trick played on elderly Americans.” It purports to provide wonderful savings on prescription drugs for American seniors, but its effect on lowering costs for prescription drugs are arguably modest at best. Time will answer that debate.

Beyond the façade of a prescription drug benefit, closer examination reveals the pernicious features of this legislation. The wolf hiding in this bill is that it seriously threatens Medicare. How does it do that? Medicare will not be delivering prescription drugs to its beneficiaries. Private insurance companies will be doing that. The hope of those who created this legislation is that seniors would be inveigled into joining HMOs to get the drug benefit. In the early stages of preparing the legislation, those remaining in Medicare would not receive any drug benefit. Under pressure, that was modified to allow traditional Medicare enrollees to enroll in drug insurance companies. Whether such programs are even viable is being debated by the insurance industry.

Under the bill, managed care companies will be allowed to bargain for lower drug prices from the pharmaceutical companies, but Medicare is expressly forbidden from doing so. At the same time, under six demonstration programs, Medicare will be funded based on its ability to compete with premiums paid to HMO programs. Since the managed care programs will market to the healthier elderly population and have the advantage of negotiating for lower drug prices, the sicker and higher-cost population will be sequestered in traditional Medicare where negotiating for lower drug prices is forbidden. That is hardly a level playing field.

The ultimate goal of some legislators is that Medicare will be privatized into commercial managed care. Those of us who have watched managed care operating in the Medicare sector know what a dreadful job they’ve done. They have cancelled programs and abandoned hundreds of thousands of Medicare enrollees when profit margins were below expectations. The government will attempt to avoid this by subsidizing HMOs with billions of dollars to encourage them to offer their programs to the elderly. Because there are likely to be many Medicare HMOs, pharmaceutical companies are projecting that few of them will be large enough to negotiate effectively for sharply lower drug costs. Medicare, of course, would be able to do that.

Put briefly, this legislation more appropriately should be called the “Pharmaceutical Industry and Managed Care Support” bill. Why did AARP support it? AARP is now a huge insurance company. I believe it supported this bill not for seniors but for its own interests. I’m not alone in that view. There has been a huge resignation of membership from AARP. Thousands of former members believe that AARP has betrayed the trust of the people it was supposed to represent.

The elderly are not so easily fooled. A recent poll showed that among those 65 years of age and older, 47% disapproved of the bill against 26% who were in favor of it.

I believe the distance between the Academy and AARP should parallel the distance between infancy and old age.

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Messy recipe for success

Take a little cookie dough, flour and a rolling pin, and mix with two sweet children for an afternoon of fun.