

COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES

WASHINGTON, DC 20515

May 22, 2019

Ms. Nancy A. Berryhill
Acting Commissioner of Social Security
Social Security Administration
6401 Security Boulevard
Baltimore, MD 21235

Ms. Seema Verma
Administrator
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Acting Commissioner Berryhill and Administrator Verma:

It is our understanding that approximately 250,000 Medicare Advantage (MA) and Medicare Part D members who asked to have their monthly premiums withheld from their Social Security benefits in 2019, instead had no premiums withheld for February and in many cases for several additional months through June. As a result, impacted seniors and people with disabilities are expected to receive notices telling them that they owe unpaid Medicare premiums.

While Medicare protects beneficiaries from disruption of MA and Part D benefits, we have concerns about the impact on Medicare beneficiaries affected by this problem. For vulnerable seniors and people with disabilities living on fixed incomes, getting a bill for several months of unpaid MA or Part D premiums could lead to significant and potentially ongoing hardship. While there is variation among plans, in 2019, premiums averaged approximately \$30 per month nationwide for Part D plans and up to \$200 per month for some MA plans. On average, retirees receive just over \$1,400 per month from Social Security. These modest benefits are the majority of income for 6 out of 10 seniors, and almost 1 in 3 seniors have little income other than Social Security. For someone living on \$1,400 a month, any new expense – much less an unexpected bill for \$180, or \$500, or even \$1,200 or more – can make it harder for them to put food on the table, pay for medical care, and keep a roof over their heads.

We understand that the Social Security Administration (SSA) and the Centers for Medicare & Medicaid Services (CMS) have taken steps to mitigate this problem and re-establish SSA withholding of premiums, and that CMS will be posting information for affected beneficiaries to its web site shortly. However, several outstanding questions remain. Please provide a written response to the questions below:

1. When and how was the error discovered, and what actions did SSA and CMS take once the problem was discovered and when, including: correcting the error; coordinating between the agencies; and communicating and working with MA and Part D plans?

2. What has been done, or is planned, to inform affected individuals of this mistake, the correct amount of their Social Security payments, the amount of past-due MA or Part D premiums, and how those past-due premiums will be collected?
3. Please provide a breakdown of the number of beneficiaries with MA or Part D premiums not properly withheld as well as the distribution of monthly premium amounts owed by these beneficiaries.
4. What steps are CMS and SSA taking to ensure that MA and Part D plans provide relief or assistance to beneficiaries for whom paying accumulated past-due premiums would present a financial hardship?
5. Please provide us with a detailed accounting of how this error happened and what you are doing to prevent this problem from happening again.

In addition, please provide copies of all materials developed and shared with beneficiaries, MA or Part D plans as well as scripts used for beneficiary education at Medicare and SSA consumer call centers.

We appreciate your prompt attention to this urgent matter. Please provide your detailed, written response by Wednesday May 29, 2019.

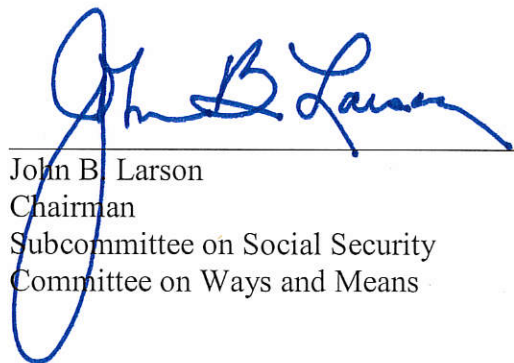
Sincerely,



Richard E. Neal
Chairman
Committee on Ways and Means



John Lewis
Chairman
Subcommittee on Oversight
Committee on Ways and Means



John B. Larson
Chairman
Subcommittee on Social Security
Committee on Ways and Means