



November 24, 2003 11:35 a.m. EST

## HEALTH

# Senators Will Vote on Plan For Medicare Drug Benefit

DOW JONES NEWSWIRES

WASHINGTON -- The U.S. Senate is scheduled to take a bellwether vote at around 12:30 p.m. EST Monday on a \$395 billion plan to add a drug benefit to Medicare and encourage private insurers to enter the Medicare market.

The vote will be on a motion to set a time limit on the Senate's debate on the plan. The plan passed on a cliffhanger 220-215 in the House early Saturday morning.

If the Senate's vote Monday fails, Democrats such as Sen. Ted Kennedy of Mass. can make good on their promise to block the bill by filibuster.

Republicans will have to muster at least 60 of 100 votes to curtail debate.

Republican and Democratic leaders have both said the plan would likely garner a majority vote in the Senate, but it has been unclear whether Republicans could pass the 60-vote hurdle.

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If the motion succeeds, further debate would be limited to 30 hours. That could push the Senate's final vote on the plan until after the Thanksgiving holiday.

The plan is taking hits from liberal Democrats for being too stingy for middle-income seniors and too generous to the pharmaceuticals industry. Conservative Republicans, including Senate Budget Committee Chairman Don Nickles of Oklahoma, oppose the measure because it promises a new unchecked benefit to an entitlement program already dangerously in debt.

Republican leaders and moderate Democrats say the plan is just a foot in the door, leaving open opportunity for changes by future Congresses.

Republicans say they next will expand on cost-saving measures and efforts to move seniors on to private health insurance plans. While Democrats say next they will expand the drug benefit.

Under the plan, the government would spend about \$410 billion through 2013 to provide a prescription drug benefit under Medicare. The Congressional Budget Office estimates that plan when fully phased in would cost as much as \$2 trillion a decade.

Another \$14 billion through 2013 would go to private insurers. Proponents want private insurers to compete with Medicare's traditional fee for service program in 2010. But with interest in Medicare through private insurance -- the Medicare+Choice program -- declining in recent years, advocates say they need to shore up private insurers until then.

The payment hikes would mean that the Medicare+Choice average payment per beneficiary would rise to 109% of the average payment per beneficiary for Medicare's fee-for-service.

Another \$25 billion of the plan would go to increase payments to doctors, rural hospitals and other areas.

The net price tag of the plan is brought back to \$395 billion by linking the size of premiums for Medicare's outpatient program to beneficiaries' income.

The bill will raise another \$12 billion by indexing for inflation the patient's deductible for that outpatient program.

Other savings come from reducing payments for labs, durable medical equipment and inhalation drugs.

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*Updated November 24, 2003 11:35 a.m.*

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