

GAO Highlights

Highlights of [GAO-14-143](#), a report to the Special Committee on Aging, U.S. Senate

Why GAO Did This Study

The Medicare prescription drug program, known as Medicare Part D, provides a voluntary outpatient prescription drug benefit for Medicare beneficiaries. Beneficiaries may choose Part D plans from among multiple plans offered by private companies—plan sponsors—that contract with CMS. Plans may differ in their premiums and cost-sharing arrangements, the drugs they cover, and the pharmacies they contract with to fill prescriptions. CMS developed the Medicare Plan Finder interactive website in 2005 as a tool to help beneficiaries compare Part D plans and identify plans that meet their needs. For Plan Finder to serve its intended purpose, beneficiaries and their advisers need to be able to obtain accurate drug cost information, understand plan options, and navigate the website effectively.

GAO was asked to review CMS's efforts to ensure that beneficiaries can use Plan Finder effectively. This report examines (1) how CMS oversees the accuracy of drug pricing information in Plan Finder; and (2) how CMS assesses the usability of Plan Finder and any steps CMS has taken to improve it. To conduct this work, GAO reviewed documentation detailing CMS's processes for overseeing Plan Finder pricing accuracy and obtained data on agency compliance actions. GAO also interviewed CMS officials and organizations that help Medicare beneficiaries navigate Plan Finder to learn about CMS's processes for obtaining feedback on Plan Finder's usability and steps the agency has taken to improve the website.

View [GAO-14-143](#). For more information, contact Kathleen King at (202) 512-7114 or kingk@gao.gov.

January 2014

MEDICARE PART D

CMS Has Implemented Processes to Oversee Plan Finder Pricing Accuracy and Improve Website Usability

What GAO Found

The Centers for Medicare & Medicaid Services (CMS), the agency within the Department of Health and Human Services (HHS) that administers Medicare, uses data checks and quality measures to oversee the accuracy of Part D plan pricing information on the Plan Finder interactive website. Part D sponsors may have multiple contracts with CMS to provide drug coverage, with each contract covering one or more distinct Part D plans, and CMS is responsible for overseeing plan sponsors' compliance with their Part D contracts. CMS requires Part D plan sponsors to submit drug pricing information for their plans, which Plan Finder uses to estimate beneficiaries' cost-sharing amounts and expected annual drug costs. To ensure the accuracy of this information,

- CMS performs computerized data checks on the pricing information for each plan to identify incomplete and potentially inaccurate data before information is displayed on Plan Finder. If CMS's data checks identify potentially inaccurate plan pricing information, CMS gives the plan's sponsor an opportunity to attest to the accuracy of the data, or correct it. If the plan's sponsor does not verify or correct potential inaccuracies identified by these checks, CMS will "suppress" the plan from Plan Finder, which means that the plan's pricing information is removed and that beneficiaries cannot enroll in the plan through the website. In the first seven months of 2013, 25 percent of Part D contracts had one or more plans suppressed from Plan Finder at least once. CMS has taken compliance actions against plan sponsors for repeated suppressions—between January 1, 2009, and July 31, 2013, CMS issued 89 notices of noncompliance and 67 warning letters.
- CMS uses quality measures to evaluate the accuracy of pricing information on Plan Finder. As part of its Part D Star Ratings, which provide beneficiaries with information on plan quality, CMS collects performance data on Part D plans covered under each individual contract. CMS assigns scores to each contract based on the extent to which beneficiaries' point-of-sale costs were higher than prices posted on Plan Finder. For the 2013 Star Ratings, 6 percent of contracts had point-of-sale prices that were greater than Plan Finder prices by an average of 4 percent or more.

CMS has assessed the usability of Plan Finder by obtaining feedback from a variety of sources, including beneficiary assistance organizations, user testing, a website survey, and website user data. CMS has used feedback on Plan Finder to update the website and improve usability. For example, CMS developed and added a "frequently asked questions" webpage to the website. Officials from the beneficiary organizations GAO spoke with generally said that Plan Finder helps beneficiaries compare Part D plans and that its usability has improved over time.

GAO provided a draft of this report to HHS and HHS agreed with GAO's findings.