

United States Senate

WASHINGTON, DC 20510

September 30, 2003

Dear Medicare Conferee:

We are writing to ask you, as a member of the Medicare conference committee, to ensure that the final Medicare bill includes a meaningful increase in Medicare+Choice funding in fiscal years 2004 and 2005. While the Senate bill makes a modest step toward this goal, we hope that the stronger provisions in the House bill will be preserved in conference.

For nearly 5 million Medicare beneficiaries across America, Medicare+Choice is an essential program that provides high quality, comprehensive, affordable health coverage. These seniors and disabled Americans have voluntarily chosen to receive their health coverage through Medicare HMOs and other private sector plans because of their excellent value. To preserve this important option for seniors across the country, bipartisan legislation was introduced in the Senate as S. 590, the "Medicare+Choice Equity and Access Act."

Co-sponsored by Senators Schumer and Santorum, S. 590 sought to increase reimbursement rates and add new reimbursement options for Medicare+Choice programs. Although the Senate version of the Medicare bill does include a modest increase in reimbursement rates in FY 2005, we were pleased to see that the House version contains a more comprehensive commitment to strengthening Medicare+Choice beginning in 2004.

Medicare+Choice uses private sector innovations to offer all of the traditional Medicare benefits in addition to extra benefits such as prescription drug coverage, vision benefits, and hearing aids. These added services are particularly important to low-income seniors who cannot afford the high out-of-pocket costs they would incur under the Medicare fee-for-service program. In many cases, this program is the only option for low-income seniors to receive comprehensive, affordable health coverage.

But in recent years, lack of adequate government funding for the Medicare+Choice program has steadily reduced the health plan choices and benefits of seniors across the nation. As funding increases have continually fallen short of rising health care costs, seniors have watched the quality of their health care decline. Each year, health plans deprived of essential funding have been forced to eliminate benefits, increase seniors' out-of-pocket costs, or even withdraw completely from certain areas.

We strongly support additional Medicare+Choice funding for two very important reasons: (1) to protect the health care choices and benefits of the nearly 5 million Medicare beneficiaries who are currently enrolled in private sector health plans; and (2) to strengthen the foundation for future health plan choices.

We believe that the Medicare+Choice funding provisions in H.R. 1 are critically important to preserving choice and quality for America's seniors. We urge you to include these provisions in the final bill reported out of the Medicare conference committee.

Sincerely,

Rep. Souton

Charles Schumer

Tom F. Kelly

Frank R. Lautenberg

Nelson Rockefeller

Hillary Rodham Clinton

Anthony Weiner

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