



March 19, 2018

The Honorable Mitch McConnell
Majority Leader, U.S. Senate
Washington, DC 20510

The Honorable Chuck Schumer
Minority Leader, U.S. Senate
Washington, DC 20510

The Honorable Paul Ryan
Speaker, U.S. House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader, U.S. House of Representatives
Washington, DC 20515

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Ryan, and Minority Leader Pelosi:

Earlier this month, the Medicare Rights Center sent a letter expressing our views on the final FY18 spending bill currently under debate.¹ Since then, the negotiations have yielded several other issues of importance to people with Medicare. We write today in response to those developments, and to reiterate our request that you prioritize older adults, people with disabilities, their families, and caregivers in the forthcoming legislation.

The Medicare Rights Center is a national, nonprofit organization that works to ensure access to affordable health care for older adults and people with disabilities through counseling and advocacy, educational programs, and public policy initiatives. Our organization provides services and resources to nearly three million people with Medicare, family caregivers, and health care professionals each year.

In addition to our previously submitted requests, in the final FY18 spending bill Medicare Rights urges Congress to safeguard the important progress recently made to reduce prescription drug costs for people with Medicare, and to pursue health system improvements that adhere to and strengthen current consumer protections.

Prescription Drug Costs

We strongly support provisions of the Bipartisan Budget Act of 2018 that close the Medicare Part D donut hole one year earlier and provide beneficiaries in the coverage gap with a higher discount on their prescription drugs. The higher discount will allow beneficiaries to move through the donut hole more

¹ The Medicare Rights Center, "Letter re: FY18 omnibus" (March 1, 2018) available at:
<https://www.medicarerights.org/pdf/030118-medicare-rights-omnibus-letter.pdf>

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quickly, lowering their out-of-pocket costs. We oppose efforts to roll back that progress or otherwise shift costs onto people with Medicare.

While the incomes of Medicare beneficiaries vary widely, the vast majority cannot afford to pay more for care. In 2016, half of all beneficiaries had incomes below \$26,200.² That same year, nearly 3 in 10 Medicare households dedicated 20 percent or more of their total spending to health-related expenses, while only 6 percent of non-Medicare households did so.³ Any changes to current law must make prescription drugs more affordable and accessible for people with Medicare—not less.

Consumer Protections

Medicare Rights applauds ongoing bipartisan efforts to strengthen and stabilize the health care markets, but cautions that such reforms must not come at the expense of existing consumer protections. We ask you to reject proposals that would erode these important standards, and to instead move forward in a way that will improve access to comprehensive, affordable health coverage for all Americans.

In particular, we urge that any plans to address market stability or increase state flexibility require that states and insurers continue to comply with the Affordable Care Act's insurance regulations—including the law's 3:1 age rating band and its mandate to cover essential health benefits—as well as with its core consumer protections that prohibit discrimination based on pre-existing conditions.

Similarly, we oppose expanding the availability of short-term plans or other insurance options that do not adhere to the health law's consumer protection standards, as the Administration has recently proposed. Increasing access to these plans would re-introduce discrimination into the system, lead to consumer confusion, and destabilize the individual market. Older adults and people with disabilities in particular would face additional barriers to care, including higher costs and fewer coverage options. This could force some people approaching Medicare eligibility to go without the care they need—ultimately resulting in worse health outcomes and increased program costs.

Thank you for your consideration. We close by revisiting our March 1 letter, and again ask that you include the Beneficiary Enrollment Notification and Eligibility Simplification (BENES) Act (S. 1909; H.R. 2575) and an extension of the expired Medicaid Money Follows the Person program (EMPOWER Care Act, S. 2227; H.R. 5306) in the spending package, as well as adequate investments for the Medicare State Health Insurance Assistance Program (SHIP) and other non-defense discretionary programs serving older adults and people with disabilities.

We look forward to continued collaboration on efforts to promote the health, dignity, and independence of older adults and people with disabilities. If you have any questions, please contact Lindsey Copeland, Federal Policy Director, at lcopeland@medicarerights.org or 202-637-0961.

² Gretchen Jacobson, Shannon Griffin, Tricia Neuman, and Karen Smith, Kaiser Family Foundation. "Income and Assets of Medicare Beneficiaries, 2016-2035" (April 21, 2017) available at: <https://www.kff.org/medicare/issue-brief/income-and-assets-of-medicare-beneficiaries-2016-2035/>

³ Juliette Cubanski and Kendal Orgera, Kaiser Family Foundation. "The Financial Burden of Health Care Spending: Larger for Medicare Households than for Non-Medicare Households" (March 1, 2018) available at: <https://www.kff.org/medicare/issue-brief/the-financial-burden-of-health-care-spending-larger-for-medicare-households-than-for-non-medicare-households/>

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Baker". The signature is fluid and cursive, with the first name "Joe" and last name "Baker" clearly distinguishable.

Joe Baker
President
Medicare Rights Center

cc:

The Honorable Orrin Hatch, Chair, Senate Committee on Finance
The Honorable Ron Wyden, Ranking Member, Senate Committee on Finance
The Honorable Lamar Alexander, Chair, Senate Committee on Health, Education Labor & Pensions
The Honorable Patty Murray, Ranking Member, Senate Committee on Health, Education Labor & Pensions
The Honorable Greg Walden, Chair, House Committee on Energy & Commerce
The Honorable Frank Pallone, Ranking Member, House Committee on Energy & Commerce
The Honorable Kevin Brady, Chair, House Committee on Ways & Means
The Honorable Richard Neal, Ranking Member, House Committee on Ways & Means
The Honorable Susan Collins, Chair, Senate Special Committee on Aging
The Honorable Bob Casey, Ranking Member, Senate Special Committee on Aging