August 1, 2007

Dear Representative:

The undersigned members of the Leadership Council of Aging Organizations (LCAO)—a diverse coalition that advocates on behalf of millions of Medicare beneficiaries—are writing to express our strong support for H.R. 3162, the *Children’s Health and Medicare Protection Act of 2007 (CHAMP Act)*. We commend Energy and Commerce Committee Chairman Dingell, Ways and Means Committee Chairman Rangel, and Subcommittee Chairmen Stark and Pallone for offering legislation that would strengthen the Medicare program and significantly improve the lives of seniors throughout the nation.

The organizations that comprise LCAO both serve and represent the interests of older Americans. We believe the fiscally responsible CHAMP Act is a clear win-win for children and seniors. It would strengthen Medicare finances, reduce Medicare premiums, improve assistance for low-income beneficiaries, strengthen consumer protections, and improve access to preventive and mental health services.

The CHAMP Act would eliminate excessive payments to private insurance Medicare Advantage plans, which would lower the Part B premium for all Medicare beneficiaries and improve the solvency of the Medicare hospital insurance trust fund. These savings would be reinvested in Medicare to improve the program for all beneficiaries.

While we recognize that the CHAMP Act contains a broad array of enhancements and protections for Medicare beneficiaries, we are particularly pleased with the following provisions which would:

- Level the playing field between private insurance Medicare Advantage plans and traditional fee-for-service Medicare, thus saving taxpayers and Medicare beneficiaries billions of dollars over the next decade.

- Significantly improve assistance for beneficiaries in greatest need under the Medicare Savings Programs (MSP) and the Prescription Drug Low-Income Subsidy (LIS) program by: increasing the asset limits for program eligibility; making the Qualified Individual (QI) program permanent; simplifying application processes; limiting out-of-pocket spending for vulnerable beneficiaries; eliminating cost-sharing for full benefit dual eligible beneficiaries receiving care through home- and community-based care waivers; and allowing enrollment in the LIS program at any time without penalty.

- Prevent private insurance Medicare Advantage plans from imposing higher cost-sharing on beneficiaries than what is allowed under traditional fee-for-service Medicare.

- Provide consumer protections and oversight regarding the marketing and advertising of private insurance Medicare Advantage and Part D prescription drug plans.

- Repeal the arbitrary 45 percent limit on general revenue funding of the Medicare program—a rule that is intended to prompt deep cuts in Medicare.

- Repeal the “comparative cost adjustment” voucher demonstration project slated to begin in 2010.
• Improve Medicare services to Limited English Proficient (LEP) beneficiaries by requiring the study of the current effectiveness of service delivery to LEP populations and authorizing a demonstration project to test various payment methods for LEP services.

• Provide mental health parity in Medicare by gradually lowering the 50 percent coinsurance rate for outpatient mental health services to 20 percent.

• Improve beneficiary health by eliminating the co-payments for current and future preventive benefits.

• Provide a two-year extension of the exceptions process for the Medicare therapy caps.

• Improve the Part D benefit by prohibiting seniors from being locked into their Part D prescription drug plan.

• Allow states to continue to provide adult day services under their Medicaid state plans.

• Increase funding to State Health Insurance Assistance Programs (SHIPs) to support their counseling and assistance efforts for beneficiaries.

Thank you for considering LCAO’s views on this vital piece of legislation. On behalf of millions of older Americans, we urge you to support the CHAMP Act. We look forward to working with you to ensure that Medicare continues to meet the needs of our nation’s seniors.

Sincerely,

AFL-CIO
AFSCME Retiree Program
Alliance for Retired Americans
Association for Gerontology and Human Development in Historically Black Colleges and Universities
American Association for International Aging
American Association of Homes and Services for the Aging
American Public Health Association
American Federation of Teachers Program on Retirement & Retirees (AFT)
American Society on Aging
B’nai B’rith International
Families USA
NCCNHR: The National Consumer Voice For Quality Long Term Care
National Academy of Elder Law Attorneys
National Association of Professional Geriatric Care Managers (NAPGCM)
National Association of Retired and Senior Volunteer Program Directors
National Association of State Units on Aging (NASUA)
National Association of Social Workers
National Caucus and Center on Black Aged (NCBA)
National Committee to Preserve Social Security and Medicare
National Council on Aging
National Indian Council on Aging
National Senior Citizens Law Center
National Association of State Long-Term Care Ombudsman Programs (NASOP)
Owl, The Voice of Midlife and Older Women
International Union, United Auto Workers