



Leadership Council of Aging Organizations

William (Larry) Minnix, Jr., Chair

November 11, 2011

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

The Honorable John Boehner
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
United States House of Representatives
Washington, DC 20515

Dear Majority Leader Reid, Minority Leader McConnell, Speaker Boehner, and Minority Leader Pelosi:

On behalf of the Leadership Council of Aging Organizations (LCAO), a coalition of 66 national nonprofit organizations representing millions of older Americans across the country, we urge you to help protect Medicare beneficiaries' access to care by preventing substantial cuts to Medicare providers, in relation to the Sustainable Growth Rate (SGR), and by extending the Qualified Individual (QI) program and the therapy caps exception process before the end of the 112th Congress.

As you know, reform of the Sustainable Growth Rate (SGR) formula is long overdue, and a looming 29.5 percent cut in Medicare payment rates will take effect in 2012, which could create a Medicare physician shortage. The short-term patches that Congress has passed since 1997—Congress acted five times in 2010 alone to avoid significant cuts in Medicare reimbursements—have created uncertainty for Medicare providers and patients, who face continued concerns about access to physicians. In addition, these temporary fixes fail to address the underlying formula, increasing the size of future cuts and the cost of future reform.

Also required by the end of 2011 is an extension of the QI program and the Medicare therapy caps exception process—two crucial policies for Medicare beneficiaries. The QI program allows state Medicaid programs to pay Medicare Part B premiums for individuals with incomes between 120 and 135 percent of the federal poverty level (about \$13,000 to \$14,700 per year in 2011) who are not otherwise eligible for Medicaid. If the QI program were to expire, the loss of this benefit would leave beneficiaries with significant, unaffordable out-of-pocket costs. Furthermore, if Congress does not act to extend the Medicare therapy caps exceptions process, many will lose access to medically necessary services that restore and maintain the capacities needed for daily living, and ensure that they are able to maintain a basic quality of life in their own communities.

Lastly, we believe savings achieved from Medicare must be reinvested back into the program to address these ongoing shortfalls before being used for other purposes. In addition, policymakers must take action in a manner that does not shift costs to people with Medicare or cut benefits, but instead continues to

protect the most vulnerable populations, including those served by Medicaid. People with Medicare, half of whom have incomes below \$22,000 per year, are in a poor position to pay more for their care, and while we ensure that they have access to physicians, we must also ensure that they are able to afford the treatment they receive.

We look forward to working with you to guarantee that older Americans now and in the future are able to access high-quality, affordable health care.

Sincerely,

AARP

Alliance for Retired Americans

Alzheimer's Foundation of America

American Geriatrics Society (AGS)

American Society on Aging (ASA)

Association for Gerontology and Human Development in Historically Black Colleges and Universities (AGHDHBCU)

B'nai B'rith International

Center for Medicare Advocacy, Inc. (CMA)

Easter Seals

Gray Panthers

International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW)

The Jewish Federations of North America

LeadingAge

Medicare Rights Center

Military Officers Association of America (MOAA)

The National Asian Pacific Center on Aging (NAPCA)

National Association of Area Agencies on Aging (n4a)

National Association for Home Care & Hospice (NAHC)

National Association of Nutrition and Aging Services Programs (NANASP)

National Association of Professional Geriatric Care Managers (NAPGCM)

National Association of Social Workers (NASW)

National Committee to Preserve Social Security and Medicare (NCPSSM)

The National Consumer Voice for Quality Long-Term Care (NCCNHR)

The National Osteoporosis Foundation

National Senior Citizen's Law Center (NSCLC)

OWL - The Voice of Midlife and Older Women

Volunteers of America