

January 27, 2015

United States House of Representatives
Washington, D.C. 20515

Dear Representative:

As the 114th Congress commences, the undersigned organizations would like to highlight the success of the Medicare prescription drug benefit— Medicare Part D – and urge your opposition to proposals that weaken the program for seniors and individuals with disabilities.

Part D has set the standard for delivering better value at a lower cost. The average Part D premium, thanks largely to competition, has held steady the past five years. In fact, the average 2015 Part D premium is projected to be about \$32, nearly half the Medicare Trustees' original 2006 projection. Total Part D costs are 45 percent or \$349 billion lower than the Congressional Budget Office's (CBO) projections for the 2004-2013 budget window. Looking forward, CBO reduced its 10-year baseline forecast for total Part D spending by \$56 billion in 2014 alone. Put simply, Part D is working.

This strong track record provides a compelling argument against changing the structure of Part D or considering policies that would undermine its clearly demonstrated success. Unfortunately, some have proposed imposing Medicaid-style rebates on some beneficiaries enrolled in Part D. Specifically, the Administration has called for rebates for the dual eligible and Medicare low-income subsidy (LIS) populations, which are expected to represent 11.5 million beneficiaries - or nearly 30 percent of all Part D beneficiaries in 2014.

A mandatory Part D rebate could increase beneficiary premiums, jeopardize access and patient adherence to needed medicines, while increasing Medicare spending on other more costly medical services. The undersigned patient, provider, and employer organizations strongly urge you to reject any Part D rebate proposal because such an approach could:

- **Increase premiums.** Economic studies have estimated that Part D premiums for most Medicare beneficiaries could increase by 20 to 40 percent under the proposed Medicaid-style rebate approach. Half of Medicare beneficiaries had household incomes below \$21,183 in 2010. Half of those aged 85 and older had incomes under \$18,000. Many Medicare beneficiaries cannot afford these rebate-driven cost increases.
- **Shift costs onto employers, Medicaid, and the more than two-thirds of Medicare beneficiaries who do not receive the LIS.** The proposal would expand Medicaid-style rebates to certain Medicare beneficiaries, which could increase drug prices and costs for others. The CBO confirms these costs could be shifted onto employers and state Medicaid programs.
- **Jeopardize patient adherence to drugs.** Increasing patient costs means that beneficiaries may not take the drugs they need as prescribed. In 2012, the CBO acknowledged that increased use of prescription medicines helps reduce spending on

other Medicare services, such as hospitalizations. This finding has also been confirmed in academic literature on the subject. One study in particular found that further improving adherence for Part D enrollees with congestive heart failure could yield \$22.4 billion in federal savings over the next 10 years.

- ***Weaken incentives that have helped dramatically reduce the cost of prescription drugs for seniors.*** Seniors and individuals with disabilities are already benefiting from negotiations between plans and drug manufacturers that result in lower drug prices in Part D. The Medicare Trustees reports that “many brand-name prescription drugs carry substantial rebates, often as much as 20-30 percent,” and that on average, across all program spending, rebate levels have increased in each year of the program. In fact, according to the Medicare Trustees Reports, actual rebates have come in above projected levels for each year of the program.

In a Medicare system that is fraught with inefficiencies, Part D continues to deliver comprehensive prescription drug coverage for a lower than expected cost. Additionally, 9 out of 10 seniors are satisfied with their coverage.

We strongly urge Congress to reject any proposals that would undermine the current program’s success in holding down premiums and taxpayer costs, while still producing high satisfaction rates among enrollees. A mandatory Medicaid-style rebate in Medicare Part D is a poorly informed, ill-conceived policy change that poses serious risks to the health and well-being of millions of seniors and persons with disabilities who rely on this critical program.

Sincerely,

1 in 9: The Long Island Breast Cancer Action
Coalition
5p- Society
A Partnership of Diabetics
Abcam
ACT, Inc
Action CF
Addario Lung Cancer Foundation
Advocates for Responsible Care
AIDS Response Seacoast
AIDS Services for the Monadnock Region
Alabama Council of Community Mental Health
Alabama Lifespan Respite Resource Network
Alliance Community Services
Alstrom Angels
Alzheimer’s & Dementia Alliance of Wisconsin
Alzheimer’s & Dementia Resource Center
Alzheimer’s Association - Capital of Texas
Chapter
Amada Senior Care Colorado
American Autoimmune Related Diseases
Association
American Liver Foundation Rocky Mountain
Division

American Society of Employers
Asian & Pacific Islander American Health
Forum
Association for Glycogen Storage Disease
Association of Community Mental Health
Centers of Kansas, Inc.
Association of Oklahoma Nurse Practitioners
Association of Washington Business
Asthma and Allergy Foundation of America,
New England Chapter
AXYS
BayBio
BCC Nevus Syndrome Life Support Network
Bingham County Senior Center
Bio Nebraska Life Sciences Association
Biocom
BIOforward
BioHouston, Inc.
Bladder Cancer Advocacy Network
Blue Ribbon Advocacy Alliance
Boat People SOS, Inc.
Brain Injury Association of Nebraska
Bridge the Gap - SYNGAP Education and
Research Foundation

Business & Industry Association of New Hampshire
Business Council of Alabama
California Asian Pacific Chamber of Commerce
California Chronic Care Coalition
California Healthcare Institute
California Hepatitis C Task Force
Cardio-Facio-Cutaneous International
Caregiver Action Network
CARES Foundation
Caring Ambassadors
CaringConcepts
Cascade AIDS Project
Castleman's Awareness & Research Effort
Catholic Charities New Hampshire
Center for Healthcare Innovation
Center for Medicine in the Public Interest
Centerstone of Indiana
Centro de Mi Salud, LLC
Chamber of Commerce Eastern Connecticut
Chatham Social Health Council
CNY HIV Care Network
Coalition of Texans with Disabilities
Colorado BioScience Association
Colorado Cross-Disability Coalition
Colorado Gerontological Society
Colorado State Grange
Combined Health Agencies
Community Health Charities of Nebraska
Communicating for America, Inc.
Community Health Action Network
Community Health Charities of Kentucky
Community Health Charities of New England
Community HealthCare Association of the Dakotas
Community Volunteers Association
Composite Can and Tube Institute
Council for Affordable Health Coverage
Crohn's & Colitis Foundation of America-Tennessee Chapter
Crohn's & Colitis Foundation of America-Minnesota/Dakotas Chapter
Crohn's & Colitis Foundation of America-Nebraska/Iowa Chapter
Crohn's and Colitis Foundation of America-Southwest Chapter
CSRA Area Agency on Aging
Cure AHC
Delaware Academy of Medicine and Delaware Public Health Association

Delaware Ecumenical Council on Children and Families
Delaware State Chamber of Commerce
Depression and Bipolar Support Alliance
Des Moines WomenHeart
Dia de la Mujer Latina
Diabetes Community Action Coalition, Inc
Desmoid Tumor Research Foundation
Easter Seals Central Texas
Easter Seals Iowa
Easter Seals Massachusetts
Easter Seals Nebraska
Easter Seals UCP North Carolina & Virginia , Inc.
EDSers United Foundation
El Paso Diabetes Association, Inc.
Elder Care Advocacy of Florida
Embracing Latina Leadership AllianceS
Epilepsy Association of Oklahoma
Epilepsy Foundation of East Tennessee
Epilepsy Foundation of Greater Chicago
Epilepsy Foundation of San Diego County
Epilepsy Foundation of Western Wisconsin
Familia Unida Living with MS
Filipino American Service Group Inc.
Firehouse Family Ministries
First Eastern Shore Missionary Baptist Association
First Step House
Florida State Hispanic Chamber of Commerce
Friends of West End
Gallatin Health Care
Genetic Alliance
Georgia Association of Manufacturers
Georgia Bio
Global Genes Project
Granite State Independent Living
Granite State Taxpayers
Greater Oklahoma City Chamber of Commerce
Greater Pocatello Senior Citizens, Inc
H.E.A.L.S of the South
Hannah's Hope Fund for GAN
Harvard Street Neighborhood Health Center, Inc.
Hayden Senior Center
HEALS of the South
HealthCare Institute of New Jersey
Healthcare Leadership Council
HealthHIV
HealthyWomen
Heathy African American Families

Hemophilia Foundation of Oregon
Hemophilla Foundation Idaho
Hep C Connection
Hepatitis Foundation International
Houston Business Realty Coalition
Idaho Community Action Network
Idaho State Grange
Illinois Biotechnology Industry Organization--
iBIO
Illinois Manufacturers' Association
Illinois Science & Technology Coalition
INDA, The Association of the Nonwoven
Fabrics Industry
Indiana Health Industry Forum
Interdenominational Ministerial Alliance
International Cystinuria Foundation
International FOP Association
International Foundation for Autoimmune
Arthritis
International Institute of Human Empowerment
Iowa Biotechnology Association
Iowa Nurses Association
Iowa Osteopathic Medical Association
Iowa State Grange
Jack-Whelan.com LLC
JobKeeper Alliance
Kansas Association of Osteopathic Medicine
Kentucky Chamber of Commerce
Kentucky Healthcare Navigators
Kentucky Life Sciences Council
Kidney Cancer Association
Klippel-Feil Syndrome Freedom
Latin American Chamber of Commerce of Salt
Lake
Latino Commission on AIDS
Latino Diabetes Association
Lifelong
LifeScience Alley
Lupus and Allied Diseases Association, Inc.
Lupus Foundation New England
Lupus Foundation of America - DC/MD/VA
Chapter
Lupus Foundation of America, Iowa Chapter
Lupus Foundation of America, Pacific NW
Chapter
Lupus Foundation of Arkansas, Inc.
Lupus Foundation of Florida, Inc
Lupus Foundation of Southern California
Lupus Society of Illinois
MA Health Council
Macomb Business United

Manufacture Alabama
Manufacturers Association of Florida
Maryland Chamber of Commerce
Massachusetts Association for Mental Health
Massachusetts Biotechnology Council
Massachusetts Chamber of Commerce
Meals on Wheels of Wake County
MedTech Association
Melba Valley Senior Center
Men's Health Network
Mental Health America in South Carolina
Mental Health America of Colorado
Mental Health America of Indiana
Mental Health America of Montana
Mental Health America Of North Dakota
Mental Health Association in New York State,
Inc.
Mental Health Association of Connecticut
Mental Health Association Oklahoma
Mental Health Systems
MichBio
Michigan Business United
Michigan Disability Rights Coalition
Michigan Lupus Foundation
Michigan Osteopathic Association
Michigan Rural Healthcare Preservation
Michigan Society of Hematology and Oncology
Minnesota Rural Health Association
Missouri Association of Osteopathic Physicians
and Surgeons
Mobile Health Technology
Molly's Fund Fighting Lupus
Mucopolidosis Type IV Foundation
Myasthenia Gravis Association of Missouri &
Kansas
NAACP New York State Conference
NAMI Colorado
NAMI Greater Kansas City
NAMI Indiana
NAMI IOWA
NAMI Kentucky, Inc.
NAMI Mass
NAMI Minnesota
NAMI Missouri
NAMI Montana
NAMI Nebraska
NAMI New Mexico
NAMI NH, The National Alliance On Mental
Illness
NAMI Oklahoma Inc
NAMI Sioux Falls

NAMI South Dakota
NAMI Tennessee
NAMI Wisconsin
NAMI Wyoming
NAMI Boise
National Alliance on Mental Illness
National Alliance on Mental Illness / Edmond-
North OKC
National Alliance on Mental Illness for New
York State
National Alliance on Mental Illness North
Carolina
National Asian Pacific Center on Aging
National Association of Hispanic Nurses: El
Paso Chapter
National Association of Manufacturers
National Association of Nutrition and Aging
Services Programs
National Association of Social Workers
Oklahoma Chapter
National Association of Social Workers, NC
Chapter
National Association of Tower Erectors
National Black Nurses Association
National Council for Advanced Manufacturing
National Council for Behavioral Health
National Council of Asian Pacific Islander
Physicians
National Down Syndrome Society
National Electrical Manufacturers Association
National Health Foundation
National Hemophilia Foundation - Eastern
Pennsylvania Chapter
National Hispanic Life Sciences Society
National Hispanic Medical Association
National Industries for the Blind
National Kidney Foundation of Florida
National Kidney Foundation of Illinois
National Minority Quality Forum
National Psoriasis Foundation
National Spasmodic Torticollis Association
National Taxpayers Union
NBIA Disorders Association
NC Psychological Association
ND Federation of Families for Children's
Mental Health
Nebraska State Grange
Nevada Manufacturers Association
New England Community for Cancer
Survivorship

New Jersey Association of Mental Health and
Addiction Agencies, Inc.
New Jersey Mayors Committee on Life
Sciences
New Mexico Biotechnology & Biomedical
Association
Newark Senior Center, Inc.
NewYorkBIO
NGLY1 Foundation
Noah's Hope
Non-Ferrous Founders' Society
Norman Chamber of Commerce
North Carolina Biosciences Organization
North Carolina Chamber
Northeast Kidney Foundation
Northeast PA Manufacturers & Employers
Association
Northern Utah Coalition, Inc.
Oklahoma Citizen Advocates for Recovery
& Treatment Association
Ogden Branch of the NAACP
Ohio Council for Home Care and Hospice
Ohio State Grange
Oklahoma Academy of Physician Assistants
Oklahoma Bioscience Association
Old North State Medical Society
One-in-Four Chronic Health
Oregon Bioscience Association
Organic Acidemia Association
Organization for Rare Diseases India
Ovarian Cancer Coalition of Greater California
Parkinson's Association
Partnership for a Drug-Free NC
Partnerships in Aging
Patient Services Inc.
Pennsylvania Bio
Perennial Services Network
Pharmaceutical Care Management Association
Pharmaceutical Industry Labor-Management
Association
Plaza Community Services
Prevent Blindness Iowa
Prevent Blindness, Ohio Affiliate
Project ReDirect -DC
PXE International
RAIN Oklahoma
Relapsing Polychondritis Awareness and
Support Foundation, Inc.
RetireSafe
Rio Grande Valley Diabetes Assoc.
Rocky Mountain MS Center

Rocky Mountain Stroke Center
Rush to Live
Sage Utah
Salud USA
San Antonio Manufacturers Association
Senior Connections, Capital Area Agency on
Aging
Servicios de La Raza
Sickle Cell Disease Association of Florida, Inc.
Sioux Falls Coalition on Aging
Small Business & Entrepreneurship Council
Solidarity Project Advocacy Network
South Carolina Manufacturers Alliance
South Dakota Biotech
South Shore Chamber of Commerce
Southern Manor Living Center
Star Senior Center
State Chamber of Oklahoma
State Grange of Minnesota
Stickler Involved People
Suicide Awareness Voices of Education
Tech Council of Maryland
Tennessee Men's Health Network
Tennessee Orthopaedic Society
Texas Association of Business
Texas Association of Manufacturers
Texas BioAlliance
Texas Business Group on Health
Texas Conservative Coalition Research
Institute
Texas Healthcare and Bioscience Institute
Texas Nurse Practitioners
The AIDS Institute
The Center for Health Care Services
The Crohn's & Colitis Foundation - Mid-
America Chapter
The Dempster Family Foundation
The G.R.E.E.N Foundation
The Latino Coalition
The Manor at Blue Water Bay
The Mastocytosis Society
The Medical Oncology Association of Southern
California
The Midwest Council
The National Grange

The Senior Citizens Council of Greater
Augusta and the CSRA, Georgia, Inc.
The Tennessee Latin American Chamber of
Commerce
The Wall Las Memorias Project
Tennessee Occupational Therapy Association
Tuberous Sclerosis Alliance
Twin Falls Senior Citizens Federation Inc. DBA
The Twin Falls Senior Center
U.S. Chamber of Commerce
United Leukodystrophy Foundation
United Way Association of South Carolina
University Medical Center
US Pain Foundation
Utah Advocates
Utah Black Chamber of Commerce
Utah Pride Center
VA Chamber of Commerce
Veterans Health Council
Vietnam Veterans of America
Vietnamese Social Services of Minnesota
Virginia Bio
Virginia Hispanic Chamber of Commerce
Virginia Rural Health Association
Visiting Nurse Association
Visiting Nurse Association of Ohio
Washington Biotechnology & Biomedical
Association
Washington State Prostate Cancer Coalition
Wayne County Transformation
Wellness Station - National Council of Negro
Women View Park
Westchester Gardens Rehabilitation Care
Center
Williams Syndrome Changing Lives
Foundation
Wisconsin Academy of Nutrition and Dietetics
Wisconsin Nurses Association
Wisconsin Women's Health Foundation
Women Against Prostate Cancer
Woodworking Machinery Industry Association
Wound Care Clinic - ESU
Wyoming Epilepsy Association
ZERO - The End of Prostate Cancer