

January 27, 2015

United States Senate  
Washington, D.C. 20510

Dear Senator:

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