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December 16, 2009

United States Senate
Washington, DC 20510

Dear Senator:

On behalf of the millions of members and supporters of the National Committee to Preserve Social Security and Medicare, I am writing to express our opposition to the amendment offered by Senators Rockefeller, Lieberman and Whitehouse, which makes changes to the Independent Medicare Advisory Board proposal in H.R. 3590, the *Patient Protection and Affordable Care Act*. We are particularly concerned that the amendment would remove the provision to compare increases in per capita Medicare spending to the per capita growth in national health expenditures and believe this would be detrimental to Medicare beneficiaries.

The National Committee to Preserve Social Security and Medicare is opposed to the establishment of the Independent Medicare Advisory Board, but the provisions in H.R. 3590 are an improvement over the Medicare Commission that was first proposed by the Senate in S. 1796, *America's Healthy Future Act*. We strongly support the change that was made to compare the per capita growth in Medicare spending to the growth in national health expenditures (NHE) when determining whether or not additional cuts to Medicare would be required in 2020 and beyond. It is critical to preserve this important change – not delete it as the Rockefeller amendment proposes – in order to protect the Medicare program and ensure that seniors have access to care.

Medicare-only cost containment policies have reduced the rate of increase in Medicare costs to three percent a year less than the increase in private health insurance costs for the past 10 years according to the Centers for Medicare and Medicare Services (CMS) Office of the Actuary. This Medicare-only cost containment has, over many years, reduced Medicare payments to 80 percent of private health insurance payments to physicians and to 70 percent of private health insurance payments to hospitals according to the Congressional Budget Office (CBO). We are concerned that a Medicare-only cost containment policy which is continued indefinitely, coupled with the savings in provider payments included in health care reform legislation, would widen the current gap between what Medicare and private insurers pay hospitals, doctors and other providers.

The provision included in H.R. 3590, the *Patient Protection and Affordable Care Act*, to consider the growth in Medicare compared to the growth in national health expenditures is necessary to ensure that health care reform legislation will not adversely affect seniors' access to Medicare providers. As long as Medicare is not growing faster than the rest of the health care system, it should not be singled out for more draconian cuts. Therefore, the National Committee urges you to oppose Senator Rockefeller's amendment especially because it strikes language from the Independent Medicare Advisory Board proposal in H.R. 3590 that is intended to protect Medicare from cuts when its costs are growing more slowly than general health care spending.

We look forward to continuing to work with you to strengthen the solvency of the Medicare program and to ensure that Medicare beneficiaries have access to the care they need and deserve.

Cordially,

A handwritten signature in black ink that reads "Barbara B. Kennelly". The signature is written in a cursive, flowing style.

President and CEO