



May 7, 2003

The Honorable Charles Rangel
Ranking Member
House Ways and Means Committee
2354 Rayburn House Office Building
Washington, DC 20515

The Honorable John Dingell
Ranking Member
House Energy and Commerce Committee
2328 Rayburn House Office Building
Washington, DC 20515

Dear Representatives Rangel and Dingell:

The Alliance for Retired Americans, on behalf of its 3 million members across the nation, endorses and supports H.R. 1199, the Medicare Rx Drug Benefit and Discount Act of 2003.

While more than 13 million older Americans and persons with disabilities have no prescription drug coverage at all, the coverage other Medicare beneficiaries have is often very expensive, inadequate and unreliable. Passage of the Act will provide needed and substantial protection for all Medicare beneficiaries who face enormous hardships because they have insufficient or no coverage for their prescription drug costs.

The Alliance for Americans has developed principles for a Medicare prescription drug benefit against which we evaluate proposals before Congress. A copy of our principles in their entirety is attached.

The Medicare Rx Drug Benefit and Discount Act of 2003 meets our principles:

Coverage must be universal and comprehensive. This Act covers all who qualify for Medicare benefits and includes a range of current and effective treatments.

Benefits must be defined and affordable with protections for low-income persons but no means-testing. The premiums, deductibles, co-insurance and out-of-pocket cap in this Act are consistent with the Alliance's recommendations and there are provisions for covering all or most costs for beneficiaries below 150% of poverty.

Enrollment must be voluntary and provide incentives for employers to maintain and expand their level of coverage. This Act allows for those who have superior benefits to remain in their plans and also provides employer incentives for continuing coverage.

Pharmaceutical prices for all consumers must be brought under some system of control. This Act provides for the Secretary of Health and Human Services to bring about fair prices through the government's negotiating power.

The Medicare Rx Drug Benefit and Discount Act will give America's seniors and individuals with disabilities the relief they need with lower drug costs. They will not have to leave the traditional Medicare program they know or the doctors they trust to get drug coverage. They will not have to join a private insurance plan and worry about being denied coverage. This bill is good medicine for seniors who have waited long enough for a prescription drug benefit under Medicare.

The Alliance for Retired Americans is committed to the enactment of a universal, comprehensive, and affordable defined prescription drug benefit under Medicare. We will do all that we can to work with you toward achieving this mutual goal.

Sincerely,

A handwritten signature in black ink, appearing to read "Edward F. Coyle". The signature is fluid and cursive, with the first name "Edward" being the most prominent part.

Edward F. Coyle
Executive Director

Attachment