

DEAR COLLEAGUE FIRST.

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

March 19, 2001

**WHAT AMERICA'S SENIOR ADVOCATES  
ARE SAYING ABOUT THE BUSH PLAN  
TO RAID THE MEDICARE TRUST FUND**

Dear Colleague:

We thought you'd be interested to see what many of America's senior advocates are saying about the President's budget and his failure to protect the Medicare Part A Trust Fund.

**FAMILIES USA**, *Ron Pollack, Executive Director:*

"The President's budget plays a shell game with more than half a trillion dollars of Medicare funds. At the end of that game, the program's Trust Fund is bankrupted and the Fund's losses help to finance almost one-third of the President's proposed \$1.6 trillion tax cut."

**NATIONAL COMMITTEE TO PRESERVE SOCIAL SECURITY AND MEDICARE**,  
*Martha McSteen, President:*

"This talk about Medicare being in deficit is a convenient excuse to free up general revenue and help finance his tax cut, but it is the tax cut that will do the real damage to the Medicare program in the long-run. We urge the President to abandon efforts to combine Parts A and B and instead focus on shoring up the long term solvency of the Part A trust fund and provide a meaningful prescription drug benefit for America's seniors and their families."

**AARP**, *John Rother, Director, Legislation and Public Policy:*

"The solvency of the Part A Trust Fund has been the traditional measure for the health of the Medicare program. The voluntary Part B Medicare program has always been financed differently --- 75% coming from general revenues and the other 25% through beneficiary premiums. AARP is deeply disturbed about efforts to blur the differences between these two trust funds in order to develop the appearance of a financial crisis for Medicare, when in fact the program is more financially sound than it has ever been since its inception, according to the 2001 Trustees report."

**NATIONAL COUNCIL ON THE AGING**, *Howard Bedlin, Vice President for Public Policy and Advocacy:*

"The President's budget not only fails to dedicate any resources to ensure Medicare's future viability, it appears to actually take away precious dollars from the Medicare Trust Fund and make them available for other purposes. That would be irresponsible and unacceptable."

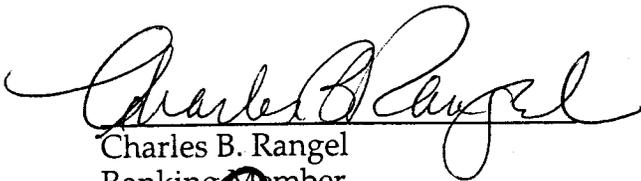
**ALLIANCE FOR RETIRED AMERICANS**, *Daniel J. Schulder, Director of Government Affairs and Legislation:*

"This administration simply does not like the financial structure of Medicare – those pesky Parts A & B. You need too many fingers to keep count. So... President Bush simply combines Parts A&B, stirs them in one big budget brew and ZAP, the Medicare surplus disappears, and Medicare, which has outperformed conventional, commercial health systems over the past decade, goes into a financial nose dive and insolvency by the year 2010 or so. And yes, he picks up five hundred billion dollars from the wreckage."

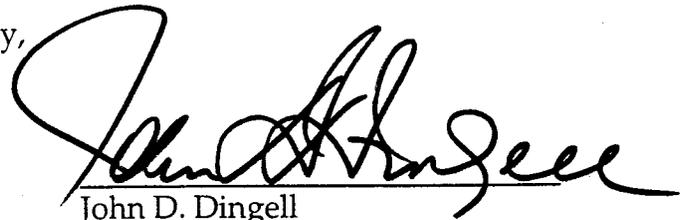
**LEADERSHIP CONFERENCE ON AGING ORGANIZATIONS**, *Resolution of March 7, 2001:*

"...responsible families would not plan this way – using up money now that they know will be needed in the future for health care and retirement – nor should the 107<sup>th</sup> Congress or the Bush Administration plan this way on behalf of America's families."

Sincerely,



Charles B. Rangel  
Ranking Member  
Committee on Ways & Means



John D. Dingell  
Ranking Member  
Committee on Energy & Commerce



Pete Stark  
Ranking Member  
Ways & Means Health Subcommittee



Sherrod Brown  
Ranking Member  
Energy & Commerce Health  
Subcommittee