

Congress of the United States

House of Representatives

Washington, DC 20515

June 27, 2002

House Republican Rx Bill -- A Death Blow to Charity and Faith-Based Assistance

Dear Colleague:

The House Republican drug bill does a very curious thing -- it discriminates against seniors who receive assistance from charities or churches. Contrary to President Bush's faith-based initiative, the Republican drug bill will discourage any charitable initiatives to help seniors with their out-of-pocket drug costs.

In order to lower the cost of their bill, the House Republicans only count out-of-pocket costs paid directly by the beneficiary toward the catastrophic cap. Any assistance with out-of-pocket drug costs paid by someone other than the senior will not be counted toward the catastrophic cap.

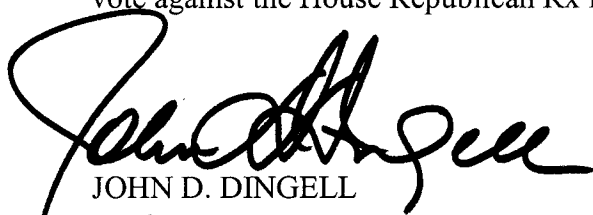
This means, for example, a senior widow who is struggling to make ends meet and has received partial assistance from her church to pay for the cost of her prescriptions would have to spend much, much more on drugs before she reached the catastrophic protection. The \$2,900 "gap" in coverage (where seniors must pay premiums but get no help with the cost of drugs) would actually get larger for every dollar contributed by a church or charity. Seniors who need financial assistance in order to make ends meet would be penalized for accepting it under the Republican bill.

Churches, synagogues, local charities, and other organizations will be forced to stop providing assistance to those in need. Any assistance will only prevent a senior from getting out of the coverage "gap" and reaching the catastrophic protection in the Republican bill.

This is the exact opposite message the President was sending when he started his faith-based initiative. We should be encouraging communities and charities to be active in providing assistance where they can.

The penalty against seniors who accept charitable contributions is just one example of the flaws within the House Republican bill, but there are many others. We urge our colleagues to vote against the House Republican Rx Bill when it comes to the House floor.

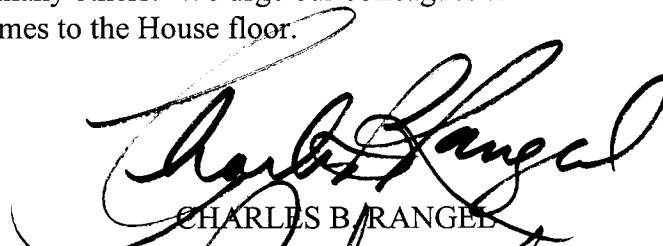
Sincerely,



JOHN D. DINGELL



SHERROD BROWN



CHARLES B. RANGEL



PETE STARK