National Committee to Preserve Social Security and Medicare



July 25, 2007

The United States House of Representatives Washington, DC 20515

## Dear Member of Congress:

On behalf of the 4 million members and supporters of the National Committee to Preserve Social Security and Medicare, I am writing to express our strong support for H.R. 3162, the *Children's Health and Medicare Protection Act of 2007 (CHAMP Act)*. We applaud Energy and Commerce Committee Chairman Dingell, Ways and Means Committee Chairman Rangel, and Subcommittee Chairmen Stark and Pallone for proposing necessary and significant investments in the Medicare program that will positively impact millions of beneficiaries.

The CHAMP Act includes substantial beneficiary improvements and protections, strengthens the integrity of the Medicare program, and preserves the ability of traditional Medicare to provide health coverage for future generations of retirees. We applaud this legislation for halting the march toward Medicare privatization that began with the passage of the Medicare Modernization Act in 2003.

While insurance companies may have received a huge financial advantage from the Medicare Advantage program, beneficiaries are facing increased costs and inferior coverage. The very name "Medicare Advantage" has generated misunderstanding by beneficiaries who were under the impression they were remaining in traditional Medicare and merely enrolling in a supplemental Medigap policy. In fact, these beneficiaries are giving up their traditional Medicare coverage when they enroll in private plans. H.R. 3162 restores private Medicare plans to their original place – as private alternatives competing on a level playing field to provide choices to beneficiaries and more flexibility to the Medicare program. Private plans truly providing "value-added" to beneficiaries have nothing to fear from this legislation. The bill's restoration of the original "Medicare Part C" name for these private components of Medicare completes the process.

Contrary to the rhetoric heard from opponents, this bill does not pit seniors against kids. Rather it shows us that achieving the twin legislative priorities of improving health care for uninsured children and for Medicare beneficiaries can positively complement each other. We believe the thoughtful provisions contained in the CHAMP Act will revitalize traditional Medicare and reverse much of the damage caused by the Administration's push toward privatization. For your review, I have attached brief highlights of the legislation outlining a number of improvements the bill makes to the Medicare program.

Our organization is fully supportive of H.R. 3162 and I urge you to support this bill in Committee and when it reaches the House floor next week. Millions of beneficiaries are counting on you to enhance and safeguard their Medicare benefits.

Cordially,

Barbara B. Kennelly President and CEO