



Consumer Federation of America

April 20, 1998

The Honorable Thomas A. Daschle
Minority Leader
United States Senate
Washington DC 20510

The Honorable Edward M. Kennedy
Ranking Minority Member
Committee on Labor & Human Resources
Washington DC 20510

Dear Senators Daschle and Kennedy:

We support the Patients' Bill of Rights Act of 1998, and we thank you for your leadership on these important consumer protections.

This bill sets forth a comprehensive set of patient rights. Among them:

- *holding managed care companies accountable for negligence;
- *requiring an external grievance and appeals system;
- *comprehensive information disclosure;
- *quality assurance programs; and
- *protection of the doctor-patient relationship in a manner that allows advocacy on behalf of patients and prohibits improper physician incentive plans.

We are especially pleased with the sections requiring access to prescription drugs and drug utilization programs. Prescription drug benefits are an important, but often overlooked, part of health care delivery; independently formulated and properly administered, a drug formulary should contain costs while not compromising quality.

Enrollees must know about any formulary restrictions and must have the opportunity to obtain medically necessary exceptions. Plan physicians and pharmacists must participate in formulary development. Your bill's requirement regarding coverage of approved drugs and medical devices is essential if we are to avoid protracted and costly battles by patients to get access to promising drugs.

Mandatory drug utilization programs should both encourage appropriate use of drugs and reduce injuries and death caused by improper use and adverse reactions. Drugs provide great benefits, but not without risks. We must do more to make their usage safe. Last week's Journal of the American Medical

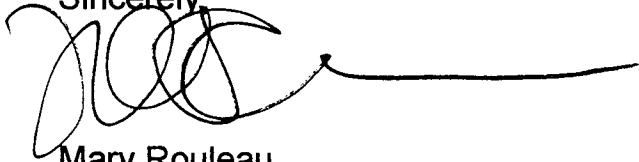
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Association reported an estimated 100,000 annual deaths and 2.2 million severe injuries from *properly* prescribed and administered drugs.

Finally, we applaud provisions creating a Health Insurance Ombudsmen. Based on our research and that of others, we know that even if our current health care system was perfect, the American public would need a lot of help navigating it. Counseling and assistance in plan selection, coverage options and grievance systems are important first steps. We hope the states will take the opportunity to explore additional functions.

Again we thank you and your staff for the hard work in bringing this bill to your colleagues. We look forward to working with you to ensure its enactment.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mary Rouleau', followed by a long horizontal line extending to the right.

Mary Rouleau
Legislative Director