



THE MEDICARE COST CONTRACTORS ALLIANCE

1800 K Street, N.W. • Suite 720 • Washington, D.C. 20006 • 202.457-6633 • 202.457-6636 FAX

Arnett Health Plans, Inc. (IN) ♦ Blue Cross Blue Shield of Minnesota ♦ Dean Health Plan, Inc. (WI) ♦ Excellus Health Plan, Inc. (NY) ♦ Hawaii Medical Service Association ♦ HealthPartners (MN) ♦ Kaiser Permanente (CA, DC, HI, MD, OH, VA)
M-Plan (IN) ♦ Medica Health Plans (MN, ND, SD, WI) ♦ Medical Associates Health Plan, Inc. (IL and IA)
Medical Associates Clinic Health Plan of Wisconsin ♦ Regence BlueCross BlueShield of Oregon ♦ Regence Blue Shield of Idaho
Rocky Mountain Health Plans (CO, WY) ♦ Scott and White Health Plan (TX)

July 25, 2007

The Honorable John Dingell
Chairman
House Committee on Energy and Commerce
Washington, DC 20515

Dear Chairman Dingell:

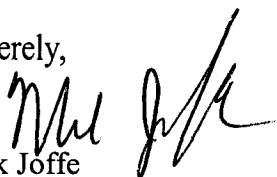
We are writing to express our strong support for the provisions of H.R. 3162, the “Children’s Health and Medicare Protection (CHAMP) Act of 2007,” that would allow Medicare cost plans to remain a choice for Medicare beneficiaries in their service areas through at least December 31, 2011.

There are over 300,000 Medicare beneficiaries enrolled in Medicare cost contract plans in 18 states. As you know, Medicare cost plans have been serving beneficiaries for over three decades. They have been a stable and reliable coverage option for hundreds of thousands of Medicare beneficiaries, particularly those living in rural areas and areas where risk-based Medicare payments have been historically low compared to reimbursement in other parts of the country.

Without this extension, some cost plans will be forced to begin withdrawing from all or a portion of their service areas at the end of next year because of a provision that was added to the Medicare Modernization Act of 2003. The CHAMP Act extends the life of this valuable program and allows beneficiaries to retain their coverage in Medicare cost plans into the future. We look forward to working with you to ensure that this extension remains in any final legislation. We also hope that any final legislation will include several other important provisions that were included in H.R. 1990, the “Medicare Cost Contract Extension and Refinement Act of 2007.” In particular, we would hope that a final bill would require that, before a Medicare cost plan is obligated to withdrawal from an area, beneficiaries have the choice of at least two coordinated care plans offered by separate Medicare Advantage Organizations in that area.

Again, we thank you for your support and for working closely with Representatives Pomeroy, Ramstad and other key supporters in the House of Representatives to extend this valuable program for America’s seniors.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Joffe', written in a cursive style.

Mark Joffe
Executive Director

cc: *The Honorable Pete Stark*
The Honorable Jim McCrery
The Honorable Dave Camp