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ONE HUNDRED EIGHTH CONGRESS

U.S. House of Representatives
Committee on Energy and Commerce
Washington, DC 20515-6115

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December 21, 2004

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Mr. Paul Rinehart
Medicaid Director
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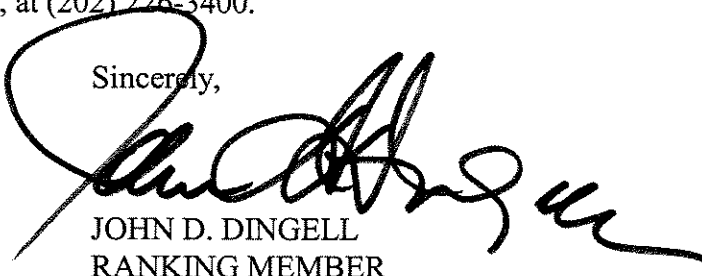
Dear Mr. Rinehart:

On December 7, 2004, you testified before the Subcommittee on Oversight and Investigations in a hearing entitled "Medicaid Prescription Drug Reimbursement: Why the Government Pays Too Much." I now request your response to an additional question.

Because I wish to include the question and response in the printed record of this hearing, please respond no later than Wednesday, January 5, 2005. Please fax and e-mail the responses. The faxed response should be directed to Michael Abraham, Committee on Energy and Commerce majority staff, at (202) 226-2447, and Voncille Hines, Committee on Energy and Commerce minority staff, at (202) 225-5288. The e-mail copy of the response should be in MS Word format and directed to Michael Abraham (Michael.Abraham@mail.house.gov) and Voncille Hines (Voncille.Hines@mail.house.gov). Due to the uncertainties of postal deliveries on Capitol Hill, your response should not be sent through the postal service.

If you have any questions, please contact Edith Holleman, Minority Counsel with the Committee on Energy and Commerce, at (202) 226-3400.

Sincerely,



JOHN D. DINGELL
RANKING MEMBER

Attachment

Mr. Paul Rinehart

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cc: The Honorable Joe Barton, Chairman
Committee on Energy and Commerce

The Honorable Greg Walden, Vice Chairman
Subcommittee on Oversight and Investigations

The Honorable Peter Deutch, Ranking Member
Subcommittee on Oversight and Investigations

**Question for Mr. Paul Rinehart
Medicaid Director
State of Michigan
from the Honorable John D. Dingell
Committee on Energy and Commerce
regarding the December 7, 2004, Subcommittee on Oversight and Investigations
Hearing entitled “Medicaid Prescription Drug Reimbursement: Why the Government
Pays Too Much”**

1. Please explain in detail the financial impact of the clawback provision of the Medicare Modernization Act on Michigan overall, particularly since Michigan, as you testified, has been particularly aggressive in cutting its prescription drug costs under Medicaid, and Congress agreed to “do no harm” to the states in that legislation.