

July 31, 2009

The American Association of Retired Persons (AARP) on July 30 forwarded a letter from AARP CEO Barry Rand to the House Energy and Commerce Committee emphasizing that AARP members will not support legislation that finances reform through higher out-of-pocket costs or reduced benefits for people in Medicare.

“AARP cannot support any efforts to target Medicare beneficiaries for increased cost-sharing or other benefit cuts,” Rand writes. “In addition, we cannot support backdoor attempts to finance health care reform through increases in beneficiary costs or reductions in benefits”

Rand notes that Medicare beneficiaries today already spend, on average, nearly 30 percent of their income on out-of-pocket health care costs.

An AARP press release detailing Rand’s letter is attached. Please feel free to use AARP’s statements in your efforts to oppose the Senate Finance Committee’s consideration of reinstating a 20% co-payment for clinical laboratory tests, which will cost Medicare beneficiaries \$23 billion in additional out-of-pocket expenses.



AARP to Congress: Don't Make Medicare More Expensive

Source: AARP Press Center

FOR IMMEDIATE RELEASE

July 30, 2009

Contact

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AARP to Congress: Don't Make Medicare More Expensive

Association fighting proposals that would unfairly burden people in Medicare

WASHINGTON—AARP CEO Barry Rand today wrote to House Energy and Commerce Committee Chairman Henry Waxman, urging Congress to find ways to pay for comprehensive health care reforms beyond the Medicare savings already announced that will improve the program's efficiency. In a letter to Chairman Waxman, Rand applauded the committee's reported compromise agreement for "hold[ing] the line on additional Medicare savings." Rand emphasized that AARP members would not support legislation that finances reform through higher out-of-pocket costs or reduced benefits for people in Medicare.

"AARP cannot support any efforts to target Medicare beneficiaries for increased cost-sharing or other benefit cuts," Rand wrote. "In addition, we cannot support backdoor attempts to finance health care reform through increases in beneficiary costs or reductions in benefits, for example, through use of commissions or other process mechanisms."

Rand noted that people in Medicare today already spend, on average, nearly 30 percent of their income on out-of-pocket health care costs, restating the Association's fight against proposals that would unfairly burden people in Medicare.

Rand added: "We know you share the position, expressed by the President in his July 22 press conference—and reiterated this week in AARP's own tele-town hall—that health reform will not result in less generous Medicare benefits."

AARP has reassured its members that proposals it has reviewed so far to save money in Medicare will not raise their out-of-pocket costs or reduce access to care. AARP has urged Congress to find smart Medicare savings, such as reducing payments to private insurers in Medicare, lowering drug costs and preventing avoidable hospital readmissions.

In the letter, Rand applauded the Energy and Commerce Committee's compromise agreement, which reportedly retains many of the key priorities of AARP's members, including closing the Part D doughnut hole, strictly limiting age-rating and creating subsidies to help more Americans purchase their choice of coverage.

"We are pleased the House bill retains a stricter 2 to 1 limit on how much more insurers can charge older Americans for premiums," Rand wrote. "In addition, we are pleased that the House Energy and Commerce bill still provides sliding-scale subsidies up to 400 percent of the federal poverty level. These subsidies are essential to making certain our members can afford coverage and not pay an unfair percentage of their incomes for health care expenses."

For a complete copy of Rand's letter to Chairman Waxman, please contact AARP Media Relations at the number above.

For more information about AARP's Health Action Now campaign, please visit www.healthactionnow.org.

AARP is a nonprofit, nonpartisan membership organization that helps people 50+ have independence, choice and control in ways that are beneficial and affordable to them and society as a whole. AARP does not endorse candidates for public office or make contributions to either political campaigns or candidates. We produce AARP The Magazine, the definitive voice for 50+ Americans and the world's largest-circulation magazine with over 35.5 million readers; AARP Bulletin, the go-to news source for AARP's 40 million members and Americans 50+; AARP Segunda Juventud, the only bilingual U.S. publication dedicated exclusively to the 50+ Hispanic community; and our website, AARP.org. AARP Foundation is an affiliated charity that provides security, protection, and empowerment to older persons in need with support from thousands of volunteers, donors, and sponsors. We have staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

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