



AMERICAN BENEFITS
COUNCIL

June 11, 2003

The Honorable Bill Thomas
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

The American Benefits Council represents employers that sponsor health and retirement benefit plans as well as other organizations that provide benefits services to employers. Collectively, our members either sponsor or administer employee benefit plans covering more than 100 million Americans.

We share your vision that Medicare must be modernized to better meet the health care needs of its current and future beneficiaries. The bill your Committee will consider shortly would provide Medicare beneficiaries the choice between obtaining health coverage through an improved Medicare fee-for-service program or one of several new private health plan options. We agree strongly that this is the direction Medicare reform needs to take and its success will be measured by health plans that vigorously compete to better serve increasing numbers of Medicare beneficiaries while promoting quality improvements throughout our health care system.

Your bill would also provide every Medicare beneficiary access to a valuable prescription drug benefit through privately administered prescription drug plans, new health plan choices or through employer-sponsored retiree health plans which currently provide prescription drug coverage for nearly one-third of all Medicare beneficiaries. We are particularly encouraged by your intention that this legislation should provide several different and meaningful coverage options that retirees and employers can consider for helping to better finance and manage prescription drug benefits in the future.

We welcome the opportunity to continue to work with you and the other members of your Committee as this vitally important legislation is considered further. We commend you for your strong leadership on this issue and believe this legislation represents the best opportunity for the House of Representatives to move Medicare in the direction of serious, long overdue reform and provide improved benefits for millions of Americans.

Sincerely,

James A. Klein
President