

June 16, 2003



The Honorable William M. Thomas
Chairman, Ways and Means Committee
U.S. House of Representatives
2208 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Thomas:

On behalf of the Blue Cross and Blue Shield Association (BCBSA)—representing 42 independent Blue Cross and Blue Shield Plans enrolling 85 million Americans—I am writing to thank you for your commitment to our nation's seniors by taking on the critical task of modernizing Medicare, including providing prescription drugs to Medicare beneficiaries. Prescription drugs are a key benefit for America's seniors, and we are encouraged that the House has taken positive steps to provide much-needed coverage.

BCBSA applauds your recent proposal, which would greatly benefit the crucial Medicare+Choice (M+C) program. As you know, millions of seniors rely on this program for prescription drug benefits, as well as protection from Medicare's high out-of-pocket costs. We remain committed to stabilizing this program and are encouraged by your efforts to provide adequate funding.

We are also supportive of the bill's goal of updating Medicare to include the types of plans offered in the private sector. Preferred Provider Organizations (PPOs) are the most popular health care product for today's working Americans. PPO plans provide greater opportunities for disease management and coordination of health care. This is especially important for older Americans, who by the age of 75 often suffer from two or more chronic illnesses. We look forward to continuing to work with you on the crucial details that will make Medicare PPOs a valuable consumer option. Furthermore, BCBSA is pleased by the bill's efforts to preserve access to a wide range of affordable Medigap policies.

It is clear that under your leadership, the House Ways and Means Committee has crafted a Medicare reform bill that promises an improved program for seniors. BCBSA looks forward to continuing to work with you on this important legislation.

Sincerely,

A handwritten signature in black ink, which appears to read "Scott P. Serota". The signature is written in a cursive style with a large, sweeping initial "S".

Scott P. Serota
President and CEO
Blue Cross and Blue Shield Association