

Congress of the United States

House of Representatives

Washington, DC 20515

June 16, 2003

Advancing Medicare into the 21st Century:

Creating Choices & Improving Access

Dear Colleague:

We invite you to join us in an historic opportunity to improve the lives of more than 40 million Americans by modernizing the Medicare program. The Committees on Ways and Means and Energy and Commerce have joined together to provide Medicare beneficiaries with more choices to best meet their needs.

This bill offers a voluntary prescription drug benefit to all Medicare beneficiaries. Seniors in both fee-for-service and private plans would, after paying a \$250 deductible, have access to a drug benefit that covers 80 percent of their first \$2,000 in drug costs at a premium of about a dollar a day. The bill will provide a significant benefit to a majority of seniors. Premiums and cost-sharing for seniors below 135% percent of poverty are fully subsidized, and premium support is phased-out on a sliding scale up to 150 percent of poverty.

A catastrophic benefit for those with high drug costs provides seniors with full coverage after \$3,700 in out-of-pocket expense. Recognizing that those with a greater ability to pay for their drug expenses should do so, the \$3,700 catastrophic threshold is upwardly adjusted, on a sliding scale, for the five percent of seniors with incomes greater than \$60,000.

All beneficiaries will have the opportunity to choose between at least two health plans and fill their prescriptions at any pharmacy they choose. In addition, regional preferred provider organizations (PPOs) will compete for beneficiaries through improved care coordination and better coverage choices.

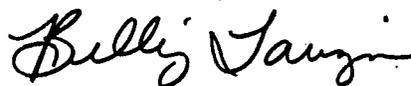
This bill benefits America's seniors today and in the future. As the number of senior citizens increases and the availability of life-saving technologies multiplies, it is vitally important that Medicare keeps pace with advances in medicine. Please join us by co-sponsoring the "Medicare Prescription Drug and Modernization Act of 2003" and by voting for this bill when it is considered on the floor of the House.

For more information on this bill, please visit the Committee on Ways and Means' website at <http://www.waysandmeans.house.gov>, or call the Committee on Ways and Means, Subcommittee on Health at 5-3943, or the Committee on Energy and Commerce at 5-2967. To cosponsor this bill, please contact Alisha Wallenstein, Committee on Ways and Means, at 5-3943, or Eugenia Edwards, Committee on Energy and Commerce, at 5-2927.

Best regards,



Bill Thomas
Chairman
Committee on Ways and Means



Billy Tauzin
Chairman
Committee on Energy and Commerce