



**DRAFT**

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**JOSEPH A. PICHLER**  
CHAIRMAN OF THE BOARD AND  
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June 5, 2003

Representative William M. Thomas  
Chairman, Ways and Means Committee  
2208 Rayburn House Office Building  
Washington, DC 20515-0522

**RE: 2003 Medicare Reform Bill**

Dear Chairman Thomas:

The Kroger Co. appreciates your leadership in developing with your committee the 2003 Medicare reform bill. We are pleased to support the bill because it improves Medicare in several important ways.

First, the bill specifically opens the opportunity to provide seniors with a pharmacy benefit to a wide range of competitive entities. Retail pharmacies, pharmaceutical manufacturers and others, along with traditional prescription benefit managers, will be able to offer seniors prescription drug benefit and discount programs. We believe seniors and all taxpayers will benefit from the open, competitive marketplace enabled in the bill.

This market-driven approach also is reflected in the bill's approach to long-term prescriptions. Seniors will be given a choice of delivery methods and have the option of receiving the value-added service provided by their neighborhood pharmacist because the bill allows the retail channel to compete for the 90 day, long-term prescription business.

Third, we support the transparency requirements in the bill for plan sponsors. We respectfully request the opportunity to continue to work with you on also providing non-confidential, summary plan sponsor data in a manner that facilitates informed consumer choice.

Finally, we appreciate the discussions we had with your staff concerning risk and hope to continue to work with you to clarify that plan sponsors should not pass on to retail pharmacy risk over which it has no control.

Again, we appreciate your leadership on this issue. We encourage the House to pass this legislation and move our nation closer to delivering to current and future seniors a new Medicare pharmacy benefit.

Sincerely,

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Joseph A. Pichler