



**BlueCross BlueShield
Association**

An Association of Independent
Blue Cross and Blue Shield Plans

November 19, 2003

The Honorable William M. Thomas
U.S. House of Representatives
2208 Rayburn House Office Building
Washington, DC 20515

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Dear Representative Thomas:

On behalf of the 41 independent, locally operated Blue Cross and Blue Shield Plans across the country, I strongly urge you to vote in favor of the Medicare conference report. This landmark legislation will modernize the program and provide comprehensive and affordable benefits for our nation's seniors.

The Blue Cross and Blue Shield System applauds conferees for their work in crafting an agreement that achieves the fundamental goals of reform:

- **Providing beneficiaries access to subsidized prescription drug coverage.** The availability of a prescription drug benefit addresses a major gap in Medicare coverage today.
- **Stabilizing the Medicare+Choice (M+C) program with adequate funding.** The immediate increase in funding will stabilize and improve the availability of M+C choices for beneficiaries.
- **Assuring access to generic drugs.** Barriers to generic drug entry into the marketplace will be eliminated, enhancing access to more affordable, high quality prescription drugs.
- **Improving payments for health care providers.** Enhanced payments for health care providers will reduce cost-shifting to private health plans by reducing the inadequacy of Medicare payments, particularly in rural areas. This is an important step at a time when private health plan premiums are rising at double-digit rates.
- **Making preferred provider organizations (PPOs) viable options for beneficiaries.** Providing Medicare beneficiaries with access to PPOs, the most popular private product, will enhance innovation and efficiency, as well as improve disease management and coordination of care in Medicare.

This legislation represents a historic opportunity to modernize Medicare by providing more choices and improved benefits for Medicare beneficiaries. Your vote in favor of the conference report is needed to ensure that not another year goes by without bringing this critical program into the 21st century.

Sincerely,

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

CC: Andrew Morrison, Blue Cross of California
Joseph Criscione, Blue Shield of California