



FRANK J. BRANCHINI
PRESIDENT & CHIEF EXECUTIVE OFFICER

November 19, 2003

TO: Members of Congress
FROM: Frank J. Branchini
President & Chief Executive Officer
SUBJECT: *Support for H.R. 1/S.1*

I am writing to inform you of GHI's support for the Medicare prescription drug legislation (H.R. 1/S.1) agreed to by House and Senate conferees last weekend. This support is based on the press releases and press coverage we have reviewed. We look forward to reviewing the actual bill when it is available.

GHI is a New York not-for-profit health insurer that provides health insurance and administrative services to 2.5 million people. In addition, GHI was selected by the Center for Medicare and Medicaid Services (CMS) in 2002 to provide Medicare + Choice PPO benefits to Medicare beneficiaries in New York City, Westchester and Rockland counties as part of a national demonstration program.

This legislation is an important first step towards providing more comprehensive pharmacy coverage for Medicare beneficiaries. In addition, increased funding for Medicare + Choice plans will ensure the financial stabilization of these plans and the continuation of private health plan choices for current beneficiaries.

We believe that the final bill must ensure that an appropriate risk adjustment mechanism will be developed to take into account the relative health status of individuals in traditional Medicare and private health plans serving Medicare beneficiaries.

I urge you to support this legislation.

Frank Branchini

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