September 9, 2002

Dear Senator:

The undersigned members of the Leadership Council of Aging Organizations (LCAO) are deeply disappointed that the Senate failed to pass a Medicare prescription drug coverage bill. We remain hopeful that an acceptable compromise can be passed in early September similar to the Graham/Miller/Kennedy proposal. We fear, however, that there may not be sufficient time to pass such a bill and reconcile it with the House proposal, which we oppose. We are concerned that the result could be passage of a third round of provider reimbursement increases, with little or nothing included in the form of beneficiary protections and improvements. We would strongly oppose passage of a bill that included only or primarily provider payment increases. At a minimum, the Senate should spend as much on beneficiary protections and improvements as on provider payment increases. We urge that the following improvements for beneficiaries be included in any Medicare legislation that moves forward this year:

- Medicare Low-Income Protections - The QI-1 program, which pays Medicare beneficiaries' Part B premiums if their incomes are between 120% and 135% of poverty, expires on December 31, 2002. The program provides essential relief to this vulnerable population. To that end, we support Senator Bingaman's S.2855, which maintains this important protection and make it permanent. At a minimum, we urge Congress to take action this year to prevent the QI-1 benefit from expiring. We also support provisions in S. 2855 that promote participation in Medicare low-income programs by removing the restrictive asset test, a major barrier to participation; improving outreach and enrollment; and allowing for three-month retroactive eligibility, which applies to all other federal low-income assistance programs.
- Self Injected and Oral Cancer Drugs - We support S. 554, the Access to Innovation for Medicare Patients Act, which would extend Medicare coverage to the new self-injectable biological therapies that are prescribed as a replacement for drugs or biologics already covered by Medicare. Currently, Medicare only covers injectables or infusion therapies administered in a physician's office or an outpatient setting. There is no good policy rationale for the exclusion of the more recently developed, patient-friendly, self-injectable alternatives. Failing to cover self-injectable biologicals is particularly harmful to disabled seniors and those in rural areas who have difficulty getting to their physicians' offices. We also support S. 913, which would cover oral cancer drugs. Medicare now covers most anti-cancer drugs because they are administered by injection by providers or have an injectable equivalent. Unfortunately, many important new oral anti-cancer drugs cannot be covered by Medicare because they have no intravenous equivalent.
- Preventive Care - We support S. 982, Senator Graham's Medicare Wellness Act, which would eliminate preventive benefits' deductibles and coinsurance, and expand Medicare to cover screening and counseling for some of the most common conditions among seniors, including hypertension, osteoporosis and high cholesterol, as well as covering medical nutrition therapy. We would also like to see coverage for vision and hearing impairments, diet and exercise, smoking cessation, injury prevention, disease management programs and dental health. By encouraging greater use of these services, beneficiaries' quality of life would be enhanced and Medicare expenditures would decline over the long run. Eliminating deductibles and coinsurance has received broad bipartisan support, including support from the Administration.
- Chronic Care - A growing number of beneficiaries have serious chronic conditions and Medicare does an inadequate job of addressing their needs. We support S. 2057, Senator

Lincoln's Geriatric Care Act, which would provide Medicare coverage for care coordination/case management and geriatric assessment. Seniors with chronic illness would benefit significantly from an accurate assessment of their needs and a centralized coordination system.

- Home Health Care - We support the provision in Sen. Rockefeller's S. 2655 (identical to Sen. Santorum's S. 1619) to give beneficiaries the choice to receive home health services in adult day care settings, thereby alleviating isolation and permitting caregivers to work. The proposal is designed to be budget neutral, since it would not make new people eligible for benefits or expand the list of covered services. We also support further fixing the "homebound" problem for beneficiaries, regardless of diagnosis (freeing many beneficiaries still virtually imprisoned in their homes).
- Long-Term Care Tax Credit - We support the provision in Senator Grassley's S. 627 to give individuals with long-term care needs or their caregivers a tax credit of up to $3,000 to help cover their expenses. The credit would be phased-in over four years and phases out by $100 for each $1,000 by which the taxpayer's modified adjusted gross income exceeds $150,000 for a joint return and $75,000 for an individual return. This is a modest but important step in helping America's families meet their long-term care needs, and is far preferable to the House-passed long-term care tax bill.
- Health Staffing - In general, we support efforts to alleviate shortages of nursing and paraprofessional workers by devoting federal resources to improve recruitment and retention of nurses, nurse's aides, home health aides and personal care workers. We are pleased that the Nurse Reinvestment Act was signed into law, however, we urge Congress to fund this important initiative to address the workforce shortage. We also support the creation of a Long-Term Care Workforce Commission to address this growing problem. Additionally, we support S. 2879, the Nursing Home Staffing Accountability Act, which would require nursing facilities to electronically report daily nurse staffing information on a quarterly basis to CMS and would direct CMS to include staffing as a quality measure in its quality initiative.
- Quality Improvements - We support directing the CMS to use Quality Improvement Organizations (QIOs) and Medicare Trust Fund resources to ensure that Medicare providers are working to reduce and prevent medical errors. Reports from the Institute of Medicine and others on patient safety and medical errors call on Congress to put in place mechanisms that will improve Medicare quality. QIOs should be directed by Congress to work directly with providers, practitioners and Medicare+Choice plans to identify and reduce the incidence of actual and potential medical errors, including drug therapy resulting in adverse events.
- Medicare Appeals - Congress should continue to work with the Administration to implement the new expedited appeals rights afforded to consumers who receive a notice of non-coverage while receiving care from skilled nursing facilities, comprehensive outpatient rehabilitation facilities, and home health providers. The Administration has not published a plan of action to implement these new consumer protections and risks missing the congressionally mandated October 1, 2002 deadline. CMS has the ability to meet the congressional implementation date by directing the Quality Improvement Organizations to handle the initial reviews for the new expedited appeals. QIOs have the personnel and systems in place to perform this function, and trust funds can and should be used to implement the new expedited appeals through the QIO program.
- Medicare Education -We support increased funding for the State Health Insurance Assistance programs or SHIPs. SHIPs provide decision support for people with Medicare -- answering questions about benefits, assisting with handling grievances, providing objective information about the range of options available such as Medigap coverage, Medicare + Choice plans, employer coverage, and state pharmaceutical assistance

programs. SHIPs have been under funded since their inception in 1990. Funding for this important program should be at least $25 million.

Thank you for your attention to these issues. Again, we urge that any efforts you pursue this year to strengthen Medicare should include these provisions that would directly help beneficiaries.

AFSCME Retirees
Alliance for Retired Americans
Alzheimer's Association
Americans Association for International Aging
American Federation of Teachers Program on Retirement and Retirees
American Geriatrics Society
B'nai B'rith International Center for Senior Services
Families USA
International Union, UAW
National Academy of Elder Law Attorneys
National Adult Day Services Association
National Association of Area Agencies on Aging
National Association of Nutrition and Aging Services Programs
National Association of Professional Geriatric Care Manager
National Association of Retired Senior Volunteer Program Directors
National Association of Senior Companion Program Directors
National Association of State Long Term Care Ombudsman Programs
National Association of State Units on Aging
National Caucus and Center on Black Aged
National Committee to Preserve Social Security and Medicare
National Council on the Aging
National Hispanic Council on Aging
National Indian Council on Aging
National Osteoporosis Foundation
OWL, the voice of midlife and older women
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