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## **Nearly 350 Organizations Urge Congress to Preserve Medicare Part D as Fiscal Cliff Negotiations Enter Critical Phase**

*Patient, provider, business and veteran leaders say Part D rebates shift costs with  
increased premiums and restricted access to life-saving medicines*

**Washington, D.C. (December 11, 2012)** – The Council for Affordable Health Coverage ([CAHC](#)) today joined with nearly 350 leading patient, provider, business, veteran and health care organizations to urge Congress to reject any proposal that would impose Medicaid’s mandatory rebate structure on the Medicare Part D program, which experts predict would undermine the program’s success in offering affordable, quality coverage for millions of seniors, veterans and disabled Americans.

“Part D has set the standard for delivering better value at a lower cost. As health costs increase elsewhere, the average Part D premium, thanks largely to competitive bidding, has held steady the past three years,” the groups wrote in a letter to all members of Congress. “We recognize the urgent need for Congress to reduce the nation’s debt and spur economic growth, but we believe that achieving real savings requires reducing costs, not merely shifting them onto others. A Part D mandatory rebate would fail this test.”

In the letter, the organizations outline how Part D premiums for most Medicare beneficiaries could increase by 20 to 40 percent under the mandatory Medicaid rebate approach. Since many seniors live on a fixed income, any increase in cost could have a substantial impact on their monthly budget and may restrict their ability to fill all of their prescription drug needs.

The following organizations signed the letter: National Council for Community Behavioral Healthcare, National Association of People With AIDS, National Medical Association, Healthcare Leadership Council, Veterans Health Council, The National Grange, National Association of Manufacturers, National Taxpayers Union, Small Business & Entrepreneurship Council, and the U.S. Chamber of Commerce.

“Avoiding the fiscal cliff will require reducing overall costs, not adding a tax in the form of a mandatory ‘rebate’ that will only shift costs back onto patients, providers and employers.” said CAHC Executive Director Joel White. “We encourage Congress to do everything in its power to preserve one of the only programs that continues to come in under spending projections and is overwhelmingly popular among beneficiaries.”

In addition to the concern that increased out-of-pocket costs would harm access to care, the organizations underscore that patients who fail to take their prescription medicines leading to increased hospital and physician costs. According to a recent survey of Medicare Part D beneficiaries, 61 percent of seniors would be unable to fill all of their prescriptions without the program. Similarly, 53 percent would be more likely to cut back or stop filling their prescriptions altogether.

“We strongly urge Congress to reject any proposals that would undermine the current program’s success in holding down premiums. A Part D mandatory rebate is a poorly informed, ill-conceived policy that poses serious risks to the health and well-being of millions of seniors, veterans and persons with disabilities,” the groups concluded.

The Council for Affordable Health Coverage (CAHC) is a broad-based alliance with a singular focus: bringing down the cost of health care for all Americans. Our membership reflects a broad range of interests—organizations representing small and large employers, manufacturers, retailers, insurers, brokers and agents, physician organizations and individual consumers. For more information, please visit our web site at [www.cahc.net](http://www.cahc.net), or contact Paul Hewitt at [paul.hewitt@cahc.net](mailto:paul.hewitt@cahc.net).

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