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Congress of the United States

U.S. House of Representatives

COMMITTEE ON WAYS AND MEANS

1102 LONGWORTH HOUSE OFFICE BUILDING
(202) 225-3625

Washington, DC 20515-6348

<http://waysandmeans.house.gov>

June 8, 2005

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JANICE MAYS,
MINORITY CHIEF COUNSEL

The Honorable Nancy Johnson
Chairwoman, Subcommittee on Health
Committee on Ways and Means
1102 Longworth House Office Building
Washington, DC 20515

Dear Chairwoman Johnson:

Given recent reports of possible mismanagement of implementation of the new private drug coverage (Part D) that will be available through Medicare next year, we are writing to request oversight hearings on the Centers for Medicare and Medicaid Services (CMS) and particularly of activities related to implementation of Part D, the low-income subsidies available under Part D and the Medicare Advantage program.

According to *CongressDaily* (6/8/05), the CMS recently mailed information on the low-income subsidy to millions of low-income Medicare beneficiaries.

Unfortunately, thousands of the envelopes were empty. In addition, we have read in *CongressDaily* that Congress is also now faced with the challenge of finding \$900 million in a tight fiscal environment to fund additional start-up costs for the program. Finding these funds may result in robbing Peter to pay Paul, given the constraints in the budget. We are surprised that the \$1.5 billion allocated under the Medicare Modernization Act of 2003 (MMA) was not enough to launch this program.

Furthermore, given that CMS has produced and distributed outreach materials that GAO has called "propaganda" and which have contained other serious flaws over the last few years, the Subcommittee has an obligation to keep a close eye on these activities.

In recent years, Congress has been reluctant to conduct proper oversight on the Administration's activities. Press reports this year have indicated that the Republican leadership does not want to legislate on Medicare this year; if this is true, then we should turn our attention to oversight. While we continue to have serious concerns

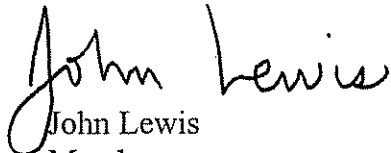
The Honorable Nancy Johnson

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about the MMA, we believe there is room to work together to ensure that taxpayer funds are appropriately spent. The law is in place, and we owe it to our constituents to be certain that the Administration is doing its job.

Sincerely,



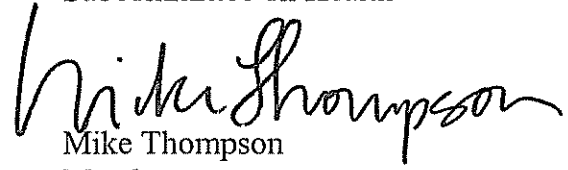
John Lewis
Member,
Subcommittee on Health



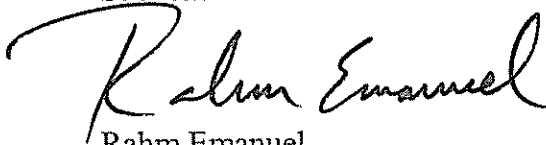
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Ranking Democrat,
Subcommittee on Health



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Mike Thompson
Member,
Subcommittee on Health



Rahm Emanuel
Member,
Subcommittee on Health