BILL THOMAS, CALIFORNIA
CHAIRMAN

E. CLAY SHAW, JR., FLORIDA
NANCY L. JOHNSON, CONNECTICUT
WALLY HERGER, CALIFORNIA
JIM McCRERY, LOUISIANA
DAVE CAMP, MICHIGAN
JIM RAMSTAD, MINNESOTA
JIM NUSSLE, IOWA
SAM JOHNSON, TEXAS
ROB PORTMAN, OHIO
PHIL ENGLISH, PENNSYLVANIA
J.D. HAYWORTH, ARIZONA
JERRY WELLER, ILLINOIS
KENNY C. HULSHOF, MISSOURI
RON LEWIS, KENTUCKY
MARK FOLEY, FLORIDA
KEVIN BRADY, TEXAS
THOMAS M. REYNOLDS, NEW YORK
PAUL RYAN, WISCONSIN
ERIC CANTOR, VIRGINIA
JOHN LINDER, GEORGIA
BOB BEAUPREZ, COLORADO
MELISSA A. HART, PENNSYLVANIA
CHRIS CHOCOLA, INDIANA

ALLISON H. GILES,
CHIEF OF STAFF

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

CHARLES B. RANGEL, NEW YORK
RANKING MINORITY MEMBER

FORTNEY PETE STARK, CALIFORNIA
SANDER M. LEVIN, MICHIGAN
BENJAMIN L. CARDIN, MARYLAND
JIM McDERMOTT, WASHINGTON
JOHN LEWIS, GEORGIA
RICHARD E. NEAL, MASSACHUSETTS
MICHAEL R. McNULTY, NEW YORK
WILLIAM J. JEFFERSON, LOUISIANA
JOHN S. TANNER, TENNESSEE
XAVIER BECERRA, CALIFORNIA
LLOYD DOGGETT, TEXAS
EARL POMEROY, NORTH DAKOTA
STEPHANIE TUBBS JONES, OHIO
MIKE THOMPSON, CALIFORNIA
JOHN B. LARSON, CONNECTICUT
RAHM EMANUEL, ILLINOIS

JANICE MAYS,
MINORITY CHIEF COUNSEL

June 8, 2005

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

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

Pete Stark
Ranking Democrat,
Subcommittee on Health

Lloyd Doggett
Member,
Subcommittee on Health

Mike Thompson
Member,
Subcommittee on Health

Rahm Emanuel
Member,
Subcommittee on Health