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JANICE MAYS,
MINORITY CHIEF COUNSEL

October 18, 2005

The Honorable Bill Thomas
Chairman
Committee on Ways and Means
1102 Longworth HOB
Washington, DC 20515

Dear Chairman Thomas:

As you know, one of the vital functions of Congressional committees is to conduct oversight. In fact, it is so important that "the Manual of Rules for the Committee on Ways and Means in the 109th Congress" reprints the rules governing the House of Representatives with regard to general oversight responsibilities of committees.

Specifically, those rules state, *"the various standing committees shall have general oversight responsibilities.... In order to determine whether laws and programs addressing subjects within the jurisdiction of the committee are being implemented and carried out in accordance within the intent of Congress..."* Committees are also specifically provided authority to conduct oversight regarding, *"the organization and operation of Federal agencies and entities having responsibilities for the administration and execution of laws and programs addressing subjects within its jurisdiction..."*

We repeat these rules for you because we are concerned that our Committee is abdicating its responsibility to conduct these oversight duties with respect to the implementation of the 2006 Medicare prescription drug benefit. We made a similar request for oversight to Chairman Johnson of the Health Subcommittee on June 8, 2005, but we never received a response. We are now writing to you to urge you to address this vital matter.

The new Medicare prescription drug program is the biggest change to Medicare since its inception in 1965. On October 1, 2005, private plans began marketing their drug plans, and the Centers for Medicare & Medicaid Services (CMS) is in the process of mailing the 2006 Medicare & You Handbook to each beneficiary. Plan enrollment starts November 15th with the actual benefit beginning on January 1, 2006.

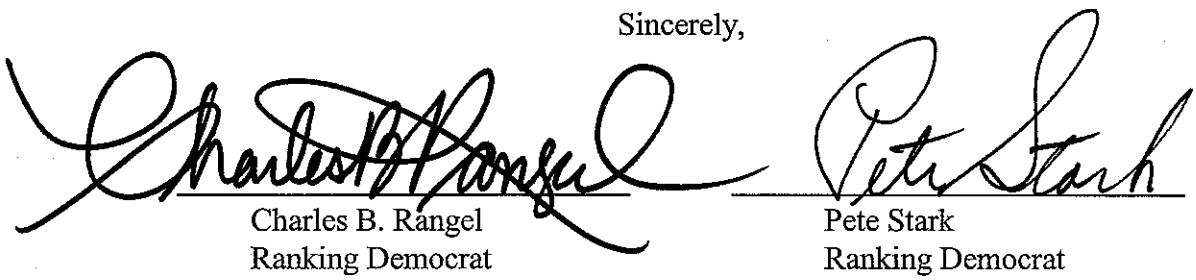
As the implementation process moves forward, real problems have emerged and more can be expected. Back in June, the Administration mailed thousands of empty envelopes to low-income Medicare beneficiaries thought to be eligible for financial assistance with their drug costs. Last month, CMS spent approximately $2 million to insert a flyer into Parade Magazine, a nationally distributed publication. That flyer contained an important factual error that made the benefit look more generous than it actually is. This month, CMS acknowledged a significant error in each of the more than 40 million *Medicare & You* handbooks that were mailed to each Medicare beneficiary. The book inaccurately states that all of the private drug plans qualify for full premium assistance for eligible low-income beneficiaries. In fact, only 40 percent of plans have full financial support.

Each of these errors is very problematic on its own, but we can be sure that there will be more mistakes as the agencies work to implement a very confusing, complex benefit that is already causing consternation and concern with our nation's Medicare beneficiaries and those who are trying to help them understand which plan, if any, is best for them.

We have had 49 hearings in the Committee on Ways and Means so far this year -- 10 of which were hearings in the Subcommittee on Health. Topics of these hearings included gainsharing arrangements between hospitals and physicians and a request for written comments on technical corrections to US trade laws. While those topics may be important, we should also be able to squeeze in some oversight of a new federal program that directly affects the lives of 42 million Americans next year alone.

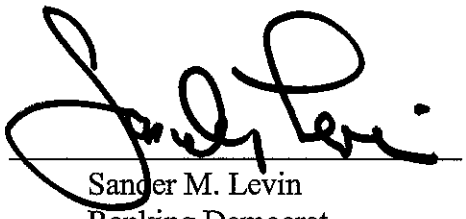
It is not a partisan endeavor to see that the laws passed by Congress are correctly implemented and enforced. We all owe it to America's taxpayers to make sure that that is the case. We urge that the Committee on Ways and Means begin hearings on the implementation of the Medicare prescription drug benefit now.

Sincerely,

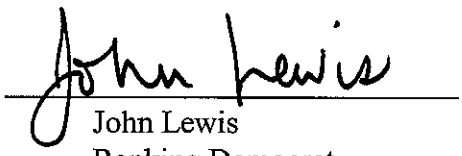


Charles B. Rangel
Ranking Democrat
Committee on Ways & Means

Pete Stark
Ranking Democrat
Committee on Ways & Means
Subcommittee on Health



Sander M. Levin
Ranking Democrat
Committee on Ways & Means
Subcommittee on Social Security



John Lewis
Ranking Democrat
Committee on Ways & Means
Subcommittee on Oversight