

Congress of the United States
Washington, DC 20515

March 17, 2016

The Honorable Sylvia M. Burwell
Secretary of Health and Human Services
U.S. Department of Health & Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Madam Secretary:

We write to express our deep concern for the proposed payment cut to Medicare Advantage (MA) Retiree Coverage, also referred to as Employer Group Waiver Plans, included in the Centers for Medicare & Medicaid Services (CMS) 2017 Advance Notice. More than 3.3 million retirees nationwide rely on MA Retiree Coverage and such a cut would jeopardize their access to high-quality health care. As representatives from Illinois, a state with more than 160,000 seniors enrolled in MA Retiree Coverage, we urge you to eliminate this proposed cut from the 2017 Advance Notice.

Labor unions, private employers, and state and local governments use MA Retiree Coverage to fulfill their promises to loyal employees. Seniors covered under these plans negotiated these promised benefit packages, sometimes giving up pay raises and other benefits, in exchange for stable and affordable health care coverage after retirement. If implemented, this cut could result in a loss of their benefits, an increase in premiums, or both. According to new analysis from Milliman, the total cost to affected Illinois retirees will rise by \$40,000,000 in 2017 alone.

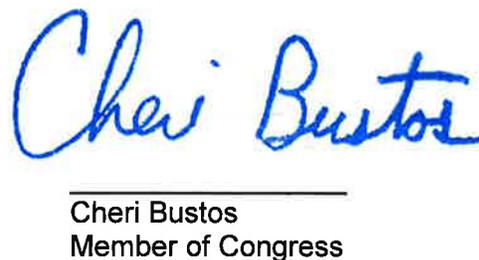
Furthermore, CMS' decision does not consider the benefits included in these plans or the health care needs of the seniors they serve. MA Retiree Coverage incorporates chronic disease management and care coordination services as well as comprehensive drug benefits that reduce out-of-pocket costs for the most vulnerable beneficiaries. The plans' broad provider networks ensure seniors have access to care in even the most rural of areas. If implemented, the cut could significantly disrupt retirees' health care through unexpected out-of-pocket costs as well as reduced access to certain health services. Additionally, the timing of this policy, if implemented, could inhibit employers' ability to deliver on their commitment to offer MA Retiree Coverage in 2017 to their retirees who rely on this popular option.

This cut would have a profound impact on the more than 160,000 Illinois seniors who count on MA Retiree Coverage and we oppose this misguided proposal. CMS must respect the promises made to our hard-working retirees by maintaining the current payment structure to MA Retiree Coverage plans. In the interest of preserving the superior and innovative care offered by these essential plans, we respectfully ask this cut be removed from the 2017 Advance Notice.

Sincerely,


Mark Kirk
United States Senator


Robert J. Dold
Member of Congress


Cheri Bustos
Member of Congress



Bobby Rush
Member of Congress



Peter J. Roskam
Member of Congress



Danny K. Davis
Member of Congress



John Shimkus
Member of Congress



Adam Kinzinger
Member of Congress



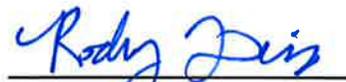
Randy Hultgren
Member of Congress



Mike Bost
Member of Congress



Darin LaHood
Member of Congress



Rodney Davis
Member of Congress



Tammy Duckworth
Member of Congress

CC: The Honorable Andrew Slavitt
Acting Administrator
Centers for Medicare and Medicaid Services
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, D.C. 20201