

September 24, 2009

The Honorable Charles Rangel Committee on Ways and Means 1102 Longworth House Office Building Washington, DC 20515 The Honorable Henry Waxman Committee on Energy and Commerce 2125 Rayburn House Office Building Washington, DC 20515

Dear Chairmen Rangel and Waxman,

On behalf of the Medicare Rights Center, a national non-profit, independent consumer service organization for people with Medicare, I am writing to support the Medicare Premium Fairness Act, H.R. 3631. Thank you to you and your colleagues, Representatives Fortney "Pete" Stark, Frank Pallone, Chris Van Hollen and Dina Titus for introducing this important legislation.

For the first time in over 35 years, in 2010, there will be no Cost of Living Adjustment (COLA) next year for people who receive Social Security. While some people with Medicare would be protected from increased Part B premiums next year when there is no COLA as a result of the "hold harmless" provision, others will be subject to unusually large increases in their Part B premiums and forced to shoulder a disproportionate share of the burden.

Low-income individuals with Medicare are especially at risk of unaffordably high premiums, including those individuals who receive assistance through Medicare Savings Programs (MSPs), which help pay for their Medicare premiums. If an individual enrolled in an MSP loses the MSP mid-year in 2010 for any reason, under current law, they will be subject to the higher premiums — premiums that they may not be able to afford.

This legislation would extend the underlying policy of the "hold harmless" provision to all Medicare enrollees by freezing Part B premiums in 2010 at 2009 rates, meaning that no Medicare beneficiary will see an increase in Part B premiums or a decrease in his or her Social Security benefits because of an increase in Part B premiums.

It is imperative that during these uncertain economic times we protect people with Medicare, especially the most vulnerable among them, from financial difficulties. For this reason, the Medicare Rights Center applauds the passage of HR 3631. Thank you again for your efforts on this important issue.

Sincerely, President

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