May 22, 2007

United States Senate
Washington, DC 20510

Dear Senator:

The Medicare Part D Prescription Drug program is now into its second year, but at least 75 percent of Medicare beneficiaries who are still without any prescription drug coverage are eligible for significant assistance under the Low-Income Subsidy (LIS) program. These 4.2 million eligible individuals are the people that the drug benefit was intended to help most -- those with limited incomes who were least likely to have had prescription drug coverage previously.

To remove barriers and make needed improvements in the prescription drug program for low-income Medicare beneficiaries, the following undersigned members of the Leadership Council of Aging Organizations (LCAO) support Senate Bills 1102, 1103, 1107 and 1108 introduced by Senators Jeff Bingaman (D-NM) and Gordon Smith (R-OR).

- **S. 1102**, the *Part D Equity for Low-Income Seniors Act*, raises the asset limits for the LIS to be more reflective of low-income Medicare beneficiaries who managed to save a modest nest egg for their retirement. These people should be encouraged and rewarded, not denied the extra help that they need. The bill also includes provisions to index cost sharing for all LIS eligibles to the Consumer Price Index, rather than higher Part D drug costs; and eliminate confusing, unnecessary application questions on life insurance and family support.

- **S. 1108**, the *Medicare Part D Outreach and Enrollment Enhancement Act*, allows low-income beneficiaries to enroll in the program at any time without a penalty, as they now can for Medicare Part B. The bill also recognizes that additional resources are needed to find and enroll the remaining LIS eligibles and that local organizations should play a critical role in this effort, by providing funding for the National Center on Senior Benefits Outreach and Enrollment and State Health Insurance Assistance Programs (SHIPs).

- **S. 1103**, the *Help Fill the Medicare Rx Gap Act*, allows costs paid by pharmaceutical manufacturer patient assistance programs, AIDS Drug Assistance Programs (ADAP), and the Indian Health Services to count towards True Out of Pocket Costs (TrOOP) for Medicare Part D. Allowing these costs to count towards TrOOP will help beneficiaries with limited incomes get through the donut hole quicker, thereby making them eligible for the assistance provided under catastrophic coverage.

- **S. 1107**, the *Home and Community Services Copayment Equity Act*, eliminates Part D cost sharing for dual eligibles who receive Medicaid home and community services or reside in an assisted living or resident care program facility. This legislation treats these low-income Medicare beneficiaries the same as those who are in nursing homes.

William (Larry) Minnix, Jr., Chair
Additional effort must be focused on helping low-income Medicare beneficiaries in greatest need. The undersigned members of LCAO urge you to support enacting S. 1102, S. 1108, S. 1103, and S. 1107 this year.

Sincerely,

AARP
AFL-CIO
AFSCME Retiree Program
Alliance for Retired Americans
Alzheimer’s Association
American Association for International Aging
American Association of Homes and Services for the Aging
American Geriatrics Society
American Society of Consultant Pharmacists
American Society on Aging
Asociacion Nacional Pro Personas Mayores/National Association for Hispanic Elderly
Association for Gerontology and Human Development in Historically Black Colleges and Universities
Association of Jewish Aging Services of North America
B’nai B’rith International
Catholic Health Association of the United States
Families USA
Gray Panthers
International Union, United Auto Workers
National Academy of Elder Law Attorneys
National Asian Pacific Center on Aging
National Association of Area Agencies on Aging
National Association of Foster Grandparent Program Directors
National Association of Professional Geriatric Care Managers
National Association of Social Workers (NASW)
National Association of State Units on Aging
National Caucus and Center on Black Aged, Inc.
National Committee to Preserve Social Security and Medicare
National Council On Aging
National Indian Council on Aging, Inc.
National Senior Citizens Law Center
OWL, The Voice of Midlife and Older Women
Service Employees International Union
United Jewish Communities