Congress of the United States
Washington, DC 20515

April 6, 2006

The Honorable Michael O. Leavitt
Secretary of Health and Human Services
Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Leavitt:

There continues to be a great deal of confusion for beneficiaries surrounding the implementation of the new Medicare prescription drug benefit (Part D). During the first few weeks of the program, many beneficiaries left the pharmacy empty-handed after being told their drugs were not covered or their enrollment could not be confirmed. To address the crisis, 46 states with both Democratic and Republican Governors, enacted emergency measures to assist low-income seniors and people with disabilities, who are dually eligible for both Medicare and Medicaid, in accessing their prescription drugs. As a result, these states have spent hundreds of millions of dollars to provide for this failure in coverage.

As you know, on January 24, 2006, the Centers for Medicare and Medicaid Services (CMS) announced plans to reimburse states that implemented temporary coverage for these seniors and people with disabilities. While we were encouraged by the announcement, we are disappointed that to date, no state has actually been reimbursed for expenses associated with these emergency coverage programs.

At the beginning of the legislative session, several Members of Congress introduced legislation that would have provided CMS with the explicit statutory authority to implement the reimbursement process. You indicated at that time that you could accomplish this goal without legislation. We are concerned that the reason for the delay is that you may not, in fact, have the authority to reimburse the states.

The Medicare drug program has posed an undue burden on the states, as well as for people who formerly received drug coverage through Medicaid. As such, it is imperative that CMS release these funds immediately. Please notify us of when you expect to reimburse states for the federal government's failure to adequately prepare for the implementation of Medicare Part D, or if you need legislation to do so.

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Thank you for your immediate attention to this matter. We look forward to your response.

Sincerely,

Charles B. Rangel
Ranking Member
Committee on Ways and Means

John D. Dingell
Ranking Member
Committee on Energy and Commerce

Henry A. Waxman
Ranking Member
Committee on Government Reform

Pete Stark
Ranking Member, Subcommittee on Health
Committee on Ways and Means

Sherrod Brown
Ranking Member
Subcommittee on Health
Committee on Energy and Commerce

Rosa L. DeLauro
Ranking Member
Subcommittee on Agriculture
Committee on Appropriations

Benjamin L. Cardin
Ranking Member, Subcommittee on Trade
Committee on Ways and Means

Rahm Emanuel
Member of Congress

Frank Pallone
Member of Congress