



News from U.S. Rep. Tom Allen (D-ME)

Member, Committee on Energy and Commerce
U.S. House of Representatives, Washington, D.C.

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Statement for Press Conference on Medicare Prescription Drug and Modernization Act June 24, 2003

Washington, D.C.—U.S. Representative Tom Allen made the following statement at a press conference today concerning the Medicare Prescription Drug and Modernization Act:

“For nearly 40 years, America’s seniors have counted on Medicare for health care that is fair, stable, predictable, equitable and affordable. Today they ask for a Medicare prescription drug benefit that does the same. Instead, the House Republican bill offers a hollow promise of prescription drug coverage, full of inequalities, uncertainties and hidden costs.

“Every American senior, whether they live in a big city or a rural Maine town, deserves a prescription drug benefit that won’t evaporate or change in the future. But under the GOP bill scheduled for debate this week in the House, seniors’ premiums, co-pays and choice of drugs may change from year to year and from state to state. It contains an enormous gap in coverage that will force seniors to pay 100 percent of their drug costs between \$2,000 and \$3,500 a year.

“Driven by an apparent desire to end traditional fee-for-service Medicare, Republicans are insisting on forcing seniors into unreliable private insurance plans. They may stick fancy names on these plans, such as ‘Medicare Advantage’ and ‘Enhanced Fee-for-Service,’ but in Maine, we know better. Our disastrous experience with private Medicare + Choice plans in Maine during the last decade proves that the private insurance plans generally won’t work for seniors in rural,

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sparsely populated states. The Republican bill will leave millions of seniors in rural states like Maine with second-class coverage when private insurers find they cannot make enough money here.

“The GOP authors of this bill have produced a Byzantine, convoluted, bureaucratic nightmare. The bill runs some 360 pages, and is proving difficult for health policy experts to understand, let alone the seniors it purports to help.

“Seniors will quickly see that the Republican bill does not go into effect until 2006, and when it does, it offers anemic benefits, does nothing to negotiate lower prices for prescription drugs and, most insidiously of all, privatizes Medicare in 2010 by converting to a 'voucher'-type system which will rob seniors of the stability and predictability Medicare has assured them since 1965.

“Democrats have offered a simpler, more comprehensive alternative. It ensures that every senior, whether they live in Dayton, Maine or Dayton, Ohio, will get their prescriptions covered through the same Medicare system they know and trust. It assures that the funds Congress allocates for prescription drug coverage will go to seniors to purchase the medications their doctors prescribe, not to subsidize insurance companies. While Republicans say 'modernization' but mean 'privatization,' the Democrats' plan strengthens Medicare, and provides what America's senior want, need and deserve: fair, stable, predictable, equitable and affordable prescription drug coverage.”

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