



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

## MEMORANDUM

To: Reporters and Editors  
Re: Partisan criticisms of Medicare drug benefit  
Da: Thursday, Jan. 26, 2006

Sen. Chuck Grassley, chairman of the Senate Finance Committee, made the following comment in response to the press conference on the Medicare prescription drug benefit held by Minority Leader Reid and Senators Kennedy, Bingaman, and Stabenow.

“I’m disappointed but not surprised by the comments made this morning by my Democratic colleagues on the Medicare prescription drug benefit. Yes, there have been problems, and yes, they need to be fixed and fixed fast. But to suggest that neither the President nor the Republican majority recognizes that there are issues with the implementation is absolutely ludicrous.

“I’ve been in constant contact with staff at CMS and others in the Administration to convey the need for fast resolution of these issues. And by all accounts, everyone is working very hard to get these problems resolved.

“Yesterday, we had a bipartisan member meeting of the Finance Committee with Secretary Leavitt and CMS Administrator Mark McClellan. Secretary Leavitt and Administrator McClellan answered members’ questions about the start-up issues and the steps taken to address them. Secretary Leavitt stated that no legislation is needed to fix the issues that have cropped up. In fact, last week, I said we should focus on administrative remedies because they will be faster than legislation. A case in point -- two days ago, the Administration announced that it would ensure that states are repaid for expenses they’ve incurred for beneficiaries eligible for both Medicare and Medicaid.

“When we worked on the drug benefit legislation, my preference was to have dual eligible beneficiaries continue to receive prescription drugs through Medicaid. Many Democrats wanted the opposite. In fact, their idea would have had dual eligible beneficiaries bounce back and forth between Medicaid coverage and Medicare coverage until they reached the catastrophic coverage limit under the Medicare drug benefit. That wouldn’t have been very workable for beneficiaries.

“I’m not trying to make excuses. Some of our nation’s frailest, neediest beneficiaries have had difficulties in getting their drugs. That clearly can’t go on, and we’re not letting it go on. But I hope we don’t let the problems overshadow that millions of prescriptions have been filled for beneficiaries around the nation without incident. And remember, unlike certain Democratic proposals for offering a drug benefit, this prescription drug benefit is available to all beneficiaries and more importantly, is permanent.”

