

**Congress of the United States**  
Washington, DC 20510

November 6, 2006

**Via Electronic Transmission**

Leslie V. Norwalk, Esq.  
Acting Administrator  
Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

Dear Acting Administrator Norwalk:

Thank you for assuming the responsibilities of Acting Administrator of the Centers for Medicare & Medicaid Services (CMS). You have taken this position at a time when the Medicare prescription drug benefit is still new, and the Agency needs stability and leadership to fulfill all of its duties.

We wrote Secretary Leavitt last week to express our concerns about bias against traditional Medicare and in favor of Medicare Advantage in the *Medicare & You 2007 Handbook*. Based on comments you made earlier this week to the World Health Innovation and Technology Congress, we write to underscore those concerns.

According to press reports, you referred to traditional Medicare as a “big dumb...indemnity payer” (*CQ HealthBeat*, 11/1/2006) and suggested that the level of enrollment in Medicare private plans should mirror the commercial sector (*Inside CMS*, 11/2/2006). If these reports are true, your comments belittle the success of traditional Medicare in delivering on the promise of health care coverage to America’s seniors and individuals with disabilities. As you know, nearly 85 percent of people with Medicare—over 35 million Americans—choose to receive coverage through traditional Medicare. We are disturbed that – in your debut public appearance as Acting Administrator – you voiced disdain for such a significant and successful component of the Medicare program.

In addition, we are concerned about your comments suggesting that the Agency has more work to do to bring Medicare enrollment in private plans more in line with the commercial sector. Congress made a range of private plan options available in the Medicare program. But all Medicare officials, as well as any program publications, have an obligation to provide a fair and impartial assessment of the options available under the Medicare program, and should refrain from expressing any bias or preference for the type of plans that beneficiaries choose. We are concerned that your comments signal a preference for Medicare Advantage over fee-for-service, which Congress does not intend to be conveyed to beneficiaries, providers or the health care industry. Therefore, we urge you to maintain a neutral stance regarding all options available under the Medicare program.

We look forward to working with you on this vital social insurance program.


Sincerely,



Max Baucus  
Ranking Member  
Committee on Finance  
U.S. Senate



Charles Rangel  
Ranking Member  
Committee on Ways and Means  
U.S. House of Representatives



John D. Dingell  
Ranking Member  
Committee on Energy and Commerce  
U.S. House of Representatives



John D. Rockefeller IV  
Ranking Member  
Health Subcommittee  
Committee on Finance  
U.S. Senate



Pete Stark  
Ranking Member  
Health Subcommittee  
Committee on Ways and Means  
U.S. House of Representatives



Sherrod Brown  
Ranking Member  
Health Subcommittee  
Committee on Energy and Commerce  
U.S. House of Representatives

cc: The Honorable Michael O. Leavitt