DAVID G. REICHERT

8TH DISTRICT, WASHINGTON

COMMITTEE ON WAYS AND MEANS

SUBCOMMITTEE ON TRADE SUBCOMMITTEE ON OVERSIGHT SUBCOMMITTEE ON SOCIAL SECURITY



Congress of the United States House of Representatives Washington, DC 20515-4708

September 21, 2009

A. Barry Rand Chief Executive Officer **AARP** 601 E Street NW Washington, DC 20049

Dear Mr. Rand:

As the House of Representatives continues to debate health care reform, I am working to gather as much information as possible to best serve my constituents and seniors. I am surprised by your vocal support for legislation that severely cuts Medicare and limits many seniors' choice of health benefits at a time in their life when they need more support and options, not less. I hope you can provide me with answers regarding what appears to be a direct conflict of interest in your advocacy for legislation that cuts the Medicare Advantage program in which 14 million seniors participate.

Historically, AARP's mission has been to enhance the quality of life for older Americans by delivering value to members through advocacy and service. However, I believe that it does a disservice to the millions of seniors you represent to support massive cuts to their Medicare Advantage health plans without disclosing the potential monetary benefit to AARP of seniors' lost coverage resulting in the purchase of AARP-sponsored Medigap plans.

For these reasons, I am seeking answers to the following questions, and request that you respond to my inquiry, in writing, by October 1:

1. How many Medicare-eligible AARP members are enrolled in a Medicare Advantage plan?

How many of these members are enrolled in an AARP branded Medicare Advantage plan?

2. How many older Americans are enrolled in an AARP Medigap plan?

Where do AARP branded Medigap plans rank, in terms of the total number of enrollees in each Medigap plan type A-L, nationally?

3. What is the total financial value of payments, or other inducements, made to AARP over the last 10 years for each of the following insurance policy types?

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- Medigap insurance polices;
- •Medicare Advantage (or other Medicare Part C plans) insurance polices;
- •Medicare Part D insurance policies;
- •Life insurance policies;
- •Long term care insurance policies;
- •Personal health insurance plan policies;
- Dental insurance policies;
- Automobile insurance policies;
- •Homeowner's insurance policies;
- •Lifetime income program policies;
- •Mobile home insurance policies;
- •Motorcycle insurance policies;
- •Recreational vehicle insurance program policies;
- Pharmacy services; and
- •Vision discounts.

This includes license fees paid by AARP's business partners including: United Healthcare, Metropolitan Life Insurance Company, New York Life, Genworth Life Insurance Company, Delta Dental Insurance Company, The Hartford, Foremost, and EyeMed Vision Care, any subsidiaries of the aforementioned companies, for the purposes of using the AARP trademark for co-branding.

- 4. What are the fees received by AARP for each Medicare Advantage plan sold, as well as Medigap plans?
- 5. How many complaints has AARP, or its business partners, received as a result of sales agent misconduct and/or marketing abuses that are related to sale of each of the insurance policy types listed above?
- 6. Has AARP membership been affected by support for the House legislation which includes severe cuts to Medicare? Have membership levels dropped?

Thank you for your prompt attention to this matter. Should you have any questions, you may contact Beth Nelson in my office (<u>beth.nelson@mail.house.gov</u> or 202-225-7761).

Sincerely,

DAVID G. REICHERT Member of Congress