

March 21, 2013

The Honorable Debbie Stabenow
United States Senate
133 Hart Senate Office Building
Washington, DC 20510

Dear Senator Stabenow:

The undersigned organizations write to express our support for an amendment to the 2014 Senate Budget Resolution (S. Con. Res. 8) intended to “protect Medicare’s guaranteed benefits and to prohibit Medicare vouchers or other efforts to privatize Medicare.” Our organizations share a commitment to advancing the health and financial well-being of older adults, people with disabilities and their families.

Enacted in 1965, Medicare is the cornerstone of health and economic security care for older adults and people with disabilities. Today Medicare provides guaranteed health care benefits to [50 million](#) Americans.¹ According to a recent national poll, [77%](#) of Americans reported that Medicare was personally important to their families, and [58%](#) opposed any spending cuts to Medicare.² Despite the program’s success and widespread popularity, some lawmakers propose privatizing Medicare through the creation of a voucher (or premium support) program.

Under this privatization scheme, beneficiaries would receive a voucher to purchase health coverage in the private market. Replacing Medicare’s guaranteed health benefits with a voucher would devastate the already fragile economic stability of older adults and people with disabilities. The value of the proposed voucher is unlikely to keep pace with health care inflation, thus burdening beneficiaries with added health care costs and the possibility that they could not afford a plan that includes their doctors. One analysis finds that [six in ten](#) people with Medicare would face higher costs under a premium support model.³

Yet, many people with Medicare cannot afford to pay more. Nearly 25 million beneficiaries—half of the Medicare population—live on annual incomes of [\\$22,500](#) or less. Further, people with Medicare already spend a significant amount on health care. The average Medicare household spends [15%](#) of their total income on health care expenses, [three](#) times that of non-Medicare households.⁴

The amendment offered by Senator Stabenow reflects Americans’ strong desire to preserve the promise of Medicare. As shown by a recent national poll, most Baby Boomers and older adults—[65%](#) of those polled—prefer Medicare’s guaranteed benefits to vouchers.⁵ For these reasons, we urge Senators to vote in favor of Senator Stabenow’s amendment to protect Medicare beneficiaries from voucher payments. Thank you.

Sincerely,

¹ Kaiser Family Foundation, [Policy Options to Sustain Medicare for the Future](#) (January 2013)

² Kaiser Family Foundation, Robert Wood Johnson Foundation and the Harvard School of Public Health, [The Public’s Health Care Agenda for the 113th Congress](#) (January 2013)

³ Kaiser Family Foundation. “[Transforming Medicare into a Premium Support System: Implications for Beneficiary Premiums.](#)” (October 2012)

⁴ Kaiser Family Foundation, [Policy Options to Sustain Medicare for the Future](#) (January 2013)

⁵ Kaiser Family Foundation. “[Seniors and the 2012 Presidential Election.](#)” (October 2012)

AFSCME

AFT RETIREES

Alliance for a Just Society

Alliance for Retired Americans

American Association of University Women (AAUW)

Campaign for America's Future

Campaign for Community Change

Center for Medicare Advocacy

Families USA

Health Care for America Now (HCAN)

International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW)

Medicare Rights Center

National Academy of Elder Law Attorneys

National Association of Social Workers (NASW)

National Committee to Preserve Social Security and Medicare

National Consumer Voice for Quality Long-Term Care

National Council on Aging

National Education Association

National Organization for Women

National Senior Citizens Law Center

National Women's Health Network

OWL – The Voice of Midlife and Older Women

PHI – Quality Care through Quality Jobs

Raising Women's Voices for the Health Care We Need

Service Employees International Union (SEIU)

Services and Advocacy for GLBT Elders (SAGE)

United Steelworkers (USW)