NRLN
NATIONAL RETIREE LEGISLATIVE NETWORK

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February 7, 2023

The Honorable Frank Pallone, Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
2107 Rayburn House Office Building
Washington, DC 20515-3006

Dear Representative Pallone:

There are two bills in the Committee on Energy and Commerce that the National Retiree Legislative Network (NRLN) believes your Committee should closely examine on their cost. The bills are the **H.R.33, Medical Dental, Vision, and Hearing Benefit Act of 2023**, and the **H.R.244, Medicare Hearing Aid Coverage Act of 2023**.

As the title of **H.R.33** implies, it would provide for Medicare coverage of dental, vision, and hearing care. Coverage would include (1) routine dental cleanings and exams, basic and major dental services, emergency dental care, and dentures; (2) routine eye exams, eyeglasses, and contact lenses; and (3) routine hearing exams, hearing aids, and exams for hearing aids. With respect to such care, the bill establishes special payment rules, limitations, and coinsurance requirements.

H.R.244's title indicates what passage would accomplish: expand Medicare to cover hearing aids for beneficiaries. Medicare does not currently cover hearing aids, which have an average price of about $2,500.

Hearing loss affects nearly 48 million Americans. Research has shown older adults with hearing loss are 32% more likely to require hospitalization, face a 24% increased risk for cognitive impairment, increasingly suffer from isolation and depression and there is a higher probability of developing dementia.

You may be aware that 346 Representatives signed a January 28, 2022 letter supporting Medicare Advantage (MA) sponsored by the Better Medicare Alliance, the health insurance industry's lobbying front. To your credit you did not sign the letter.

How can those Representatives justify supporting MA plans that offer some level of hearing, vision and dental benefits, when those benefits are denied to the 30 million original Medicare enrollees? Furthermore, Congress is giving taxpayer dollars from general revenues to health insurers to advance Medicare privatization which most Americans oppose.

Taxpayer payments to MA plans were $53 billion in 2022 and expected to be $75 billion this year. That is $205 million a day in subsidies! In 2023, CMS will pay private insurance companies 4% more for MA plan enrollees than they will pay for original Medicare Fee-for-Service (FFS) beneficiaries.

No matter what party you are in or what you say about budgets, you need to know that seniors are speaking out, asking why, when my neighbor and I both have asthma, does he get his air filter changed, carpets cleaned and free over the counter drugs? Who is responsible for the rebates of $2,354 a year for him but not me?

The premise for subsidies is that a gap between a cost benchmark and a plan bid is savings. The premise is bogus!

MedPAC has documented in its annual reports that there has never been a year where CMS payments per MA enrollee has been equal to or lower than FFS payments per enrollee. The premise for Medicare C (MA) is that private plans can provide Part A and Part B benefits at less cost to taxpayers. This premise is invalid.

This squandering of taxpayer dollars by members of Congress on private insurers is taking place when the Medicare program will only be able to pay scheduled benefits until 2028. At that time, the fund's reserves will become depleted and continuing total program income will only be sufficient to pay 90 percent of total scheduled benefits.

The letter that the 346 Representatives sent to the Administrator, Centers for Medicare and Medicaid Services began with, “We write to express our strong bipartisan support for the Medicare Advantage program and the high-quality care it provides...” The HHS Inspector General’s April 2022, report stated among MA plans there is evidence of “widespread and persistent problems related to inappropriate denials of services and payment.”

MA plans, with the aid of rebates, have achieved a 49% market share. It is time to stop rebates and to grandfather subsidized benefits already in place or grant them to all who are in FFS and create a level playing field for real competition. MA insurers no longer deserve subsidies paid for with taxpayer general revenue dollars.

Sincerely,

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