



Press Release



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FOR IMMEDIATE RELEASE

Bradenton – Congresswoman Katherine Harris held a town hall meeting for her constituents today in Bradenton and a group of seniors and retirees from the 13th District attended to share stories of their struggles with the high cost of prescription drugs. The group called on Congresswoman Harris to help provide immediate relief from drug costs and to tell her that President Bush’s Medicare plan would do more harm than good. The Bush plan, which passed both houses of Congress last month, would provide limited drug coverage for some on Medicare though private Medical Savings Accounts, tax incentives and limited government subsidies. The plan does nothing to lower drug costs, would leave millions without coverage, could force millions more to lose their current benefits through employer-sponsored retiree health benefit plans and would completely privatize the Medicare system by 2010. The group was joined by a broad coalition of retiree, health care and consumer groups, including the Florida Alliance for Retired Americans (FLARA), Service Employees International (SEIU), Florida Consumer Action Network (FCAN), the Association of Communities for Reform Now (ACORN) and the Florida AFL-CIO.

In a press conference held immediately before the town hall meeting, framed by a group carrying signs reading; “The Bush Plan is the Wrong Prescription”, “Don’t Privatize Medicare” and “Don’t Take Away Employer RX Benefits”, area seniors and health care workers discussed the issue with members of the press. Chuck Cooper, a senior from Bradenton spoke about the need for a comprehensive prescription drug benefit and the need to lower the price of prescription drugs. He said, “I know too many people who are forced to choose between having a life and the prescription drugs they need to live. Too many of my friends go without even the most basic of life’s pleasures because their limited budgets are given to the drug companies. Some can’t even have three meals a day. This is not we worked our whole lives for. This is not what retirement was supposed to be. These drug companies brag on television about all of their life saving inventions but what is the point when people can’t afford them? President Bush’s plan

would still force millions to make this choice between life and living. Congresswoman Harris, we need your help, we need you to work on a real prescription drug plan, one that lowers the cost of these drugs and makes it possible for the people to get them. We worked hard for this country all our lives, we deserve that" he said.

Lowell Jones, a Sarasota retired federal employee spoke about President Bush's prescription drug plan and the privatization of Medicare. He said, "I am here today to ask Katherine Harris to do the right thing and vote against President Bush's Medicare plan. We need a prescription drug plan but we don't need and we don't want this plan" he said. Jones continued, "Medicare is a promise, one that says if you spend your life working hard for this country, pay your taxes and keep America moving forward, America will help take care of you later in life. President Bush's plan would break that promise. It would take our Medicare system and put in the hands of Wall Street. It asks us to put our trust in the same corporate culture that brought us Enron, MCI WorldCom and routinely betrays the trust of their workers for big CEO profits. I don't trust them to keep America's Medicare promise and I don't want my Congresswoman to either."

Pam Joontz, a health care worker at a Bradenton area Nursing Home and a member of SEIU, also spoke at the press conference on the needs of her patients and how the Bush plan fails to meet those needs. She said, "I work in a nursing home where many residents rely on Medicare and all are concerned about soaring prescription drug costs. George Bush promised seniors health care coverage, including a Medicare drug benefit, that would be as good as the coverage that the Congress and federal employees enjoy. But now he's pushing legislation through Congress that falls way short of his promise. It will mean increased drug costs while turning Medicare over to big insurance and pharmaceutical companies. If he's breaking his promise, it is up to Congress and my representative Katherine Harris to start over and do it right."

"Neither bill passed by the House or the Senate gives seniors and the disabled the best prices for their prescription drugs," said Philip Compton, Program Organizer for Florida Consumer Action Network. "If Congress was setting up a program under Medicare the way it could to offer prescription drug benefits, the U.S. government could use its buying power to negotiate rock bottom drug prices. But instead, Rep. Harris and her colleagues voted to divide up Medicare in a way that the government loses its purchasing power. Instead, many different HMO's and private insurance companies would negotiate drug prices for tiny pools of beneficiaries. That's not fair to seniors and the disabled. They'll have to pay far more than they should for their medicine. Nor is it fair to every working American who contributes to Medicare out of their paychecks. Why should we all subsidize the pharmaceutical companies' bottom line at the profit margin they ask for? We call on Rep. Harris to work to eliminate the bill's provision that would keep Medicare from negotiating lower prices like the VA does. The federal government should be able to buy medicine for Americans at a deep discount, not at a marked-up boutique price."

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Another negative consequence of President Bush's prescription drug and Medicare overhaul plan would be its impact on retirees who currently enjoy employer-sponsored health benefits as part of their retirement package. These employer-sponsored benefits are the single greatest source of coverage for retirees, providing drug coverage for one in three Medicare beneficiaries. Drug costs currently constitute 40 to 60 percent of employers' retiree health care costs, and recent steep price increases for prescription drugs are prompting employers to eliminate drug benefits. The failure of the Bush plan to address drug pricing would do nothing to address this problem.

Additionally, the way the Senate bill language is worded, Medicare recipients who also have employer paid drug benefits would not be eligible for the full new Medicare benefit. The legislation uses a trick definition of out of pocket costs, know as "true out of pocket," which means employer-provided coverage would not count toward meeting the \$5,800 stop loss protection. This means retirees with employer-provided coverage will get less of a benefit than other seniors. In fact, by the proponents' own documents, these retirees would need closer to \$10,000 in drug costs before the stop loss protection would apply, well after the \$5,800 cap that applies to all other beneficiaries. Also employers who choose to "wrap around" the Medicare benefit would be subject to a gap in coverage that doesn't end. As a result, the Congressional Budget Office has estimated 37% of retirees will lose their employer coverage -- making 4.4 million Medicare beneficiaries worse off. Although Congress may claim this trick will save money for Medicare, any provision that encourages employers to drop their retiree benefits will only end up costing the federal government more -- and hurt millions of seniors in the process. Seniors who have retiree benefits have worked a lifetime and made wage concessions over the years with the expectation that they would have retiree benefits. To change the rules of the game at this point and give them less than other Medicare beneficiaries is patently unfair.

A large group of seniors and retirees attended the town hall meeting following the press conference to discuss these issues with Congresswoman Harris.

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