



Business RoundtableSM

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BY FACSIMILE

July 31, 2007

The Honorable Harry Reid
Majority Leader
United States Senate
Hart Senate Office Building, 528
Washington, DC 20510-2803

Harold McGraw III
The McGraw-Hill Companies
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John J. Castellani
President

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Johanna I. Schneider
Executive Director
External Relations

Dear Leader Reid:

On behalf of Business Roundtable, I urge you not to reduce funding for the Medicare Advantage (MA) program, a program that provides an important health care option for Medicare-eligible Americans. In addition, Business Roundtable supports the continuation of the Prescription Drug Program (PDP). Employers need solid health plan choices for their retirees and the ability to design plans that can be offered to retirees nationwide.

Business Roundtable is an association of 160 chief executive officers of leading U.S. companies with over \$4.5 trillion in annual revenues and more than 10 million employees. Counting employees and their families, Business Roundtable companies provide health care coverage to more than 35 million Americans, including retirees.

Health care coverage options are of critical importance to seniors, many of whom are on fixed incomes. The Medicare Advantage program provides an important option for those beneficiaries who choose to receive their care in a coordinated plan. MA plans typically include preventive, vision and hearing benefits and provide cost savings by limiting the amount of out-of-pocket cost-sharing that beneficiaries must contribute for their care. Currently, employers may provide an MA option specifically tailored to offer the exact same coverage to their retirees as they offer to their active employee population.

Business Roundtable strongly opposes legislative efforts that would harm the MA or the PDP programs. We believe Congress should work to maintain and strengthen the Medicare program, including the private plan options. We look forward to continuing to work with Congress to reform and improve our nation's health care system without taking away choices for Medicare beneficiaries. If you have any questions or comments, please feel free to contact Maria Ghazal at (202) 872-1260 or mghazal@businessroundtable.org.

Sincerely,

John J. Castellani

cc: Members of the United States Senate