



March 4, 2015

Mr. Sean Cavanaugh  
Deputy Administrator  
Centers for Medicare and Medicaid Services  
7500 Security Boulevard  
Baltimore, MD 21244-1850

Dear Mr. Cavanaugh:

The Coalition to Save Medicare Advantage (MA) Retiree Coverage is writing to express our profound concern regarding the harmful changes to MA Retiree Coverage, also known as Employer Group Waiver Plans (EGWPs) as proposed in the 2017 Advance Notice. Our coalition represents a diverse group of private and public employers, labor, health insurers and pharmacy benefit managers and their retirees. We urge CMS to reverse its proposal to change MA Retiree Coverage and ensure that 3.3 million seniors continue to receive the high quality care provided by this health coverage option.

The proposed change to MA Retiree Coverage will undermine the high quality and comprehensive health care benefits afforded to nearly 20% of the seniors enrolled in MA. Our retirees depend on MA Retiree Coverage because it offers care coordination and disease management that addresses seniors' individual needs by ensuring continuity of care and comprehensive benefits, such as vision, behavioral health and dental coverage. These plans provide high quality care with over 92% of MA Retiree Coverage enrollees in high performing plans achieving 4+ stars in the CMS Star Ratings System.

A recent Milliman report released by one of MARC's founding members, the U.S. Chamber of Commerce, quantified the resulting proposed cuts, and found the average will be nearly a 3% hit. This cut will increase beneficiaries' health care costs by up to \$264 in 2017, on average. A cut of this magnitude will likely jeopardize employers and unions' ability to provide stable, comprehensive health care options to America's workforce. We also believe that a cut to MA Retiree Coverage will have a negative, downstream effect on retirees enrolled in Part D Retiree Coverage plans. If finalized, this proposed cut will increase premiums, reduce access to providers, and/or threaten out of pocket protections for MA Retiree Coverage beneficiaries.

CMS' proposal would disrupt the ability of employers and unions to provide the comprehensive, effective benefits and services to retirees. Beyond harming the scope

of the health coverage directly, this proposed policy change presents significant operational concerns by failing to allow adequate time for the planning of benefits for retirees in the upcoming year. This change creates uncertainty about the ability to provide health coverage to retirees.

For these reasons, we urge CMS to reverse course with regard to these proposed changes to MA Retiree Coverage which will likely lead to cuts in benefits and services for 3.3 million retirees. Reducing access to this important and valued form of health care is a step in the wrong direction and will only result in decreased access, increased cost and fewer health care options for seniors. Please restore the stability and security to this valued coverage for our seniors.

Sincerely,

Medicare Advantage Retiree Coalition Members

Aetna  
American Benefits Council  
Association of Behavioral Health and Wellness  
Associated Oregon Industries  
Boilermakers National Funds  
California Chamber of Commerce  
Commerce and Industry Association of New Jersey  
Chamber of Commerce Southern New Jersey  
Council for Affordable Health Coverage  
Deere & Company  
The ERISA Industry Committee  
Express Scripts  
Healthcare Leadership Council  
Humana  
HR Policy Association  
Kentucky Teachers' Retirement System  
MetLife  
National Business Group on Health  
National Retail Federation  
Nokia  
Oregon Business Association  
Pacific Business Group on Health  
Texas Association of Business  
UnitedHealth Group  
U.S. Chamber of Commerce  
Verizon  
West Virginia Association of Retired School Employees