



**60 PLUS ASSOCIATION** 60PLUS.ORG  
**AMERICAN ASSOCIATION OF SENIOR CITIZENS**

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**James L. Martin**  
*Founder/Chairman*

**Saul Anuzis**  
*President*

**Rep. Roger Zion (R-IN, 1967-75)**  
*Honorary Chairman*

**Pat Boone**  
*National Spokesman*

August 7, 2018

The Hon. Greg Walden  
Chairman, Energy & Commerce  
Committee  
2176 Rayburn HOB  
Washington, D.C. 20515

The Hon. Michael Burgess  
Subcommittee Chairman, Health  
2125 Rayburn HOB  
Washington, DC 20515

The Hon. Kevin Brady  
Chairman, Ways and Means  
1102 Longworth HOB  
Washington, DC 20515

The Hon. Peter Roskam  
Subcommittee Chairman, Health  
1102 Longworth HOB  
Washington, DC 20515

The Hon. Orrin Hatch  
Chairman, Finance Committee  
219 Dirksen SOB  
Washington, DC 20510

Dear Members:

On behalf of the organizations listed below, we wanted to draw your attention to a critical problem facing your constituents and millions of Medicare beneficiaries across the country resulting from a gross overreach by the federal bureaucracy in contravention of the will of Congress.

As you know, Congress passed the *Protecting Access to Medicare Act (PAMA)* in 2014 with worthy intentions. Among the provisions of PAMA was an instruction to the U.S. Department of Health & Human Services (HHS) that the Department construct a process to derive and transition to a market-based payment model for critical lab tests. This was a laudable goal.

Unfortunately, HHS chose to disregard Congress' intent and, instead, use its bureaucratic power to cherry-pick data from fewer than 1% of laboratories. This, in turn, produced the foreordained outcome of greatly reduced reimbursement for laboratory tests and diagnostics. HHS' flawed implementation of PAMA is problematic on several levels. First, cuts of this magnitude imperil access for seniors who rely on these tests and the Medicare program. Second, the abuse of bureaucratic power is troubling and raises questions about whether or not HHS can be relied on to implement the will of Congress. Finally, if HHS cannot be counted upon to develop a legitimate market-based reimbursement mechanism for lab services, it calls into question broader efforts in health care to ensure more efficient market-based reforms for public programs. Doug Badger, Senior Fellow at the Galen Institute, provides important perspectives on HHS' actions in his recent paper (<https://bit.ly/2mM8H2R>).

Congress did the right thing in directing HHS to develop market-based rates, but now Congress must ensure that HHS follows the law and stops abusing its authority. We ask that you direct HHS to follow the law as written and develop methodology that appropriately captures the full marketplace.

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Thank you for your attention to this important issue.

James L. Martin  
Founder/Chairman  
60 Plus Association

Saul Anuzis  
President  
60 Plus Association

Grover Norquist  
President  
Americans for Tax Reform

Phil Kerpen  
President  
American Commitment

Pete Sepp  
President  
National Taxpayers Union

Grace-Maire Turner  
President  
Galen Institute

Seton Motley  
President of  
Less Government

James Edward  
Executive Director  
Conservatives for Property Rights

Karen Kerrigan  
President & CEO  
Small Business & Entrepreneurship Council

Thomas Schatz  
President  
Council for Citizens Against Government Waste

Heather Higgins  
CEO  
IWV

Dan Weber  
President  
Association of Mature American Citizens

Andrew Quinlan  
President  
Center for Freedom and Prosperity

George Landrith  
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Frontiers for Freedom

Lew Uhler  
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National Tax Limitation Committee.

Carrie Lukas  
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Dick Patten  
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C. Preston Noell, III  
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Palmer Schoening  
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