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**KENNEDY AND COLLEAGUES URGE PRESIDENT BUSH TO PROVIDE AN EFFECTIVE PLAN  
FOR FIXING PART D**

Washington, DC—Today, Democratic Senators gathered to urge President Bush to take immediate action to fix the failed and flawed Medicare Part D program that has left America's seniors and disabled without prescription drug coverage and without their medications.

America's low-income elderly and disabled persons who previously had the costs of their drugs covered under Medicaid and who were transferred to the new Medicare drug program on January 1, 2005 are paying the price for an inadequate and unjust prescription drug plan. In the midst of this failure, the Administration should not arbitrarily set a date when states must stop paying for prescription drugs until such a time that Medicare has an effective safety net in place that insures that all seniors will get the medicine that they depend upon.

The average monthly spending per dual-eligible resident in Massachusetts alone is estimated to be \$232.43 per month for 2006, or \$2789.16 per year.

Senator Kennedy said, "It is clear that like Katrina -- despite the warnings - the Bush Administration was totally unprepared for the disaster that their drug plan created. Now its time for them to stop making excuses and work to get it right. Democrats fought for changes in the Medicare law to make it fair for seniors, and we'll keep fighting to make those changes. I look forward to working with my colleagues to enact a fair, straightforward and effective drug program."

Senators Kennedy, Lautenberg, Rockefeller, Kerry, Murray and Dayton also sent President Bush a letter yesterday calling for a fix to the Medicare debacle. The letter is included below, as well as Senator Kennedy's remarks at today's press conference.

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January 25, 2006

The President  
The White House  
Washington, DC 20500

Dear Mr. President,

We are writing to you to express our deep concern about the costs that States, pharmacies and patients across the country are incurring because of the failure of the Medicare drug law to cover the costs of needed prescriptions. Time after time, the Administration was warned of the complexity of its proposals to provide needed drugs for seniors, persons with disabilities, and individuals with mental illnesses. These warnings were ignored, and the result has been a disaster. Across the nation, Americans are being denied needed

prescriptions altogether or being wrongly told to pay unaffordable sums for the drugs required to keep them healthy.

Many States have stepped in where the Administration failed, and provided the assistance needed to help seniors get the medicines they needed. Compounding the problem, the Administration has now produced an inadequate plan to reimburse States for these costs – a plan that is itself as complex and as likely to fail as the Medicare drug law. Under the proposal, States must first ask insurance plans to pay their share of costs, and then go through the cumbersome and uncertain process of applying for a Medicaid waiver to receive their reimbursement.

The Administration's plan also does nothing to reimburse pharmacies and hospitals that have provided drugs at low cost to those in need when insurance plans failed to cover those costs. Nor does it assist beneficiaries who have paid the high costs of their prescriptions from their own pockets when the coverage they counted on was denied.

States that have done the right thing in providing assistance for these citizens should receive immediate and certain reimbursement, not an IOU that may never be repaid. Pharmacies, hospitals, and individuals who have had to spend hundreds or even thousands of dollars because of the inadequacy of the Medicare drug law should get swift and assured repayment for their unfair costs.

We call on you to provide an effective plan to reimburse States, pharmacies, and beneficiaries for the costs they have incurred in responding to the embarrassing failures of the Medicare drug plan, and to do so without further delay.

Respectfully,

Edward M. Kennedy

Jay Rockefeller

Frank Lautenberg

John Kerry

Patty Murray

Mark Dayton

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#### REMARKS OF SENATOR EDWARD M. KENNEDY AT PRESS CONFERENCE

(As prepared for Delivery)

When will the incompetence stop?

We've long known that the White House was warned about the dangers of their inadequate plans for the war in Iraq – and yet nothing was done to avoid the dangers.

We know that the White House has received a failing grade from the 9/11 Commission for its inept attempts to improve our homeland security. We know that the White House was told of the imminent danger of Hurricane Katrina – but took no action.

Democrats, seniors, and public health leaders warned the Administration time and again that this Medicare drug plan, stuffed with giveaways for the drug companies and the HMOs, was a prescription for disaster – but did nothing.

We're now almost into the second month of the new drug program and it's clear that – despite the warnings -- the Bush Administration was totally unprepared for this disaster as well.

They even paid for phony news stories to try to convince America that their plan was a winner.

Anyone who's talked to their elderly parents and neighbors or visited a pharmacy or seen the headlines this month knows that many vulnerable seniors are not getting the drugs they were promised.

It's time for the Bush Administration to stop making excuses. It took less than a year from the time President Johnson signed Medicare and Medicaid into law to get them up and running, and that was before the days of computers.

While the Bush Administration was in denial about the problem, many states responded to the emergency by helping seniors to obtain the drugs they need. Initially, the Administration said there was no need for a program to reimburse these states. Now, they've finally admitted the crisis and announced a plan to reimburse the states – but the plan itself turns out to be as complex and inadequate as the drug program itself.

Democrats fought for changes in the Medicare law to make it fair for seniors, and we'll keep fighting to make those changes. I look forward to working with my colleagues here today to enact a fair, straightforward and effective Medicare drug program.

Iraq, homeland security, Katrina, Medicare – crisis after crisis after crisis after crisis, all made far worse by the repeated incompetence of the Bush Administration. Change has to come, and it cannot come too soon.