

United States Senate

WASHINGTON, DC 20510-2101

May 9, 2011

Mr. Richard S. Foster
Chief Actuary
Department of Health and Human Services
7500 Security Boulevard, Mail Stop N#-01-21
Baltimore, Maryland 21244-1850

Dear Mr. Foster

We are writing to request your assistance in developing a cost estimate of the programs, authorized and funded under the new health care law, which make up the Administration's new Partnership for Patients initiative.

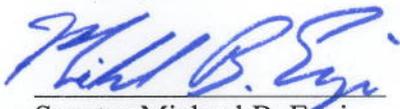
We were disappointed that an Administration witness recently testified before the Health, Education, Labor and Pensions ("HELP") Committee, without any supporting evidence, that this program will save Medicare \$10 billion over the next three years. The Administration has also claimed that the program will save the lives of 60,000 people. While we support the goals of reducing hospital acquired infections and preventable complications, we are deeply skeptical that any voluntary government program will fundamentally change the behavior of hospitals and providers to produce such results within three years.

We understand that the Administration is basing its claims solely on two assumptions about how the program will work. As you know, this is fundamentally different than an actual cost estimate, which has to assess the likelihood that the Centers for Medicare and Medicaid Services ("CMS") can implement the program and that providers will change their behaviors.

In order for Congress to more accurately assess this program, we would request that your office perform a cost estimate of the new Partnership for Patients Program. As part of this estimate please specifically identify how much you estimate this program will save Medicare over the next 3, 5 and 10 years.

Thank you to your attention to this matter and we look forward to hearing from you soon.

Sincerely,



Senator Michael B. Enzi
Ranking Member
Health, Education, Labor & Pensions
Committee



Senator Orrin Hatch
Ranking Member
Finance Committee