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**RE: Possible Amendments to SCHIP Reauthorization Affecting  
Medicare Rationing**

Dear Senator:

This week the Senate is expected to consider reauthorization of SCHIP.

The National Right to Life Committee (NRLC) is pleased and grateful that, as reported from the Senate Finance Committee, the SCHIP reauthorization bill does **not** contain provisions similar to those reported from committees considering the companion bill on the House side amending Medicare in a manner that would prevent older Americans from protecting themselves from rationing.

*We are concerned, however, at the prospect that amendments similar to the House language might be offered on the Senate floor to alter Medicare in a way that would coerce rationing of lifesaving medical treatment. **As explained below, we urge “no” votes on any such amendments and may publish the floor vote on such amendments as key pro-life votes.***

Since its inception, the pro-life movement has been as concerned about the protection of older people and people with disabilities from euthanasia as of unborn children from abortion. We have long deemed denial of lifesaving medical treatment against the will of the patient a form of involuntary euthanasia, and have worked vigorously against government rationing of health care as a core part of our single-issue pro-life mission.

A majority of the National Bipartisan Commission on the Future of Medicare recommended in 1999 that Medicare move to a “premium support” model under which the government would provide a specific “defined contribution” toward the cost of health care insurance for older Americans while allowing senior citizens to add their own funds on top of this contribution to obtain the plan they consider best meets their health insurance needs. While Congress never directly adopted the recommendations of the commission, the essence of the “premium support” approach was incorporated, by legislative changes in 1997 and 2003, through the “private fee-for-service” alternative in Medicare

Advantage. It is this fundamental approach that is under assault in the House bill and may also be attacked by Senate floor amendment.

Why does NRLC consider retention of the “premium support” option embodied in the private fee-for-service alternative essential to avoid rationing of lifesaving medical treatment?

The economic reality is that in order to provide Medicare coverage for the baby boom generation as it retires without unrealistically massive tax increases, government payments per beneficiary will not be able to keep up with medical inflation. If the funds available for health care for senior citizens from all sources are so limited, the only possible result will be rationing. Since senior citizens are required to participate in Medicare, this would amount to government-imposed involuntary euthanasia.

That is why NRLC and other groups urged Congress to create the private fee-for-service alternative adopted in 1997 and expanded in 2003—an alternative to rationing that does not either break the budget or require new taxes. That alternative permits those eligible for Medicare voluntarily to supplement government payments for health insurance premiums with their own funds, if they wish, in order to obtain either PPO (preferred provider plans) that are less tightly managed or unrationed, unmanaged, indemnity plans under the private fee-for-service option in Medicare Advantage. This is comparable to the way in which most retirees supplement government Social Security payments for living expenses with their own funds.

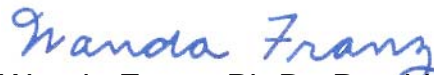
***The National Right to Life Committee (NRLC) believes it imperative to maintain the legal possibility of adding one’s own money to obtain private fee-for-service insurance in any Medicare reform that may be enacted by Congress. NRLC takes no position on the appropriate level of government funding for health care, including Medicare, so long as private fee-for-service plans are treated equally with other private Medicare plans and Americans are left free, if they wish, to make up government shortfalls with their own funds and to have the legally available choice of unrationed, unmanaged health insurance.***

A comprehensive analysis of the House committee language, which may become the basis, in whole or in part, for Senate floor amendment language, is available at [www.nrlc.org/Medicare/index.html](http://www.nrlc.org/Medicare/index.html). The most egregious provision (section 425[b] of the House CHAMP Act) would effectively reimpose price controls on private fee-for-service plans by authorizing the Center for Medicare and Medicaid Services to veto or limit the premiums they seek to charge, thus gutting the whole “premium support” concept.

If Congress were to pass a law saying that those eligible for Social Security, to the extent they sought to spend anything over their Social Security check, had to face government review and obtain approval to use savings, pensions, or other income once they reached 65, with the clear prospect of being prohibited from spending “too much”--everyone would be outraged. Yet a Senate floor amendment similar to Section 425(b) of the House CHAMP Act would do something even worse than requiring government review before you can spend your own money to raise your standard of living; it would allow the government to veto your right to spend your own money to save your own life.

**We therefore urge your “no” vote on any floor amendments to SCHIP reauthorization that would undermine the “premium support” model for Medicare embodied in the private fee-for-service option under Medicare Advantage, which is essential to allow senior citizens to be able to avoid health care rationing. NRLC may publish the floor vote on such amendments as key pro-life votes.**

Respectfully submitted,



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