

United States Senate

WASHINGTON, DC 20510

August 25, 2010

The Honorable Kathleen Sebelius
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Sebelius,

Thank you for your August 18th reply to my recent letter. As you know, Senators Barrasso, Burr, McCain, Thune and I previously wrote you on August 3rd expressing our profound concern regarding the U.S. Department of Health and Human Services' (HHS) ad campaign with Andy Griffith touting the benefits of the new health care law for seniors.

In your reply, you said you took seriously the "duty to educate beneficiaries and get them then factual information they need." However, the "factual information" regarding Medicare is troubling: The Affordable Care Act cuts nearly \$530 billion dollars from the Medicare program to fund new entitlement programs. As a result of the new law, as the August 5th memo from the Chief Actuary of the Centers for Medicare and Medicaid Services (CMS) makes clear, seniors' care will effectively be jeopardized unless Congress intervenes to prevent pending cuts.

I remain concerned that the small benefits highlighted in the Andy Griffith ad campaign ignore the much larger issue of Medicare's unfunded liabilities and the looming Damocles sword of reduced physician reimbursements and provider payments. Seniors and the American people deserve to know all the facts about the \$2.3 trillion federal takeover of one-sixth of our economy – not merely the "facts" that fit in a 31-second promotional ad.

Your reply also omitted any response to our initial request that HHS provide documentation outlining from which HHS account the funds were drawn from to produce and distribute the ad. Accordingly, I am following up on our outstanding request. When will the requested documentation be supplied?

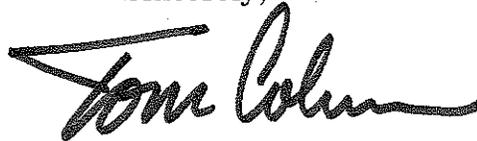
In response to our request that you "cease the ad campaign immediately and reimburse the U.S. Treasury for any expenditure of taxpayer funds related to this effort," you provided me with a two-page memo from CMS about the Andy Griffith ad. The memo notes that "the costs of standard open enrollment campaigns have historically run in the millions of dollars." The CMS memo further notes that "to

date, [HHS has] spent \$700,000 to produce and run the first post of the open enrollment campaign....” How much more taxpayer money is HHS planning to spend this open enrollment season to promote the changes to Medicare under the new health care law?

Please provide documentation listing the costs of annual open enrollment costs last year and this year. Such documentation should capture the number of “different outreach tools” identified in the CMS memo, including but not limited to: “the Medicare & You handbook, news releases, public service announcements (PSAs), and local activities like town hall meetings and health fairs.” Please include in this total sum — approximately \$18 million according to press reports — spent to produce and mail the slanted and misleading Medicare brochure earlier this year. Please also provide the total budget this fiscal year and last fiscal year for Medicare beneficiary information and outreach, if calculated separately from the annual open enrollment costs.

Thank you for your response that will help ensure American taxpayers have an open and transparent accounting of how their tax dollars are being spent. I look forward to your reply.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Coleman". The signature is written in a cursive style with a large, sweeping initial "T" and a long, horizontal flourish at the end.