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July 14, 2020

The Honorable Frank Pallone
Chairman
Committee on Energy & Commerce
House of Representatives
Washington, DC 20515

The Honorable Greg Walden
Ranking Member
Committee on Energy & Commerce
House of Representatives
Washington, DC 205015

Dear Chairman Pallone and Ranking Member Walden:

AARP, on behalf of our 38 million members and all older Americans nationwide, appreciates this opportunity to share our support for the following bills that will be marked up by your Committee on Wednesday, July 15, 2020.

AARP supports H.R. 2477, the Beneficiary Enrollment Notification and Eligibility Simplification (BENES) Act. We have long recommended that the Social Security Administration should notify potential Medicare beneficiaries, well before they reach Medicare eligibility at age 65, about the steps they need to take if they want to enroll and about the circumstances under which premium penalties may be assessed. This bill will direct the Social Security Administration to work with the Department of Health and Human Services to inform potential Medicare beneficiaries of their eligibility annually for five years prior to turning age 65. This will help ensure potential Medicare beneficiaries approaching age 65 have adequate time to plan for their transition to Medicare.

Equally important, the BENES Act eliminates current coverage gaps in the fifth, sixth, and seventh month of a newly eligible Medicare beneficiary's Initial Enrollment Period (IEP), as well as gaps in the annual General Enrollment Period (GEP), by establishing that Part B coverage begins the month immediately following enrollment in all IEP and GEP months. It also aligns the GEP with the annual Medicare open enrollment period for Medicare Advantage (MA) and Part D. This will help reduce confusion about enrollment periods in each program.

Additionally, AARP is pleased to support H.R. 3935, the Protecting Patients Transportation to Care Act, which would make non-emergency medical transportation (NEMT) a mandatory Medicaid benefit. NEMT is a critical service to millions of older Americans who rely on Medicaid for part or all of their health coverage. NEMT provides those individuals

with transportation to critical health care services, such as doctor's visits and other routine care, that they might not otherwise be able to access if not for this benefit. Thus, we support making NEMT a mandatory Medicaid benefit.

And finally, AARP supports H.R. 4712, the Fairness in Orphan Drug Exclusivity Act. This legislation seeks to close a loophole in the Orphan Drug Act, which provides substantial benefits to prescription drug companies if they develop a drug that receives an orphan drug designation from the Food and Drug Administration (FDA). Unfortunately, many drug companies have found various loopholes to obtain and extend orphan drug designations, which in turn reduces competition and allows drug companies to further price-gouge patients. We support efforts to reduce such abuse, for example, by closing the loophole in the Orphan Drug Act that allows drug companies to obtain extensions for subsequent versions of a drug with an orphan drug designation without having to show that the drug is indeed not profitable. This bill would limit those extensions by requiring any drug company that receives an orphan drug designation for a drug under the nonprofitability provision to show that all future versions of the designated drug have no reasonable expectation of recovering research and development costs.

Again, thank you for your leadership in holding a markup on these important pieces of legislation. Please contact me with any questions, or have your staff contact Brendan Rose of our Government Affairs team at brose@aarp.org or 2020-434-3770.

Sincerely,



Bill Sweeney
Senior Vice President
Government Affairs