March 18, 2021

The Honorable Charles Schumer  The Honorable Nancy Pelosi
Majority Leader  Speaker of the House
United States Senate  U.S. House of Representatives
Washington, DC 20510  Washington, DC 20515

The Honorable Mitch McConnell  The Honorable Kevin McCarthy
Minority Leader  Minority Leader
United States Senate  U.S. House of Representatives
Washington, DC 20510  Washington, DC 20515

Dear Majority Leader Schumer, Speaker Pelosi, Minority Leader McConnell, and Minority Leader McCarthy:

AARP, on behalf of our nearly 38 million members and all older Americans nationwide, supports legislation to prevent the automatic sequestration of Medicare spending. We urge Members of Congress to come together in a bipartisan fashion, as you have done in the past, to address this issue vital to older Americans.

As you know, few issues are more important to AARP members than protecting Medicare and Social Security. Unfortunately, a 2% cut to Medicare is scheduled on April 1 as mandated by the Budget Control Act, and a 4% cut to Medicare would be triggered on October 1 due to the Statutory Pay-As-You-Go Act. This equates to roughly $17 billion and $36 billion in across-the-board cuts to Medicare this year, respectively. While these automatic cuts to Medicare do not impact benefits directly, Congress should nevertheless prevent across-the-board program cuts that may affect access and service.

Across-the-board cuts to Medicare provider funding could have an immediate and lasting impact, including fewer providers participating in Medicare and reduced access to care for Medicare beneficiaries. At a time when the Medicare population is growing by 10,000 people each day, cutting reimbursements could discourage health care providers from treating this growing population. Furthermore, reimbursement cuts may lead some plans, such as Medicare Advantage plans and Part D prescription drug plans, to shift costs to patients and charge higher premiums or cost-sharing in future years to make up for the cuts.

As Congress has done every time in the past, we urge timely action to protect the Medicare program from these across-the-board cuts. Our members and other older Americans are counting on you to preserve their access to Medicare services, including their doctors and hospitals.
If you have any questions or need additional information, please feel free to contact me or contact Bill Sweeney at (202) 434-3713 or at bsweeney@aarp.org.

Sincerely,

Nancy A. LeaMond
Executive Vice President and
Chief Advocacy & Engagement Officer