

Statement of

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From its inception, National Right to Life has been just as concerned about protecting older people and people with disabilities from euthanasia as protecting unborn children from abortion.

Today, we are very worried about the recent U.S. House of Representatives' vote for a bill that would limit the right of older people in the Medicare program, if they choose, to spend their own money to save their own lives when getting prescription drugs.

Everyone knows that soon the proportion of retired older people to working younger people will rise to the extent of putting Medicare in crisis. We see only three possible alternatives.

First, in theory, either massive tax increases or major increases in immigration could mean adequate funds to provide unrationed health care under Medicare. As a single issue organization, National Right to Life takes no position on either of these, but as a matter of political reality we realize neither is likely to come about.

Second, government payments under Medicare for each beneficiary, when adjusted for health care inflation, will have to shrink dramatically, resulting in denial or rationing of treatment, including lifesaving care.

The third alternative is to allow older people who choose to do so to add their own money on top of the government contribution in order to get unrationed care. In 1997 and 2003, NRLC won significant amendments to Medicare to make this possible in what are called "private fee-for-service Medicare Advantage plans." Each year, Medicare beneficiaries can elect to pay an additional premium to choose coverage under one of these plans. About 800,000 did so in 2006, and that number is projected to increase in 2007.

When middle income older Americans voluntarily choose these types of unrationed, unmanaged health insurance plans, they voluntarily put more money in the health care system, which in turn enables health care providers to provide more

affordable health care to those who cannot add their own money. This “private sector cost-shifting” means that the right to spend one’s own money to save one’s own life winds up saving older people’s lives across all income levels.

This sensible alternative to the threat of health care rationing is endangered, however, by the recent House vote to require government so-called “negotiations” for drugs under Medicare. In practice, these “negotiations” will impose price ceilings on what private fee-for-service plans can pay for drugs, a major policy shift that has been soundly rejected by Congress in the recent past. In the Veterans Administration health care program, which is often held up by proponents of the bill as a model for government price-fixing activity in Medicare, only 53%-66% of non-generic drugs are available, compared to 95%-98% available under the Medicare prescription drug program. The VA program also fails to make available to veterans fully 81% of all drugs approved by the FDA since 2000.

_____A study from the National Bureau of Economic Research determined that people with reported medical conditions being prescribed newer drugs were 2.76 times less likely to die by the end of the study period than people being prescribed older drugs for the same medical condition. Older Americans have no health care options outside Medicare. Therefore, government action that prevents people from spending their own money in a way that would deny them access to lifesaving drugs equals health care rationing.

The National Right to Life Committee will be working in the coming weeks to persuade enough Senators to prevent this dangerous assault on the right of older Americans to spend their own money to save their own lives.