

Congress of the United States  
Washington, DC 20515

January 17, 2019

Ms. Seema Verma  
Administrator  
Centers for Medicare & Medicaid Services  
7500 Security Blvd  
Baltimore, MD 21244-1849

Dear Ms. Verma:

I write today to inform you that the Centers for Medicare and Medicaid Services (CMS) is this month's recipient of my Golden Fleece Award for accepting inflated bids for the management of Medicare Part D. These bids have resulted in roughly \$9.1 billion in extra payments to insurers over the last decade.

According to a recent article in the *Wall Street Journal*, between 2006 and 2015, insurers submitted and secured inflated bids for the administration of Medicare Part D plans, which resulted in \$9.1 billion of taxpayer funds being kept by insurers. This is particularly concerning as these funds were paid out in addition to the profits already built into these bids.<sup>1</sup> At a time when healthcare costs are skyrocketing, and our nation is over \$20 trillion in debt, it is essential that our federal agencies act as good stewards of taxpayers' dollars.

I am committed to ensuring effective practices at our Nation's federal agencies. Should you require any additional authority from Congress to address these concerns, I urge you to notify us as soon as possible. I would also welcome any technical assistance you could provide to Congress to correct statutory issues that have contributed to this problem. Thank you for your consideration and I look forward to working with you to address this important issue.

Sincerely,



French Hill  
Member of Congress

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<sup>1</sup> Walker, J., & Weaver, C. (2019, January 4). The \$9 Billion Upcharge: How Insurers Kept Extra Cash From Medicare. *The Wall Street Journal*. Retrieved January 7, 2019, from <https://www.wsj.com>