



April 15, 2011

Dear Representative:

Consumers Union, the non-profit publisher of Consumer Reports magazine, recognizes that our nation's fiscal challenges demand serious action. However, we are very concerned that the Fiscal Year 2012 Budget Resolution you are about to vote on would place an unacceptable and unfair burden on the financial security and well-being of American consumers and their families. We respectfully urge a no vote on this measure.

One of the most troubling proposals envisioned by the FY 2012 Budget Resolution is its prescription for health care in this nation. The resolution calls for extreme changes to Medicare, Medicaid, and the Affordable Care Act that, if adopted would increase health care costs and lower the quality of health care in America.

The Budget Resolution would fundamentally change the nature of Medicare by seeking to transform it into a premium support, or voucher, program. This would remove the security Medicare currently provides to seniors and disabled persons by ensuring access to affordable health insurance without penalizing them for their age or health status. Instead, seniors and disabled people would have to purchase private insurance with vouchers that would most certainly decline in value relative to rising health care costs. This amounts to a cost shift to seniors who would have to pay higher premiums or accept reduced coverage, if they can find any private coverage at all.

With respect to Medicaid, the effect of the proposal would severely restrict access to health care for low-income children, seniors and disabled persons by making drastic cuts to Medicaid, including long term care services that are not covered by Medicare. And the Budget Resolution would repeal significant portions of the Affordable Care Act, including those that would help middle-income families afford to buy insurance with tax credits and help seniors pay for prescription drugs.

In addition, the Budget Resolution seeks to eliminate key aspects of the Wall Street reforms enacted last year in the wake of the economic meltdown. This includes a provision to allow the Federal Deposit Insurance Corporation (FDIC) to step in and break apart large financial firms that are failing. This measure is vital to protecting consumers from having to pay more on the backend through large bailouts.

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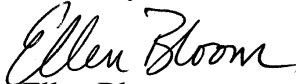
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There are other essential areas where this Budget Resolution proposes funding cuts that would wreak havoc on programs which have a direct impact on consumers. The Budget Resolution would rollback efforts to address the safety of our food supply, and could undermine our ability to keep unsafe products out of the marketplace. It would also undercut efforts to move forward on clean energy programs and reduce our dependence on polluting fossil fuels.

As a nonprofit organization that helps consumers save money and make informed choices about their budget, we recognize the need for our country to bring its fiscal house into order. Unfortunately, this specific resolution would undo so many protections and safeguards important to consumers that we strongly encourage you to vote against it.

Sincerely,

A handwritten signature in black ink that reads "Ellen Bloom". The signature is written in a cursive style with a large initial "E".

Ellen Bloom

Senior Director,

Federal Policy and Washington Office