February 13, 2017

The Honorable Orrin Hatch Chairman, Senate Finance Committee The Honorable Ron Wyden Ranking Member, Senate Finance Committee

Re: Nomination of Seema Verma to be Administrator, Centers for Medicare & Medicaid Services

Dear Chairman Hatch and Ranking Member Wyden:

In previous Republican administrations, we all had the honor of leading the agency now known as the Centers for Medicare & Medicaid Services (CMS). With expenditures of a trillion dollars per year and oversight over the Medicare, Medicaid, SCHIP and now ACA programs, CMS' 5,000 employees are responsible for managing and regulating the largest health insurance program in the country. At the top of this critical agency sits the Administrator.

Regardless of how you might feel about each of these programs and the administration's policy initiatives, effective leadership of the agency is essential. Being CMS Administrator is a critical job in the Executive Branch, helping to assure that CMS is able to continue improving its payment capabilities, better support providers and beneficiaries, assist states, implement a wide range of broadly-supported legislative initiatives such as the major reforms in Medicare physician payments, and respond to beneficiary and Congressional requests. Having someone who understands its mission, is an expert in health policy, and has experience working with the agency is important to being a successful leader.

Seema Verma has the traits necessary to be a successful CMS Administrator. The heart and soul of the agency's work is supporting beneficiaries – seniors, low-income mothers, children or those seeking insurance through the exchanges. Seema understands that all CMS employees come to work every day with the mission of serving these diverse groups, and that the Administrator plays a critical role in supporting CMS employees in that mission.

But at the same time, to best serve beneficiaries, the policies and regulations guiding these programs must be market based, calling upon and encouraging the best ideas of the private sector for delivering care. CMS must be a good partner to the health care sector as realized by fair and realistic regulation, to improve the quality of our country's health care while at the same time keeping tighter control of costs. Providers work to get the right care at the right time, but no agency can do as much as CMS to help or hinder those efforts. Therefore, the Administrator must understand the complexity and competition within the health care system, including the all-important dynamic that exists between payers and providers.

The Administrator must assure that the agency makes timely and coherent decisions in the best interests of the beneficiary and taxpayer with a focus on making health care more affordable for all. And of course, it is important to both the employees of CMS and to the public that there be a strong degree of transparency in the decisions and actions of the Administrator and her senior advisors. With trillions of dollars and the health of millions of beneficiaries at stake, taxpayers and elected officials must understand the process and rationale for CMS decisions and actions. This is particularly important for decisions related to the implementation of new legislation – and CMS has many such decisions ahead, including countless decisions to assure the effective implementation of physician payment reform and changes in the ACA.

While all of us might have our preferred policies and ideas for how CMS can improve the health care delivery system, Seema Verma has the kind of health policy leadership experience needed to carry out these essential responsibilities. Through her interactions with CMS as she negotiated Indiana's Medicaid waiver and other state reform proposals, she understands the kind of leadership and commitment needed to make the agency work well. Through her career-long commitment to improving the well-being of beneficiaries and the quality and efficiency of insurance programs, she has the heart to succeed as well.

For these reasons, most importantly for the over 100 million Americans served by CMS and for American taxpayers, we support Seema Verma's confirmation as soon as possible. We believe CMS and its critical responsibilities will be in good hands.

Sincerely,

Bill Koper William L. Roper Gail R. Wi Mark B. Mcelellan Thomas A. Scully