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**SCHAKOWSKY: REPUBLICAN PLAN
IS DEATH OF MEDICARE**

WASHINGTON, D.C. - U.S. Representative Jan Schakowsky (D-IL) today said that seniors will oppose any Republican schemes to privatize Medicare that will place them at the mercy of insurance and drug companies.

Schakowsky warned that the House Republican bill would be the death knell of Medicare, replacing it instead with a voucher system by 2010. Seniors would be forced to use a voucher to buy private insurance, making up the difference from their own pocket if the private plan costs more than the value of the voucher.

"Seniors trust Medicare, understand its guaranteed benefits and have relied on the program for almost 40 years. Be assured that seniors will rise up against the Republican plan because it means the death of Medicare," said Schakowsky.

"Republicans who are planning a funeral for Medicare should remember their political history. Seniors revolted in 1989 against the 'Catastrophic Health Care Bill' and they will do it again if Medicare is threatened," added Schakowsky, who was the Executive Director of the Illinois Council of Senior Citizens. Seniors in the group chased former Ways and Means Committee Chairman Dan Rostenkowski in 1989 to express their opposition to the catastrophic health care bill that was signed into law. The law was later repealed.

In addition to "murdering Medicare," the House Republican plan offers a "lousy drug benefit at a high cost," Schakowsky continued. She pointed to a report released today by Consumers Union, which found that under the Republican bill, a senior citizen without any prescription drug coverage who pays \$2,318 this year, would pay, with the drug benefit, \$2,954 in 2007.

The Republican bill also dumps 50% of seniors into the "coverage gap" or "donut hole." This means that almost half of seniors who already met their deductible would be required to pay high premiums without receiving any benefits. And to protect pharmaceutical industry profits, the Republican House bill prohibits the Secretary of Health and Human Services from negotiating lower prices for Medicare beneficiaries, even though the Veterans Administration does just that for veterans.

Schakowsky continued, "Republicans are lying when they tell seniors that they are giving them the same insurance as members of Congress. President Bush tried to do just that in Chicago last week and he was exposed. Senior citizens are not stupid - they can do simple math."

"Democrats have a prescription drug plan that would guarantee prescription drug coverage without gaps and would use the negotiating power of Medicare to negotiate for the best prices," Schakowsky concluded.

Schakowsky is a member of the Energy and Commerce Committee. Starting today, the Committee is preparing three days of markups on the Republican "Medicare Death" bill. The full House is expected to vote on the bill next week.