

March 8, 2022

The Honorable Xavier Becerra  
Secretary  
U.S. Department of Health and Human Services  
200 Independence Ave., S.W.  
Washington, D.C. 20201

The Honorable Chiquita Brooks-LaSure  
Administrator  
Centers for Medicare and Medicaid Services  
7500 Security Boulevard  
Baltimore, MD 21244

Dear Secretary Becerra and Administrator Brooks-LaSure,

Thank you for your efforts to protect Medicare, a program vitally important to the health and economic security of seniors and people with disabilities. We are writing to express our concern about ACO REACH, a pilot program launched by the Center for Medicare and Medicaid Innovation (CMMI) as a rebranding of the controversial Direct Contracting model. Unfortunately, REACH retains the most dangerous elements of Direct Contracting, and under the guise of promoting equity, provides even more [opportunities](#) for middlemen to [profit](#) at the expense of beneficiaries and the Medicare Trust Fund. If allowed to continue, REACH would completely transform Traditional Medicare by allowing third-party middlemen to manage seniors' care, without seniors' full understanding or consent.

A majority of seniors choose Traditional (fee-for-service) Medicare over Medicare Advantage — the version of Medicare run by commercial insurers — because they value the free choice of health providers and the power to manage their own care. However, millions of seniors who actively chose Traditional Medicare will be automatically enrolled into REACH entities, many of which will likely be run by for-profit businesses, such as commercial insurers, venture capital and private equity investors, and even dialysis centers.

Although REACH middlemen are required to notify seniors of their enrollment, few seniors are likely to understand the implications. Because seniors are automatically enrolled into REACH based upon their relationship with their primary care provider, the only way for a beneficiary to opt out is to change primary care providers, an extremely difficult task for many seniors but especially for those living in rural or other under-served areas. Requiring seniors to change their physicians of choice because of a policy change at CMMI is an undue burden, and does not serve the best interests of the public.

One major concern is that the REACH program's payment model creates dangerous incentives to restrict care. While Traditional Medicare pays doctors and hospitals directly for care, the REACH program pays middlemen a monthly payment to cover a defined portion of each seniors' medical expenses. REACH middlemen participants are then allowed to keep as profit and overhead what they don't pay for in health services, a powerful financial incentive to ration seniors' care.

The REACH payment model not only threatens seniors' care; it would drain Medicare of billions of dollars of needed revenue each year. Traditional Medicare spends 98% of its budget on patient care, but REACH middlemen could spend as little as [60%](#) of Medicare payments on care — keeping up to 40% of revenues for their own profit and overhead.

We are also concerned about the lack of transparency in the REACH program. Under this model, CMMI is empowered to implement REACH across all of Traditional Medicare without any oversight or approval from Congress, without any statutory codification of the program, or without any input from seniors, health advocates, taxpayers, or other stakeholders. In fact, CMMI has publicly stated its intention to move all Traditional Medicare beneficiaries into programs like REACH by the year 2030.

A majority of seniors choose Traditional Medicare because it is simple, efficient, and empowers them to manage their own health. We, the undersigned, urge you to respect seniors' choices and protect Medicare by immediately terminating the Medicare REACH program.

We look forward to your response.

Sincerely,



350 Humboldt  
Action NC  
Affordable Homeless Housing Alternatives  
AFGE Local 1923, AFL-CIO  
AFT-Oregon  
AIT Technical Center  
Akron Chapter of the Democratic Socialists of America  
All Unions Committee for Single Payer Health Care  
Allegany County Democratic Committee (New York)  
Alliance for Community Services  
American Federation of Musicians, Local 99  
American Medical Student Association  
Arkansas Community Organizations  
AZ Medicare for All Coalition  
Backbone Campaign  
Bay Area Solidarity  
Bernie PDX  
Bethlehem NY Indivisible  
Black Workers for Justice  
California Alliance for Retired Americans  
California Democratic Party Senior Caucus  
California OneCare  
Campaign for NY Health  
Capital District Alliance for Universal Health Care (Albany, NY)  
CCoHOPE Indivisible  
CD-17 Indivisible  
Center for Change Northern Michigan Advocacy  
Center for Health and Democracy  
Center for Popular Democracy  
Central KY Council for Peace & Justice  
Christian Alliance for Peace  
Church Women United of Lane County, Oregon  
Citizen Action of Wisconsin  
Citizen Power, Inc.  
Citizen's Response Network of Wayne County  
City Island Indivisible  
Cleveland Jobs with Justice  
Collegium Aesculapium Foundation  
Colorado Foundation for Universal Health Care

Committee of Interns and Residents / SEIU  
Consumers Council of Missouri  
Cornwell Group  
Courage California  
Creative Impression  
Cross-Union Retirees Organizing Committee  
CUFFH Action  
CWA  
DC-37  
Democratic Party of Lane County  
Democratic Progressive Caucus of Florida  
Democratic Socialists of America, Fort Worth  
Democratic Socialists of America, North Texas  
Democratic Socialists of America – Medicare for All Campaign  
Democratic Socialists of America, Santa Barbara Calif. chapter  
Downtown East for Progress  
DSA  
DSA – Rio Grande Valley  
DUH – Demand Universal Healthcare  
East End Action Network  
Fayette Fair Share PAC (Oak Hill, WV)  
Fight Back Bay Ridge  
First United Methodist Church of Eugene  
Flint Rising  
Florida 6th District Healthcare Action Group  
Florida Rising  
Foothills Coalition For Universal Healthcare  
Full Bloom Farm  
Good Neighbors of Park Slope  
Granny Peace Brigade NYC  
Gray Panthers of San Francisco  
Greater Louisville AFL-CIO Retiree Council  
Greater Louisville Central Labor Council  
Greater WI Agency on Aging Resources, Inc.  
Green Party of Connecticut  
Green Party of Florida  
Green Party of Santa Clara County  
Harris County Texas Save Medicare Work Group  
HCA/PNHP – Humboldt Chapters

HCA-MN  
HCA-MN Duluth  
HCAORV  
Health & Medicine Policy Research Group  
Health Care Caucus of the 34th Legislative District, WA State  
Health Care for All – California  
Health Care For All CT  
Health Care for All – Los Angeles Chapter  
Health Care for All – Napa County  
Health Care for All – Washington  
Health Care for All Minnesota  
Health Care for All Oregon  
Health Care for All Oregon – Action  
Health Care for All – South Carolina  
Health Care for All Texas  
Health Care for All – Western North Carolina  
Health Care for All Working Group (Sonoma County, CA)  
Health Care for All / Physicians for a National  
Health Program – Humboldt Chapter  
Health Care Justice – NC  
Health Care Justice UNC Charlotte  
Health Policy Advocates, MN  
Healthcare is an Act of Love  
HealthCare Minnesota  
Healthcare-NOW!  
Heather Gardens Indivisible  
HOPE in the Midwest, Health Over Profit for Everyone  
Hudson Valley Strong  
IEDSA  
Illinois Single-Payer Coalition  
Indivisible  
Indivisible Arcata  
Indivisible Binghamton  
Indivisible Cayuga  
Indivisible Cortland County  
Indivisible Freeport  
Indivisible Mohawk Valley  
Indivisible Nation BK  
Indivisible New Rochelle  
Indivisible Salt City  
Indivisible Sonoma County  
Indivisible Ulster, NY19  
Indivisible Ventura  
Indivisible WE Rise West Central PA  
Indivisible Yorktown  
Inland Equity Partnership  
International Federation of Professional  
and Technical Engineers (IFPTE)  
Iowa Citizens for Community Improvement  
Itasca Working Family Alliance  
Jane Addams Senior Caucus  
Juneau Commission on Aging  
Justice Reform League  
Kathryn Pruitt Lab Consulting  
Keep The Promise Coalition  
Kentuckians For Single Payer Healthcare  
Kentucky Alliance for Retired Americans  
Kentucky State AFL-CIO  
Kroll & Associates Architecture, LLC

KY Alliance Against Racist and Political Repression  
Labor Campaign for Single Payer  
Larimer County Health Care Action  
LINC – Long Island Network for Change  
Long Beach Gray Panthers  
Louisiana Poor People's Campaign  
Lovelace Family Medicine  
Maine AFL-CIO  
Maine AllCare  
Maine People's Party  
Mamaroneck Indivisible  
March for Medicare for All  
Medicare for All – Indiana  
Medicare For All CT, Inc.  
Metro Justice  
Metro New York Health Care for All  
Michigan for Single Payer Healthcare  
Mid-Valley Health Care Advocates  
Midwives for Universal Healthcare  
Milwaukee County Aging and Disability  
Mind Matters PC  
Minnesota Alliance for Retired Americans Educational Fund  
Minnesota COACT  
Minnesota Nurses Association  
Minnesota State Council of Machinist Retirees  
Minnesota State Retiree Council, AFL-CIO  
Missourians for Single Payer  
Mountaintop Progressives  
National Asian Pacific American Families  
Against Substance Abuse  
National Association of Retired & Veteran  
Railway Employees (N.A.R.V.R.E.)  
National Association of Retired & Veteran  
Railway Employees (N.A.R.V.R.E.) – Unit 109  
National Single Payer  
National Union of Healthcare Workers  
Natural Healthcare  
NC Alliance for Retired Americans  
NC Medicare For All Coalition  
NC Poor People's Campaign  
NE Bronx Indivisible  
New Jersey Tenants Organization  
New York City Organization of Retirees  
NFSP  
NJ Universal Health Care Coalition  
North Carolina Green Party  
North Carolina Medicare For All Coalition  
North Carolina Public Service Workers Union/UE Local 150  
North Country Access to Health Care Committee  
North Country Fair  
North Seattle Progressives  
Northfield Area HCA-MN Chapter  
Northwest Bronx Indivisible  
Northwest Health Law Advocates  
Northwest Indiana Medicare for All  
Nurses for Single Payer  
NY 21 Indivisible Group  
NY Indivisible  
NYC DSA

Oblong Valley Indivisible  
Occupy Bergen County  
Ohio Alliance for Retired Americans Educational Fund  
OK Delaware  
Older Women's League – SF  
One Payer States  
One Queens Indivisible  
Operating Engineers  
Oregon AFSCME Retirees Subchapter 41  
Organizers in the Land of Enchantment (OLÉ)  
Our Revolution  
Our Revolution Fort Bend County  
Our Revolution Essex  
Our Revolution Greenville SC  
Our Revolution Harris County  
Our Revolution Hillsborough  
Our Revolution Monmouth  
Our Revolution New Jersey  
Our Revolution Northern Virginia  
Our Revolution Ohio  
Our Revolution Somerset County NJ  
Our Revolution South Carolina  
Our Revolution Trenton Mercer  
Our Wisconsin Revolution  
Partners for Dignity & Rights  
PDA Central Florida  
PDA of Central New Mexico  
People's Action  
Pharmacists for Single Payer  
Physicians for a National Health Program  
Pittsburgh Black Worker Center  
Pittsburgh Green New Deal  
Pittsburghers for Public Transit  
Portland Jobs with Justice  
Potter's Guild  
Pravda Counseling  
Professional Staff Congress  
Progressive Democrats of America  
Progressive Maryland  
Progressive Schenectady  
Progressives for Democracy in America CFL Chapter  
PSARA (Puget Sound Advocates for Retirement Action)  
PSC Cuny  
Public Citizen  
Putnam Progressives  
Queens University of Charlotte Health Care Justice  
Ravena-Coeymans-Selkirk Teachers Association  
Reachout and Rebuild  
RESULTS Houston  
Retiree Council of SEIU Local 1021 (California)  
Rights & Democracy  
Rights & Democracy NH  
Rise Up WV  
RootsAction.org  
Sacramento Sierra Digital Arts Studio Partnership  
San Francisco Senior & Disability Action  
San Mateo County Democracy for America  
Santa Barbara Chapter of Health Care for All – California  
Santa Clara County Single Payer Health Care Coalition

Saratoga Warren Washington Progressive Action  
Schaumburg Area Progressives  
SEIU Local 1021  
Senior and Disability Action  
Seniors Circle of the People's Party  
Shawangunk Democratic Committee  
Show Up Long Island (SULI)  
Shriver Poverty Law Center  
Sim Rose Condo Association  
Single Payer Action Network Ohio  
Social Justice Indivisible  
Social Justice Ministry of Live Oak  
Southern Appalachian Labor School (SALS)  
Southern Illinois People for Progress  
StandUp WNY  
Students for a National Health Program (SNaHP)  
Unitarian Universalist Congregation of Goleta, CA  
Social Security Works  
Solarpunk Portland  
Solidarity Committee – Capital District  
Southern Illinois People for Progress  
Suffolk Progressives  
SUNY Binghamton  
Taller Salud  
The Center for Social Justice and Reconciliation  
The Fraser Valley chapter of the DSC  
The National Retiree Legislative Network  
The Southwest Collective  
Together We Will Long Island  
Troy Area Labor Council  
Twin Ports DSA  
U.P. KIDS  
UCSD  
UE local 150  
Ulster Activists  
Una Payer Healthcare  
Union Caucus of HCAO  
Union County Democratic Central Committee  
Union County North Carolina Senior Democrats  
United Electrical, Radio & Machine Workers of America (UE)  
United Vision for Idaho  
Upper West Side Indivisible 97th St.  
Vermont Health Care for All  
Vermont State Labor Council, AFL-CIO  
Vermont Workers' Center  
Veterans for Peace Chapter 168 Louisville  
Veterans for Peace Linus Pauling Chapter 132  
Veterans for Peace SAVE OUR VA National Campaign  
Village of Interlaken Board of Trustees  
Washington CAN  
Washington Physicians for Social Responsibility  
Western PA Coalition for Single Payer Healthcare  
Well Spouse Association  
Whole Washington  
Wisconsin Faith Voices for Justice  
Women's Voices Raised for Social Justice  
Working Families Party  
World Interdependence Fund  
WV Citizen Action Group