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United States Senate

COMMITTEE ON THE BUDGET

WASHINGTON, DC 20510-6100

October 6, 2011

The Honorable Kent Conrad
Chairman
Senate Committee on the Budget
624 Dirksen Office Building
Washington, DC 20510

Dear Chairman Conrad,

We are writing to request the Senate Committee on the Budget hold a hearing to examine the budget and fiscal implications of the Community Living Assistance Services and Supports (CLASS) Act. As you know, serious questions have been raised about this new long-term care program, which was created by the Patient Protection and Affordable Care Act (PPACA). A full committee hearing is warranted to better understand the program's solvency, sustainability, and any and all analyses that were done—both before and after the enactment of PPACA. Transparency is crucial to allow Congress to assess the viability of this program and determine how to prevent it from substantially increasing the federal debt.

Last month, members of the Repeal CLASS Working Group released a report indicating that officials within the Department of Health and Human Services (HHS) warned that CLASS would be unsustainable. Those warnings were apparently ignored within the Administration and not disclosed to Congress or the American people before the program became law. In addition, press reports have revealed that the actuary responsible for creating models for CLASS has indicated in emails that HHS is closing the CLASS office and that eight employees have been reassigned or asked to leave. However, since this announcement, HHS has denied these reports and publicly stated, "We are continuing our analysis of this program."

There are a number of important questions that remain unanswered. To better understand the potential budgetary and fiscal implications of the CLASS program, we request that you invite Mr. Bob Yee, the actuary formerly tasked with modeling CLASS, and Secretary of HHS Kathleen Sebelius to testify before the Committee. Administration officials must come forward with more details about what they knew about the fiscal sustainability of CLASS and when they knew it. Members of Congress and the American people have a right to know the results of financial analyses conducted by the government on the CLASS program. Given the uncertainty surrounding the implementation of CLASS, we strongly

recommend this hearing occur as soon as possible but no later than the end of the calendar year.

Sincerely,

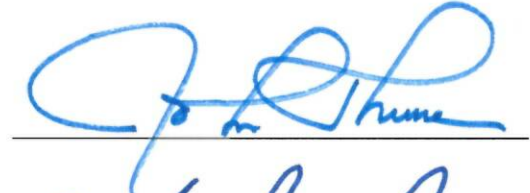

Jeff Sessions, Ranking Member












Michael B. Enji



