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**Congress of the United States**  
**House of Representatives**  
**Washington, DC**

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Mr. Anthony Berladi  
Pharmacist  
Oard-Ross Drug  
701 16th Avenue  
Council Bluffs, Iowa 51501

Dear Anthony:

Thank you for contacting me to share your thoughts about Medicaid and the federal budget reform process. I appreciate hearing from you, and I welcome this opportunity to respond.

On December 19, the House of Representatives and the Senate finished negotiations on the final version of the Deficit Reduction Act (S. 1932). You may be interested to know that S. 1932 contains policies designed to update and reform Medicaid to insure states can continue to provide for those who need it most now and for years to come.

As you may know, in the past, discrepancies have existed regarding Medicaid's system of prescription drug reimbursement. S. 1932 changes reimbursement rates to provide greater transparency and help ensure an accurate reflection of actual or near costs. These new rates will be based on the average manufacturers price and will be made publicly available to allow employer and private health plans to negotiate better drug prices. Congress approved S. 1932 on February 1, 2006 and it became law with the President's signature on February 8.

Anthony, there is no question local pharmacies provide quality health care and Medicaid must be able to continue providing for its beneficiaries. However, the old system puts that in jeopardy and these reforms will provide a sustainable future for this important program. Please be assured I will keep your thoughts in mind as Congress considers the President's budget proposal for Fiscal Year 2007.

Thank you again for contacting me. My best information comes from Iowans. By going to [www.nussle.house.gov](http://www.nussle.house.gov), you can e-mail your comments to me, be added to my e-mail update list and learn more about the work I do in Congress.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Nussle", written over a large, stylized loop.

Jim Nussle  
Member of Congress