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February 11, 2022

VIA ELECTRONIC TRANSMISSION

The Honorable Chiquita Brooks-LaSure
Administrator, Centers for Medicare and Medicaid Services
U.S. Department of Health and Human Services
200 Independence Ave. SW
Washington, D.C. 20201

Dear Administrator Brooks-LaSure:

As Ranking Member of the Senate Special Committee on Aging, I am writing to request information on the Centers for Medicare and Medicaid Services (CMS) evaluation of inflationary policies and their impact on household prices. In February 2021, former Treasury Secretary and economic adviser Lawrence “Larry” Summers noted the stimulus package under consideration by Congress at that time could “set off inflationary pressures of a kind we have not seen in a generation.”¹ It is clear that inflation has now run much hotter and longer than the Administration expected, but hardworking American families and businesses do not have the ability to simply ignore sharply rising prices for everyday goods and services. I request the Centers for Medicare and Medicaid Services provide records related to inflation to understand how the agency developed its current policies and how it plans to mitigate inflation’s impact on Americans.

The Bureau of Labor Statistics recently reported a 7.5 percent increase in the prices of consumer goods, the largest increase in 40 years.² As we begin a new year, hardworking Americans are struggling to make ends meet—49 percent of all American households, and two-thirds of those making less than \$40,000 a year, reported financial hardship due to inflationary price increases.³ With more than 61 million individuals enrolled in Medicare, the agency’s vital role to our nation cannot be overstated. In 2022, Medicare Part B premiums are expected to rise \$21.60, a 12 percent increase over 2021 premiums. These increased premiums hurt seniors who are often subsisting on fixed incomes and are paying higher prices for everyday products.

The recently announced 5.9 percent cost-of-living adjustment (COLA)—the largest adjustment in nearly 40 years—is intended to provide moderate relief from inflation. However, the COLA

¹ Summers, Lawrence H. “Opinion: The Biden stimulus is admirably ambitious. But it brings some big risks, too.” *The Washington Post*. 4 February 2021. Op-ed. Accessed 3 December 2021. <https://www.washingtonpost.com/opinions/2021/02/04/larry-summers-biden-covid-stimulus/>

² Bureau of Labor Statistics. U.S. Department of Labor. *Consumer Price Index- January 2022*. 10 February 2022. Press Release USDL-22-0191. Accessed 10 February 2022. <https://www.bls.gov/news release/pdf/cpi.pdf>

³ Jones, Jeffrey M. “Americans Expect Inflation to Persist Over Next Six Months.” Gallup. 26 January 2022. Accessed X February 2022. <https://news.gallup.com/poll/389129/americans-expect-inflation-persist-next-six-months.aspx>

increase will be essentially eliminated given the fact that basic consumer goods are at record highs compared to just one year ago. Given the unsustainable increase in the price of family necessities, I wish to know what steps the agency is taking to counter inflation and protect the Americans who rely on its programs.

Accordingly, I respectfully request all records, including draft documents, draft document comments, and draft document redlining responsive to a search of the following keywords within CMS's control, hosted by the following custodians, dating from January 20, 2021 to February 11, 2022.

Custodians:

- Administrator, Chiquita Brooks-LaSure
- Principal Deputy Administrator & Chief Operating Officer, Jonathan D. Blum
- Deputy Administrator and Chief of Staff, Erin Richardson

Keywords:

- Inflation, inflationary, and other similarly sounded words
- Interest and interest rates
- Consumer Price Index and CPI
- Cost of Living Adjustment
- COLA
- Federal Reserve
- The Fed
- Personal Consumption Expenditures
- PCE and PCE Index
- Mr. Lawrence Summers, Mr. Larry Summers, and Summers

For any record captured by the preceding search parameters withheld from production, please provide a log articulating a description of the record(s) at issue, the privilege being asserted, the respective custodian(s) of the record(s) being described, and the date each record was created.

Please direct all correspondence to [REDACTED]@aging.senate.gov by Friday, March 11, 2022. Inflationary concerns will remain at the forefront of American households. By understanding the steps the agency has been taking to address inflation, Congress will be able to more fully examine what steps need to be taken to address inflation's impact on the family pocketbook. I thank you for your prompt attention to this central issue.

Respectfully,

A handwritten signature in blue ink, appearing to read "Tim Scott", with a stylized flourish at the end.

Senator Tim Scott
Ranking Member