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February 6, 2012

Secretary Kathleen Sebelius
United States Department of Health & Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Sebelius:

I was deeply concerned to learn that the Department of Health & Human Services is considering shifting from an open, competitive bidding process for the multi-billion dollar 1-800-MEDICARE contract, to a GSA contracting vehicle limited to three telecommunications carriers.

This arbitrary decision, if finalized, would come at the cost of many jobs in my district. Currently, one of the MEDICARE call centers is located in my district in Chester, Virginia. Since 2003, Vangent, now a unit of General Dynamics Information Technology, has successfully bid and performed this contract, providing individuals access to essential services made available through the 1-800-MEDICARE program. Not allowing General Dynamics to again compete for this contract could result in devastating job losses in Virginia, as all 1084 employees in the Chester office currently perform on the 1-800-MEDICARE contract.

Additionally, the GSA schedule carries a fee equal to seven percent of the order. In moving to this type of contract, the Department would be paying significantly more, limiting competition and reducing the best value for this service, at the expense of the taxpayer. The American people have a right to know why their hard-earned money is being wasted by this Administration.

The services required by the 1-800-MEDICARE contract are highly specialized, and require expertise in providing critical healthcare information to vulnerable beneficiary populations. Without the proper experience serving these populations and providing critical, life altering healthcare information and advice, the Department puts the public face of Medicare at risk. Sole sourcing this contract effectively exempts it from scrutiny, undermining the credibility of information provided by the 1-800-MEDICARE contact center.

General Dynamics has supported this program through the consolidation of 70 separate contact centers into a single, Beneficiary Contact Center. In 2010, the Beneficiary Contact Center was voted the Best Contact Center in the Americas and Best Contact Center in the World by

ContactCenterWorld.com. For issues as important and complex as healthcare, it does not make logical sense to arbitrarily award this contract to a telecommunications company lacking this specialized training and expertise.

My constituents are not asking for an advantage or special treatment. They are asking for the opportunity to compete for their jobs and the ability to provide an essential service at the best value for the government and the Medicare customer and hardworking taxpayer.

On Monday, January 30, 2012, I spoke with your Chief of Staff, as you were unable to take my scheduled telephone call. Now, I am requesting a formal, written response as to why the Department arbitrarily decided to move from an open, competitive bidding process to a GSA schedule contract, by February 10, 2012.

Sincerely,



J. RANDY FORBES
Member of Congress