Congress of the United States House of Representatives

Washington, DC 20515

February 26, 2018

The Honorable Alex Azar Secretary U.S. Department of Health and Human Services 200 Independence Avenue SW Washington, DC 20201

The Honorable Seema Verma Administrator Centers for Medicare and Medicaid Services 7500 Security Boulevard Baltimore, MD 21244

Dear Secretary Azar and Administrator Verma:

At a time when creating and maintaining good jobs is a shared priority, we urge the Department of Health and Human Services (HHS) and the Centers for Medicare and Medicaid Services (CMS) to ensure that its contractors are in compliance with the law and request an explanation of how HHS and CMS engage in evaluations of bidders in addition to ensuring compliance of existing contractors.

As you know, contractors and their employees provide critical services and have become essential to the operations of federal departments and agencies. CMS for example contracts out its Contact Center Operations (CCO) services, which handles approximately 25 million Medicare inquiries and 30 million Federal Marketplace inquiries annually. The agents at its CCO are vital to CMS's operations and serve as a primary point of contact for Medicare beneficiaries and Federal Marketplace customers.

We urge HHS and CMS to be vigilant in evaluating and monitoring its contractors for adherence to labor laws such as the Service Contract Act, which sets prevailing wages for federally contracted service employees. Contractors that underpay or misclassify employees not only have an unfair advantage over responsible contractors—they erode working conditions in their respective industries and depress living standards for working families and their communities.

Contractors who violate the law put responsible companies at a disadvantage, erode industry standards, depress wages locally, harm working families and their communities, and undermine the quality of services that federal agencies provide. For these reasons, we call on HHS and CMS to take an active approach to ensuring that its contractors are obeying the law and treating their employees fairly.

Thank you for your attention to this critical matter and we look forward to hearing from you. Sincerely,

ROSA L. DeLAURO Member of Congress

ROBERT A. BRADY Member of Congress

ANDRÉ CARSON Member of Congress KATHERINE CLARK Member of Congress

KEITH ELLISON Member of Congress ELEANOR HOLMES NORTON Member of Congress

PRAMILA JAYAPA Member of Congress

BARBARA LEE Member of Congress

ALAN LOWENTHAL Member of Congress

JERROLD NADLER Member of Congress



MARK POCAN Member of Congress

JAMIE RASKIN Member of Congress LUCILLÉ ROYBAL-ALLARD

Member of Congress

LINDA T. SÁNCHEZ Member of Congress

JAN SCHAKOWSKY Member of Congress

LOUISE M. SLAUGHTER Member of Congress