



BETTER BENEFITS – MORE CHOICES

*Good News about the Medicare Prescription Drug, Improvement
and Modernization Act of 2003!*

Helping Seniors – Six-Month Mark since Enactment

- ❖ **Today is the six-month mark since the Medicare Modernization Act was enacted. In that time, we have implemented the Medicare-approved prescription drug card program, which provides seniors with real savings on drug costs for the first time through the Medicare program.**

Power to Save

- **The power to save on prescription drugs is now in hands of seniors and people with disabilities.**
- **Those in greatest need will receive the most help** from the drug discount card program. More than **7 million low-income beneficiaries may qualify** for a \$600 credit on their card and free enrollment.
- **The most important step people with Medicare can take to get clear, accurate information is to call 1-800-MEDICARE or to visit www.medicare.gov.**

Drug Cards

- **Since last week, people with Medicare have been able to use their drug card to realize significant savings on their drug purchases.**
- **To date, around three million beneficiaries have enrolled in one of the various card programs.**
 - ✓ **Today, all Medicare beneficiaries, except those who have outpatient drug coverage through Medicaid, are eligible to enroll in a Medicare-approved drug discount card program.**
 - ✓ **The card sponsors may charge an annual enrollment fee of no more than \$30, though many cards have lower fees and some have no fee.**
- **Secretary Thompson urges low-income beneficiaries and their families to learn more and participate in this new program.**
 - ✓ **The \$600 credit is available only through cards with the Medicare-approved seal.**
 - ✓ **There is no enrollment fee on any card for people who qualify for the \$600 low-income credit.**
 - ✓ **Beneficiaries will receive the entire \$600 amount no matter when they sign up in 2004 and a pro-rated amount depending on when they sign up in 2005.**
 - ✓ **Any of the \$600 credit not used in 2004 will be carried over in their account for use in 2005.**

Real Savings

- **Recent studies show that the prices on brand-name drugs available through the cards are 11 to 18 percent or more below the average prices actually paid in neighborhood pharmacies by all Americans.**
 - ✓ **This includes Americans who receive discounts on their drug prices through their public or private insurance plans.**
- **Potential savings from generics are even greater.**
- **A new CMS study shows that savings on generic drugs range from 37 to 65 percent below the average prices actually paid by all Americans.**
 - ✓ **Generic drugs are just as safe and effective as the brand-name drugs when they are approved by the FDA.**
 - ✓ **They are available in 55 percent of the 209 categories of drugs included in the drug cards.**
 - ✓ **They account for the majority of prescriptions in the United States today.**
 - ✓ **They generally cost about 70 percent less than brand-name drugs to begin with.**
- **Finally, a recent study found savings of 5 to 20 percent or more on mail-order prices for brand-name drugs through Medicare approved cards in comparison to such Internet sources as drugstore.com and Costco.com.**

Providing Information

- **CMS has added many new operators at 1-800-MEDICARE and, as a result, reduced the wait times considerably. Now, at most times, waiting time is well under 10 minutes.**
- **The Medicare customer service representative can review the caller's drug needs and find out about how to get the most out of the drug card program in less than 15 minutes on average.**
- **Beneficiaries should have the following information ready when contacting 1-800-MEDICARE:**
 - ✓ **Zip-code;**
 - ✓ **List of their prescription drugs, including dosage; and**
 - ✓ **Income to determine if they are eligible for the \$600 credit.**