



BETTER BENEFITS – MORE CHOICES

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

Seniors Urged to Sign Up for Discount Drug Cards

- ❖ HHS Secretary Tommy G. Thompson yesterday urged people with Medicare to **take advantage of real savings on their prescription medicines by signing up for Medicare-approved drug discount cards.** The cards offer **savings of 10 to 25 percent or more** for beneficiaries who do not have good drug coverage now, and low-income beneficiaries also qualify for discounts and a \$1,200 credit over the next 18 months to help pay for prescriptions.
- ❖ The new Medicare **drug discount card took effect yesterday.** Seniors and people with disabilities can **begin using their Medicare-approved drug discount cards to garner savings on prescription medicines.** Medicare officials had urged seniors and persons with disabilities to use the month of May to compare cards and allow competition to drive down prices. Now is time for seniors to pick a card, enroll and begin saving, Secretary Thompson said.

“May was a time for window shopping. **Now it is time to sign up and begin saving real money on the price of your prescriptions,**” Secretary Thompson said. “For the first time, Medicare is helping seniors save money on their prescription medicines. Take advantage of the savings and get a discount card.”
- ❖ As of the end of May, **approximately 2.87 million Medicare beneficiaries have already enrolled in drug cards to do just that.** These enrollment figures include beneficiaries in Medicare Advantage plans that were automatically enrolled in the Medicare card available through their health plan, plus hundreds of thousands of beneficiaries who have enrolled in non-exclusive drug cards. They do not include hundreds of thousands of additional enrollments currently in process for Medicare cards with low-income assistance. Many applications are in the process of income eligibility verification now, and many more are in the process of “autoenrollment” through at least seven state pharmaceutical assistance plans.
- ❖ Secretary Thompson said **interest in the cards is high as calls to the 1-800-Medicare number and hits to the Medicare.gov Web site have hit record levels.** Throughout May, the Medicare hotline received about 3.8 million calls and the price compare Web site received approximately 14 million hits.
- ❖ The personal assistance available from the 1-800 MEDICARE helpline and the www.medicare.gov price comparison tools available from **both resources helps people with Medicare and those who help them select the card that best meets their needs.**

“Medicare is taking an important step forward to provide overdue help with drug costs for Medicare beneficiaries,” said CMS Administrator Mark B.

McClellan, M.D., Ph.D. **“Real discounts are now available to beneficiaries struggling with drug costs,** and substantial additional financial help is available to low-income beneficiaries. Seniors and people with disabilities who signed up early are starting to use their cards today to get real savings on the prescription drugs.”

- ❖ Secretary Thompson said signing up for the card just makes sense for Medicare beneficiaries. Seniors are currently the only group of Americans that often pay full price for its drugs. Through the Medicare-approved drug discount card program, **the purchasing power of seniors is finally being pooled to provide savings on prescriptions,** he said.

“Seniors can’t afford to leave this money on the table,” Secretary Thompson said. **“The only risk is in doing nothing and continuing to pay full prices for your drugs.”**

- ❖ Analysis by CMS shows that Medicare beneficiaries can expect discounts of up to 18 percent off the average retail prices for name brand drugs and discounts of between 30 and 60 percent on generic drugs. Mail order and Internet discounts through the cards offer savings of up to 24 percent from comparable services.

“Beneficiaries without good coverage who contact us generally find that the savings on the cards pay for themselves in the first month or two,” said Dr. McClellan. **“If you don’t have good coverage, regardless of your income, it’s worth contacting us at 1-800-MEDICARE to find out how you can get the most out of the drug card program.”**

- ❖ On top of the discounts, **low-income beneficiaries can qualify for a \$600 credit this year to help pay for their prescription medicines and another \$600 in 2005. Any money from the credit not spent this year will carry over into 2005.** For millions of low-income beneficiaries, these savings translate to 30 to 70 percent or more reductions in their drug costs.
- ❖ All people with Medicare who do not receive prescription drug coverage through Medicaid are eligible for a Medicare-approved drug discount card. Medicare beneficiaries whose incomes are below 135 percent of the federal poverty limit (\$12,569 for singles and \$16,862 for married couples) and do not have other certain types of prescription drug coverage are eligible for the \$600 credit.
- ❖ **HHS is building upon its already ambitious education efforts with new partnerships to enroll beneficiaries for cards,** particularly those who qualify for the additional assistance.
- ❖ **Last week, HHS announced a collaborative effort with the Access to Benefits Coalition to target lower-income beneficiaries.** ABC is a coalition of private sector organizations that serve seniors and persons with disabilities. Additionally, **HHS is funding community-based organizations to enroll lower-income beneficiaries in the program.**

“We’re going to be aggressive in making sure that seniors and persons with disabilities take advantage of this opportunity to save on their medicines,” Secretary Thompson said.