



## Medicare: Today's Issue

April 30, 2004

### *BETTER BENEFITS – MORE CHOICES*

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

#### **HHS Works to Educate Seniors About Savings From New Drug Discount Cards**

On Tuesday, the Department of Health and Human Services (HHS), announced the beginning of a comprehensive education campaign to inform people with Medicare about the new prescription drug savings available to them through the Medicare-approved drug discount cards.

Under the new Medicare Modernization Act (MMA), millions of Medicare beneficiaries will be eligible to receive savings on their prescription drugs through these discount cards. The purchasing power behind the Medicare population is expected to save beneficiaries an average of 10 percent to 25 percent off the retail price of most drugs. Currently, about 9 million Medicare beneficiaries do not have access to any prescription drug coverage.

Beginning on May 3, seniors can sign-up for Medicare-approved prescription drug discount cards. Some cards will be offered for free, though others may charge a one-time enrollment fee of up to \$30 per year under the law. Low-income seniors may be eligible for an additional \$600 credit to help pay for their prescriptions and would not have to pay an enrollment fee. Beneficiaries can start receiving discounts on their prescription medications effective June 1.

Throughout the month of May, HHS will build awareness of the new Medicare-approved prescription drug discount card program as well as the unique tools seniors can use to choose a card that is best for them. The education campaign will place particular emphasis on the low-income seniors who qualify for the \$600 credit to help pay for their prescription medicines.

Core components of the HHS education campaign include a drug price comparison Web site, new advertising, and informational brochures being mailed directly to people with Medicare.

### *Price Comparison Web site:*

- ❖ People with Medicare benefit from the new discount drug cards, a choice in cards, and the competition between cards. HHS will provide direct and personal assistance to seniors in comparing cards and making the best choice for their individual needs.
- ❖ A new Web-based tool is now available so beneficiaries can compare drug cards, including the discounted prices for drugs that they use, cards offered in their area, and any enrollment fees (the law allows up to a \$30 annual fee.) Consumers can access this information at [www.Medicare.gov](http://www.Medicare.gov).
- ❖ Consumers can also access this information by calling 1-800-Medicare, where a customer service representative will be able to send the caller price comparison information based on their situation. Medicare has also increased the number of trained customer service representatives available to seniors to advise them throughout this process.

### *Advertising:*

- ❖ HHS is releasing a new round of public information advertising as part of the Department's existing 1-800-MEDICARE education campaign. The new advertisements are designed to raise awareness about the new discount cards as well as the assistance available for seniors to choose the card that's right for them.
- ❖ A new 30-second television ad, which began airing the week of April 25, emphasizes the \$600 credit available to millions of low-income beneficiaries through these Medicare-approved prescription drug discount cards. Beneficiaries are then advised to call Medicare through the toll-free helpline, 1-800-Medicare, the official source of Medicare information.
- ❖ A second television ad, scheduled to begin airing in early May, will focus on helping seniors choose a card that's best for them by steering them to the Web site or 1-800-Medicare. This ad will be timed with the beginning of efforts by the private-sector organizations to market their Medicare-approved cards to seniors.
- ❖ The two television ads will be aired on national network and cable programs that are heavily viewed by people with Medicare. The television buy for the two ads will total about \$18 million. Also, the campaign will include print and Internet advertising in both English and Spanish as well as radio ads in Spanish.

### ***Informative Brochures:***

- ❖ HHS has issued a variety of printed materials, including the “Guide to Choosing a Medicare-Approved Drug Discount Card.” This document explains the program, including eligibility and enrollment information, and provides step-by-step guidance for comparing discount cards. HHS mailed a shorter overview of this document to every Medicare beneficiary in April. In addition, the Social Security Administration is mailing a letter to low-income beneficiaries who are likely to be eligible for the \$600 benefit.
- ❖ HHS is also providing a “tip sheet” to help people with Medicare and their caregivers use the price comparison Web site and enroll in a discount card. This tip-sheet is available at [www.medicare.gov](http://www.medicare.gov) or from 1-800-Medicare.
- ❖ The aggressive outreach and public education effort continues HHS’ efforts to follow the Congressional mandate in the Medicare Modernization Act for the Department to “conduct a significant public information campaign to educate beneficiaries about the new Medicare drug benefit to ensure the broad dissemination of accurate and timely information.” HHS will continue to use proven methods to reach out to beneficiaries on the drug cards and other new benefits throughout the year.

### ***Allocation of Additional Funds to SHIPs:***

- ❖ In addition to the price comparison Web site, advertising, mailed brochures, and the toll-free helpline, the Department has allocated additional funding to increase the number of trained counselors available through the State Health Insurance Assistance Programs (SHIPs).
- ❖ Currently, more than 12,000 trained counselors in nearly 1,200 local programs use their knowledge of Medicare and other local insurance programs and services to provide in-depth assistance to people with Medicare. This program is an effective resource because it is local and emphasizes one-on-one advice and counseling.
- ❖ HHS representatives have participated in local educational events across America to inform beneficiaries about the new choices available to them.