



Medicare: Today's Issue

May 27, 2004

BETTER BENEFITS – MORE CHOICES

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

HHS ANNOUNCES NEW COLLABORATIVE ENROLLMENT INITIATIVE TO HELP LOW-INCOME MEDICARE BENEFICIARIES SIGN UP FOR DRUG DISCOUNT CARD

New Funding and Partnership Included in Initiative

HHS Released the Following Information in a Press Release Yesterday

- ❖ HHS Secretary Tommy G. Thompson today announced an initiative that will target enrolling low-income seniors and persons with disabilities in the Medicare-approved drug discount card program, so that these individuals take advantage of discounts and \$1,200 over the next 18 months to pay for their prescription medicines.
- ❖ While the Medicare-approved drug discount card program provides savings for all participants, seniors and persons with disabilities who qualify for the \$1,200 credit -- \$600 in 2004 and \$600 in 2005 -- will reap the greatest benefits, Secretary Thompson said.
- ❖ “Seniors and persons with disabilities need to take advantage of the real savings and real money that is on the table for them,” Secretary Thompson said. “Seniors with low incomes can save significantly through the discounts and the \$1,200 to pay for their prescriptions. It’s an opportunity they can’t afford to pass up.”
- ❖ To help in the enrollment effort, HHS is making an additional \$4.6 million available to organize and fund community-based organizations to help low-income beneficiaries learn about the Medicare drug discount card program and how to enroll. These funds are in addition to the \$21 million previously made available to the State Health Insurance Assistance Programs (SHIPs), which provide one-on-one assistance to Medicare beneficiaries through trained volunteer counselors who are provided training from CMS.
- ❖ HHS and the Access to Benefits Coalition (ABC) also have committed to working together in a complementary fashion as they target low-income seniors with education and enrollment programs. And HHS’ Administration on Aging (AoA) and Indian Health Service (IHS) are reaching out to their constituencies to make sure they sign up for the program.
- ❖ “We have an energetic coalition from the public and private sectors that want to make sure seniors take advantage of the substantive savings the Medicare-approved cards provide,” Secretary Thompson said. “We want to be aggressive in reaching out to these beneficiaries so they don’t miss out on this meaningful benefit to help pay for their medicines.”
- ❖ “With new partners who have tremendous experience in helping Americans most in need get the greatest health care assistance possible, we’re working together to educate and enroll seniors and

others in Medicare, especially those who have low incomes,” said CMS Administrator Mark B. McClellan, M.D., Ph.D. “Seniors without good coverage who look into the program find they can often cover the cost of the card within the first month or two, and we are taking new steps to make it as easy as possible for them to do just that.”

- ❖ “The Access to Benefits Coalition applauds the Department of Health and Human Services for announcing an additional \$4.6 million to support community-based outreach and educational efforts to low-income beneficiaries,” said James Firman, the coalition chairman and president & CEO of the National Council on the Aging. “However the private sector -- voluntary organizations, businesses and philanthropy -- must also do their fair share to help reach and enroll low-income beneficiaries. The Access to Benefits Coalition and its members are committed to maximizing involvement of the private sector at the national, state and local levels in partnerships that complement and extend governmental efforts.”
- ❖ Analysis by CMS shows that seniors and people with disabilities can expect discounts of up to 18 percent off 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 offers savings of up to 24 percent from comparable services.
- ❖ On top of the discounts, low-income beneficiaries can qualify for a \$600 credit to pay for prescriptions this year and another \$600 for 2005. Any money from the credit not spent in 2004 will carry over into 2005.
- ❖ 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.
- ❖ “The discounts and credits provide real and meaningful savings for seniors, particularly those who need the most help paying for their medicines,” Secretary Thompson said. “We encourage seniors to take advantage of this program. And we encourage the children and caregivers of Medicare beneficiaries to help their loved ones get these savings.”
- ❖ As part of its education and enrollment efforts CMS has set aside \$2.4 million to target the largest metropolitan areas to help low-income Medicare beneficiaries learn about the Medicare-approved drug discount card program and how to enroll. The effort will identify community-based organizations that can conduct education and enrollment activities in the top 30 markets where approximately 70 percent of the low-income beneficiaries reside. The activities of these organizations will complement and extend other education and enrollment activities of the national “Medicare & You” education program. National members and affiliates of ABC will be among those eligible for funding through this program.
- ❖ The Administration on Aging is directing \$2 million to complement these efforts to educate and enroll beneficiaries. AoA will work through its national network of local community-based organizations to target hard-to-reach, rural, disabled and non-English-speaking beneficiaries. These community-based organizations are the trusted sources that beneficiaries rely on for information, assistance and advice.
- ❖ “Each of us in the public and private sectors has an important role to play in educating seniors and providing information to assist them to enroll. This coordinated approach is an effective means of

reaching those who can benefit the most and often have difficulty accessing information,” HHS Assistant Secretary for Aging Josefina G. Carbonell said

- ❖ CMS is also providing the Indian Health Service with \$200,000 to help support education and enrollment activities to American Indian beneficiaries. CMS has awarded a special endorsement to two card sponsors to administer the program to American Indians who use IHS, Tribal and Urban Indian health program pharmacies. CMS will conduct training for the Indian Health Service and Tribes at IHS offices and provide informational and promotional materials for translation by IHS and Tribes for use locally.
- ❖ *“Income levels for American Indian and Alaska Native elders eligible for Medicare are among the lowest in the country. In keeping with our mission to raise the health status of American Indian and Alaska Natives to the highest possible level, the Indian Health Service is committed to working in public/private partnerships critical for ensuring access to the highest quality health care. Our elders and those with disabilities deserve no less,” said IHS Director Charles W. Grim, D.D.S., M.H.S.A.*
- ❖ In addition to the discounts offered through the drug card program, several pharmaceutical manufacturers have joined with drug cards to offer “wrap around” programs that will provide many of the drugs that seniors use the most for free or a small fee once they use all of the \$600 credit from Medicare. (A list of the card sponsors and the affiliated drug manufacturers is attached.)
- ❖ “The additional deep low-income discounts available on many drugs is one more reason why beneficiaries who are struggling to pay for their drugs and for other basic necessities should not wait to get help through the Medicare discount card program,” Dr. McClellan said. “All they need to do is call 1-800-MEDICARE or log onto www.medicare.gov with their zip code, list of drugs and dosages, and income, and we will help them get substantial savings right now.”
- ❖ Since May 3, 1-800-MEDICARE has received 3.5 million calls with the top five questions all focused on the discount drug card program. The Price Compare Web page has been viewed more than 10.6 million times in the same time frame.

###
