



Medicare: Today's Issue

January 8, 2004

BETTER BENEFITS – MORE CHOICES

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

Medicare Endorsed Prescription Drug Discount Card -- Helping Those Who Need it Most:

- ✧ The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 provides **immediate** help to the most needy Medicare beneficiaries – low-income Medicare beneficiaries who do not have prescription drug coverage and who do not qualify for Medicaid.
- ✧ Low-income beneficiaries are helped in two ways: they get a discounted price like insured working Americans do, and they get \$600 annually in 2004 and 2005 to help them make purchases – right at the pharmacy counter.
- ✧ The Act provides **\$600 in immediate assistance** to help seniors with incomes under 135% of the federal poverty level (\$12,123 for individuals; \$16,362 for couples) who do not qualify for Medicaid or other drug coverage to purchase their medicines.
- ✧ The beneficiary will access the \$600 in assistance through the Medicare-endorsed discount card. When the discount card is presented at the pharmacy, the beneficiary is able to “draw down” from the \$600 to purchase the medicine.
- ✧ In addition, under the discount drug card, beneficiaries will save **10 to 25 percent** off the retail prices they paid before they had a Medicare-endorsed discount card.
- ✧ The Federal Government will pay the discount card enrollment fees for low-income seniors.
- ✧ Example: Beneficiary A needs to fill a prescription for Celebrex. In 2002, an estimated retail price for 30 tablets of Celebrex (200 mg) was \$86.28. For a low-income senior, the Act could mean a savings of nearly \$22 a month off the retail price and this could be covered by the \$600 in assistance. This example is based on a 20% discount off the retail price.