Medicare Rights Center

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Dear Representative,

How much do we value the lives of the men and women of the nation's Greatest Generation? How will we value the welfare of the next generation as it ages into Medicare? The prescription drug debate, along with the tax cut debate, is a debate of values and of morals: we urge you to support a benefit that enables *all older Americans* to lead a full and decent life.

That benefit will cost more than some members of Congress say that they are willing to allocate for America's elderly. But the answer is to persuade them to value our parents and grandparents, not to buy into a low-income drug benefit that ignores so many citizens in need. A low-income benefit will do nothing for the millions of older Americans with more than $16,700 in annual income. It will do nothing for the millions of impoverished Americans who cannot navigate a complex means-tested application process.

If politics is the art of the possible, morality is the art of defining the possible in meaningful, humanistic terms. The debate over access to medicine for our nation's elderly will require a show of principle and courage.

Medicare was designed to meet the needs of all older Americans--with automatic coverage to ensure that all eligible men and women can afford the care they need; with a simple design affording older Americans access to the care they need when they need it; with the recognition that rich or poor, in sickness or in good health, no matter where you live, Americans are entitled to this health security.

A prescription drug benefit that is faithful to those bedrock principles is long overdue. Please use the enclosed materials as tools in the coming debate.

Sincerely,

Robert M. Hayes

Like all Medicare Benefits, A Drug Benefit Should Help Everyone With Medicare in Need

A Medicare Prescription Drug Benefit Should Be—	A Prescription Drug Benefit in Medicare Helps Everyone Who Needs Help	A Low-Income Prescription Drug Benefit Fails to Help Millions of People with Medicare Who Need Help	A Catastrophic Prescription Drug Benefit Fails to Help Millions of People with Medicare Who Need Help
Universal:	Medicare enrolls virtually all eligible individuals.	Low-income assistance programs enroll less than two-thirds of eligible individuals.	A catastrophic benefit that begins at $4,000 in drug spending helps less than one in five people with Medicare.
Equitable:	Working Americans pay into Medicare and all eligible Americans get the same Medicare benefits.	Working Americans pay into Medicare, but most will not qualify for a low-income benefit, even when they cannot afford the drugs that they need.	Working Americans pay into Medicare, but most will not qualify for a catastrophic drug benefit, even when they cannot afford the drugs that they need.
Accessible:	Medicare is automatic for anyone receiving Social Security benefits.	Low-income assistance programs require people to understand the program and navigate a complex application process.	A catastrophic benefit requires a costly and burdensome administrative process.
Fair:	Medicare does not discriminate based on your income, where you live or your health condition.	A low-income prescription drug benefit discriminates against Americans with incomes over $16,700 and does not take into account individual health care needs.	A catastrophic drug benefit discriminates against individuals with high out-of-pocket health care costs that are unrelated to prescription drugs.

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The Facts—

Universal: Ninety eight percent of people eligible for Medicare are enrolled in the program, whereas more than 40% of eligible people with Medicare are not enrolled in Medicare low-income assistance programs.[1]

Equitable: In 1999, 38% of people with Medicare had no prescription drug coverage.[2] About seven and a half million would not qualify for a low-income prescription drug benefit. Projected per capita average annual prescription drug spending for the Medicare population in 2003 is $2,317.[3] Most people, notwithstanding high prescription drug expenses, would not qualify for catastrophic coverage.

Accessible: Whereas Medicare enrollment is automatic, low-income programs require navigation through a cumbersome application process that has been identified as a major barrier to enrollment in low-income programs for people with Medicare.[4] Over 66% of US adults aged 60 and over have either inadequate or marginal literacy skills,[5] which impede access to special programs with complicated application processes.

Fair: In 2001, 57% of people with Medicare had an income at or above $16,700.[6] A serious health care-related need would reduce their disposable income far below individuals who would qualify for a low-income assistance program.

The People—

Ms. B, a 71-year-old single woman from Keene, NH, suffers from glaucoma and has high cholesterol. She is a retired social worker with an annual income of $20,000 from Social Security. Ms. B's four medications cost $3,500 each year – 18% of her income. Her Medigap plan does not cover prescription drugs, New Hampshire does not have a drug assistance program, and Medicare+Choice plans are not an option in her community. Ms. B would be ineligible for a low-income Medicare drug benefit.

Mr. and Mrs. M, residents of Poughkeepsie, NY, have Medicare because of their disabilities. Both were diagnosed with several debilitating illnesses that require prescription drug treatments, including severe arthritis, mental illness, thyroid tumors, and gastrointestinal disorders. In order for Mr. and Mrs. M to lead functional lives, they need seven prescription drugs totaling $1,000 a month. Their income is too high to qualify for Medicaid, the only Medicare+Choice plan available in their county is not accepting new members and New York's state-run prescription drug program does not help people with Medicare who are under 65.

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[1] *Dual Eligible Buy-in Status*, CMS (Actuarial Research Corporation) May 2001 (reporting that over 40% of potential QMBs and SLMBs are not enrolled).
[2] *Medicare Fact Sheet: Medicare and Prescription Drugs*, Henry J. Kaiser Family Foundation February 2003.
[3] *Medicare Fact Sheet: Medicare and Prescription Drugs February 2003*, Henry J. Kaiser Family Foundation
[4] *Barriers to Medicaid Enrollment for Low-Income Seniors*, The Kaiser Commission on Medicaid and the Uninsured, January 2002.
[5] Pfizer Health Literacy Website http://www.pfizerhealthliteracy.com/whatis_stats.html, accessed April 21, 2003.
[6] Henry J. Kaiser Family Foundation State Facts Online, http://www.statehealthfacts.kff.org/, accessed April 28, 2003