



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Grassley Praises Approval of Medicare Drug Discount Card Sponsors

WASHINGTON – Sen. Chuck Grassley, chairman of the Committee on Finance, praised the federal government’s approval this week of 28 sponsors to provide older Americans and people with disabilities savings on their prescription drugs, beginning June 1. With the new cards, Medicare beneficiaries will receive discounts on prescription drugs, and low-income beneficiaries may receive an additional \$600 to pay for their prescription medicines in both 2004 and 2005.

“Congress created this drug discount card program to give older Americans immediate help with the cost of their prescription medications,” Grassley said. “This program will help millions of people benefit from lower prescription drug costs now. Medicare beneficiaries won’t have to wait any longer for the comprehensive Medicare prescription drug benefit to get under way. The discounts provided and the targeted assistance for lower income beneficiaries will make life-saving medicines more affordable.”

Grassley, the lead Senate author of the new law modernizing Medicare and offering a prescription drug benefit, said that for a small enrollment fee, the Medicare-approved drug discount cards will allow Medicare beneficiaries to save between 10 percent to 15 percent on their total drug costs, and up to 25 percent on certain prescription drugs.

Grassley said additional assistance will be available to low-income beneficiaries. A single person whose income is no more than about \$12,600, or a married couple whose income is no more than about \$16,900, will qualify for a \$600 credit. In addition to the \$600 credit, Medicare will pay the enrollment fee for the Medicare-approved card they choose to best meet their needs.

At an Aging Committee hearing on Medicare drug discount cards held earlier this month, the president and chief executive officer of the National Council on the Aging said, “Enactment of the new Medicare law is the single-most important opportunity to help low-income Medicare beneficiaries to have emerged in the past 35 years.”

The AARP, the National Association of Area Agencies on Aging, the National Association of Community Health Centers, and the National Rural Health Association, among numerous other organizations, are coming together to educate low-income Medicare beneficiaries, help them make informed choices about prescription savings programs, and facilitate their enrollment in new

Medicare benefits.

For more information, and a list of government-approved discount drug card sponsors, please see <http://www.hhs.gov/news/press/2004pres/20040325.html>.