



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

MEMORANDUM

To: Reporters and Editors
Re: Medicare drug discount cards
Da: Wednesday, Sept. 22, 2004

Sen. Chuck Grassley, chairman of the Senate Finance Committee and chief architect of the Medicare Modernization Act, made the following comments regarding the announcement made by Secretary of Health and Human Services Tommy Thompson to make it easier for beneficiaries eligible to receive the \$1,200 in cash assistance under the Medicare-approved drug discount card program.

“In the past few months, study after study has shown that the Medicare-approved drug discount card program is delivering real savings to seniors and Americans with disabilities. Medicare beneficiaries who qualify for the \$1,200 cash credit are saving even more on their drugs. Depending on the drugs they take, beneficiaries in Des Moines, Cedar Rapids, and Davenport could save more than 70 percent when they combine the cash credit with additional assistance offered by drug manufacturers through the Medicare-approved drug discount card program, according to the American Enterprise Institute.

“We need to do everything possible to make sure that beneficiaries – especially those eligible for the \$1,200 in cash assistance – don’t lose out on these savings. We know that beneficiaries who have their Medicare Part B premiums paid through the Medicare Savings Program are likely to be eligible for the \$1,200 credit. Under the initiative, the Department of Health and Human Services will send beneficiaries who receive Medicare Savings Program assistance a Medicare-approved drug discount card with the Medicare logo in the mail. All they have to do to activate the card and to start getting savings is call a toll-free number to confirm their eligibility. And these beneficiaries will not have to pay any card enrollment fee, if there is one.

“This initiative will help up to 1.8 million beneficiaries with low-incomes start getting this much-needed assistance with their prescription drugs through the Medicare-approved drug discount card program. I commend the Department of Health and Human Services and the Centers for Medicare and Medicaid Services for their work in crafting this important initiative.

“I also want to commend the Access to Benefits Coalition. This is a group of 70 organizations, not all of which fully supported the Medicare law. Its members put their politics aside

to make sure that all low-income Medicare beneficiaries know about and take advantage of prescription drug savings programs, including the Medicare-approved drug discount card and the new voluntary Medicare drug benefit. I know that the group worked with the federal agencies on this streamlined enrollment initiative, and I want to recognize the coalition's important contribution and effort.”