



# CONFUSED ABOUT THE NEW MEDICARE DRUG CARD?

*Here are the facts, without the political rhetoric!*

The new Medicare Discount Card program began on June 1, 2004, and is the first of two new programs passed by Congress last year. The second is a new drug benefit entitlement program, the largest expansion of Medicare since its inception, set to go into effect in 2006.

The Discount Drug Card is a much simpler program, designed to provide immediate relief, mostly for low-income seniors. Most of us are familiar with some of the drug discount cards that have been available in the past, whether from your local drugstore or from a national discount plan you've seen advertised on television for \$7.95 a month. Those cards are still available, but now Medicare limits the annual membership fee if the card is to be included in the list of approved cards referred by Medicare.

*The Medicare Discount Card will NOT affect the way physicians prescribe medications, nor will they limit what prescriptions are available.* But as with the private discount benefits, the discounts do vary from program to program. We urge patients to use the Medicare web site or hotline to shop for the card that offers the best prices on the prescriptions they need the most.

Some advocacy groups and politicians are running radio and television commercials that present some misleading information to advance their own political agendas. Here are the basics:

1. **The Medicare Discount Card IS NOT just for low-income seniors.** Any senior who has Medicare and is not enrolled in Medicaid is eligible for the card.
2. The new Medicare Discount Card program has a **special benefit for low-income seniors.** It is a \$600 credit this year and another \$600 credit next year. These credits are placed directly on the card so that they can be used right away to help pay for medicines. If there is any money left over from 2004, it will be added to the \$600 credit for 2005.
3. The new **Medicare Discount Card program is optional.** You do not have to sign up for it. If you do not want to sign up for it, you will not lose your Medicare benefits. If you do not want to sign up for it now but decide to do so later, there is no penalty.
4. The new Medicare Discount Card program **primarily helps seniors who currently have no help paying for medicines.** If you now have additional health insurance, a Medicare supplemental insurance policy or belong to an HMO that pays for part or all of your prescription medicines, the discount card will probably not save you any additional money. But check with Medicare anyway – you are still eligible for the discounts, but will pay out-of-pocket instead of getting the \$600 credit.
5. The new Medicare Discount Card program is only the **first part of the new Medicare drug benefit.** In 2006, seniors on Medicare will have the opportunity to sign up for a much bigger benefit program that will provide insurance coverage for their medicines. Anyone eligible for Medicare may sign up but no one will have to do so. You will not lose your Medicare benefits if you do not sign up.
6. The new Medicare Discount Card program gives seniors many different cards to choose from, however, **you only need ONE card.** You should pick the card that offers the best discounts on the medicines you take. For help in making this choice you need to call 1-800-MEDICARE (1-800-633-4227), visit the Medicare website at [www.Medicare.gov](http://www.Medicare.gov) or visit your local senior center.

To get accurate information about which card will work best for your needs, you need to provide the following information: **your zip code, the names and dosage of the medicines you take, and the amount of your income.**

7. The new Medicare Discount Card program will have an **open season at the end of this year.** During that time seniors may change discount card providers if they wish to do so. They will also be given the opportunity to renew the card they currently have. The choice is completely up to the individual card holder.

8. The new Medicare Discount Card **program is run by Medicare itself.** The Discount Cards themselves are offered by private companies and organizations. These companies and organizations have gone through the process of being approved by Medicare to participate in this program.

9. The new Medicare Discount Card program allows those who offer the card to charge a fee. **Some Discount Cards have fees. Some do not.** If you qualify under the low-income guidelines, the fee will be paid by Medicare. The maximum fee is \$30 per year. Each Discount Card

has its own list of medicines for which it has negotiated discounts. Each Discount Card lists the prices for the medicines on its list. Each Discount Card also has its own list of pharmacies which honor the card.

10. The new Medicare Discount Card program will be **available to seniors until the end of 2005,** when the new benefit is scheduled to take effect.

11. You may be eligible for a **discount card from individual pharmaceutical companies** that are completely separate and **in addition** to the Medicare Discount Card. You may also qualify for free prescriptions offered in those programs. *(In 2003, companies helped 6.2 million patients fill more than 17 million prescriptions worth \$3.3 billion.) These may be especially helpful if you expect to use up your \$600 fund.*

12. **To qualify for the \$600 subsidy,** your income cannot be more than \$12,569 for individuals and \$16,862 for a couple. Depending on your exact income, you'll then pay a 5% or 10% out-of-pocket co-pay for individual prescriptions. The balance of the cost will be deducted from your \$600 fund.

## RESOURCES

### **Medicare Drug Discount Hotline**

[www.Medicare.gov](http://www.Medicare.gov)

1-800-633-4227

### **ElderCare Resources**

HHS Administration on Aging

1-800-677-1116

### **Pharmaceutical Assistance Programs**

[www.HelpingPatients.org](http://www.HelpingPatients.org)

1-800-762-4636

### **60 Plus Association (3 million seniors)**

[www.60Plus.org](http://www.60Plus.org)

1-800-60-60-PLUS (1-800-606-0758)

**The Association of American Physicians and Surgeons is a non-partisan professional association, dedicated since 1943 to protection of the patient-physician relationship and to protecting doctors from third-party interference in their practices.**

### **Association of American Physicians & Surgeons**

[www.AAPSONline.org](http://www.AAPSONline.org)

1-800-419-4777 Hotline



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