



Senator Feinstein Urges Medicare Recipients To Carefully Review All the Options
Before Signing Up for Medicare-approved Drug Discount Cards
May 3, 2004

Washington, DC – With enrollment for a Medicare discount prescription drug card plan beginning today, U.S. Senator Dianne Feinstein (D-Calif.) urged Medicare recipients to carefully review all the options before enrolling in one of the discount plans.

“Estimates are that the discounts will average from 10 percent to 15 percent overall, and they could top 25 percent for individual prescriptions,” Senator Feinstein said. **“But not all the cards are the same – so it pays to be a smart shopper and carefully review all the options to determine which card would be best for you.”**

There are about 4 million Medicare recipients in California. All of the recipients who do not receive prescription drug coverage through Medicaid are eligible to buy a Medicare-approved drug discount card. Drug card sponsors may charge up to \$30 for an annual enrollment fee, although many drug card sponsors have opted to waive this fee. Recipients can begin using the cards June 1. They will be available until 2006, when the new Medicare prescription drug program begins.

In addition, those recipients with incomes that are 135 percent of the federal poverty level or below (\$12,569 for an individual or \$16,862 for a couple in 2004) can receive a \$600 credit per year in 2004 and 2005 for the purchase of prescription drugs as long as they do not have coverage from a current or former employer or from Medicaid.

The Center for Medicare and Medicaid Services (CMS) estimates that 643,000 people in California are eligible for the \$600 credits.

“Currently, California has 49 individual drug cards, with 39 national drug cards, 1 regional card, and 9 Medicare Advantage cards. Also Medicare may continue to approve additional drug cards. So I am advising people to take time to shop around for the drug card which offers the deepest discounts for their particular drug needs,” Senator Feinstein said.

Under the new regulations, once recipients sign up for a Medicare-approved drug card, they will not be able to switch cards until the end of the year.

Senator Feinstein also cautioned recipients to be sure that they are choosing a card with a Medicare-approved seal on it. They should also check to make sure their local pharmacy accepts the card.

Medicare recipients can use the following resources to determine which Medicare-approved prescription drug discount card is best for their situation:

- Visit www.medicare.gov. Select “Prescription Drug and Other Assistance Programs.”
- Call 1-800-MEDICARE (1-800-633-4227). A customer service representative can walk through the drug comparison system with callers. TTY users should call 1-877-486-2048.

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