

# Seniors To See Significant Savings Under New Medicare Prescription Drug Program

## Study Released—*Medicare Tomorrow: Future Savings for Beneficiaries*—Quantifying Just How Much

(NAPSA)—A new study released shows that the amount of money that many low-income seniors spend on prescription drugs will fall nearly 90 percent under Medicare's prescription drug coverage program.

*Medicare Tomorrow: Future Savings for Beneficiaries* indicates that seniors who do not qualify for Medicaid, but earn less than 150 percent of the federal poverty level—approximately \$14,500 a year—will see their out-of-pocket costs for prescription medications drop from more than \$1,600 to just \$180 a year.

"Millions of American seniors are eligible for significant savings on the annual cost of their medications, if they enroll for the new Medicare drug coverage," said Mary R. Grealy, president of the Healthcare Leadership Council, which is coordinating *Medicare Today's* efforts. "Many seniors are taking multiple medications, but struggle to pay for them each month. The availability of this coverage means that seniors of modest means no longer have to choose between paying their utility bills and paying for their medications."

Although low-income beneficiaries will see the most substantial savings, the study estimates that all Medicare beneficiaries not already receiving low-income Medicaid assistance could save an average of nearly \$700 a year in out-of-pocket spending. The report shows that fully 97 percent of Medicare beneficiaries could have drug coverage after the program takes effect on January 1, 2006, compared to just 62 percent who previously had coverage.

*Medicare Tomorrow: Future*



*Savings for Beneficiaries* was compiled by analysts at PricewaterhouseCoopers and released by *Medicare Today*, a national partnership of more than 200 organizations—including AARP, the American Academy of Family Physicians, the National Association of Chain Drug Stores, the Healthcare Leadership Council, and others—committed to providing consumers with objective, easy-to-understand information about Medicare's new prescription drug coverage. Together, the group is conducting a comprehensive outreach program to reach seniors within their communities, explaining the Medicare drug benefit and other new Medicare features with clarity and objectivity.

In addition to prescription drug coverage, many seniors will also be eligible for preventive health screenings, such as screenings for high cholesterol and diabetes, annual mammograms, bone mass measurements to assess one's risk for osteoporosis and flu shots.

*Medicare Today* organizers in all 50 states and the District of Colum-

bia are coordinating local events in senior centers, senior housing facilities, pharmacies, grocery stores and other gathering places to inform beneficiaries about the new Medicare provisions.

The effort is also providing seniors with interactive tools that provide detailed information specific to their own circumstances. One such tool—available online and in pharmacies, physician offices and senior centers nationwide—allows seniors to estimate their current annual prescription drug costs, combine it with their annual household income and have the tool calculate their estimated annual prescription out-of-pocket costs under the new Medicare coverage.

"Although seniors who are living with less money stand to see the greatest savings, the research shows that many seniors in the U.S.—regardless of current income or overall worth—may save hundreds of dollars each year," Grealy said. "It's critical that all Medicare beneficiaries, including individuals with disabilities who receive Medicare, take the time to find out more about this new benefit and see if it makes sense for them."

In addition to learning more, eligible seniors are encouraged to enroll early. Those who elect to enroll after May 15, 2006, may be subject to a late-enrollment penalty. To access *Medicare Today's* tools and locate *Medicare Today* educational activities taking place in your community, visit [www.MedicareToday.org](http://www.MedicareToday.org). Assistance is also available, 24 hours a day, at 1-800-MEDICARE (1-800-633-4227).