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HEALTH CARE REFORM & YOU

Rebate Checks Coming This Month for People in Medicare Rx Doughnut Hole; Five Facts You Should Know

STATEWIDE -- This week, Massachusetts seniors in Medicare who have fallen into the prescription drug coverage gap, the dreaded doughnut hole, will begin automatically receiving \$250 rebate checks to help with their drug costs and other expenses, part of the new health care reform law. About 300,000 Bay State seniors may face the doughnut hole in 2010.

“These rebate checks are the first step to gradually close the Medicare prescription drug doughnut hole – and help make prescription drugs more affordable for people in Medicare,” says Deborah Banda, state director of AARP Massachusetts, which represents more than 800,000 members age 50 and older in the Bay State.

Research shows that people who have trouble paying for their prescription drugs are more likely to skip doses or stop taking their medications altogether. This can lead to more serious health problems and higher long-term costs both for them and the health care system as a whole.

AARP Massachusetts member Patricia Liberti has fallen into the Medicare prescription drug doughnut hole repeatedly. Each year, once hitting the coverage gap, she has spent thousands of dollars to pay for the medicine that keeps her healthy and out of more expensive care. “The rebate check is definitely a step in the right direction,” Liberti says. “It’s \$250 I didn’t have before. And, next year, I’ll have even more help, when I can get a good discount on brand name prescriptions.”

Starting in 2011, people who reach the Medicare prescription drug doughnut hole will receive a 50 percent discount on all brand name and biologic drugs, and a seven percent discount on generics. Over 10 years, more discounts will be applied for both brand and generic drugs until the coverage gap completely closes in 2020.

The U.S. Department of Health and Human Services (HHS) plans to begin mailing the first group of Medicare prescription drug rebate checks on June 10, 2010. Checks will continue to be mailed throughout the year as more people reach the doughnut hole.

Five facts that people in Medicare should know about the rebate check and their prescription drugs:

- **Checks will be mailed automatically.** People in Medicare Part D who have paid more than \$940 in out-of-pocket drug costs should automatically receive a check after reaching that threshold.
- **Your check will be mailed to the address Social Security uses to reach you.** If you need to change your address, please call Social Security at 1-800-772-1213. If you prefer, a change of address may also be reported by calling or visiting your local Social Security office.

- **Receipts can help you track your spending.** Medicare tracks your drug costs for you, but you should save your receipts just in case. If you think you've reached the doughnut hole and don't receive your check within a few months, having your receipts handy will be helpful when talking to Medicare.
- **Protect yourself against scams.** If someone says they can help you get your check faster by paying them a fee, immediately report this scam or any similar fraud to the local police or to the Attorney General at 617-727-8400. You should also report any suspected scam to Medicare by calling 1-800-MEDICARE (1-800-633-4227).
- **You may be able to save on your prescription drugs.** By entering the name of each of your drugs, its dosage, and how often you take it into AARP's Doughnut Hole Calculator (www.aarp.org/doughnuthole), you can see when you are likely to enter the doughnut hole. This tool will also identify less costly drugs available in your Part D plan and will print out a personalized letter that will help you begin a conversation with your physician about switching to lower-cost alternatives.

To learn more – or ask questions – visit AARP's web page devoted to providing information about the health care reform law: www.aarp.org/getthefacts. To receive a free informational brochure, "How the New Health Care Law Benefits You (D19272)," call AARP Massachusetts toll free at 1-866-448-3621.

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