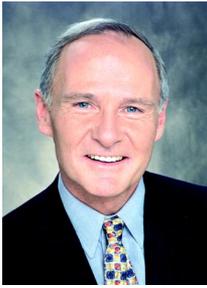


# Consumer Advisory: Medicare Reform

The new Medicare Act, called “The Medicare Prescription Drug Improvement and Modernization Act of 2003,” was signed into law on December 8, 2003.



**Attorney General  
Thomas F. Reilly  
Spring 2004**



Spring 2004

In 2003, the President and Congress passed a new Medicare law that dramatically changes the way elders will receive benefits and be able to pay for their prescription drugs. My office has produced this important brochure to help elders and other consumers in Massachusetts as they deal with these changes in the law. Inside you will find the information and resources you need to make the best choices for yourself or a family member.

You may have already heard something about the new Prescription Drug Discount Cards that will be available this year. The Medicare Program is endorsing certain discount cards as a way to achieve savings, but every card may not be right for you. I encourage everyone to think through your decisions before purchasing a drug benefit card. As always, you need to look at the fine print and understand all of your options.

Please remember that on this and so many other issues, the Attorney General's Office is here to help.

This new Medicare law is very complex, but I hope that the information here can help make the changes easier to understand. And if you still have questions, we have information and phone numbers available here for the best place to go for answers.

Have a safe and healthy year.

A handwritten signature in black ink that reads "Tom Kelly". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

## New Medicare Prescription Drug Benefit

The Medicare Act created a new “Medicare Part D” benefit that will provide prescription drug insurance to Medicare beneficiaries. This benefit will be available to seniors and disabled Medicare beneficiaries *beginning January 1, 2006*. The federal government is still working out the specifics of this benefit, and Congress may still make changes in the benefit before it is put into place.

Enrollment for this benefit is not expected to begin until November, 2005. The federal Centers for Medicare and Medicaid Services will provide seniors with detailed information about the prescription drug benefit before seniors need to make decisions about how to participate.

## Medicare Prescription Drug Discount Cards

The Medicare program will make prescription drug discount cards available to seniors and disabled Medicare beneficiaries *beginning June 1, 2004*. These cards are expected to provide savings of 10-25% off retail prescription drug prices, with additional assistance available for low-income beneficiaries.

The discount cards will be offered by private businesses and organizations. The Medicare program will only approve discount cards that meet certain standards, such as providing a range of different categories of discounted drugs, access to local pharmacies, and regular price comparisons for discounted drugs. Medicare discount cards will cost no more than \$30 per year.

Seniors and disabled Medicare beneficiaries may purchase Medicare prescription drug discount cards beginning May 3, 2004, although the cards will not be effective until June 1, 2004.

***Discount cards available for purchase before May 3, 2004 have NOT been approved by Medicare*** (see information on non-Medicare discount cards below).

Medicare beneficiaries can purchase only one Medicare prescription drug discount card. They will need to make decisions about which card is best for them, taking into account the different features of each card.

***Medicare beneficiaries should ask these questions before purchasing a prescription drug discount card:***

- 1.** Has the Medicare program approved this card? Check the information from the Medicare program - don't just rely on literature from the discount card provider.
- 2.** Does this card cover the drugs I take?
- 3.** Will the drugs covered by this card change? If so, how often?
- 4.** How much will I save? To see how much you would save by using a particular Medicare card, list your monthly drug costs, and calculate the savings the card would offer on each drug.
- 5.** Does the pharmacy where I shop accept this card? Ask your pharmacist - don't just rely on literature from the discount card provider.

## Non-Medicare Prescription Drug Discount Cards

The Medicare program has NOT approved these cards and these cards are NOT regulated at all. Use caution when buying these cards!

Other prescription drug discount cards, *not* approved by Medicare, are available now and will still be available after June, 2004. Medicare beneficiaries may purchase an unlimited number of non-Medicare discount cards. These non-Medicare cards may or may not meet the same standards as the Medicare-approved cards.

Many organizations currently offer prescription drug discount cards. Some of these cards are offered by established, familiar organizations such as pharmaceutical manufacturers, pharmacy chains, advocacy organizations, and pharmacy benefit managers. Other entities offer cards simply as a business venture.

The Attorney General has received a number of complaints about prescription drug discount cards. If you are considering purchasing a non-Medicare prescription drug discount card, ask all the questions you would ask about Medicare cards, and then follow these safety practices:

- ➔ Purchase a non-Medicare discount card only from a company or organization you know.
- ➔ Compare the costs and benefits of several cards before you purchase one. Both the costs and the benefits vary widely.
- ➔ Most prescription drug discount cards cost less than \$30. Don't pay much more than that for a card unless it provides significant additional benefits, such as dental care or eyeglasses.
- ➔ Read the fine print before you purchase anything!
- ➔ Be cautious about giving out personal information such as your social security number or mother's maiden name. Never give out your bank account number or your passwords.
- ➔ Keep a record of the organization's name, address and phone number. Keep copies of any information you provide.
- ➔ When you receive your medication through the mail or from a pharmacy, always check to see if it is exactly what you ordered. If you have concerns, ask your doctor.
- ➔ If you believe a discount card's practices are unfair or deceptive, contact Attorney General Reilly's Consumer Hotline at 1-617-727-8400.

## Other ways to save on prescription drug costs

If you are concerned about paying for your prescription drugs, tell your doctor. Your doctor may be able to prescribe a lower cost brand name or generic drug instead of the drug you currently take. Be sure to bring all your medications, including vitamins and any herbal supplements, to your doctor's appointment.

When your doctor reviews all your medications, your doctor may decide that some prescriptions are no longer necessary, or the dosage may be reduced.

You can also contact the manufacturer of a particular drug. Many pharmaceutical manufacturers provide their products for free or at a low price to very low-income individuals.

## Additional notes

- ➔ MassHealth members may NOT purchase a Medicare-approved discount card.
- ➔ Low-income seniors and disabled Medicare beneficiaries may be eligible for "Transitional Assistance" from Medicare. If your annual income is no more than \$12,569 for a single person, or no more than \$16,862 for a married couple, you may qualify to receive \$600 toward the cost of your prescription drugs in 2004, another \$600 in 2005, and a free Medicare-approved prescription drug discount card.
- ➔ If you are a member of the Massachusetts Prescription Advantage Plan, you will be receiving a letter explaining how the new Medicare Act affects your coverage.

**For more information:**

*The Centers for Medicare and Medicaid Services* administer the Medicare program, including the Medicare prescription drug discount cards and the future Medicare Part D prescription drug benefit.

**Medicare 1-800-MEDICARE (1-800-633-4227)**  
[www.cms.gov/medicarerereform/](http://www.cms.gov/medicarerereform/)

*SHINE* (Serving the Health Information Needs of Elders) is a counseling service that uses trained volunteers to assist Massachusetts elders with questions about Medicare and other private and public health care programs. The SHINE program is sponsored by the Massachusetts Executive Office of Elder Affairs (EOEA). Contact EOEA to find a SHINE counselor in your area.

**SHINE 1-800-AGE-INFO (1-800-243-4636)**  
[www.800ageinfo.com](http://www.800ageinfo.com)

By calling *MassMedLine*, Massachusetts residents can speak directly to pharmacists about their medications and to specialists about obtaining discounted or free medications. MassMedLine is a free service provided by the Massachusetts College of Pharmacy and Health Sciences and the Massachusetts Office of Elder Affairs.

**MassMedLine 1-866-633-1617 (toll-free)**  
[www.massmedline.com](http://www.massmedline.com)

**RxAssist** provides information online about financial assistance for prescription medications from pharmaceutical manufacturers' patient assistance programs and other sources. RxAssist is provided by Volunteers in Health Care and funded by the Robert Wood Johnson Foundation.

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

For general information or assistance from the *Office of the Attorney General*, or to report unfair or deceptive practices, contact the Attorney General's telephone hotlines:

For general questions or assistance regarding the  
Medicare Prescription Drug benefit.

**Elder Hotline: 1-888-AG-ELDER (1-888-243-5337)**

For questions regarding insurance coverage.

**Insurance Hotline: 1-888-830-6277**

To report unfair or deceptive practices.

**Consumer Hotline: 1-617-727-8400**

[www.ago.state.ma.us](http://www.ago.state.ma.us)

# Notes



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