

**CWA Local 4250 RMC
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Sebelius Announces Three Million Medicare Beneficiaries Have Received Prescription Drug Cost Relief Under The Affordable Care Act

U.S. Department of Health and Human Services Secretary Kathleen Sebelius today announced that three million Medicare beneficiaries nationwide have received prescription drug cost relief through the Affordable Care Act. To date, three million eligible beneficiaries who fell into the drug coverage gap known as the donut hole during 2010 have been mailed a one-time, tax-free \$250 rebate check.

"For too long, many seniors and people with disabilities have been forced to make impossible choices between paying for needed prescription medication and necessities like food and rent," said Secretary Sebelius. "The Affordable Care Act offers long overdue relief by lowering prescription drug costs each year until the donut hole is closed."

Eligible beneficiaries who fell into the coverage gap during 2010 are continuing to automatically receive rebate checks. These checks are only the first step in how the Affordable Care Act will reduce prescription drug costs for beneficiaries in the donut hole each year until it is closed in 2020. Starting this year, eligible beneficiaries in the coverage gap will receive a 50-percent discount on covered brand name medications while in the donut hole. In addition, in 2011 Medicare will begin paying 7-percent of the price for generic drugs during the coverage gap.

Also today, Secretary Sebelius released a new video message on the new benefits the Affordable Care Act provides in 2011 for people on Medicare. You can watch the video message [here](#).

The closing of the donut hole is just one of the ways seniors benefit from the Affordable Care Act. In addition to savings on prescription drugs, the law provides new benefits to Medicare beneficiaries when they visit their doctor starting this year:

- As of January 1, 2011, Original Medicare no longer charges out-of-pocket costs for the "Welcome to Medicare" physical exam and, for the first time since the Medicare program was created in 1965, Original Medicare now covers an annual wellness visit with a participating doctor, also at no cost.
- In addition to these annual wellness visits, most people with Medicare can now receive critical preventive services, including certain cancer screenings such as mammograms and colonoscopies, for free.
- Also this year, the Affordable Care Act will provide qualifying doctors and other health care professionals providing primary care to people on Medicare a 10-percent bonus for primary care services. This will help ensure that those primary care providers can continue to be there for Medicare patients.

People with Medicare can learn more about these new benefits, search for participating doctors in their area, and find other helpful information by contacting a trained customer service representative toll-free at 1-800-MEDICARE (1-800-633-4227) or visiting www.Medicare.gov.

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Additionally, the Affordable Care Act makes Medicare stronger and more secure for all beneficiaries. These provisions under the new law increase benefits to beneficiaries and help to extend the life of the Medicare Trust Fund by 12 years.

- An [analysis](#) issued by the Department of Health and Human Services estimates that under the Affordable Care Act, average savings for those enrolled in traditional Medicare will amount to more than \$3,500 over the next 10 years. Savings will be even higher – as much as \$12,300 over the next 10 years – for seniors and people with disabilities who have high prescription drug costs. Total savings per beneficiary enrolled in traditional Medicare are estimated to be \$86 in 2011, rising to \$649 in 2020. For a beneficiary in the donut hole, estimated total savings increase from \$553 in 2011 to \$2,217 in 2020.
- The Affordable Care Act establishes a new Innovation Center that will research, develop, test, and expand innovative payment and delivery arrangements to improve the quality and reduce the cost of care provided to patient with Medicare, Medicaid or Children’s Health Insurance Program (CHIP) coverage. Innovations that are found to work can be rapidly expanded and applied more broadly—helping to transform the health care system into one that provides better care at lower cost.
- The Affordable Care Act contains important new tools to help crack down on criminals seeking to scam seniors and steal taxpayer dollars. The law strengthens the screenings for health care providers who want to participate in Medicare, Medicaid, or CHIP, enables enforcement officials to see health care claims data from around the country in a searchable database, and strengthens the penalties for criminal wrongdoing. The reduction in waste, fraud, and abuse returns savings to the Medicare Trust Fund to strengthen the program into the future. Seniors are encouraged to contact 1-800-MEDICARE to report any solicitations of personal information or suspected fraud, waste, or abuse, or go to www.StopMedicareFraud.gov.

For more information on how the Affordable Care Act benefits seniors, visit www.HealthCare.gov.

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