

ElderLawAnswers

<http://www.elderlawanswers.com/resources/s4/r37045.asp>

ElderLaw News

[All Resources](#)

[Other News Articles](#)

[15 Most-Read News Articles](#)

[Search Articles](#)

All About the New Medicare Drug Discount Cards

Written By: [ElderLawAnswers.com](http://www.elderlawanswers.com)

Last updated: Apr 20, 2004

Sponsors of the new Medicare drug discount cards will begin marketing them in May, and beneficiaries will be able to begin using the card they select in June. The drug discount cards are an interim benefit that is being offered until the Medicare prescription benefit starts in 2006. Here's a brief overview of the new Medicare discount card offering:

Medicare has contracted with 28 private firms -- mostly large health insurers and pharmacy benefit managers -- to offer prescription drug discount cards to Medicare beneficiaries. Companies that have won the Medicare contracts include Aetna, WellPoint, Caremark Rx, Medco and Express Scripts. In addition, 43 sponsors representing 84 Medicare managed care (now called Medicare Advantage) plans will be eligible to offer drug discount cards to beneficiaries enrolled in their plans.

Medicare anticipates that beneficiaries will be able to save between 10 percent and 25 percent by using the cards to buy prescription drugs. Medicare expects about 7.3 million beneficiaries to apply for a card, a figure that some health care experts believe is optimistic. A list of available cards is on the Medicare's Web site, www.medicare.gov.

Who Is Eligible

Almost everyone with Medicare can obtain a card. It doesn't matter whether you have only Medicare Part A, or whether you have a Medigap policy. The only people who can't enroll for a card are those who have outpatient drug coverage through Medicaid. The drug discount card program is totally voluntary; no one has to enroll.

The Fine Print

The card sponsors will be able to charge Medicare beneficiaries up to \$30 a year for a discount drug card, although a Medicare official has estimated that about one-quarter of the sponsors will charge nothing at all.

Importantly, Medicare beneficiaries will be allowed to have only one of the Medicare-approved cards at a time. Each card will offer different discounts on different drugs based on the deals the card sponsor makes with drug makers. This means that if you take a number of medications, you will have to carefully compare the cards available in your area. However, because the discounts a card offers -- and the list of drugs that are discounted -- can change every week, what looks like a good deal today may not be so good in a month

— 322 —