Health Reform Law Will Send More than 60,000 Medicare beneficiaries in Maryland

$250 Checks Over Next Several Months

Washington, D.C. – Congressman Steny H. Hoyer (D-MD) announced that beginning today Medicare will start automatically mailing out $250 rebate checks to tens of thousands of seniors who fall into the Medicare Part D prescription drug “donut hole” gap in coverage. The checks, which are part of the new health insurance reform law, will continue to be mailed monthly over the next several months until the end of this year as more seniors enter the coverage gap. Beginning in January 2011, seniors in the donut hole will receive a discount on generic drugs, and the cost of brand name drugs will be cut in half. By 2020, the donut hole will be completely closed.

“Prescription drugs cost many people thousands of dollars a year, and for those whose costs exceed a certain level, they are left to choose whether to buy prescriptions or put food on the table,” **said Rep. Hoyer.** “That is unacceptable. These checks are a down payment on reducing prescription drug costs for seniors and eventually closing the donut hole altogether, and are the first example of how health care reform will strengthen Medicare and help seniors.”

The donut hole was created in the 2003 Medicare Modernization Act, which established a Medicare prescription drug program, but left the most vulnerable seniors without coverage once their drug costs exceed a certain level (the current donut hole threshold is $2,830) until they hit the catastrophic coverage threshold.

Last year, roughly 63,200 Medicare beneficiaries in Maryland fell into the donut hole and received no extra help to defray the cost of their prescription drugs. Now, under health reform, help is on the way. Medicare recipients don’t have to do anything to get the $250 check – once their drug costs for the year hit $2,830 the one-time check will be issued automatically.

Making prescription drugs more affordable is only one of the many benefits for seniors included in the recently enacted health reform law. Other benefits for seniors include:

- Free preventive care services under Medicare, including the option of a free annual checkup, beginning in 2011.
- Improved access to doctors.
- Strengthened Medicare, with extended solvency by an additional 12 years, from 2017 to 2029.
- Clamp down on Medicare waste, fraud and abuse.
- Improved care through better medical communication and coordination between your doctors.
- Expanded home and community-based services to keep seniors in their homes, instead of in nursing homes.
- Tighter oversight of nursing home quality.

Rep. Hoyer also warned seniors to be on the lookout for fraud. “The new health reform law contains some critical new tools to improve and enhance efforts to prevent, detect and take strong enforcement action against fraud in Medicare. Citizens should take steps to protect personal information and watch out for and report signs of fraud.”

To learn more about the $250 rebate check, read this new brochure (pdf), or visit www.Medicare.gov
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To report fraud, contact the Office of Inspector General at 1-800-HHS-TIPS (1-800-447-8477) or HHSTips@oig.hhs.gov . More information about identifying and stopping Medicare fraud at www.stopmedicarefraud.gov

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