

U.S. House and Senate Notification
Monday, August 30, 2010

To: Congressional Health Staff

From: Amy Hall
Director, Office of Legislation
Centers for Medicare & Medicaid Services

Subject: 1 Million Medicare Beneficiaries Have Received Prescription Drug Cost Relief Under the Affordable Care Act

The U.S. Department of Health and Human Services Secretary Kathleen Sebelius announced today that more than 1 million Medicare beneficiaries have received prescription drug cost relief through the Affordable Care Act. As part of the health insurance reform law's step-by-step efforts to close the Medicare Part D prescription drug coverage gap, eligible beneficiaries who fall in this "donut hole" this year are mailed a one-time, tax-free \$250 rebate check.

More than a quarter of the 4 million checks Medicare expects to distribute have been received by eligible Medicare beneficiaries. Eligible beneficiaries receive these checks automatically in the mail after they reach the donut hole. They don't have to sign-up to be eligible for the rebates. Seniors are encouraged to contact 1-800-MEDICARE to report any solicitations of personal information, or go to www.stopmedicarefraud.gov.

Rebate checks will help people with their drug costs this year. Next year, those who fall into the donut hole will receive a 50 percent discount on covered brand name medications while in the donut hole. Every year, the amount Medicare beneficiaries pay in cost sharing in the donut hole will decrease markedly until the coverage gap is closed.

The press release on this announcement can be found on the HHS website at: <http://www.hhs.gov/news/>.

If you have any questions, please contact the CMS Office of Legislation.