September 19, 2007

Dear Representative:

The undersigned members of the Leadership Council of Aging Organizations (LCAO) are writing to express our strong support for H.R. 932, introduced by Congressman Joseph Crowley. We believe this legislation would significantly help low-income Medicare beneficiaries with their prescription drug costs.

Under current law, low-income Medicare beneficiaries may qualify for substantial assistance with their prescriptions that can reduce or eliminate their monthly premium and their annual deductible. However, unless they are institutionalized, low-income beneficiaries are required to pay co-payments each time they fill a prescription. Those with the lowest incomes are responsible for co-pays ranging from $1.00 to $2.15 per generic drug and from $3.10 to $5.35 per brand name drug. Those with slightly higher incomes pay a 15% co-insurance for drug costs up to the catastrophic limit and then are responsible for co-pays of $2.15 per generic drug and $5.35 per brand name drug thereafter.

Beneficiaries with low incomes can find it particularly challenging to afford even these low co-pays, especially if they take multiple medications. A significant number of dual eligibles did not have any prescription drug co-pays prior to Part D’s implementation, so these new out-of-pocket costs are likely causing hardships for many. Furthermore, since these co-pays are indexed to inflation they grow larger with each passing year. We understand that H.R. 932 would place a $10 monthly cap on the co-payments that dual eligible and low-income subsidy Medicare beneficiaries are required to pay for their prescriptions. Limiting co-payments will improve the health of low-income Medicare beneficiaries by making prescriptions more affordable and by limiting the likelihood that they will forgo life-saving medications.

We believe that H.R. 932 represents a sound change to the Medicare Part D program, one that could improve benefits for countless low-income beneficiaries. We would appreciate your support and encourage you to enact the legislation this year.

Sincerely,

AFL-CIO
AFSCME
Alliance for Retired Americans
Alzheimer’s Association
American Association of Homes and Services for the Aging
American Geriatrics Society
American Society of Consultant Pharmacists
American Society on Aging
Association for Gerontology and Human Development in Historically Black Colleges and Universities
Catholic Health Association of the United States
Families USA
Gray Panthers
International Union, United Auto Workers
National Academy of Elder Law Attorneys
National Adult Day Services Association
National Association of Nutrition and Aging Services Programs
National Association of Professional Geriatric Care Managers
National Association of Retired and Senior Volunteer Program Directors, Inc.
National Association of Social Workers
National Committee to Preserve Social Security and Medicare
National Council on Aging
OWL, The Voice of Midlife and Older Women
United Jewish Communities