

MORE THAN 21 MILLION MEDICARE BENEFICIARIES TO GET DRUG COVERAGE STARTING IN JANUARY

More than 21 million seniors and people with disabilities will get prescription drug coverage starting January 1, 2006, HHS Secretary Mike Leavitt said today. The number includes more than one million Americans who signed up for the new stand-alone coverage in the first 28 days it was offered.

“The new prescription drug benefit is off to a strong start in the first 28 days,” said Secretary Leavitt. “With more than 21 million participating in coverage as of January 1, we are well on the way of meeting our goal of 28-30 million enrolled in the first year of the program. While there is still much work to do, we are encouraged by the early results.”

“Interest in the drug coverage is strong, and these numbers do show that people are getting questions answered and making decisions. For people who have decided they want coverage, they should go ahead and enroll now so they can take advantage of this important new protection,” said Centers for Medicare & Medicaid Services Administrator Mark B. McClellan, M.D., Ph.D.

Dr. McClellan noted the especially strong response from employers and unions who are planning on keeping their retirees in their current coverage. “We expected an initial spike in enrollment, but the participation in Medicare’s new support for retiree coverage is even better than many predicted,” Dr. McClellan said. “With more than 11 million retirees keeping the good coverage they have now, the support for retiree coverage provided in the Medicare drug benefit is working.”

Medicare beneficiaries will be getting their drug coverage in various ways, including from existing federal and/or military programs. The enrollment figures as of Dec. 13 are:

- Stand-alone Prescription Drug Plans: more than 1 million.
- Medicare/Medicaid: 6.2 million (including 600,000 in Medicare Advantage plans).
- Medicare Advantage: 4.4 million (plus 600,000 Medicare/Medicaid beneficiaries).
- Retiree coverage: About 5.9 million retirees are enrolled in the Medicare retiree subsidy, with an additional 600,000 in process. Also, about 1 million retirees are in employer coverage that incorporates or supplements Medicare’s coverage. Another estimated 500,000 retirees are continuing in coverage that is as good as Medicare’s. (See Attachment A.)
- TRICARE/ FEHB retirees: 3.1 million.

“The holidays are a great time for families to have a conversation with a loved one about signing up for the new prescription drug coverage,” Secretary Leavitt said. “The new benefit is the biggest improvement in health care for seniors and Americans with disabilities since Medicare began 40 years ago. We encourage all eligible beneficiaries to enroll so they can start saving right away on the prescription drugs they need to stay healthy – now and in the future.”

The Centers for Medicare & Medicaid Services will be releasing drug coverage enrollment data monthly.

