

Washington, D.C. - Today, Rep. David Price (D-NC) announced that, starting tomorrow, Medicare will begin mailing tens of thousands of seniors \$250 'donut hole' checks. Under the recently enacted health reform law, seniors who fall in the donut hole coverage gap in 2010 will receive this one-time tax-free \$250 rebate check. These checks will continue to be mailed monthly over the next several months as seniors enter the coverage gap. Last year, roughly 119,000 Medicare beneficiaries in North Carolina fell into the donut hole and received no extra help to defray the cost of their prescription drugs.

The checks are just one of health reform's benefits for seniors in the Medicare program. Beginning in January 2011, seniors in the donut hole will receive a 50% discount on brand name drugs. Meanwhile, the gap in coverage will be narrowed year-by-year, disappearing completely by 2020.

"Prescription drugs cost many people thousands of dollars a year and this check is a down payment on reducing prescription drug costs for seniors and eventually closing the donut hole altogether," Rep. Price said. "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."

Congressional Republicans created the donut hole as a part of Medicare prescription drug benefit legislation passed during the Bush Administration. The gap in coverage extends from the point when a beneficiary's drug costs reach \$2,830 to the catastrophic coverage threshold of \$6,440. Costs in this interval must be borne 100% by beneficiaries.

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

- Provides free preventive care services under Medicare, beginning in 2011.
- Strengthens Medicare by extending its solvency by an additional 12 years, from 2017 to 2029.

- Improves seniors' access to doctors.
- Strengthens safeguards against waste, fraud and abuse.
- Expands home and community-based services to keep seniors in their home, instead of in nursing homes.

Seniors should be on the lookout for Medicare donut hole check fraud. [From Healthreform.gov Frequently Asked Questions](#)

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Q: Who will the checks be sent by? What will the return address on the checks be?

A: The \$250 checks will be mailed by the Department of the Health and Human Services (HHS), and the HHS logo will be clearly displayed on the envelope. It will also include Medicare's 1-800 toll-free number in case Medicare beneficiaries have any questions. It should be noted that the checks will be mailed by one of Medicare's contractor. The envelope will include the contractor's Wisconsin address in case any checks are returned for follow-up.

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