

## **Report: Millions of Americans to Fall into Medicare Part D 'Doughnut Hole' Trap on Sept. 22**

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Contact: Toby Chaudhuri or Noreen Nielsen, 202-955-5665

WASHINGTON, July 18 /U.S. Newswire/ -- President Bush's prescription drug plan will create serious health and financial consequences for nearly 7 million Americans who fall into the program's "doughnut hole," a massive gap in coverage for those whose annual drug costs are between \$2,250 and \$5,100, according to a new report released today by the research arm of the Campaign for America's Future. Today's report finds that the average Medicare-eligible American will fall into the "doughnut hole" on Sept. 22, forcing seniors to pay the full cost of their prescription drugs on top of Medicare Part D's costly monthly premiums.

Rep. Jan Schakowsky, D-Ill., Rep. Marion Berry, D-Ark., and Rep. Darlene Hooley, D-Ore., joined Campaign for America's Future co-director Robert Borosage at today's news conference hosted by Americans United at the U.S. Capitol to urge Congress to provide a simple, affordable, and guaranteed drug benefit program, before the national "Doughnut Hole Day" devastates millions of Americans this September.

Rep. Schakowsky and Rep. Berry, leading sponsors of the Prescription Drug Savings and Choice Act (H.R. 752), believe America can do a better job of siding with seniors, not the drug companies.

"In crafting Part D, the Republicans had a choice: they could allow Medicare to negotiate for lower drug prices like the VA does, or they could shift costs to seniors and people with disabilities. They chose to side with the drug companies," said Rep. Schakowsky. "We can do better by passing the Medicare Prescription Drug Savings and Choice Act which would lower drug prices and fill the 'doughnut hole' trap with savings."

"The 'doughnut hole' will create a dangerous ripple effect on the health of America's seniors," said Congressman Berry. "Seniors will have to scale back on critical medications which could endanger their health and increase health care costs over the long-run. This is the result of a broken benefit that defies common sense."

Rep. Hooley criticized pharmaceutical companies for raising drug costs so high that seniors are finding themselves in the "doughnut hole."

"The pharmaceutical companies killed every attempt to allow Americans to benefit from the same low drug costs that other countries enjoy," said Rep. Hooley. "Now an increasing number of seniors are finding themselves facing the 'doughnut hole,' and once again being forced to choose between buying the drugs they need and putting food on their table."

Borosage noted that it's time Congress passed meaningful legislation that guarantees Medicare's prescription drug benefit for all Americans.

"We must reverse the cost of Republican corruption that has forced Americans to pay higher drug prices," said Borosage. "Congress can make health care affordable, starting by taking the Medicare prescription drug plan out of the hands of private insurers and requiring the government to negotiate lower prices."

Today's report shows that the "doughnut hole" gap will increase over time as the catastrophic coverage threshold rises each year, engulfing more and more Americans. As a result, 55 percent of those who enter the "doughnut hole" will not be able to escape it.