

WASHINGTON, D.C. – After seniors spent months trying to navigate Medicare Part D’s enrollment labyrinth or face a lifetime penalty, the House Ways and Means Committee today released report showing more dire news for beneficiaries. The report shows that 92 percent of seniors and people with disabilities in Maryland are at risk of falling into the “doughnut-hole,” the portion of the program that contains a gap in coverage where beneficiaries continue to pay premiums without receiving financial coverage for medicines.

“Democrats wanted a different law,” Hoyer said. “We wanted to simply add a prescription drug benefit to the existing Medicare program. Instead, this disastrous law has confused seniors, unreasonably penalized those unable to choose a plan in time, and subjected the overwhelming majority of beneficiaries to a coverage freeze known as the doughnut hole.”

The Maryland Doughnut-Hole Report:

- An alarming 92 percent of Medicare Prescription Drug plan enrollees\* in Maryland are enrolled in prescription drug plans that contain a doughnut-hole, or gap in coverage;
- Only 4.9 percent of Maryland’s new Medicare Prescription Drug plan enrollees\* are enrolled in plans with full, uninterrupted coverage;
- Of the 46 plans available in Maryland, 45 have a gap in coverage.
- Marylanders enrolled in full coverage plans, without a gap in coverage, have to pay 204% more in premiums than those in plans that have a gap;
- The average annual premium for a full coverage plan is \$634.56.

Democrats have offered an alternative plan to fix the new Prescription Drug program. In the Democratic Prescription for Change, House Democrats have proposed making the Medicare drug benefit simple, affordable, and reliable for senior citizens and people with disabilities. Under the proposal, Medicare would be required to use its bargaining power to negotiate lower drug prices, and the savings would be used to fill the doughnut hole. The Democratic plan would also waive the late enrollment penalty for millions of beneficiaries who are now locked out of coverage until 2007, and simplify the program by creating a Medicare-sponsored option.

“The cost of prescription drugs in this country has skyrocketed beyond what most American

families can afford, and it is imperative that we fix this law so seniors don't have to choose between their food and their medication," Hoyer concluded.

\*Percentages are of Medicare beneficiaries that are not eligible for low-income subsidies through Medicare or Medicaid when they enter the gap in coverage

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