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## Medicare drug card program baffling many seniors

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Countless phone calls, a computer-literate granddaughter and plenty of persistence.

That's what it took for Marjorie Alberson, 87, to work her way through the labyrinth of rules, prices and choices involved with the new Medicare-sponsored discount drug card program.



ANDY SHARP / Staff

[\(ENLARGE\)](#)

David Hutt of Marietta combed the Internet before choosing one of many discount cards for his prescriptions. "It's a confusing process," he says.

After weeks of questions and confusion, Alberson just last week picked a card. And she has found that she and her husband, Fisher, 90, each qualify for a \$600 credit for prescription drug purchases offered to low-income Medicare beneficiaries.

"It's better than I was afraid it was," says Marjorie, who lives in an Atlanta apartment building for seniors.

Four weeks into the sign-up process, getting even that much information is clearly frustrating many seniors, even while debate continues about how much savings the cards can really deliver.

Queries about the cards have deluged Medicare, and many are repeat calls.

Though only 7.3 million of the 41 million Medicare recipients are expected to sign up for cards this year, Medicare's national Web site is averaging 1 million visits a day, twice as many as in the days preceding the enrollment launch.

Its 800 phone number has been overwhelmed, logging more than 100,000 calls a day. Delays in getting phone help have been so long that Medicare has quintupled its customer service operators, from 400 to 2,000. Still, hold times can be 15 minutes.

The flood of questions isn't surprising. Georgia's nearly 1 million Medicare beneficiaries have 40 cards to choose from, offering varying discounts for different drugs. A printout of a metro Atlantan's options, with lists of pharmacies and pricing information, runs an average of 15 pages. Even then, the information may be faulty: Start-up glitches resulted in pricing and other errors on Medicare's Web site, though many of those problems have been corrected.

A Forrester Research report in early May found the Medicare.gov search tool cumbersome and lacking important information, including average retail prices.

David Hutt, 66, of Marietta, waded through the pages of data and found a card he thinks will save him money on his prescriptions.

Then, Hutt said, he was told by the card sponsor that he had to re-enroll. "The company said it had start-up problems, because either it or Medicare lost my records," Hutt says.

More commonly, seniors say they are simply having trouble processing the information available.

"There's an enormous amount of confusion among people," says Patricia Nemore of the Connecticut-based Center for Medicare Advocacy.

The discount-card program is considered a 19-month bridge to the full Medicare drug benefit, which begins Jan. 1, 2006. The card sign-up

period began May 3, and the cards take effect Tuesday. Cards are sponsored by drug makers, health insurers and pharmacy benefit managers, among other groups.

For decades, the lack of prescription drug coverage has been a gaping benefits hole in Medicare, the federal insurance program for people 65 and older and the disabled.

The Medicare agency says it doesn't yet know how many people have enrolled in card programs. But AARP reported last week that the group, which has 35 million 50-and-older members, mailed out 26,000 enrollment kits and has signed up only 400 people.

Marilyn Roaden, 59, of Columbus, has picked a card she estimates will save her 20 percent on five prescriptions. "It's better than no help at all," she says. She receives Medicare because of disability from a back injury.

Roaden used a computer but found the process daunting and needed help from a friend to figure out her best choice. "I could not understand it," says Roaden, who printed out 11 pages of choices. "I got such a headache. There were so many choices, so many price ranges. It's just a mess."

Roaden is typical: The average senior will plug in data on five medications, and 10 or 12 drugs is not unusual, says Adam Atherly, an Emory University professor of health policy and management.

But her use of the Internet to navigate the process is not typical. It's estimated that only about one in five Medicare recipients has Internet access.

"It's a confusing process, a tedious process — and I'm computer literate," Hutt says.

### **Costs may be cut little**

But even if they cut through the confusion, "for most people, the drug discount card will do little or nothing to cut their drug costs," says Robert Hayes, president of the New York-based Medicare Rights Center, a consumer advocacy group.

The cards typically offer discounts of 11 percent to 17 percent off average retail prices for brand-name drugs and cut generic drug prices 30 percent to 60 percent, according to the Centers for Medicare and Medicaid Services, the federal agency that oversees the programs.

But Hayes says consumers can get better prices on Internet sites, including from Canada.

Some Medicare recipients have discovered that. Charlee Lambert, 81, of Atlanta, uses an Internet site to buy three prescriptions from Canada. She says she gets a 50 percent or more savings on those drugs — much better deals than those posted for the Medicare card. Buying prescription drugs from Canada violates federal law, but individual consumers aren't prosecuted.

CMS officials say the drug card program and the posting of prices will result in cutting consumers' drug costs.

But two advocacy groups said last week that recent increases in drug prices negate much of the cards' savings. Separate studies released by AARP and consumer group Families USA found that prices for brand-name prescription drugs rose more than three times the rate of general inflation last year.

Discount card sponsors can change prices on the Web site weekly. But the Medicare agency says that the cost trend generally is downward.

Enrollees can choose only one card and can't switch cards until enrollment begins for 2005. That may be a problem not only because prices can change, but because prescriptions can change. "What if your doctor switches your drug next week? You're locked into the card," says Emory's Atherly.

The card sponsors are expected to offer discounts on at least one drug in each of 209 categories of medicines commonly used by seniors. Cards can charge an annual enrollment fee of up to \$30.

### **Not all will take card**

Many seniors will dive into Medicare's information system and may end up staying with prescription coverages they already have.

Those least interested in the card program appear to be seniors with solid retiree drug coverage from former employers. Roughly two-thirds of

Medicare beneficiaries currently have some form of prescription drug coverage.

Other Medicare recipients without retiree drug coverage will get modest savings from the cards.

Hutt is one. He now pays about \$200 per month for four medicines. He buys one through an Internet site, saving about 50 percent. But while the Medicare card he picked — with no enrollment fee — won't beat that price, it does offer him about a 25 percent break on a blood-pressure drug. On his other two drugs, there isn't much difference between the card and the retail price. The card will save him about \$40 per month.

Existing discount cards issued by drug manufacturers may offer a better deal than the Medicare-approved cards.

Margie Word, 73, of Sandy Springs uses cards issued by drug manufacturers to keep her monthly costs to less than \$130 for eight prescriptions.

Her current cards will still work, except for Pfizer's. But if Word picks a Medicare card endorsed by Pfizer, she will continue to get that company's drugs for a \$15 co-pay. Pfizer matches her current discounts under that Medicare card, but if Word selects a different card, her Pfizer discounts will end.

So Word's drug costs should remain the same under the card program, her daughter says.

Using Medicare and manufacturers cards for multiple drugs is allowed — though it may create confusion at the pharmacy.

"You'll see some people go into a pharmacy and pay for drugs with five different cards," says Marnie McDonough of GeorgiaCares, a state health insurance assistance program.

Martha Eaves, 87, of Conyers, says she's also sticking with a drug manufacturers' card.

She says the Medicare program is too complicated. "I think only the archangels can understand it."

### **Cards will help poorest**

The biggest help from the discount cards will come for people like the Albersons, who have annual income under \$12,569 (or \$16,862 for married couples). They qualify for a \$600 annual credit toward the purchase of drugs, and their enrollment fee is waived.

There are an estimated 7 million people in this category.

The Albersons recently paid \$376 in one month for prescription drugs; that figure included existing discounts, plus some coverage from their Medicare supplemental policy. Fisher takes eight medicines and Marjorie four.

So the Albersons were interested in the cards. Beginning in April, Marjorie started calling Medicare phone numbers, but couldn't get help. She finally was advised to call GeorgiaCares and worked with specialist McDonough.

Then granddaughter Catherine Carlton pitched in, working through the Medicare site.

Along the way, they discovered that Marjorie and Fisher will get the credit.

"That will pay for my medicines for the rest of the year," Marjorie says. Her advice to others pursuing a Medicare card: "You do have to be persistent."



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