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# F L O R I D A

## CONSUMER ACTION NETWORK FOUNDATION

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### DRUG DISCOUNT CARD: RHETORIC AND REALITY

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**RHETORIC:** This new discount card guarantees that seniors save money on their drugs right away.

**REALITY:** **That's misleading.** Like the new prescription drug benefit, the big drug and insurance companies are in charge of this discount card and determine which drugs seniors save on and how much they pay – not Medicare.

The 10 percent to 25 percent savings touted by HHS is merely a suggestion. There is nothing in the law or regulations that would guarantee seniors get such savings on even one of their medications. And some seniors take several different kinds of drugs. There's no guarantee that any one card will offer discounts on all of them.

Even worse, drug companies have already begun increasing their prices prior to the implementation of the law so that discounts offered don't cut into their bottom line. So some seniors will end up paying more for their drugs, even with a new "discount."

**RHETORIC:** The new drug card increases choices for seniors.

**REALITY:** **That's not true.** The private companies can change the drugs they cover and the discounts they have promised weekly, but seniors and people with disabilities will only be allowed to sign up for one card. When they do, they will be locked into that card for one year. This prohibits seniors from maximizing savings through multiple cards or from changing cards during the year to follow the lowest prices for their drugs. Seniors who sign up for a card because it discounts the medication their doctor has prescribed will be left with no recourse if the card suddenly changes the discount or drops the drug.

**RHETORIC:** These cards provide new discounts, ones that seniors can't access right now.

**REALITY:** **That's not true.** Most Medicare beneficiaries without drug coverage have access to existing drug cards – and they don't require a \$30 enrollment fee. They can have as many as they want, so they can benefit from as many discounts as possible. In addition, a GAO analysis of existing discount cards found that prescription cards provide a discount of only about 10 percent. Seniors can often find similar savings without a discount card by comparison shopping at local pharmacies or through other sources like internet pharmacies.

For more info please contact Becky Martin, Florida Consumer Action Network Foundation, Community Educator, cell 941/518-7051, [becky@fcan.org](mailto:becky@fcan.org)

**Florida Consumer Action Network Foundation** is a statewide 501c(3) non-profit citizen organization with 40,000 members. FCAN Foundation sponsors research and public education on matters affecting the quality of life of the residents of Florida. Issue areas include environmental protection, utility cost and regulation, insurance reform, health care issues and similar issues.

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