



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

MEMORANDUM

TO: Reporters and Editors
FR: Jill Kozeny, 4-1308
for Chairman Grassley
RE: Medicare Part D
Low-Income Subsidy
DA: November 21, 2006

Sen. Chuck Grassley, Chairman of the Committee on Finance, issued the comment below regarding an audit released this afternoon by the Office of the Inspector General for the U.S. Department of Health and Human Services. The audit is posted at www.oig.hhs.gov/w-new.

Sen. Grassley was the main Senate author of the Medicare Prescription Drug, Modernization and Improvement Act of 2003, which created the first-ever prescription drug benefit for Medicare beneficiaries. The benefit, known as Part D, took effect in January 2006. It offers significant discounts and subsidies for low-income seniors.

Sen. Grassley's comment:

“Making sure beneficiaries in need get extra help with their drug costs is a key goal of the Medicare prescription drug program. Beneficiaries who qualify for financial assistance have minimal, if any, prescription drug premiums or cost-sharing. Both the Social Security Administration and the Centers for Medicare and Medicaid Services worked hard to get beneficiaries signed up for the extra help.

“Despite those efforts, we know that many beneficiaries who will qualify haven't applied. The Office of the Inspector General has offered a recommendation that might boost the Social Security Administration's capacity to identify beneficiaries who may be eligible and to focus its limited resources more effectively. That said, any change in rules regarding disclosure of tax information must be considered very carefully. I look forward to working with the three agencies to explore this idea and any other idea that would help get beneficiaries the extra help that's available.”