

FOR IMMEDIATE RELEASE
September 22, 2003

FOR MORE INFORMATION CONTACT
Matt Russell 515-277-5007, ext. 15

NEW REPORT: Iowa Medicare Beneficiaries Pay More with Congressional Prescription Drug Plans

Average of 148,467 beneficiaries would pay more for prescriptions, 422,950 would pay more for doctor visits, and 36,285 stand to lose coverage they have now.

Des Moines. A new analysis, released today by Iowa Citizen Action Network and Iowa State Council of Senior Citizens revealed that Medicare beneficiaries in Iowa will pay MORE to stay healthy than they do today with the passage of the prescription drug legislation currently being considered by Congress. The report is written by the Washington, DC based US Action Education Fund.

“People from Iowa pay too much for healthcare today, but Congress is actually debating measures that would force higher costs on people from Iowa for prescription drugs and doctor visits. Though President Bush, the pharmaceutical industry, and Senator Grassley claim to be helping seniors with this legislation, this report reveals that the opposite is true,” said Iowa Citizen Action Network co-executive director Betty Ahrens. The report reveals that in Iowa, both the House and Senate legislation would foist higher costs on beneficiaries.

Higher prescription costs: The report reveals that because of a deadly combination of mandatory premiums, deductibles, and high co—payments many people from Iowa would pay more for prescription drugs than they do today. 161,964 would pay more under the Senate version of the legislation and 134,970 would pay more under the House version. The benefit proposed by Congress for Medicare beneficiaries pales in comparison to the generous prescription benefit that Congress gives themselves.

Retirees would lose coverage they have: The non-partisan Congressional Budget Office estimates that about one-third of retirees will lose their employer provided drug benefits with the passage of the Congressional legislation. The report shows that as many as 38,914 people from Iowa would lose the coverage they have now.

“I’m deeply troubled that Congress has proposed something that would threaten the coverage that some of us are fortunate enough to have,” said Wayne Gross, president of the Iowa State Council of Senior Citizens.

-more-

Forces higher costs for doctors and services: The report exposes little noticed provisions in both the House and Senate Medicare bills that hike the cost of doctor and other health services. Both bills would raise the deductible seniors and people with disabilities pay when they see a doctor. The Senate bill would foist \$18.6 billion in co-payments for lab visits on the backs of beneficiaries and the House bill would require co-payments for home health services.

“I don’t see any way, in any direction how this is going to help anyone,” said senior and Iowa Citizen Action Network member Leonard Hart of Davenport. “It will actually be worse for people than if they paid for it themselves.”

###

The Medicare Bait and Switch report was written and researched by Richard Kirsch, Executive Director of the Public Policy and Education Fund of New York, for USAction Education Fund (USAEF). Dan Smith, Intern at New Jersey Citizen Action, provided research assistance. The national version of this report will be available on-line at www.usaction.org later this month.

USAEF provides educational programming, technical support, and research to state, regional, and national organizations promoting social justice in the United States.

Iowa Citizen Action Network is a statewide coalition of senior, labor, farm, community, religious, and environmental organizations with 12,000 individual members, working to raise the living standards for low and moderate income families in the state and to improve the quality of life for all Iowans.