



CONGRESSMAN FRANK PALLONE



Reports to Seniors

Medicare Prescription Drug Benefit Plagued With Problems

Pallone Fights for Extension

Since Medicare Part D was rolled out in January, there have been a number of problems with the program. Most notably, seniors have found the enrollment process to be complex and confusing. In New Jersey alone, there are 45 different prescription drug plans for seniors to choose from. Each plan differs in price, as well as the type and quantity of drugs they cover. To make matters worse, a new government report shows that seniors often receive faulty information when they seek assistance in choosing a plan.

In spite of these problems, the Administration and Republicans in Congress refused to extend the deadline for seniors to select a plan. As a result, seniors who were unable to sign up by May 15th are now subject to a penalty fee that increases each month they wait to sign up. Since the next enrollment period does not begin until November, those who have not yet signed up will automatically face a seven percent fee on their monthly premium for

the rest of their lives.

I fought to extend the May 15th deadline until the end of the year. This would give millions of

seniors an additional seven months to decide on a drug plan without facing any penalties. Unfortunately, the Administration and House Republicans chose to keep their unfair sign-up deadline of May 15th.

Pallone Actively Supports Bill to Close Part D "Donut Hole"

Every Medicare beneficiary who is enrolled in Part D should be aware of the coverage gap commonly referred to as the "donut hole."

Under the program, Medicare beneficiaries who are enrolled in a private plan only receive drug coverage until their total drug costs reach \$2,250. Once seniors reach this limit their prescription drug benefit disappears until they have spent \$5,100. During this period seniors are responsible for the entire cost of their drugs plus their monthly premium.

Democrats have an alternate plan. I support legislation that would give the Secretary of Health and Human Services the ability to negotiate lower prices for prescription drugs on behalf of the more than 40 million seniors.

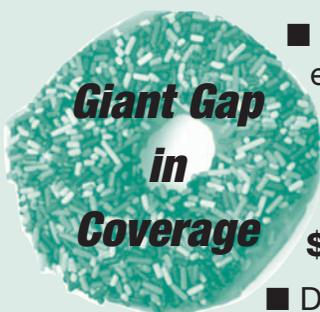
Currently, the Veterans Administration negotiates lower prices for America's veterans. As a result, veterans are paying 43 percent less for their drugs than seniors in the Medicare Part D plan. The substantial savings from price negotiation could then be used to close the "donut hole" ensuring that no senior faces a gap in coverage.

You can be assured I will continue fighting for an affordable, reliable drug benefit that meets all our seniors' needs.



Congressman Pallone speaks to seniors at an event about their concerns with the new prescription drug plan.

What You Need to Know About the "Donut Hole"



- Under a standard plan, when total drug expenses reach **\$2,250** your prescription drug coverage will stop
- You will pay for all of your drug costs until the total costs reach **\$5,100**

■ Democrats want to allow the Secretary of Health and Human Services to negotiate on your behalf to fill in the "Donut Hole"

Pallone Opposes Veterans Cuts

The budget approved by the Republican majority in the House of Representatives was hard on many Americans, including our honorable veterans. The cuts they made to the Veterans

Administration will make life much more difficult for New Jersey veterans and the organizations that assist them.



Preventing Elderly Falls

Each year approximately one in three Americans over the age of 65 experiences a debilitating fall, the leading cause of injury-related deaths for older Americans. In addition, the Centers for Disease Control and Prevention estimate that fall-related medical expenses cost Americans more than \$20 billion annually. Costs are expected to climb to more than \$40 billion over the next 15 years, posing additional burdens on already strapped Medicare and Medicaid funding.

I strongly believe that effective demonstration projects in nursing homes and hospitals, comprehensive public information and education campaigns can help reduce and mitigate these avoidable and disabling injuries. This year I introduced H.R. 5608, *The Keeping Seniors Safe from Falls Act of 2006*, which launches a comprehensive preventative care program to reduce the number and severity of falls to the elderly.

The Republican budget does nothing to address increasing health care costs for our nation's veterans. Instead, it denies care to millions of military retirees, and fails to adequately fund the veterans' mental health and prosthetic research programs. The budget also fails to end the unfair Disabled Veterans Tax and the Military Family Tax.

I strongly opposed these drastic cuts when the budget came up for a vote earlier this year in the House. Our nation should not shortchange veterans programs at a time when we are asking so much of our enlisted men and women. We must keep the promises we made to our veterans when they defended our nation.

Rep. Pallone's District Offices – Reaching Out to You

If you have a problem of a federal nature or want to obtain information on legislative issues, contact these offices, open weekdays 9:00 a.m. to 5:00 p.m.

Middlesex/Somerset/Union

67/69 Church St., Kilmer Square
New Brunswick 08901
732-249-8892

Monmouth

504 Broadway
Long Branch 07740
732-571-1140

Bayshore/West Monmouth

I.E.I. Airport Plaza
1390 Rt. 36, #104, Hazlet 07730
732-264-9104

Web site: www.house.gov/pallone



Congress of the United States
House of Representatives
Washington, D.C. 20515-3006

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Frank Pallone, Jr.
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6th Congressional District
New Jersey