

# ***HEALTH CARE***

## **NEWS AND INFORMATION**

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*Health Care: News and Information* is a service of the Healthcare Leadership Council (HLC) to help our readers stay fully informed about the latest health care issues as we work to advance a high-quality health care system.

Jim Edwards, Editor

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## **Medicare Rx Costs to Rise Little in 2009**

**Medicare prescription coverage will cost much less next year than the government originally predicted. This proves how consumer choice and competition best achieve both cost containment and quality.**

- The Centers for Medicare and Medicaid Services recently announced the average Part D premium for 2009. CMS also noted continuing high satisfaction among seniors.
- For the third straight year, prescription benefit premiums will rise less than projected back in 2003.
- The Medicare Modernization Act added drug coverage to the Medicare program in 2003.

**Policymakers in the legislative and executive branches wisely designed the Part D prescription drug program by integrating market-based principles. It's proven highly successful.**

- Medicare beneficiaries will pay an average \$28 a month premium for prescription coverage next year. Rising drug costs in general explain the increase.
- Next year's premium is a mere \$3 above the 2008 average. It's 37 percent lower than the original 2003 estimate, which was \$44 in 2009.
- Part D premiums have averaged less than projected, three years in a row. Premiums ran \$32 in 2006, \$24 in 2007, and \$25 in 2008.
- Next year, nearly all beneficiaries — 97 percent — in Medicare drug plans have plans to choose from that will cost the same or less than their 2008 premiums.

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**The beneficial effect of market-based principles has given seniors high-quality drug coverage,**

**consumer choice of plans and lower costs for prescriptions and health plans. “Measured by enrollment, lower costs than originally expected and persistently high satisfaction rates, the Part D drug benefit program has in a short time become a stable, familiar, and vital part of Medicare,” CMS Acting Administrator Kerry Weems said.**

*The Healthcare Leadership Council, representing the innovators in each sector of the health care industry, is committed to advancing a market-based health care system that values innovation and provides affordable, high-quality care.*

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