

**Statement of Senator Larry Craig**  
***“Helping Those Who Need It Most: Lower-Income Seniors and the New Medicare Law”***  
July 19, 2004

Good afternoon and welcome. The new Medicare law enacted last fall represents the most substantial expansion and improvement in that program since its creation 39 years ago. Not surprisingly, debate about this new law was – and remains – quite spirited.

However, if there is one aspect of the new program about which few should disagree, it is this: The new Medicare law offers dramatic new assistance – billions of dollars of it – for seniors of modest and lower-income. Those seniors who are struggling the hardest to pay for their prescriptions are precisely the seniors whom this bill targets most generously. And that is as it should be.

We are here today to explore the specifics of what this legislation will mean for seniors in greatest economic need.

Our discussion will begin with an updated look at how the new prescription drug card is doing – and in particular ways in which CMS and its non-governmental partners are working to bring the new low-income \$600 transitional assistance to as many seniors as possible.

On this front, we will hear encouraging news from CMS Administrator Mark McClellan, who we are pleased to have with us today. I understand, for example, that seniors are now signing up for the cards at a rate of 25,000 per day – and also that the drug price savings continue to be impressive.

CMS, meanwhile, continues to aggressively expand its outreach and enrollment efforts, including improvements to its Price Compare website, and through grant assistance to community-based organizations and to national coalitions. One of these, the Access to Benefits Coalition, will also be providing testimony today.

Even more importantly, we will also hear testimony about the new law’s full drug benefit scheduled to begin in 2006, and the ways in which lower-income seniors stand to benefit tremendously under the new assistance that is now just 17 months away.

Nearly half of the new law’s funding is targeted specifically to lower-income seniors – and more than one in three seniors will qualify for assistance. For the vast majority of these seniors, this will mean zero premiums, zero deductibles, no gaps in coverage, and copays of just a few dollars per prescription. It is difficult to imagine a stronger package.

This is not to say this will be easy. This is a tremendously complex program, and it is being implemented on a very ambitious timetable. Our witnesses today will offer guidance on such critical questions as how we can tailor our outreach efforts most effectively. Enrolling as many qualifying beneficiaries as possible should be our top goal.

When debate over adding a prescription drug benefit began several years ago, the guiding motivation was first and foremost to help those seniors who were struggling to make ends meet – that is, those seniors who were sometimes forced to choose between food and prescriptions. For those seniors in greatest need, this new law is truly a godsend.

We have a remarkably accomplished panel of witnesses today. I look forward to your testimony. Thank you for joining us.