

Medicare Maladies

A Series that Exposes the Dangerous Elements of the Medicare Bill currently in Committee

MM #3: Seniors Will Pay More For Drugs

Some reform. A Senate Medicare bill many supporters say will make prescription drugs cheaper for seniors actually will increase drug costs by an average of \$621.

No, we're not kidding: That's the conclusion of a Budget Committee staff analysis on the out-of-pocket costs for seniors under the Senate's Medicare "reform" bill, which is currently being reconciled with a House version.

As Heritage Foundation Visiting Fellow Lanhee J. Chen noted in a July 15 online memo, the committee's staff, using government data, found that the Senate bill would force the average Medicare patient to pay about \$1,678 in out-of-pocket costs (plus premiums) in 2006. That's up 60 percent—or \$621—from what they would pay under their existing drug coverage.

And \$621 is a lot of money. In fact, that price for drugs would be more than what the average American paid for dairy products, fruits, vegetables, cereals and bakery products combined in 2001.

Chen says the analysis is more proof that the Senate Medicare bill falls far short of "reform" or even making drugs more affordable. "Despite the fact that the Senate Medicare bill would cost federal taxpayers almost \$400 billion, it might actually hurt more seniors than it would help," Chen writes.

Read more of Chen's memo here: www.heritage.org/Research/HealthCare/wm313.cfm

For more information or to receive an e-mail version of "Medicare Maladies," contact chris.kennedy@heritage.org or call Heritage Media Services at (202) 675-1761.

("Medicare Maladies" is a regular feature, launched 7/14/03, from The Heritage Foundation. Sad to say, there's another malady coming your way tomorrow. Daily "maladies" are also available on heritage.org.)