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**REID, DODD, BAUCUS COMMIT TO CLOSING MEDICARE COVERAGE GAP
IN HEALTH REFORM BILL**

Washington, DC— *Senate Majority Leader Harry Reid, Senate HELP Committee Senior Member Chris Dodd and Senate Finance Chairman Max Baucus delivered the following remarks this evening on the floor of the U.S. Senate, committing to close the Medicare prescription drug coverage gap in the health reform bill Congress will send President Obama. The gap, known as the “doughnut hole,” forces seniors to pay thousands of dollars out of pocket for the medicine they need. Below are their remarks as prepared for delivery:*

SEN. REID: “When the American people demanded last November – and throughout this year – that we make it possible for every American to afford to live a healthy life, they did so because they know from personal experience just how broken our country’s health care delivery system is.

“And as the Senate has worked to answer that call this year, we have drafted a bill that will save lives, save money and save Medicare.

“Many aspects of the current bill achieve that goal. But there’s one more thing we can do: closing the notorious gap that arbitrarily charges seniors in Nevada and throughout the nation thousands of dollars for their prescription drugs.

“As seniors know all too well, the prescription plan is called Medicare Part D and the coverage gap is commonly called the ‘doughnut hole.’ Right now, Medicare will help seniors afford their prescription drugs only up to a certain annual dollar limit – \$2,700 a year – then stop, and then help them again only once their bills reach another, much higher annual level – \$6,100. Between those two points – in the so-called ‘doughnut hole’ – seniors are stuck with the full bill.

“Imagine your car insurance covered you until you drove 2,700 miles in a given year, then stopped, then started covering you again once you hit 6,100 miles. That wouldn’t work for drivers, and the ‘doughnut hole’ doesn’t work for seniors.

“The effects of this broken system are painfully simple: more and more seniors have to skip or split the pills they need to stay healthy. It means that in January, someone will pay \$35 to fill a prescription, but by October he or she could be asked pay thousands of dollars for the very same pills.

“It’s not an uncommon problem. Millions of seniors – a quarter of all in the Medicare Part D program – reach that no-man’s land during the year. But only a small fraction of them get to the other side. Both numbers will get only worse with time if we don’t act.

“Not surprisingly, those caught in the middle simply don’t take the medicine they need at far greater rates than those who do have coverage.

“Like we see with uninsured Americans of all ages, those who can’t afford the treatments they need to get healthy will get even sicker. Down the road, that means more expensive doctor visits, more expensive hospital stays and more expensive medicines. It means more sickness and more death.

“We have already taken the first steps to fix this in the current bill, closing the gap by half and by an additional \$500 for 2010. Because I am committed to saving lives, saving money and saving Medicare, I am committed to fully closing it, once and for all.

“Once we pass this bill, we will do so in our conference committee with the House, whose bill already closes the gap. The legislation we will send to President Obama for his signature will make good on his promise and ours to forever end this indefensible injustice for America’s seniors.”

SEN. DODD: “I agree with my friend the Majority Leader that we must close the doughnut hole, and I second his commitment to doing so with the bill we send to the President. As most seniors live on modest incomes, it is imperative that they can afford the prescriptions they need.

“As the Majority Leader has noted, seniors who have trouble paying for their prescription drugs are more likely to skip doses or stop taking their medications altogether, which can lead to more serious health problems and higher long-term costs both for them and for our health care system as a whole.

“In my state of Connecticut, 25 percent of Part D enrollees fall into the doughnut hole, so I understand the significance of delivering on the commitment to fixing this problem.

“We have a responsibility to protect and strengthen Medicare and to improve the lives of America’s seniors.

“If we fail to act, the doughnut hole will continue to grow in size, doubling in less than 10 years. The size of the doughnut hole is directly tied to drug prices, prices that are rising at alarming rates.

“Seniors will spend thousands and thousands of dollars – not including the cost of their premiums – before they get out of the doughnut hole and get the treatments they need. They cannot afford to wait any longer to close this costly gap.

“Our historic reform effort must improve the quality and affordability of Medicare. Closing the doughnut hole is a clear, concrete way to do just that.

“I understand that we may not have the opportunity to fix this issue in the Senate bill before it leaves this chamber, so I support the idea of closing the doughnut hole in the conference committee.”

SEN. BAUCUS: “Closing the doughnut hole is the right thing to do. Medicare beneficiaries face extremely high out-of-pocket costs for outpatient prescription drugs. In fact, they face costs that are six times higher than out-of-pocket costs for those of us fortunate enough to have employer-sponsored coverage.

“The doughnut hole contributes to these high out-of-pocket costs. And as a result, the doughnut hole often results in seniors skipping vital medications.

“Eliminating the coverage gap in the Medicare prescription drug program will save people with Medicare thousands of dollars every year. And lowering the costs for seniors will also keep them healthier by ensuring that they can afford their medications.

“In my home state of Montana, 33 percent of seniors enrolled in the Medicare prescription drug program fall into the doughnut hole every year. And we all know what the consequences are when people cannot afford the medicines that they need to stay healthy, both for the affected individuals, and for society at large.

“Recognizing the scope of this problem, in his address to a joint session of Congress in September, President Obama promised to close the doughnut hole, once and for all, by 2019. It is our responsibility to make good on this promise and provide this needed relief to seniors. And I join my Colleagues in committing that we will send a bill to the President that closes the doughnut hole and fulfills his promise.”

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