



**STATE OF DELAWARE
DELAWARE HEALTH AND SOCIAL SERVICES
DIVISION OF MEDICAID & MEDICAL ASSISTANCE
PLANNING AND POLICY DEVELOPMENT UNIT**

MEMORANDUM

REPLY TO
ATTN. OF: Administrative Notice DMMA 05-2010

TO: All DMMA and DSS Staff

DATE: July 9, 2010

SUBJECT: Medicare Part D - \$250 Rebate Check

BACKGROUND

The Affordable Care Act signed by President Obama provides for improvements to Medicare Part D. Currently most Medicare Part D prescription plans have a coverage gap ('donut hole'). Division B, Title 1, Subtitle E of The Affordable Care Act focuses on eliminating this coverage gap by 2020.

DISCUSSION

Beneficiaries that have Medicare Part D, and are not dual eligibles (Medicare/Medicaid) or eligible for the Medicare Extra Help (LIS), will receive a one time, tax-free \$250 rebate check once they reach the donut hole.

Checks will begin to be mailed out in June 2010. They will be mailed monthly thereafter as beneficiaries enter the donut hole. It could take up to three – four months for checks to be issued once the donut hole is reached.

This rebate will not count as income in the month received. However, any portion that is retained by the beneficiary the month following receipt will be considered a resource.

ACTION REQUIRED

None

DIRECT INQUIRIES TO

Barbara L. Lewis
(302) 424-7228

July 9, 2010
DATE

Rosanne Mahaney
ROSANNE MAHANEY, DIRECTOR
DIVISION OF MEDICAID & MEDICAL ASSISTANCE