Beginning this week, New Jersey seniors who face the prescription drug “donut hole” coverage gap will start receiving $250 checks from Medicare. The health reform law provides seniors who fall in the prescription coverage gap in 2010 this one-time tax-free $250 rebate check. These checks will continue to be mailed monthly over the next several months as seniors enter the coverage gap. The checks are just the first benefit from health reform for seniors in the Medicare Prescription Drug program. Beginning in January 2011, seniors in the donut hole will receive a 50 percent discount on brand name drugs. By 2020, the donut hole will be completely closed.

Last year, 8,300 seniors on Medicare in New Jersey's Twelfth District, and 227,000 statewide experienced the coverage gap, which is at more than $3,600 – and increases each year. The millions of seniors who fall into the donut hole each year keep paying premiums while paying 100 percent of drug costs.