



Seniors' Opinions About Medicare Rx: Third Year Update

Key Findings

October 2008



Presentation

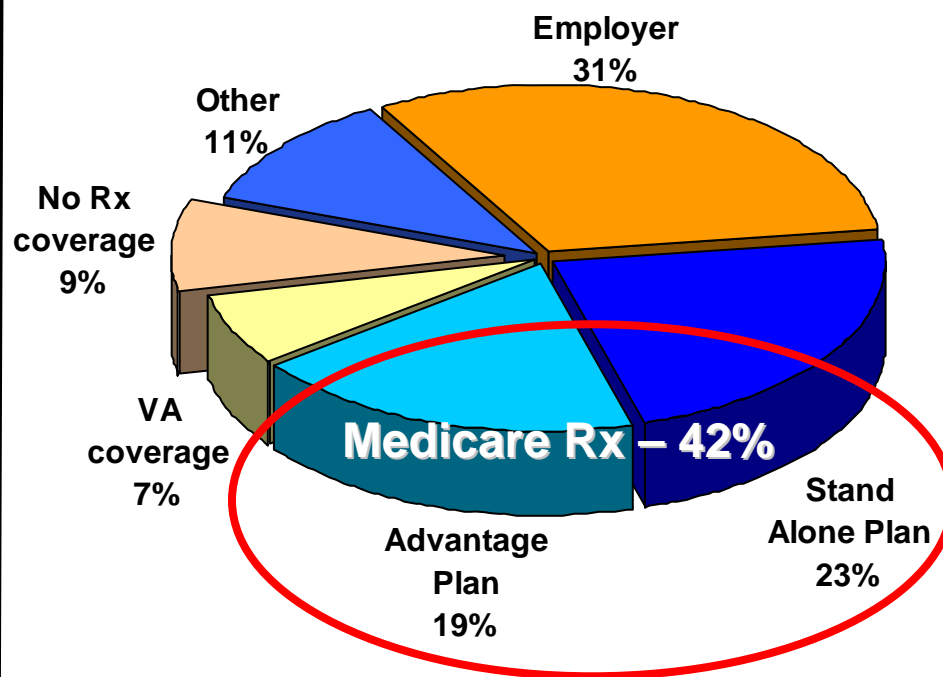
- Objective and Method
- Opinions about Medicare Rx and how it's working
- Intent to shop around and change plans
- Conclusions

Method

Nationally representative telephone sample of 1,007 seniors 65+ enrolled in Medicare conducted Sept. 16-22, 2008. The margin of error (MOE) for the full sample is ± 3.1 percentage points (pps). We discuss the following groups in this report:

- **All seniors with Rx coverage** (N=913, MOE is ± 3.2 pps.)
- **Medicare Rx coverage (both stand-alone and Advantage)** (N=418, MOE is ± 4.8 pps.)
- **Medicare stand-alone plan** (N=228, MOE is ± 6.5 pps.)
- **Medicare Advantage plan** (N=191 MOE is ± 7.1 pps.)
- **Dual eligibles** (N=127 MOE is ± 8.7 pps.)
- **Limited income** (N=128 MOE is ± 8.7 pps.)
- **Take 6+ prescriptions** (N=298 MOE is ± 5.7 pps.)
- **Have disability** (N=329 MOE is ± 5.4 pps.)

Primary Rx Coverage: All Seniors 91% say they have Rx coverage—9% do not.



The primary focus of this report is on seniors who have **Medicare Rx coverage**, in both stand-alone and Medicare Advantage plans.

Snapshot of Seniors Interviewed

Gender	%
Male	40
Female	60
Age	
65-74	50
75+	50
Ethnicity	
Caucasian	84
African-American	6
Hispanic/Latino(a)	5
Asian/Pacific Islander	2
American Indian/Native	1
Take prescriptions	90
Have Rx coverage	91
Spend over \$50 p/mth out-of-pocket	34

Region	%
Northeast	18
Midwest	21
South	36
West	25
Population density	
Large city	20
Suburban area	27
Small town	34
Rural area	15
Have disability	33
Have difficulty paying for prescriptions	8
Take more than 10 Rx	7

Tracking is based on identical questions asked 5 times

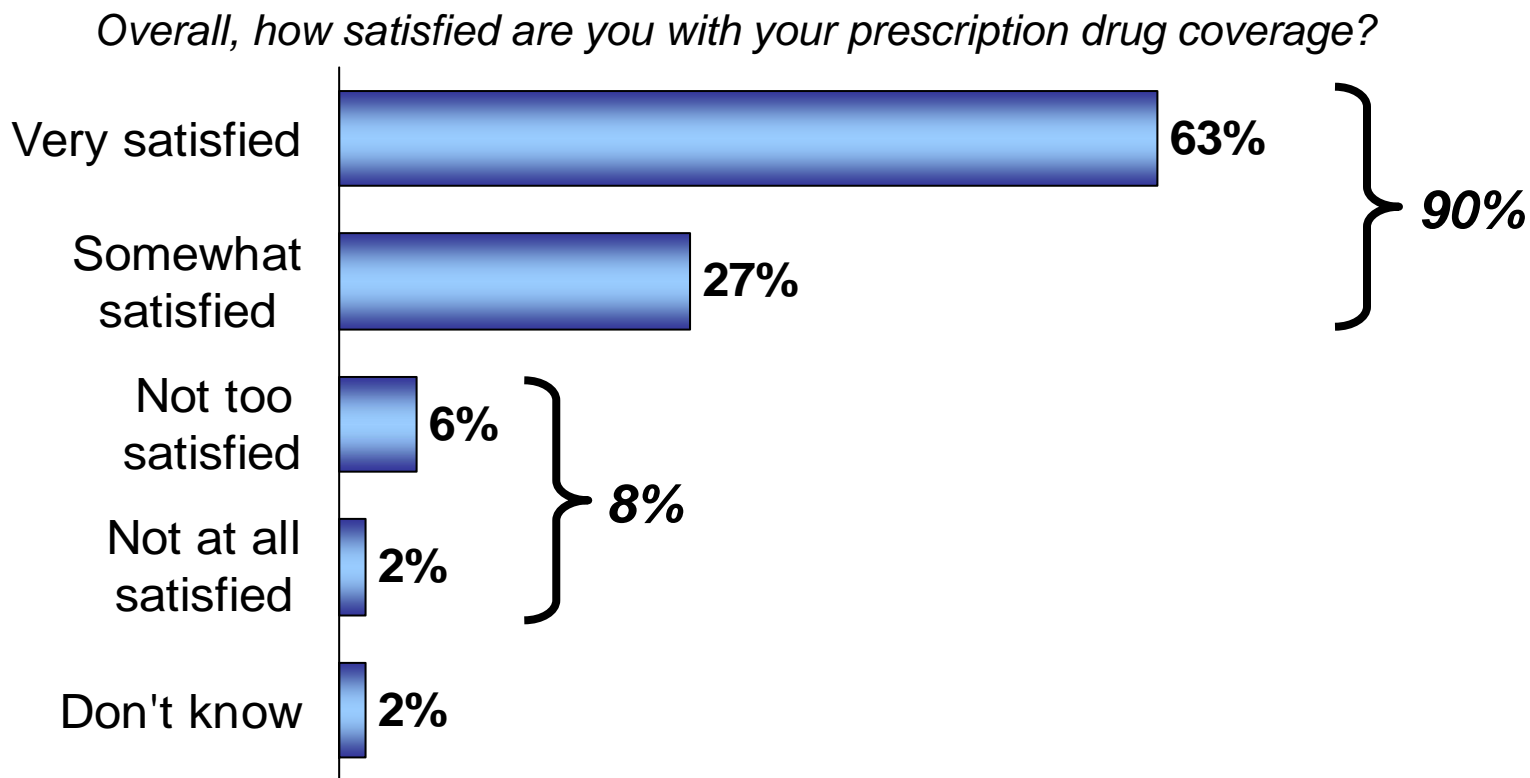
	Mar. 2006	Sept. 2006	Jan. 2007	Sept. 2007	Sept. 2008
Interview dates	March 15 to 20	September 1 to 7	January 5 to 9	September 8 to 16	September 16 to 22
Research firm	KRC Research	KRC Research	KRC Research	KRC Research	KRC Research
Sample	Seniors 65 and older enrolled in Medicare	Seniors 65 and older enrolled in Medicare	Seniors 65 and older enrolled in Medicare	Seniors 65 and older enrolled in Medicare	Seniors 65 and older enrolled in Medicare
Number of telephone interviews	896	802	1,003	1,001	1,007
Margin of error for total sample	±3.3 percentage points	±3.5 percentage points	±3.1 percentage points	±3.1 percentage points	±3.1 percentage points
Objectives	<ul style="list-style-type: none"> Experiences of seniors enrolled in a Medicare Rx plan Opinions and information needs of those not enrolled 	<ul style="list-style-type: none"> Satisfaction of enrollees Awareness of upcoming enrollment period and coverage gap Likelihood to change plans 	<ul style="list-style-type: none"> Satisfaction of enrollees Attitudes and outcomes from the second enrollment period 	<ul style="list-style-type: none"> Satisfaction of enrollees Awareness of low-income subsidy Likelihood to change plans 	<ul style="list-style-type: none"> Satisfaction of enrollees Advice to other seniors Likelihood to change plans

Presentation

- Purpose and method
- Opinions about Medicare Rx and how it's working
- Intent to shop around and change plans
- Conclusions

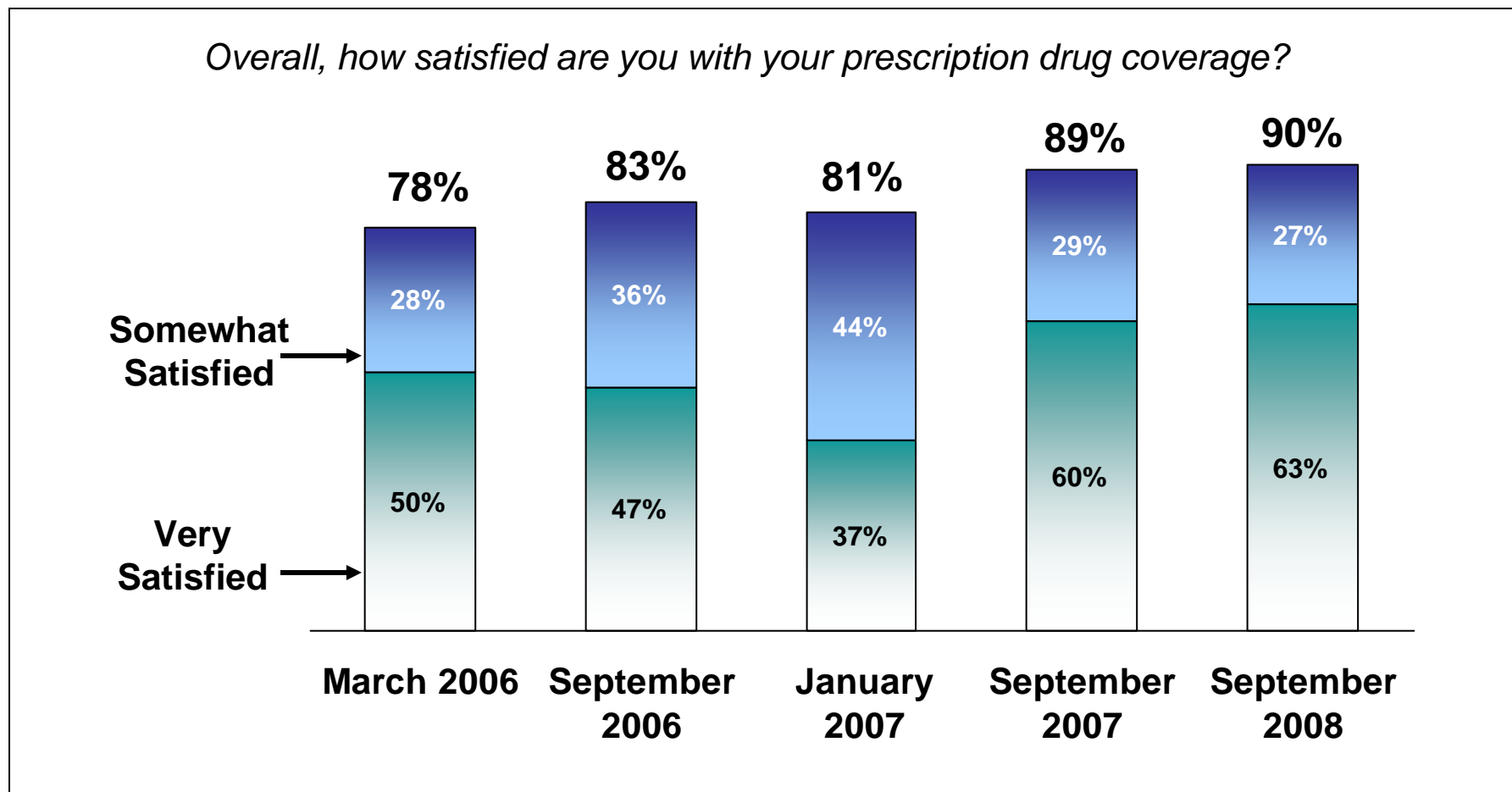
9 in 10 seniors with Medicare Rx say they're satisfied with their prescription drug coverage.

More than two thirds are VERY satisfied.



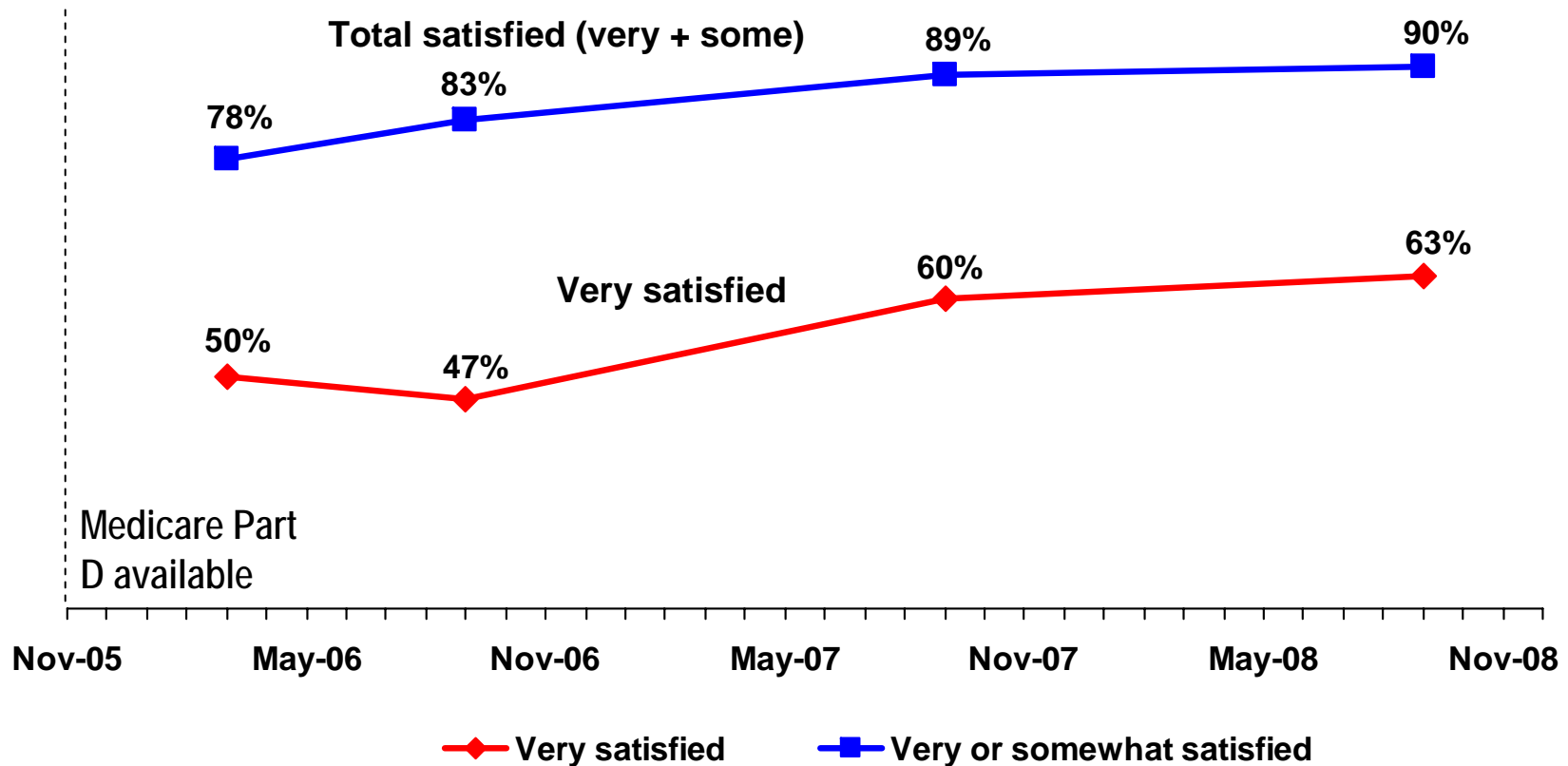
Base: Those enrolled in a Medicare plan (stand-alone or Medicare Advantage)

Satisfaction among seniors with Medicare Rx has increased 12 points since the beginning of the program.



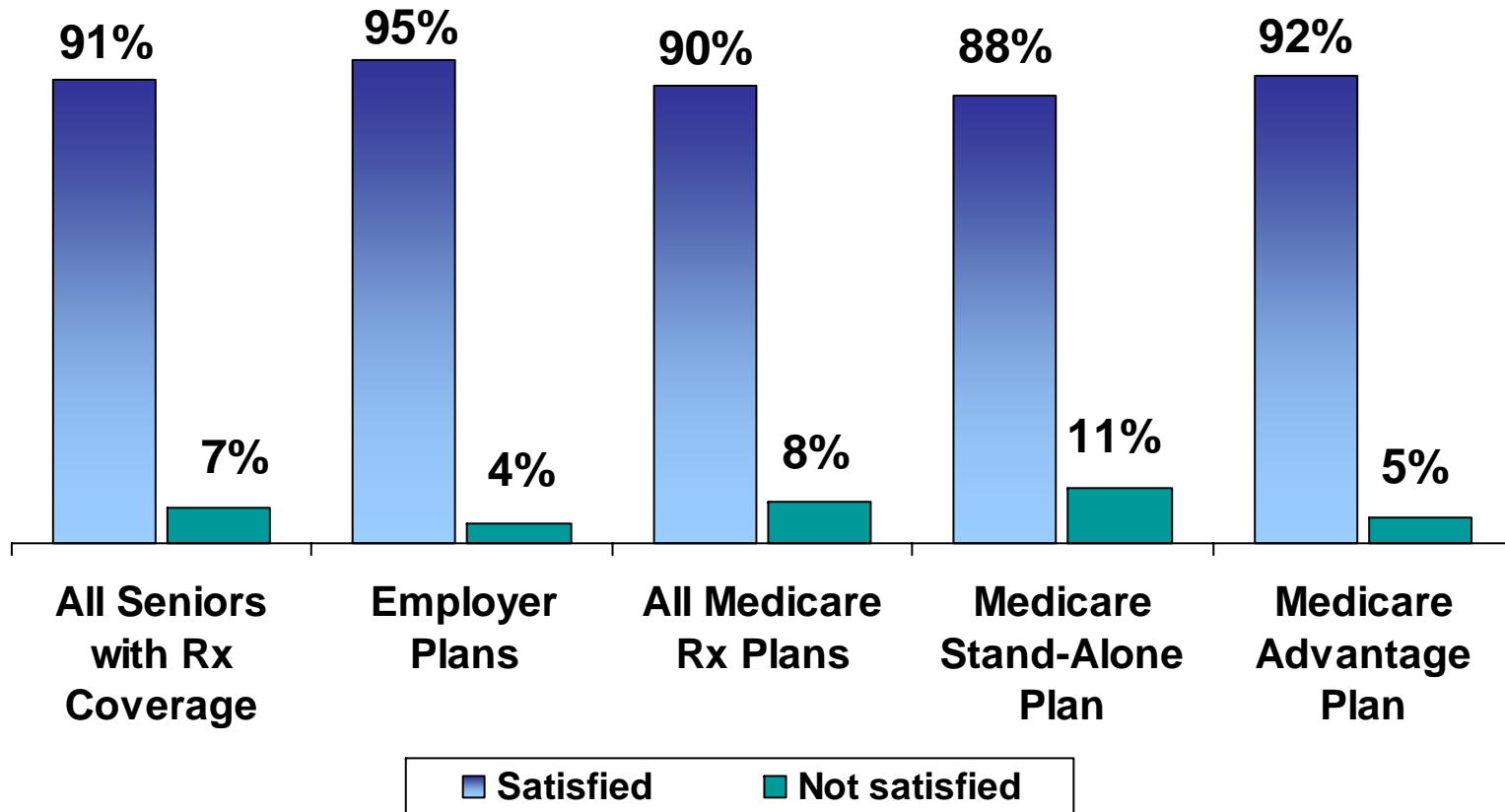
Now, 6 in 10 say they're very satisfied—up 13 points since the first measure, 6 months after the program start.

Overall, how satisfied are you with your prescription drug coverage?



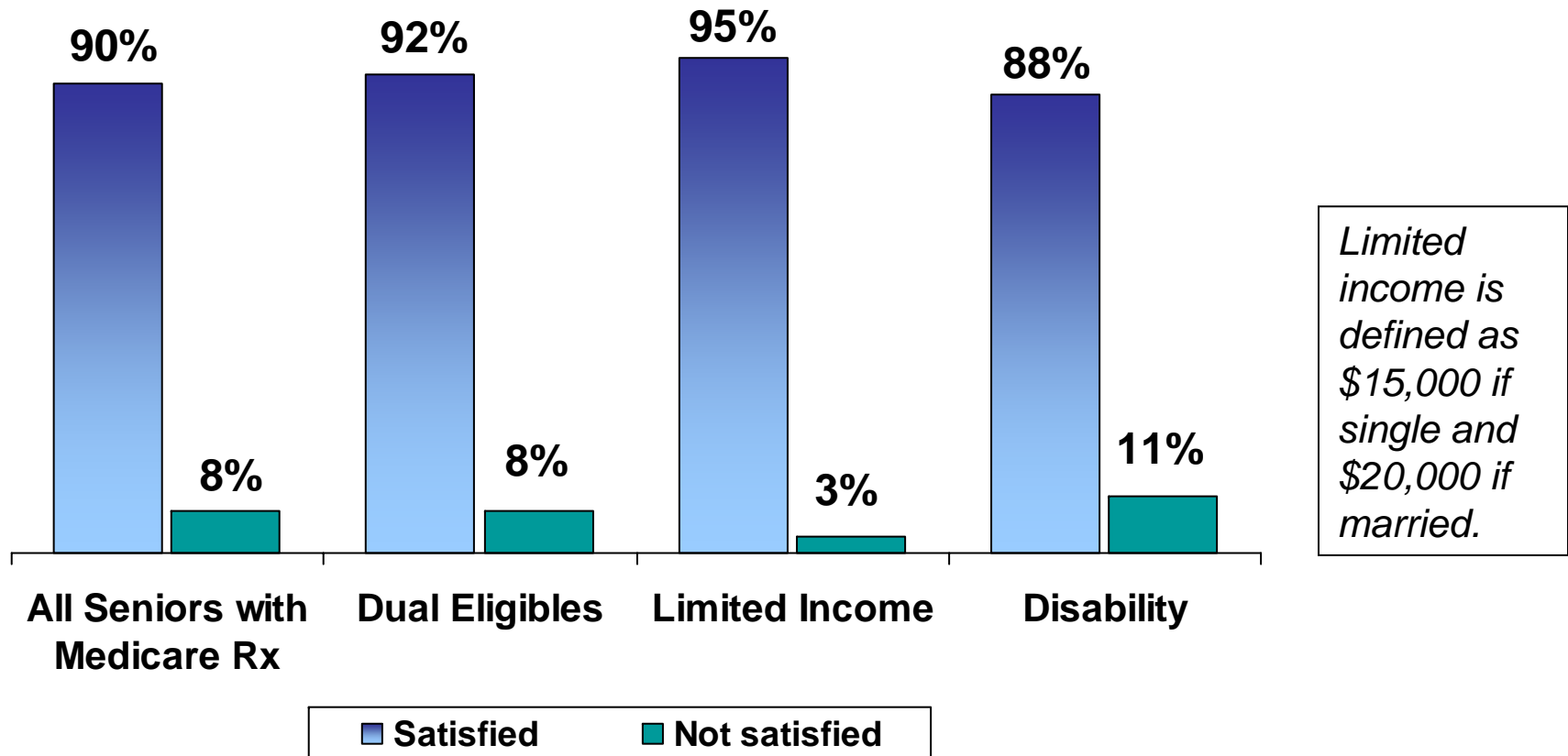
Satisfaction among those with Medicare Rx plans compares favorably to seniors with employer and other kinds of plans.

Overall, how satisfied are you with your prescription drug coverage?



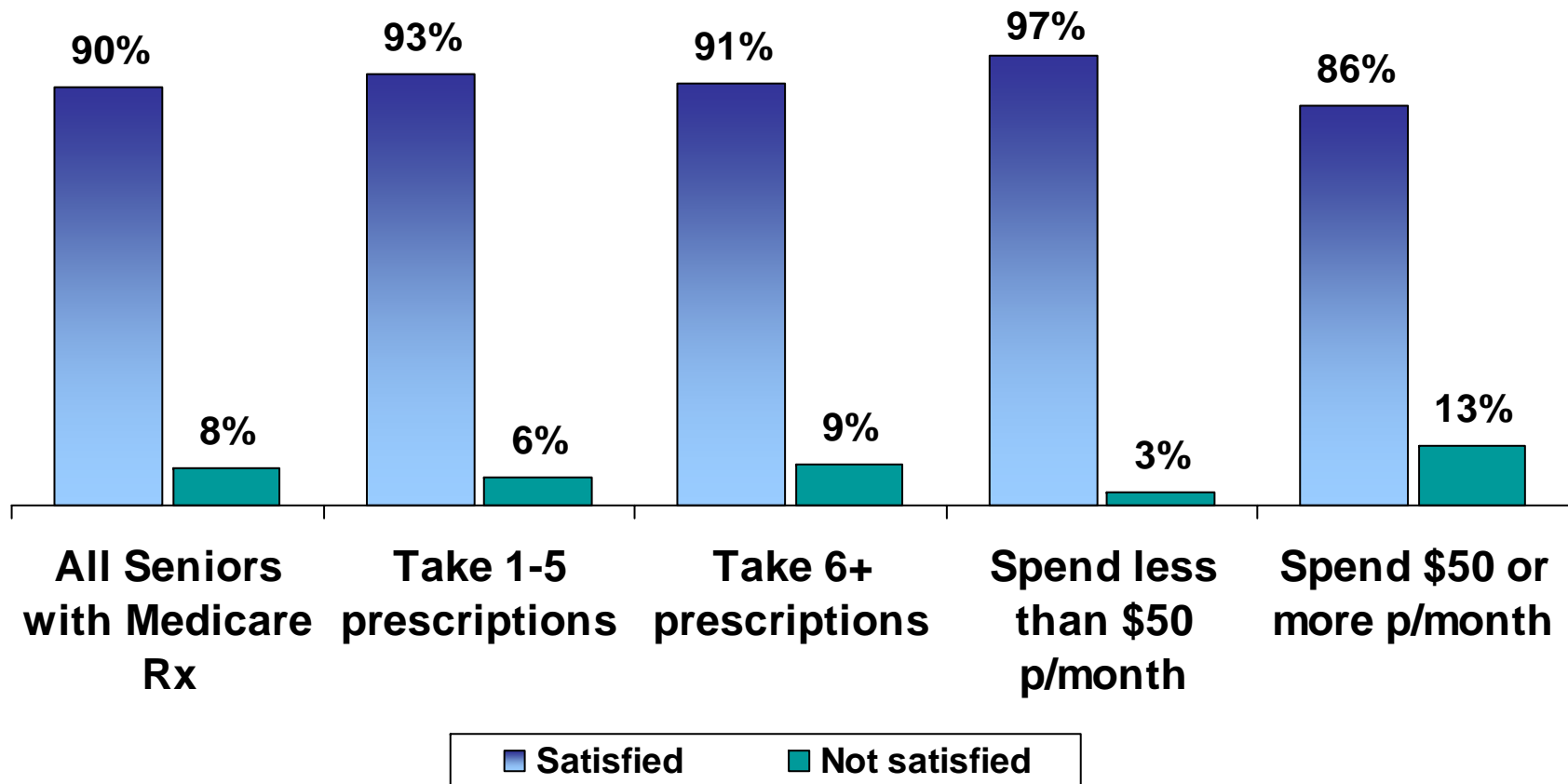
Large majorities of people with limited income, dual eligibles, and people with disabilities say they're satisfied with their Medicare Rx plans.

Overall, how satisfied are you with your prescription drug coverage?

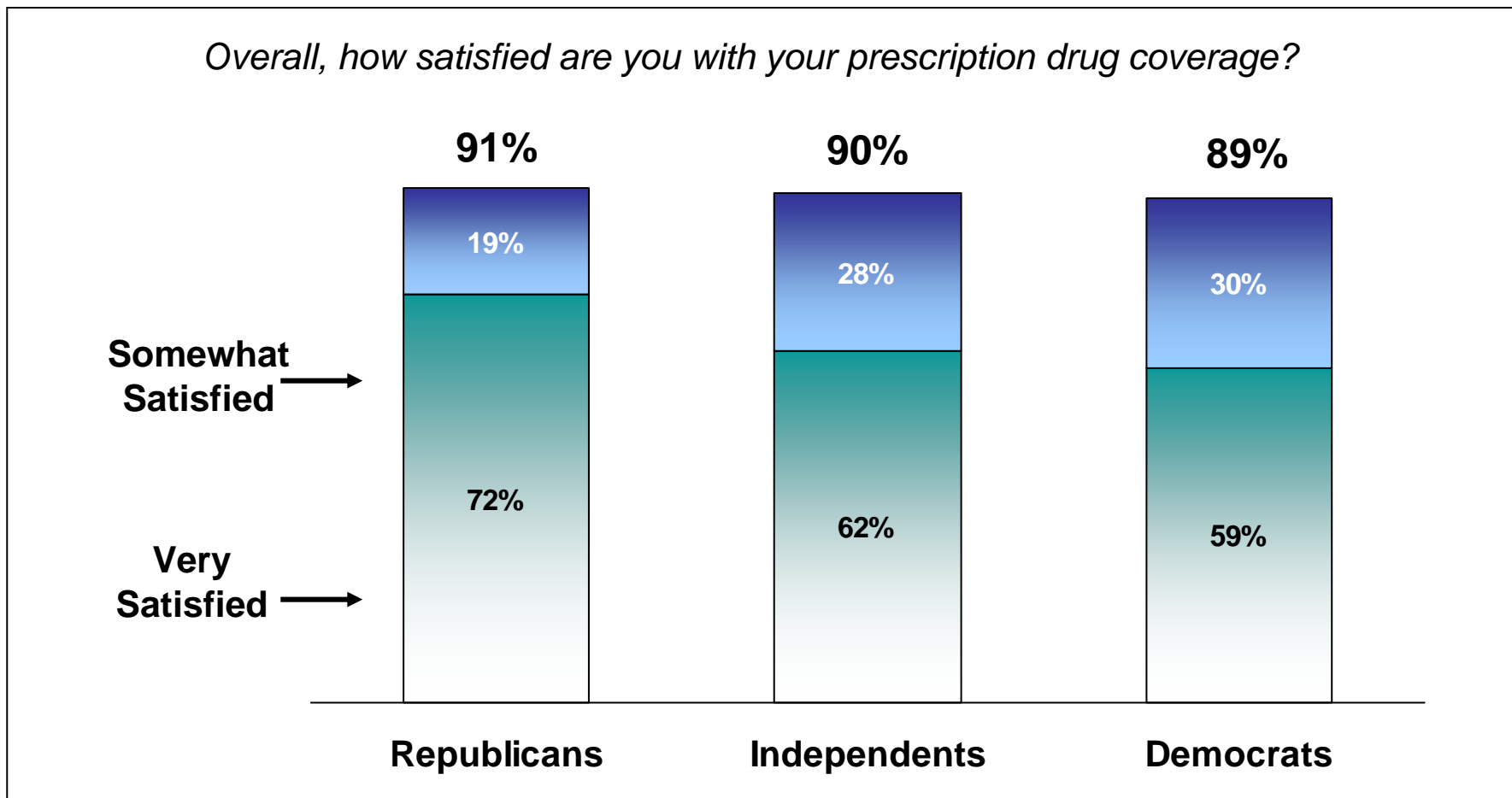


Large majorities of people who take 6 or more prescriptions and who spend \$50 or more each month are satisfied.

Overall, how satisfied are you with your prescription drug coverage?

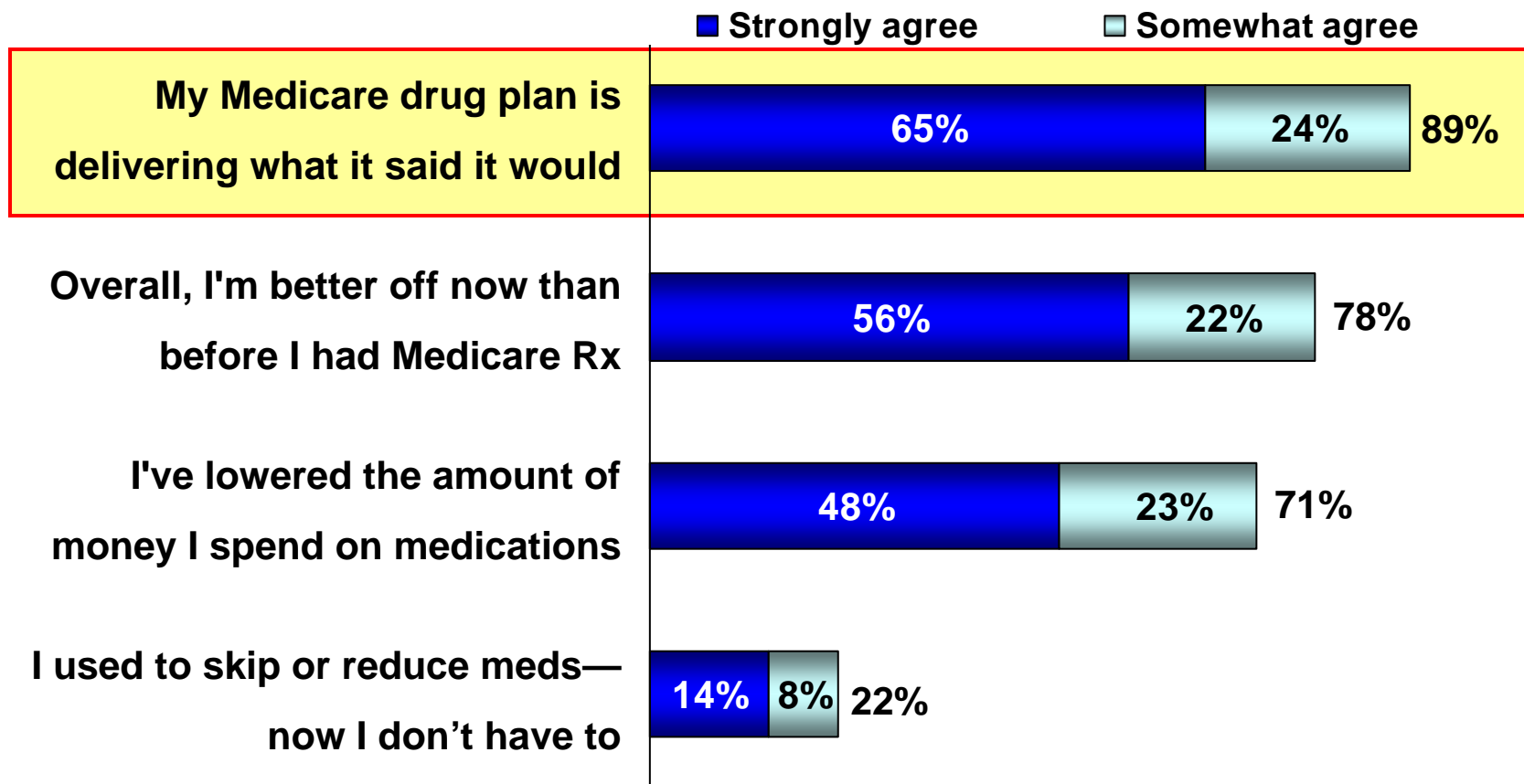


Across the aisle, seniors with Medicare Part D are satisfied with their coverage.



Most seniors agree that their plan is delivering what it said it would when they signed up.

Nearly 8 in 10 say they're better off now than before Medicare Rx.



I'm going to read you some statements to hear how you feel now that you have enrolled in a Medicare prescription drug plan. For each one, tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree.

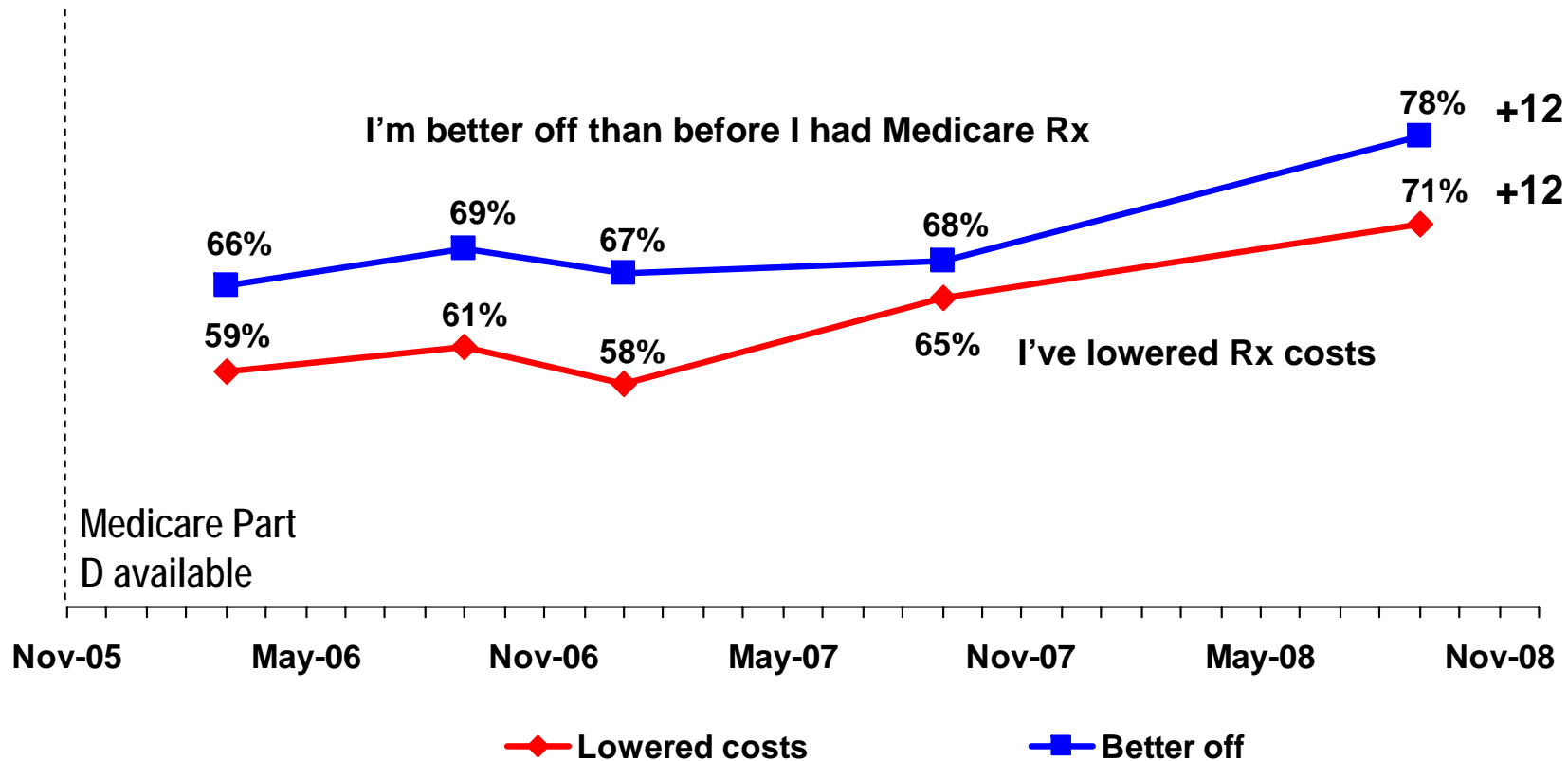
Positive feelings toward Medicare Rx have grown over the program's first three years.

	Mar 2006	Sept 2006	Jan 2007	Sept 2007	Sept 2008
Feel fortunate that I'm covered	N/A	N/A	N/A	96	97
Feel peace of mind	78	82	83	94	97
Feel a sense of relief	77	81	80	N/A	N/A
I'm better off than before I had Medicare Rx	66	69	67	68	78
I've lowered costs on Rx medicines	59	61	58	65	71
Feel frustrated with my coverage	33	35	35	28	22
Feel nervous about my coverage	28	26	25	19	23

Base: Those enrolled in a Medicare plan (stand-alone or Medicare Advantage)

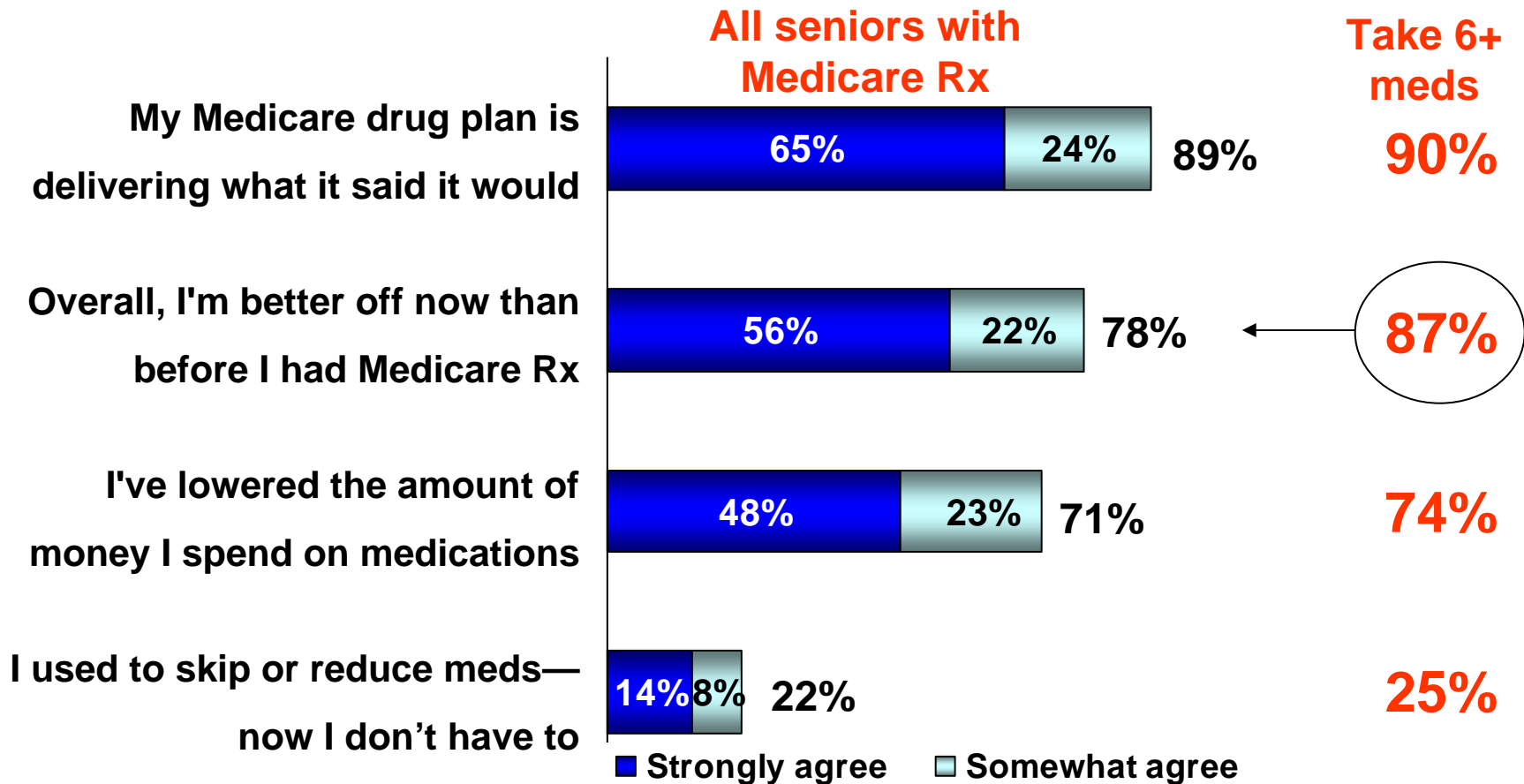
Those saying they are better off now than before they had Medicare Rx increased 12 points to 78% since the start.

7 in 10 have lowered Rx spending—up 12 points since the start.



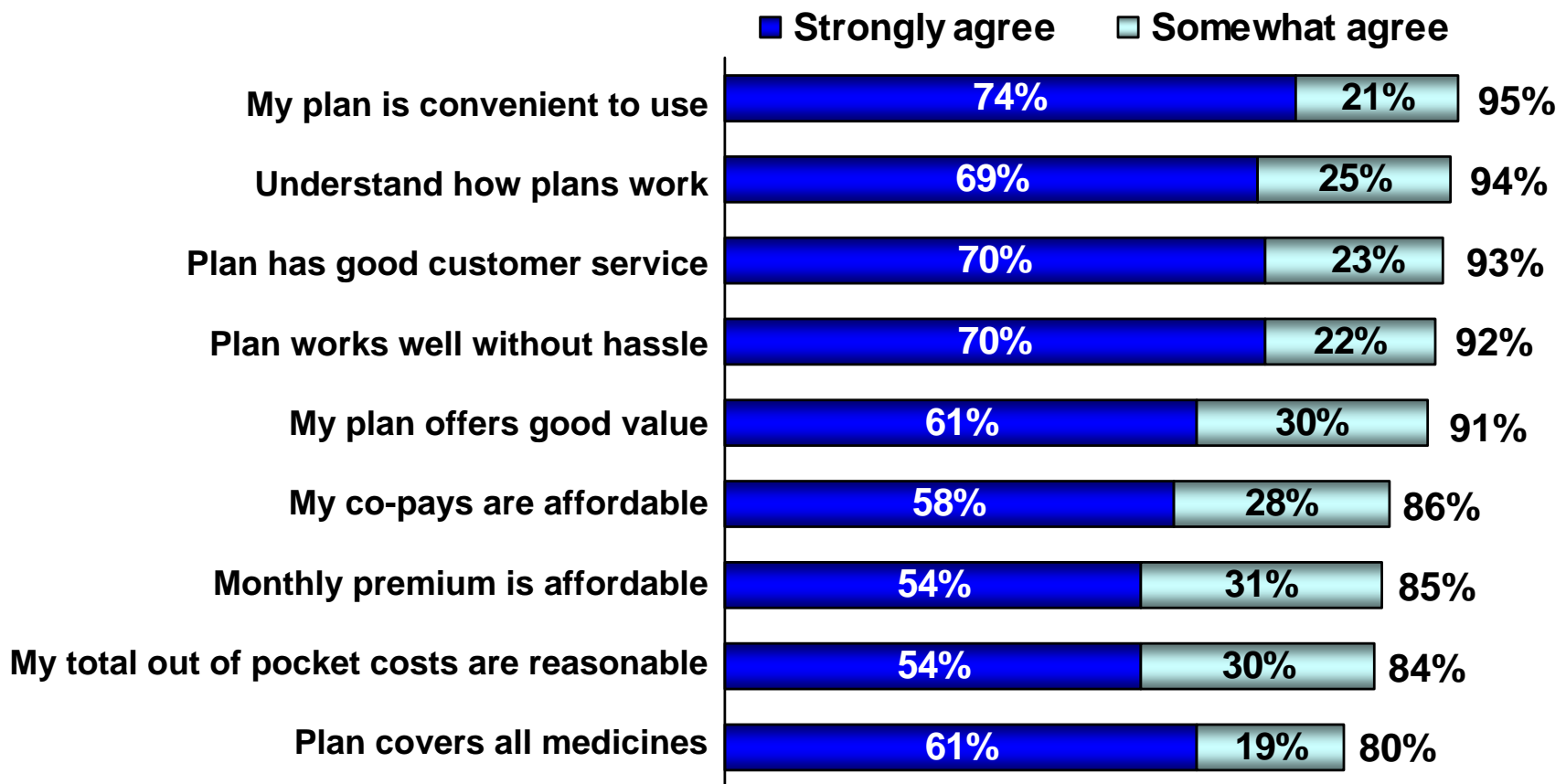


Large majorities of seniors who take 6 or more medications feel they're better off now that they have Part D.



I'm going to read you some statements to hear how you feel now that you have enrolled in a Medicare prescription drug plan. For each one, tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree.

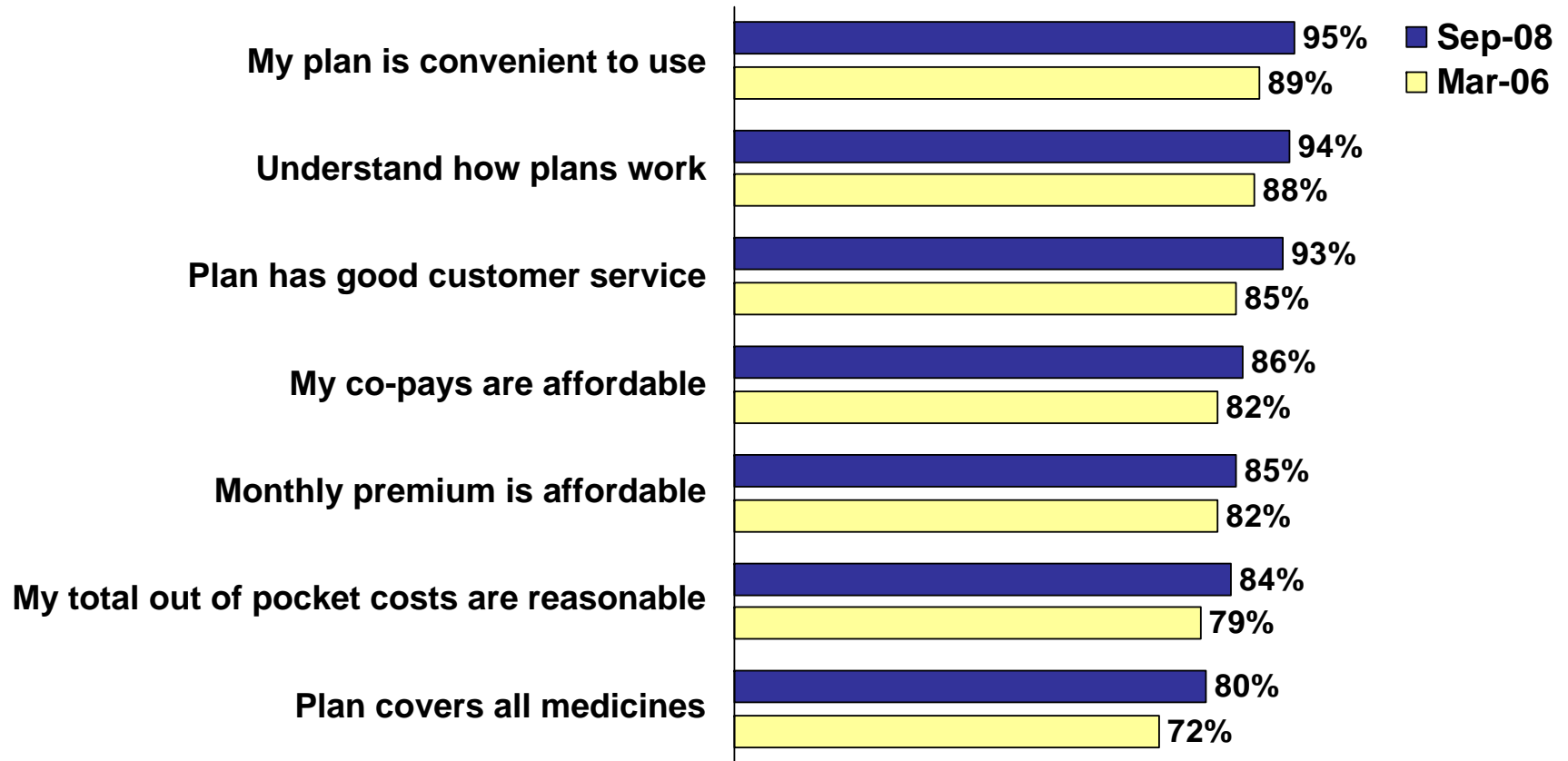
Seniors continue to give high ratings on cost, coverage, and convenience.



I'm going to read you some statements that may or may not describe your opinions about your Medicare prescription drug plan. For each one, tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree.

Base: Those enrolled in a Medicare plan (stand-alone or Medicare Advantage)

The trend is positive on most plan measures.

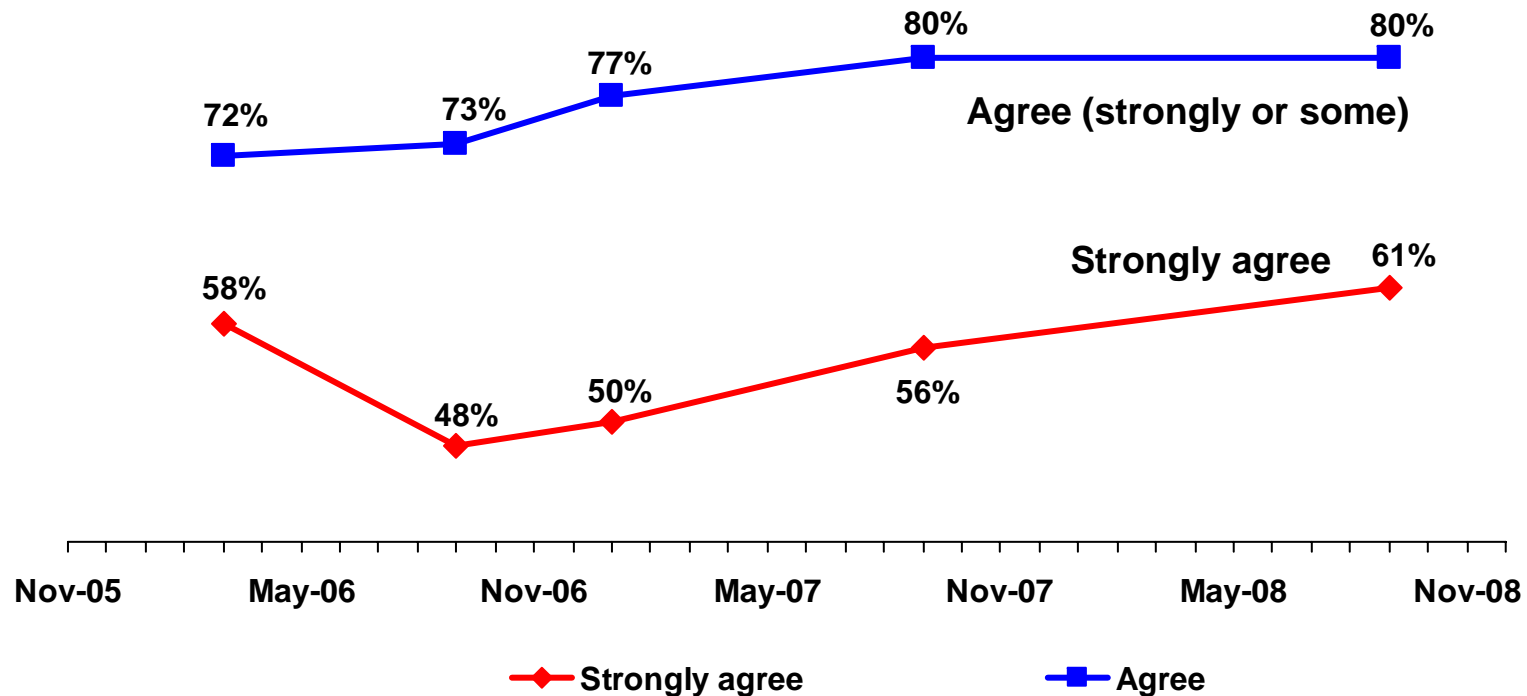


I'm going to read you some statements that may or may not describe your opinions about your Medicare prescription drug plan. For each one, tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree.

Base: Those enrolled in a Medicare plan (stand-alone or Medicare Advantage)

Those agreeing that their plan covers all the medicines their doctor prescribes increased 8 points between 2006 and 2007 and remains unchanged in 2008. Six in 10 now strongly agree.

“My plan covers all the medicines my doctor prescribes”



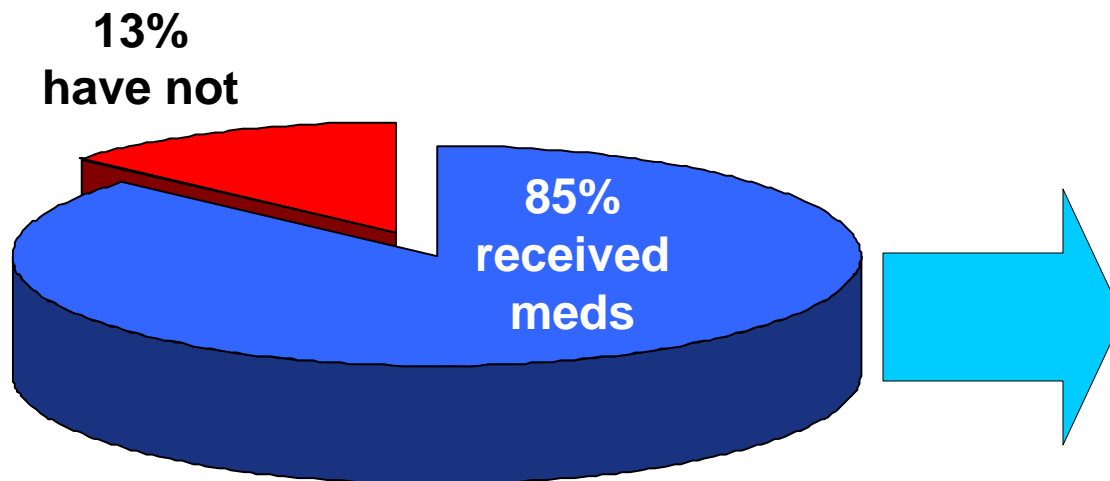
I'm going to read you some statements that may or may not describe your opinions about your Medicare prescription drug plan. For each one, tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree.

Base: Those enrolled in a Medicare plan (stand-alone or Medicare Advantage)

85% of seniors are getting medicines through their Medicare Rx plan.

95% say their plan works well—71% very well.

Have you received any medicines through your new Medicare prescription drug plan?



*IF RECEIVED MEDS:
And, how well has your prescription drug plan worked for you?*

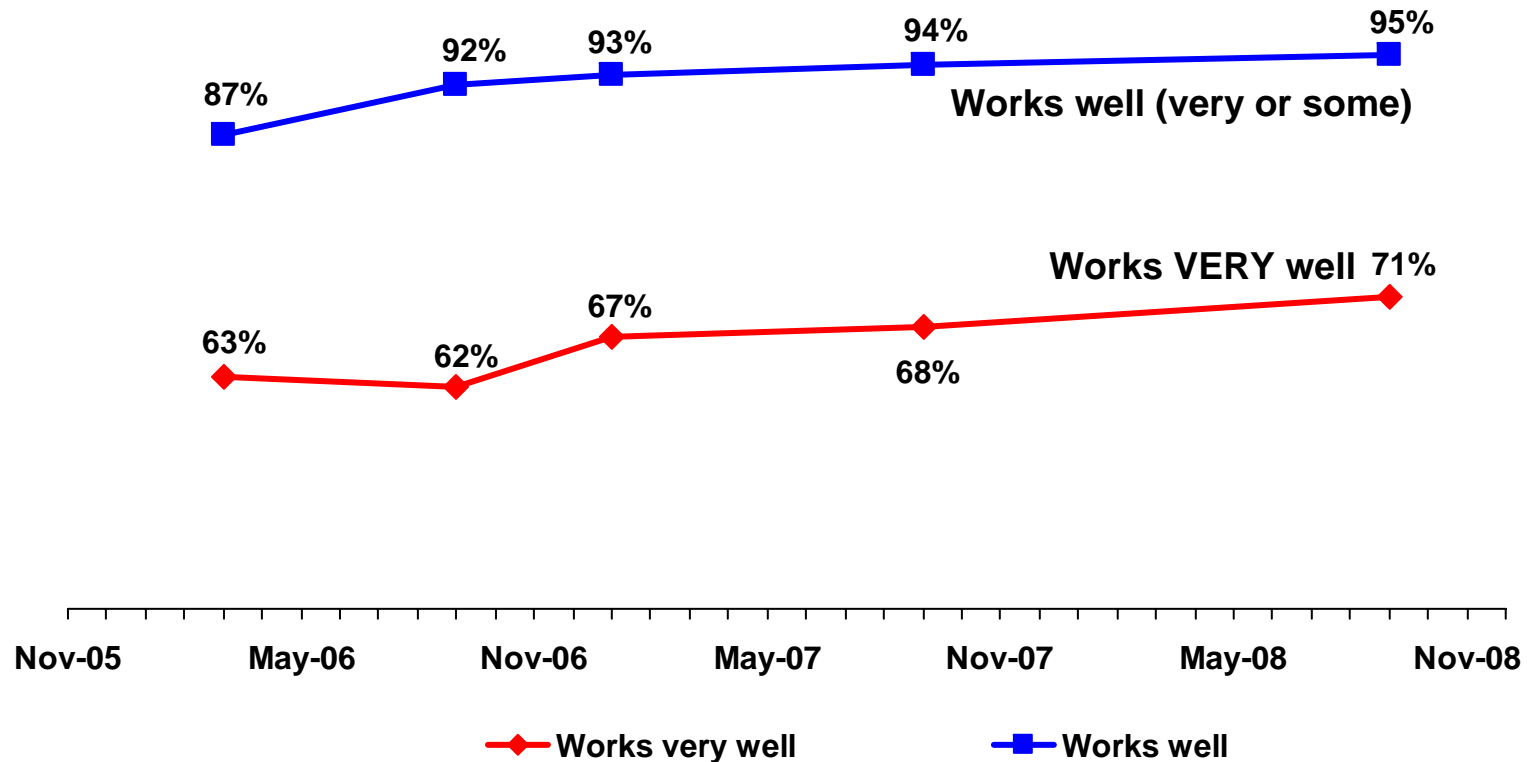
**95% works well
71% very well
24% somewhat well**

**4% doesn't work well
2% not too well
2% not well at all**

Base: Those enrolled in a Medicare plan (stand-alone or Medicare Advantage)

Base: Medicare Rx enrollees got medicines

The opinion that Medicare Rx plans work very well has risen 8 points—from 63% to 71%—over three years.



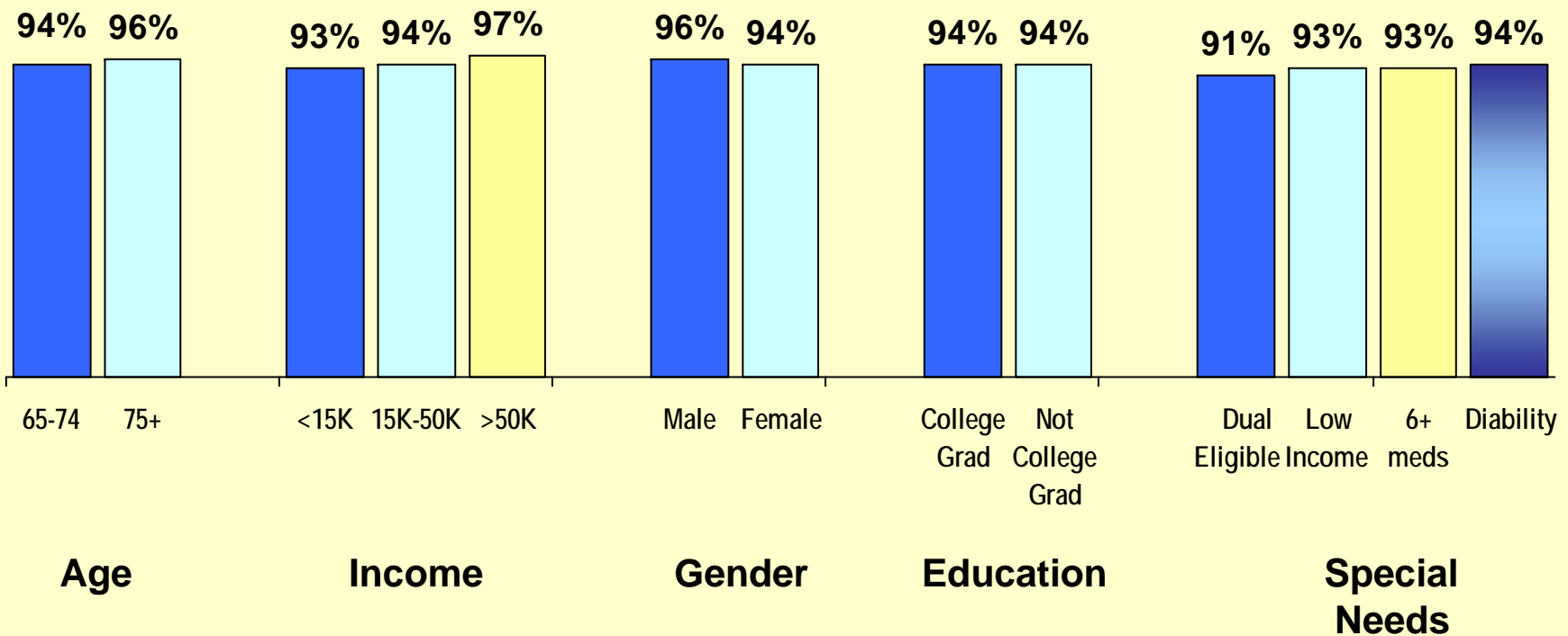
IF RECEIVED MEDICINES: How well has your prescription drug plan worked for you?

Base: Those enrolled in a Medicare plan (stand-alone or Medicare Advantage)

Medicare Rx plans are working well for 9 in 10 seniors across demographic groups.

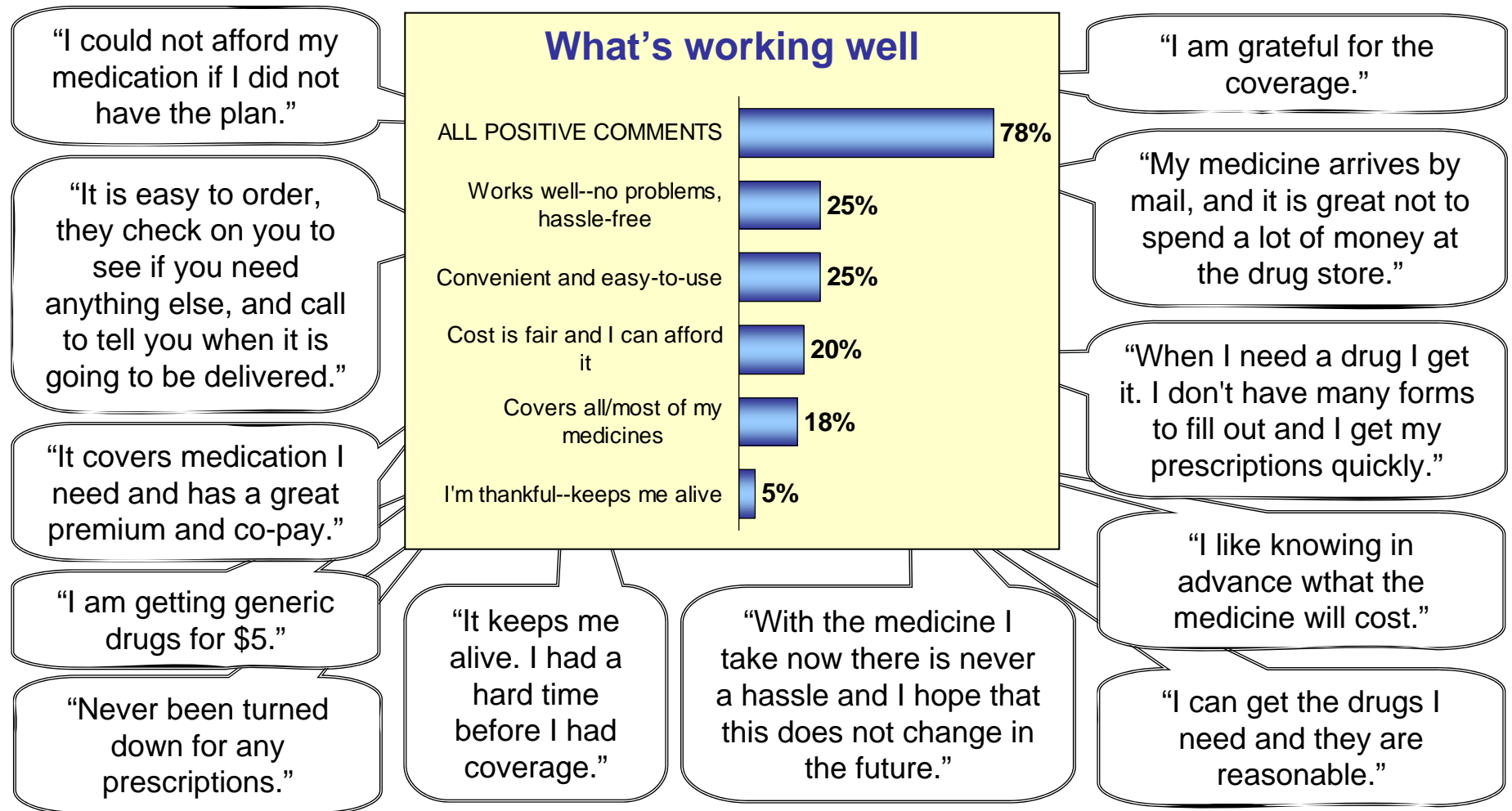
And, how well did the new prescription drug benefit work for you?

Percent Saying Plan Works Well

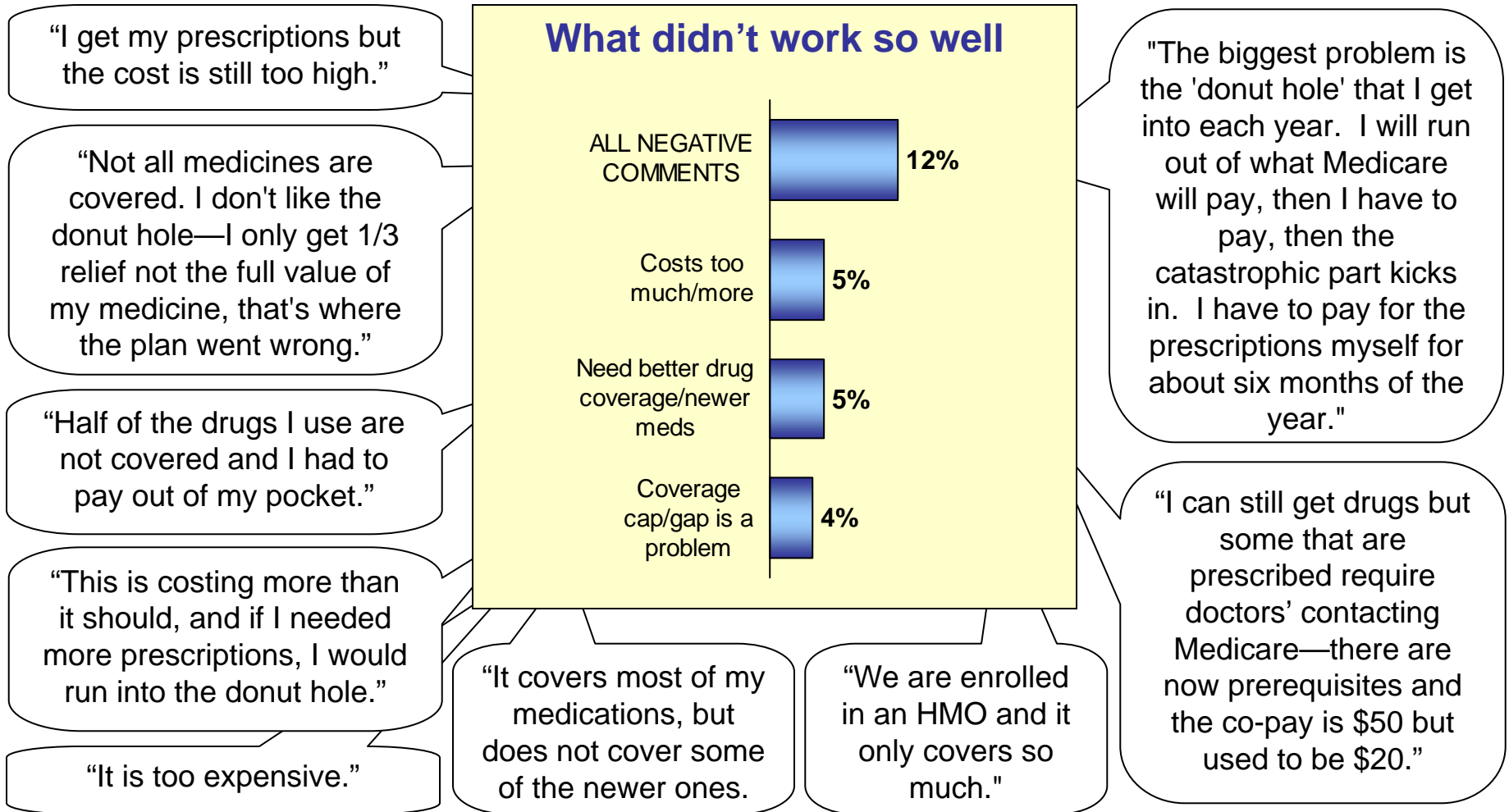


Base: Medicare Rx enrollees who received medicines

About 8 in 10 made positive comments about their plan. Positive comments focused on convenience, cost, and coverage.

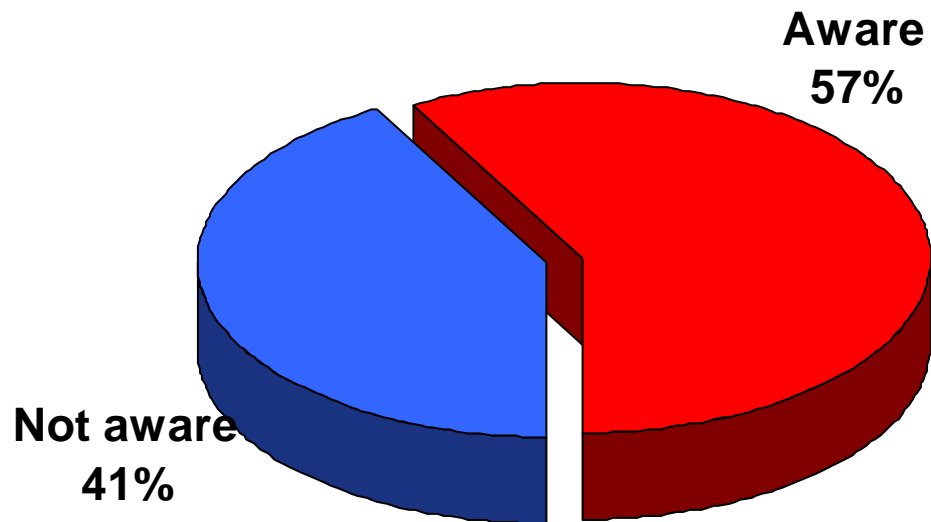


Just over 1 in 10 made a negative comment about their plan. Negative comments focused on cost, coverage, and the gap.



6 in 10 seniors are aware of the low income subsidy—but nearly 4 in 10 who would likely qualify are not aware.

Some seniors need extra help paying for their Medicare prescription drug coverage. Did you know that seniors with limited resources can get help paying for part of their monthly premiums, annual deductions, and co-payments?

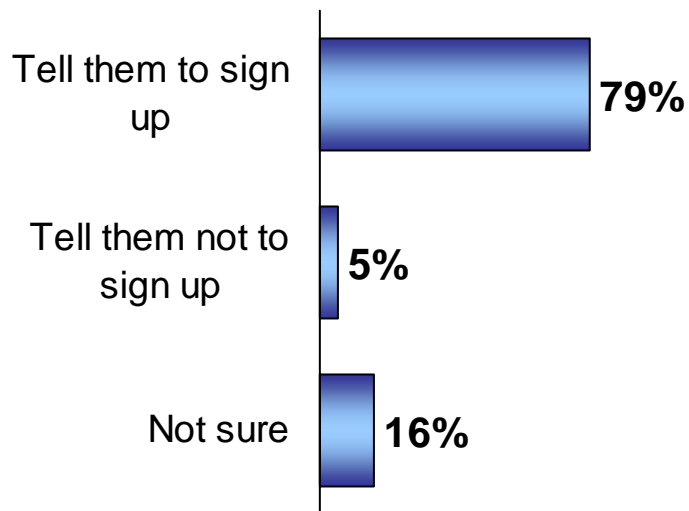


- **38% of those with limited incomes who would likely qualify for extra help are not aware that extra help is available.**

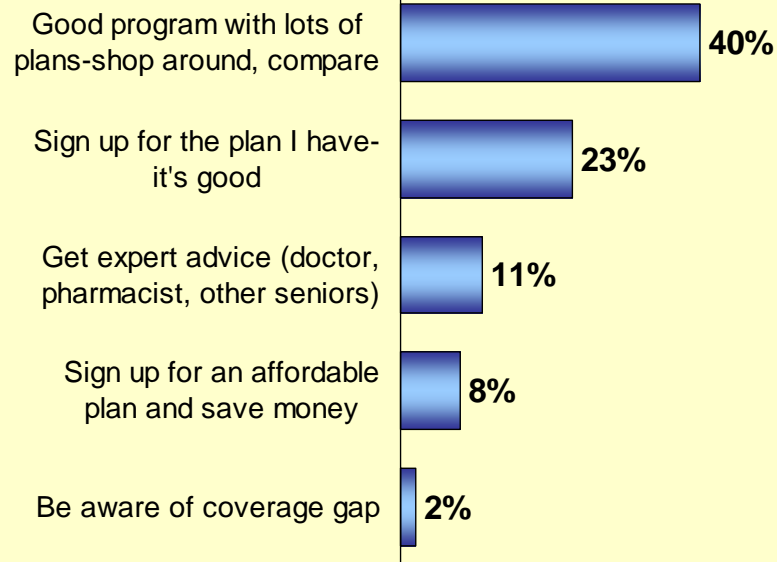
Base: Those enrolled in a Medicare plan (stand-alone or Medicare Advantage)

Nearly 8 in 10 seniors would advise others to sign up for a Medicare Rx plan

If you were giving advice to someone who is enrolling in Medicare for the first time, would you tell them to sign up for a Medicare prescription drug plan, or not?



What advice would you give?



Base: Those enrolled in a Medicare plan (stand-alone or Medicare Advantage)

Advice Seniors Would Give to Someone Looking for a good Medicare Rx Plan

"Go to your pharmacist and talk to him about it."

"Call Medicare." "Look in the back of the Medicare & You book."

"Talk to your doctor or the pharmacy to see what's best for you."

"Talk to an agency and get the best plan possible."

"Talk to people who are on plans, talk to your drug store, maybe Medicare."

Get expert advice

"Do research to see if it's a good, affordable plan."

"Check into plans early and check out everything about it and make a decision on whatever would be best for you."

"It works for me."

"It's easy and the cost is low."

"Check into it early and check out everything about it."

"I'd tell them to read everything they can before they decide and I would go for the one with the lowest co-pay."

"Donut hole is awful—you need something that pays part of the cost when you're not covered."

"Shop around and find the best deal available."

"It's a good program—sign up and save money."

"Look carefully at the policy, don't get one with the coverage gap."

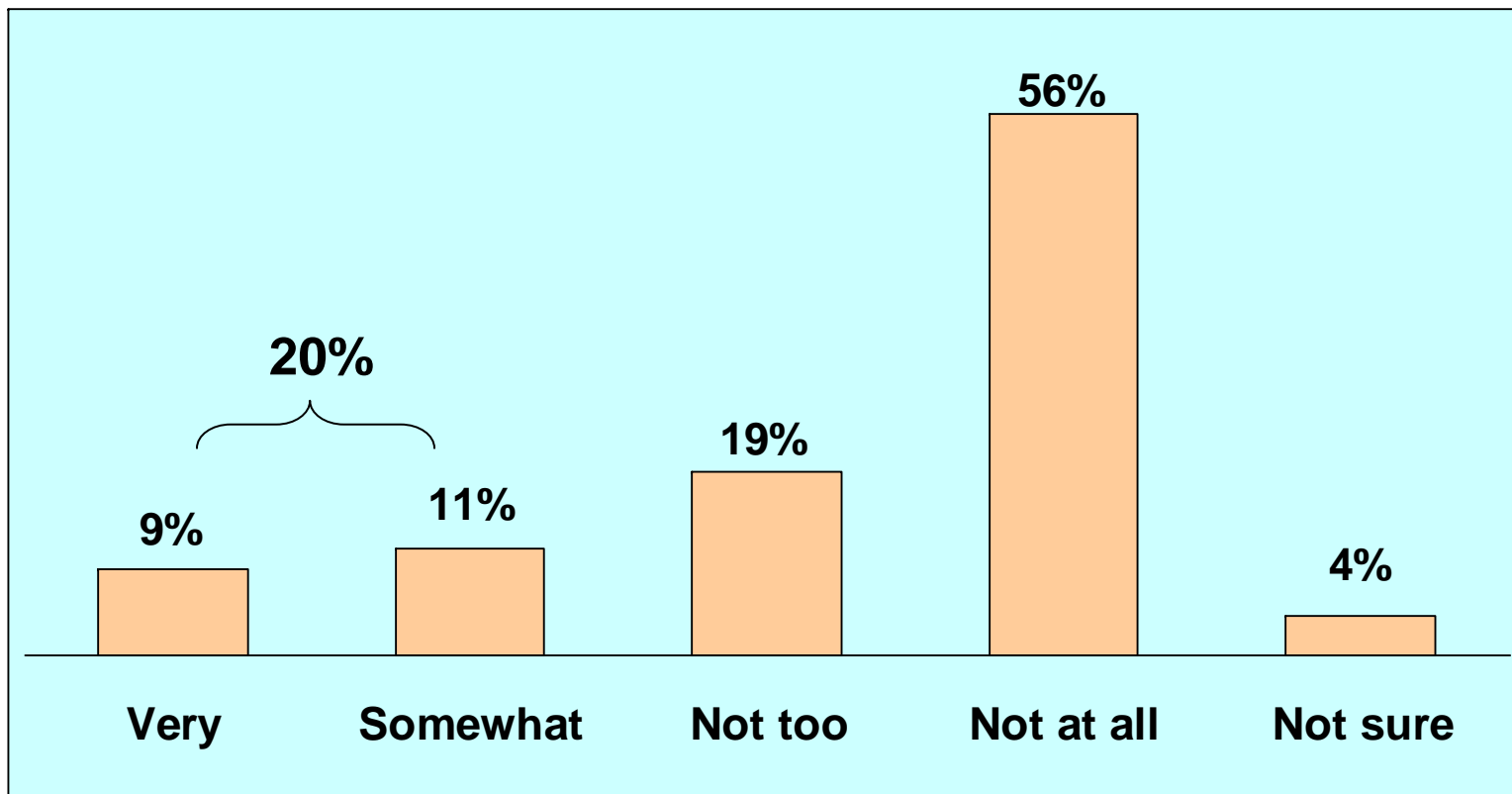
It's a good program with lots of plans—shop around and compare

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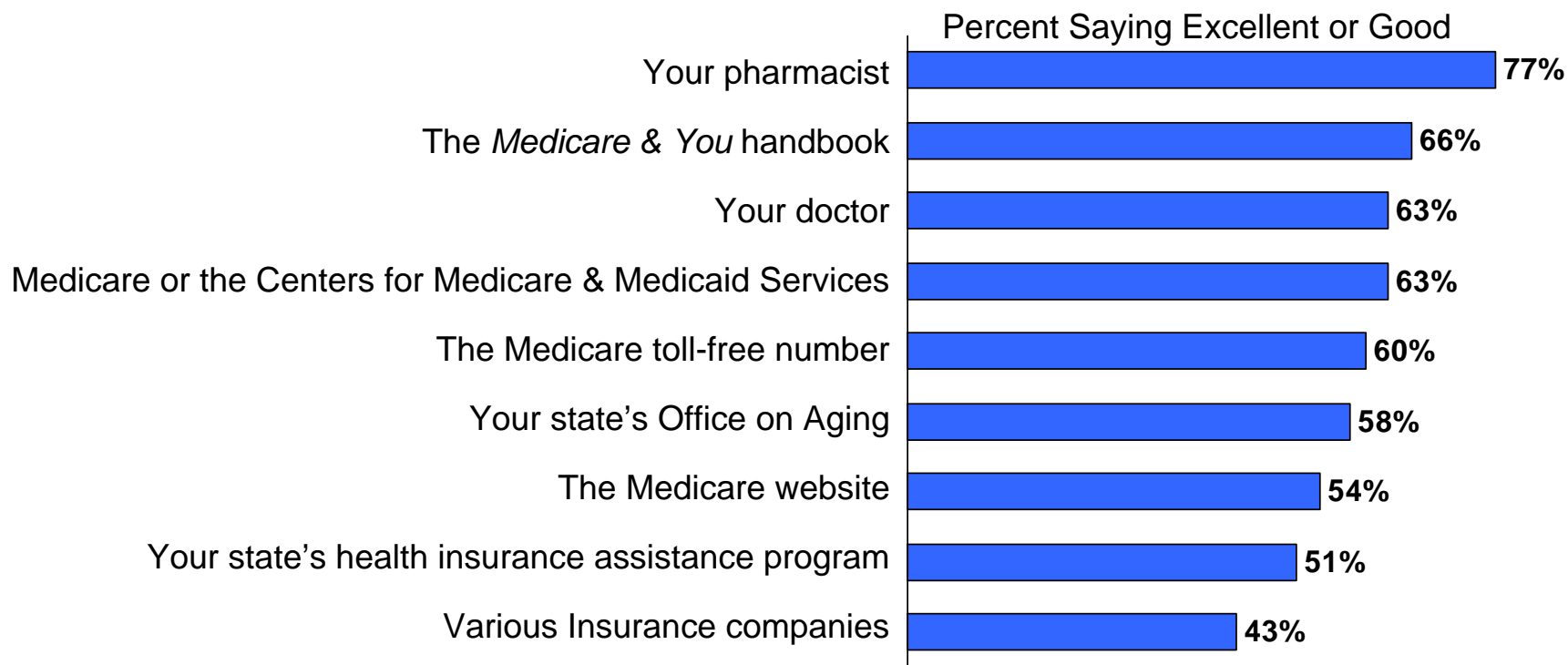
2 in 10 beneficiaries say they'll be shopping around to compare Medicare Rx plans this year.

Every year between November 15th and December 31st you can change your Medicare prescription drug plan without penalty. Based on your experience with your current plan, how likely are you to shop around and compare Medicare prescription drug plans this year? Are you very likely, somewhat likely, not too likely, or not at all likely to shop around and compare plans this year?"



Seniors say health care providers and Medicare are good sources of information about Medicare Rx plans.

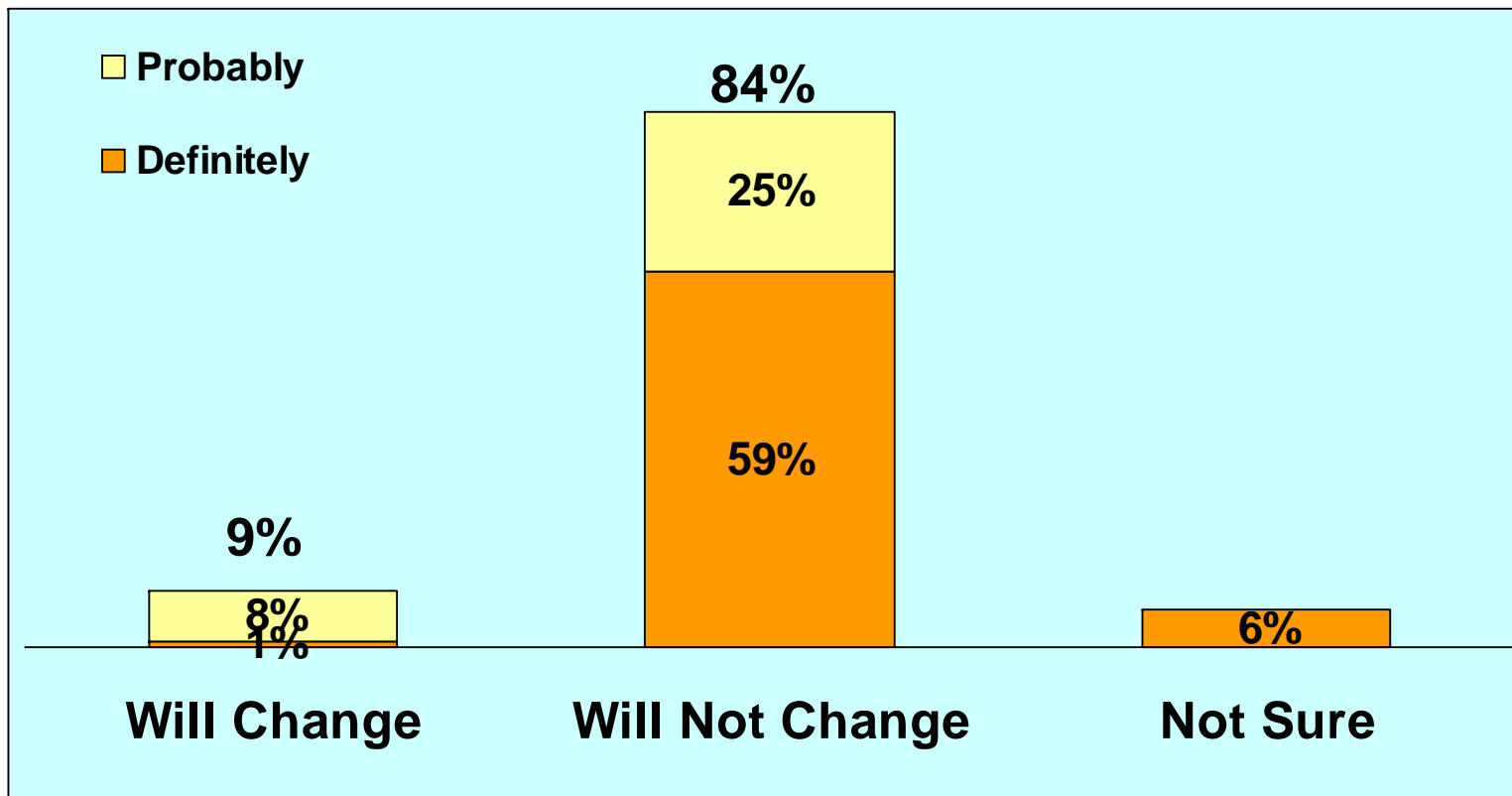
I'm going to read you a list of places where you can get information about Medicare prescription drug plans. For each one, tell me if you think that would be an excellent, good, fair, or poor source of information about Medicare prescription drug plan. First...



Base: Those enrolled in a Medicare plan (stand-alone or Medicare Advantage)

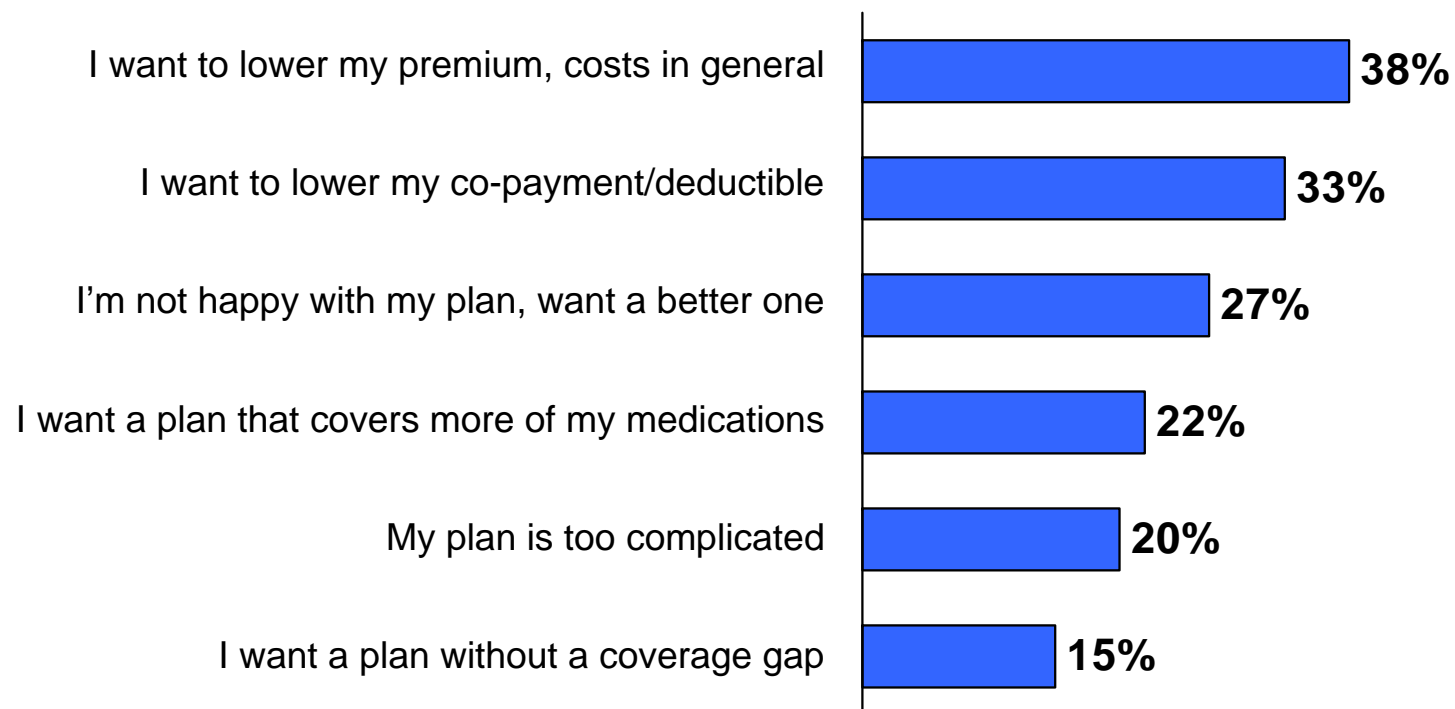
More than 8 in 10 say they'll probably keep their current plan; less than 1 in 10 say they're likely to change plans.

Based on your experience with your current plan, how likely are you to change your plan this year? Do you think you will definitely change your plan, probably change your plan, probably will not change your plan, definitely will not change your plan, or are you not sure?



Of the 9% thinking of changing their plan, lower cost and better coverage are the main features they're looking for in a new plan.

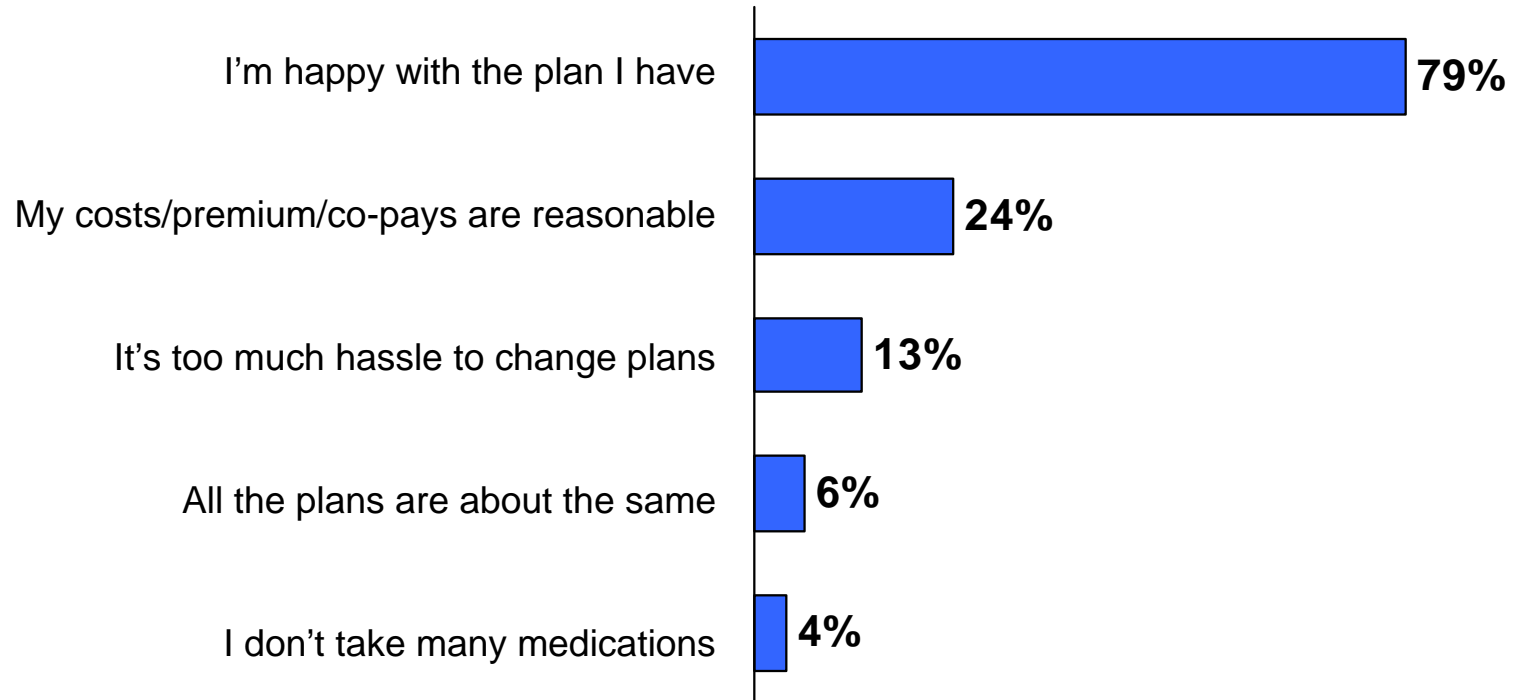
What are the main reasons you will [probably/definitely] change your Medicare prescription drug plan this year?



Base: N=39; Those enrolled in a Medicare plan (stand-alone or Medicare Advantage)

Most of the 84% unlikely to change their plan say they're happy with the one they have.

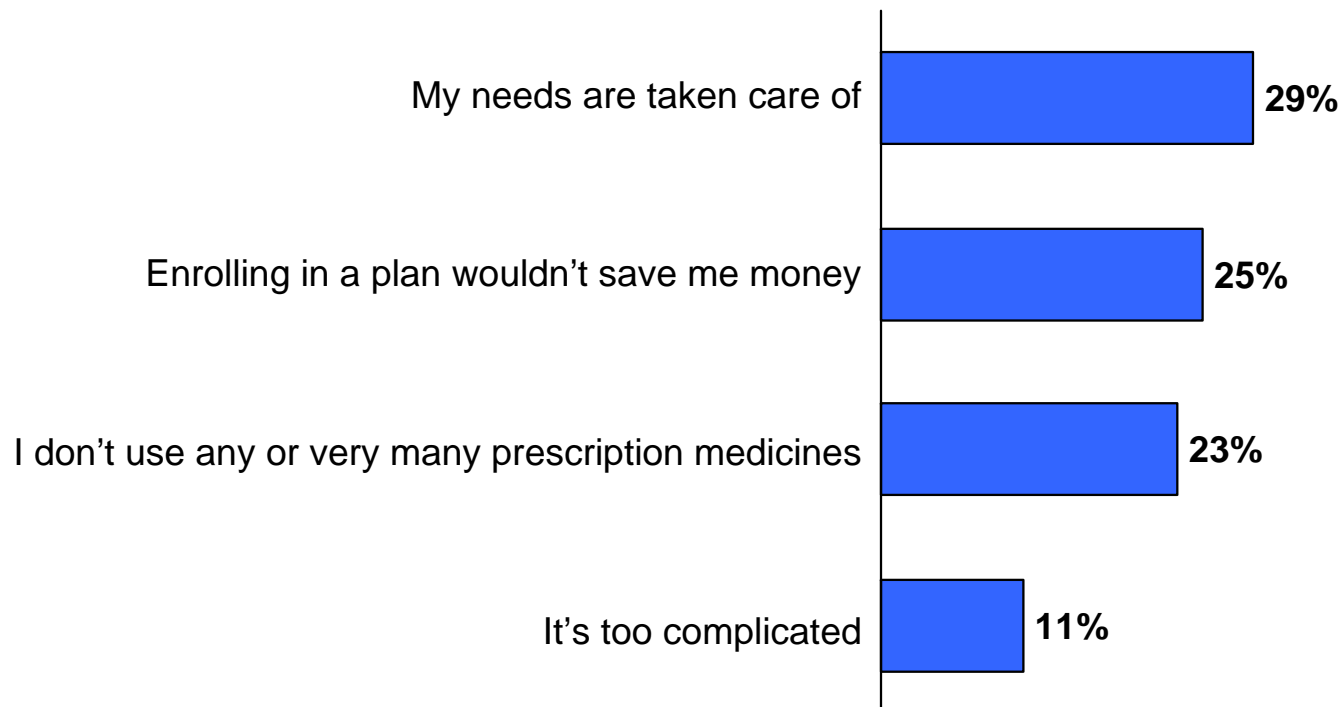
What are the main reasons you will [probably/definitely] not change your Medicare prescription drug plan this year?



Base: N=351; Those enrolled in a Medicare plan (stand-alone or Medicare Advantage)

Lack of need is the main reason why most seniors without Rx coverage opted not to enroll.

*You said you are not enrolled in a Medicare prescription drug plan. I'm going to read a list of **reasons** some seniors give for why they **have not enrolled** in a Medicare prescription drug plan and when I finish I'd like you to tell me which one is the main reason you have not enrolled.*



Base: Those without prescription drug coverage (N=94)

Presentation

- Purpose and method
- Opinions about Medicare Rx and how it's working
- Likelihood to shop around, credible sources
- Conclusions

Conclusions

- Three years after Medicare Part D was made available, seniors enrolled in the program feel extremely positive about it and would recommend it to other seniors.
 - Overall satisfaction has grown from 78% to 90% (12 points) since early 2006; those very satisfied have increased from 50% to 63% (13 points);
 - 97% feel fortunate to have Part D and 97% say it gives them peace of mind;
 - 95% say their plan works well and 92% say it works without hassle;
 - 91% say their plan offers good value—71% say they've lowered their prescription drug spending;
 - 89% say their plan is delivering what it said it would;
 - 80% say it covers their doctor-prescribed medicines—61% strongly agree;
 - 79% would advise other seniors to sign up for the program;
 - 78% feel better off now that they have Part D—up 12 points since 2006; and
 - Almost 1 in 4 now get medications they once had to skip or ration.
- Positive feelings cross demographic and political party lines.
- About 1 in 10 expect to change the plan they have, primarily to reduce costs and to get one that covers more of their medicines.

KRC RESEARCH

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