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**Seniors' Opinions
About Medicare Rx**

Second Survey

September 2006

Prepared for

Medicare Rx
EDUCATION NETWORK

Background & Purpose

- ▶ The Medicare Rx Education Network commissioned a **baseline survey** of seniors in March 2006, three months after Medicare Rx (Part D) started. The purpose was to assess the early experiences of seniors enrolled in a Medicare Rx plan, and information needs of the unenrolled.
- ▶ The network commissioned this **follow-up survey** six months later to assess:
 - Satisfaction and feelings now that seniors have had time to become more familiar with their plans;
 - Likelihood to change plans, and reasons why;
 - Knowledge of the coverage gap and ability to change plans, as well as awareness of the yearly enrollment period.

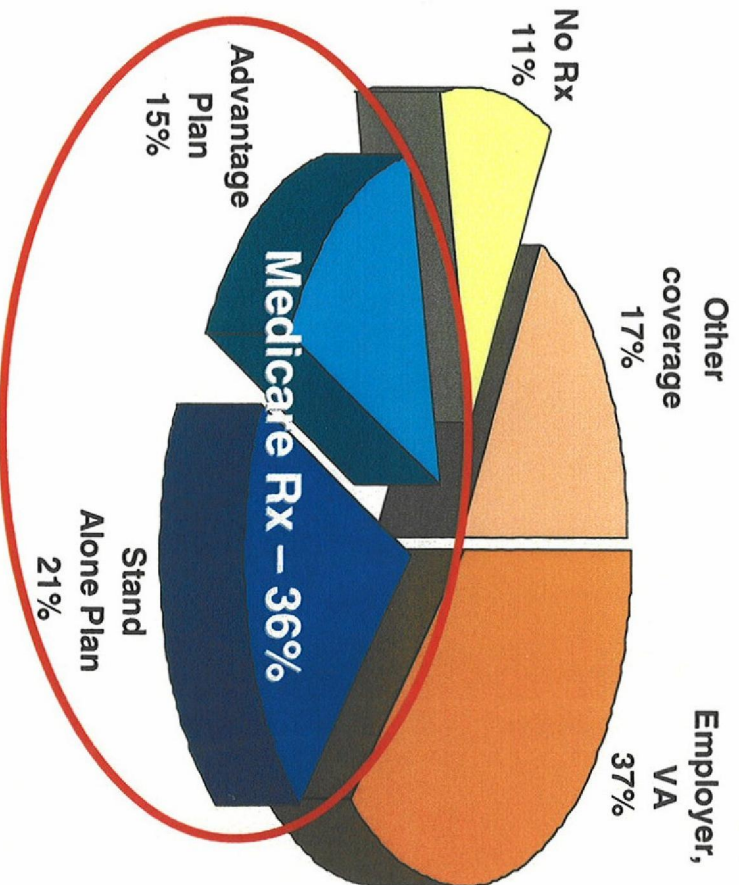
Method

Nationally representative random sample of 802 seniors 65 years and older enrolled in Medicare conducted by telephone Sept. 1-7, 2006. The margin of error (MOE) for the full sample is ± 3.5 percentage points. This report discusses the following groups:

- **All seniors with Rx coverage** (N=717, MOE is ± 3.7 percentage points)
- **Seniors with Medicare Rx coverage** (N=287, MOE is ± 5.8 percentage points)
- **Seniors who are Dual Eligibles** (N=125, MOE is ± 8.8 percentage points)
- **Seniors with no Rx coverage** (N=85, MOE is ± 10.6 percentage points)

The survey did not include pre-65 Medicare beneficiaries with permanent disabilities.

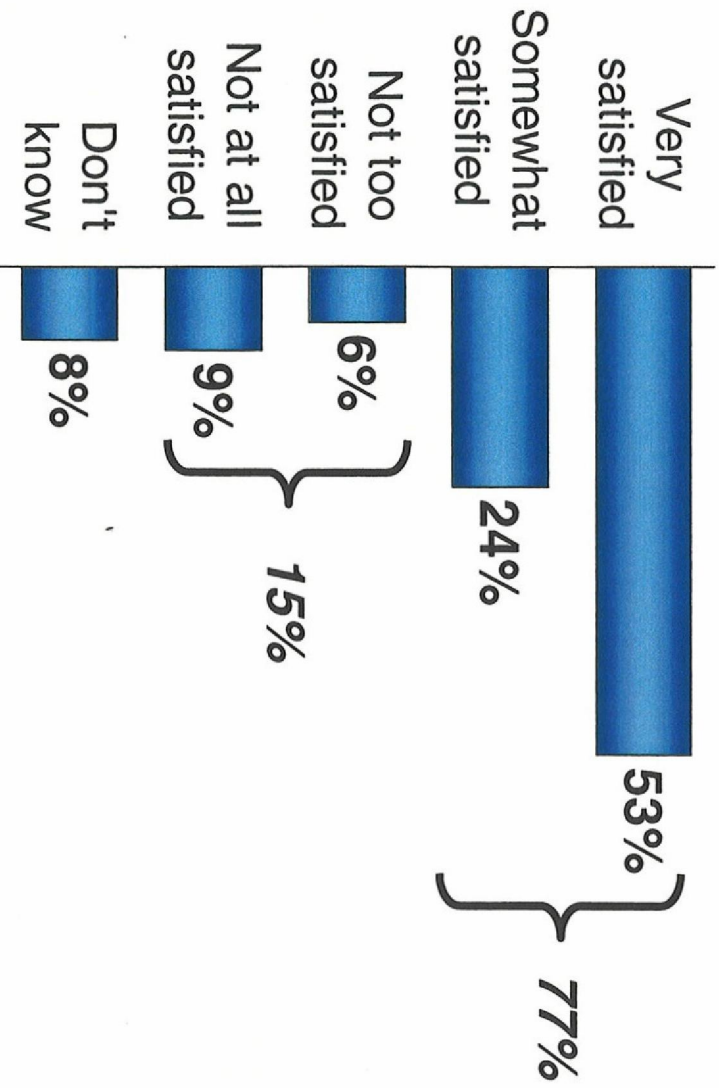
Distribution of Rx Coverage in Our Sample



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

In March, a majority of those enrolled in Medicare Rx plans* were feeling satisfied & relieved

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



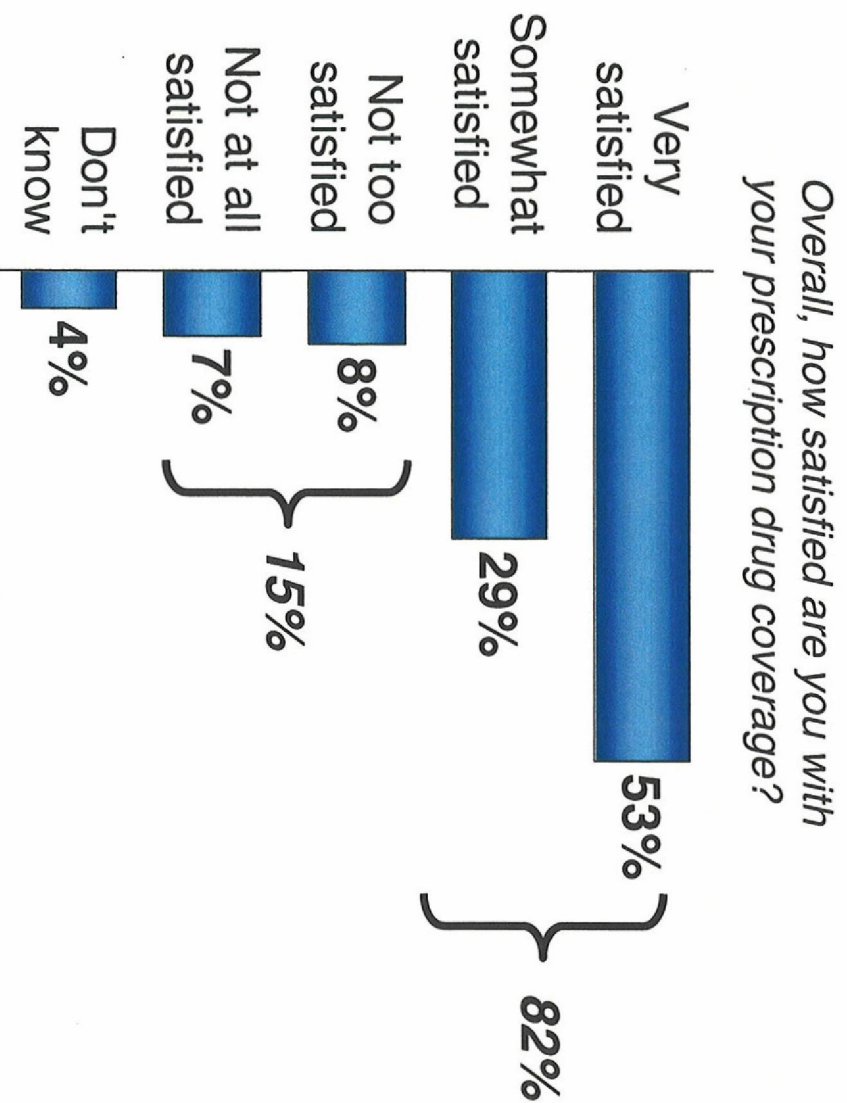
*Those enrolled in a stand-alone or Medicare Advantage plan

- 82% felt their premium was affordable
- 77% felt peace of mind
- 77% felt relief

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**How seniors are feeling
nine months
into the program**

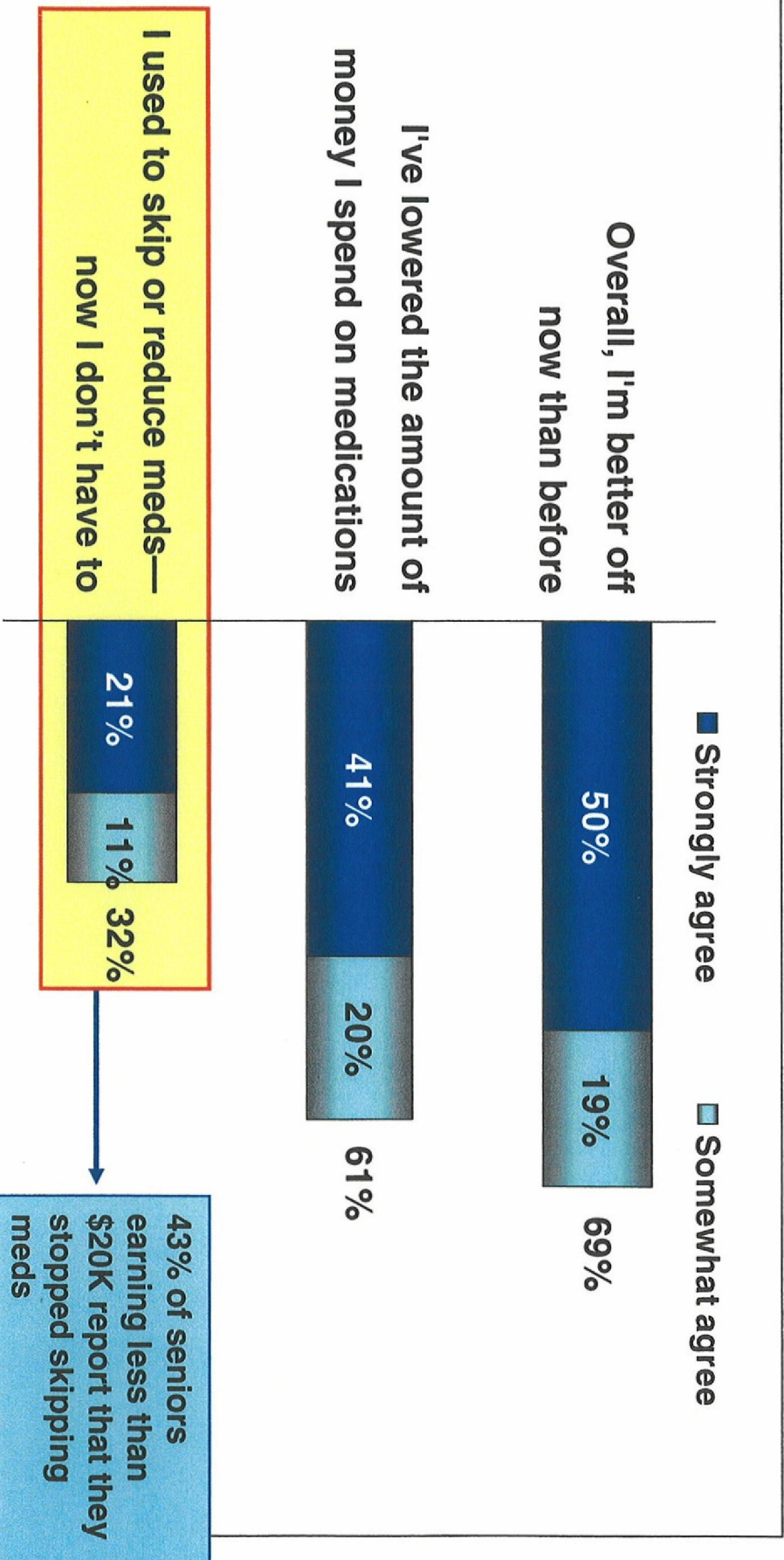
**Today, 4 out of 5 seniors feel satisfied —
and over half feel very satisfied**
78% say their drug plan is delivering what it said it would



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

- 82% feel peace of mind
- 81% feel relief
- 69% feel better off than before
- 61% have lowered costs on medicines
- 32% no longer have to skip medicine or reduce doses

7 in 10 are experiencing immediate benefits related to their Medicare Rx plan



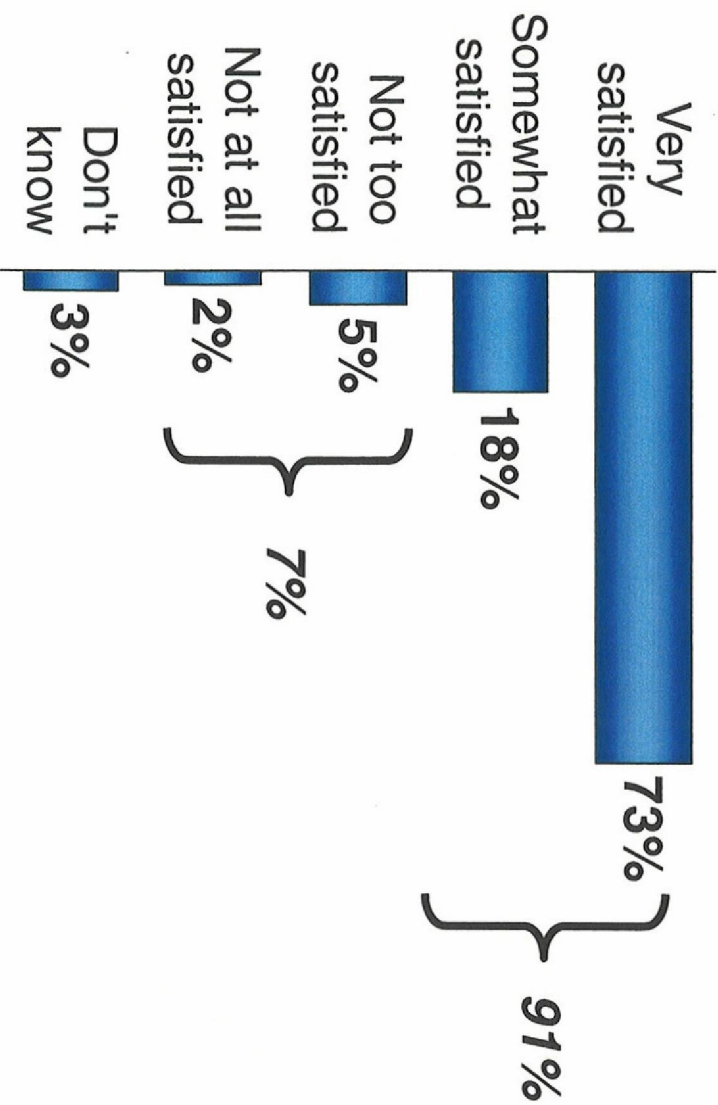
I'm going to read you some statements to hear how you feel now that you have enrolled in a Medicare prescription drug plan. For each one, tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree.

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

Dual Eligibles are among the most satisfied

88% say their plan is delivering what it said it would

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

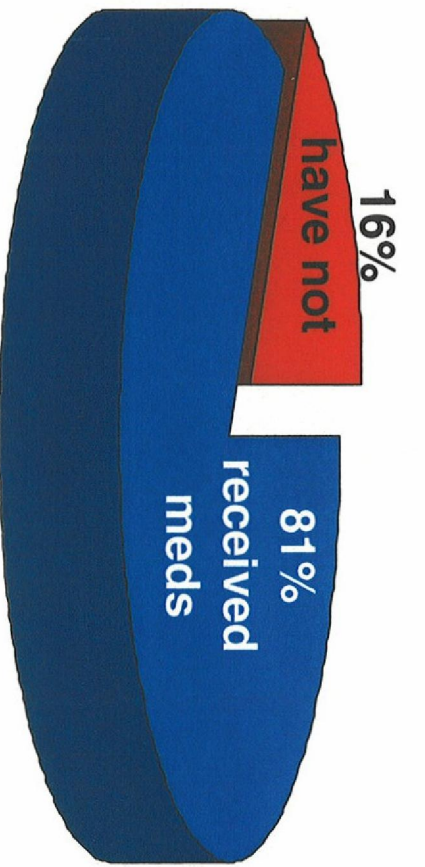


- 87% feel peace of mind
- 83% feel relief
- 73% feel better off than before
- 63% have lowered costs on medicines
- 46% no longer have to skip medicine or reduce doses

8 in 10 seniors are receiving medications through their Medicare Rx Plan

9 in 10 now say their plan works well

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



Those who have not received medicines through their plan do not take prescriptions (58%) and have higher incomes (23%).

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

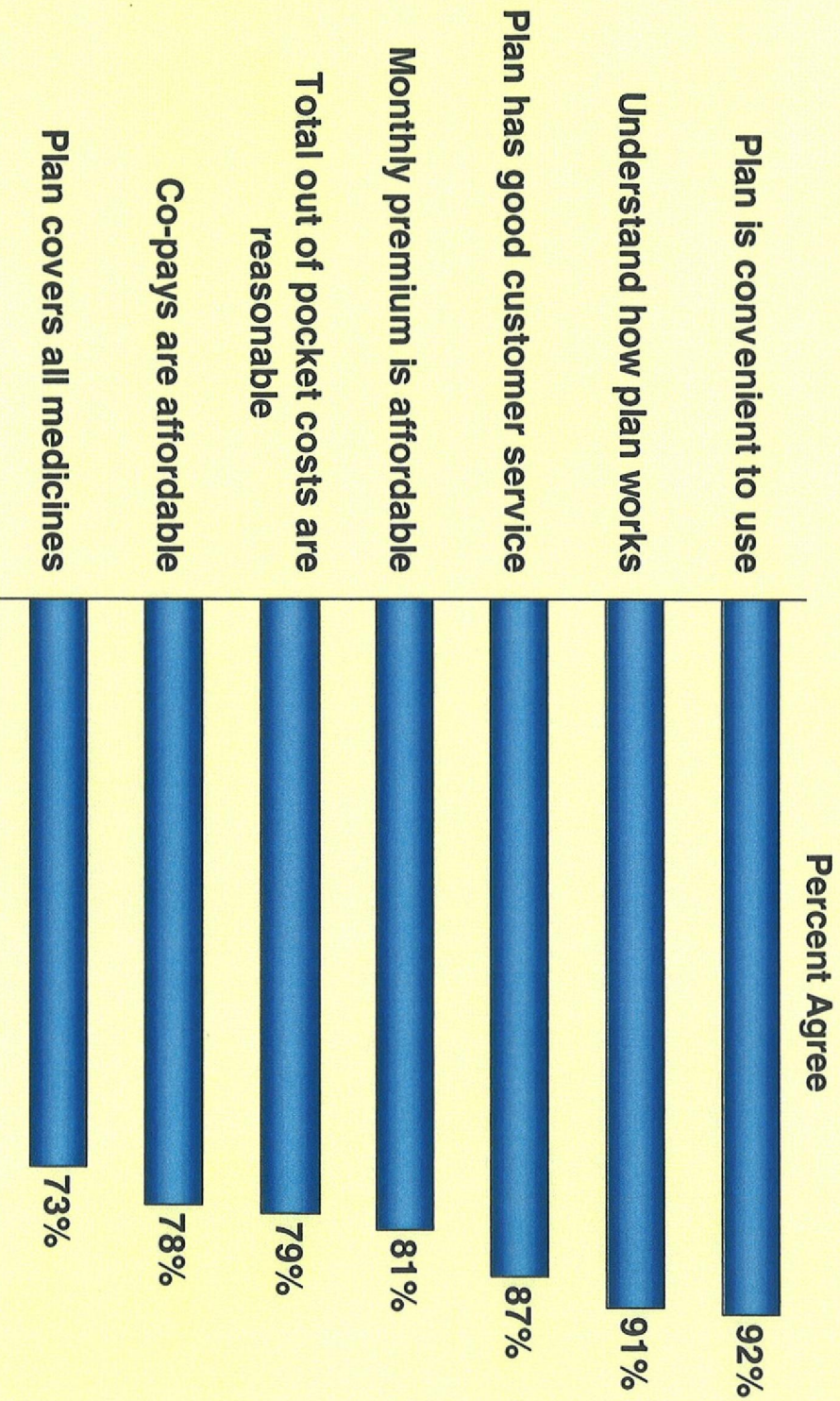


- 62% very well
- 30% somewhat well
- 4% not too well
- 4% not well at all

Base: Medicare Rx enrollees got medicines

Medicare Rx Plan Performance

*3 in 4 or more give their plan positive ratings
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.

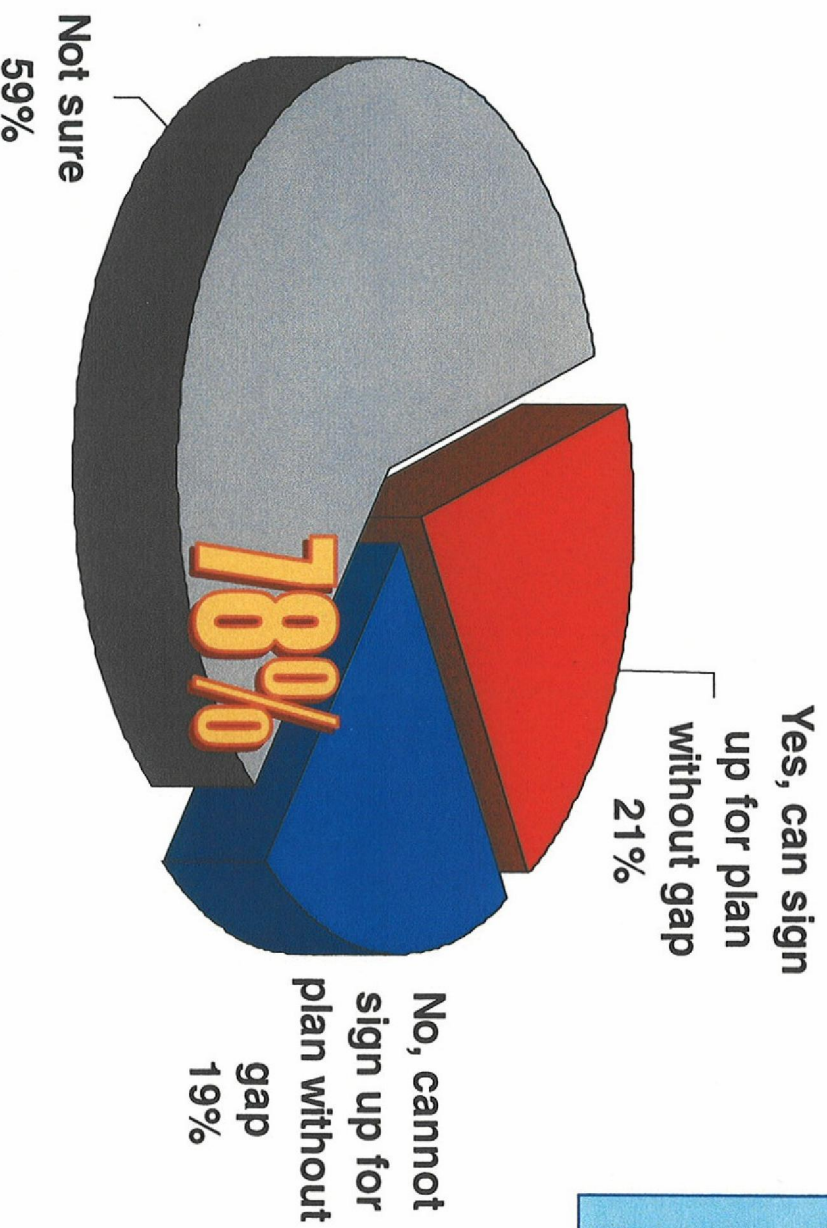
Base: Medicare Rx enrollees

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**Looking toward
November
enrollment**

Results show that more education is needed on plans available without a coverage gap.

As far as you know, can you sign up for a Medicare prescription drug plan that does not have a coverage gap?



College grads (33%) and those who follow Medicare news closely (36%) are more aware

About 1 in 10 intend to change their plan

Do you think you will definitely change your plan, probably change your plan, probably change your plan, probably change your plan, probably change your plan, probably change your plan, probably change your plan, or are you not sure?



- Those most likely to change plans:**
- Those who had difficulty paying for their medicines over the last year (47%)
 - Those dissatisfied with their plan (41%)
 - Those who did not lower their Rx spending (22%)
 - Those earning under \$20K (16%)

Reasons to Keep or Change Medicare Rx Plan

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

Reasons to change

- ▶ To lower out-of-pocket costs, costs in general (56%)
- ▶ Unhappy with current plan, want a better plan, plan is too complicated (30%)
- ▶ To avoid donut hole (20%)

Reasons to keep plan

- ▶ Happy with current plan (66%)
- ▶ Cost of plan/co-pays/out-of-pockets is reasonable, plan reduces/covers my costs (15%)
- ▶ Not aware of a better plan (6%)

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