KRC RESEARCH

Seniors' Opinions About Medicare Prescription Drug Coverage

8th Year Update

Prepared for

September 2013

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METHOD

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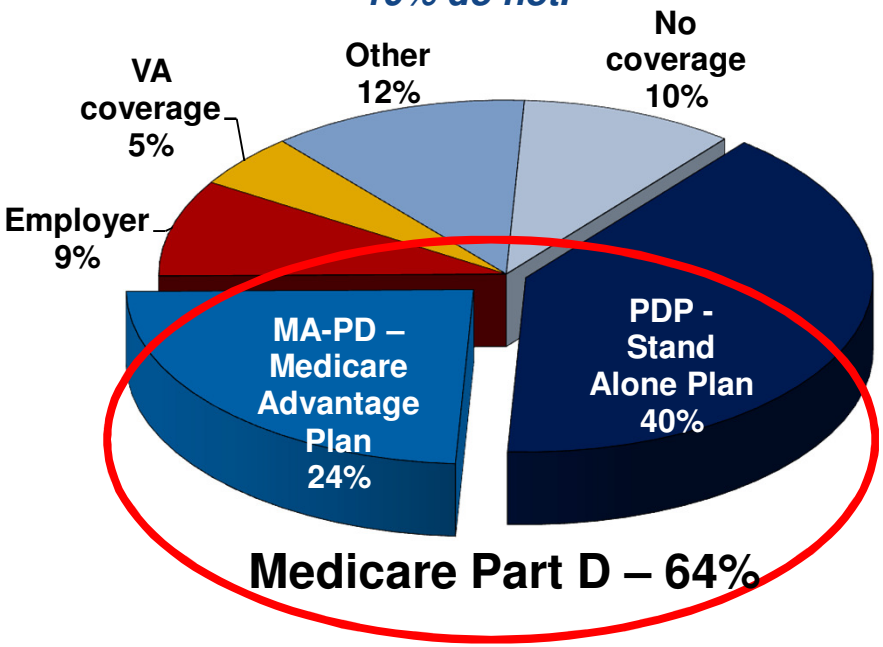
Method

Nationally representative landline telephone sample of 2,274 seniors 65+ conducted July 22 – August 4, 2013. The margin of error (MOE) for the full sample is ±2.1 percentage points (pps). We discuss the following groups in this report:

- **All with prescription drug coverage** (N=2,002 MOE is ±2.2 pps.)
- **All with Medicare Part D coverage (both PDP and MA-PD plans) (N=901 MOE is ±3.6 pps.)**
- **Medicare PDP (stand-alone) plans** (N=444 MOE is ±4.6 pps.)
- **Medicare Advantage (MA-PD) plans** (N=457 MOE is ±4.6 pps.)
- **Low income <$15K** (N=419 MOE is ±4.8 pps.)
- **Take 6+ prescriptions** (N=294 MOE is ±5.7 pps.)
- **Have a disability** (N=245 MOE is ±6.3 pps.)
- **Have Medicaid** (N=146 MOE is ± 8.1 pps.)
- **African-Americans** (N=103 MOE is ±10 pps.)
- **Hispanics** (N=100 MOE is ±10 pps.)

Prescription Drug Coverage Among Seniors

90% have prescription drug coverage —10% do not.



We interviewed seniors with Medicare, with the primary focus on seniors who have **Medicare Part D coverage – 64% of all seniors.**

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Tracking is based on identical questions asked 11 times since the program was launched in 2006.

	Mar. 2006	Sept. 2006	Jan. 2007	Sept. 2007	Sept. 2008	Mar. 2009	Oct. 2009	Aug. 2010	Oct. 2011	Sept. 2012	Aug. 2013
Interview dates	Mar. 15 to 20	Sept. 1 to 7	Jan. 5 to 9	Sept. 8 to 16	Sept. 16 to 22	Mar. 19 to 25	Oct. 16 to 25	Aug. 26 to 29	Oct. 3 to 6	Aug. 31 to Sept. 10	Jul. 22 to Aug. 4
Research firm	KRC Research										
Sample	Seniors 65 and older enrolled in Medicare										
# of interviews	896	802	1,003	1,001	1,007	1,063	945	1,243	992	2,363	2,274
MOE total sample (pps)	±3.3	±3.5	±3.1	±3.1	±3.1	±3	±3.2	±2.8	±3.1	±2.0	±2.1
Key questions	Experience of seniors enrolled in a Medicare drug plan Opinions and information needs of those not enrolled	Satisfaction of enrollees Aware of upcoming enrollment period and coverage gap Likelihood to change plans	Satisfaction of enrollees Attitudes and outcomes from the second enrollment period	Satisfaction of enrollees Aware of low-income subsidy Likelihood to change plans	Satisfaction of enrollees Advice to other seniors Likelihood to change plans	Satisfaction of enrollees Rating of benefit features	Satisfaction of enrollees Aware of coverage gap Opinions of coverage gap proposal	Satisfaction of enrollees Aware of and opinions about coverage gap Intent to compare plans during annual enrollment	Satisfaction of enrollees and reasons Rating of benefit features Intent to compare plans Recent news about Medicare drug benefits	Satisfaction of enrollees and reasons Rating of benefit features Intent to compare plans Recent news about Medicare drug benefits	Satisfaction of enrollees and reasons Rating of benefit features Intent to compare plans Important information for comparing plans

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Snapshot of Seniors With Medicare Part D Plans

Gender	%
Male	42
Female	59
Age	
65-74	54
75+	46
Ethnicity	
Caucasian	78
African-American	9
Hispanic/Latino(a)	9
Asian/Pacific Islander	2
American Indian/Native	1
Take prescriptions daily	92
Spend over $30 p/month on premium	24
Spend over $50 p/month out-of-pocket	32

Region	%
Northeast	18
Midwest	24
South	35
West	23
Population density	
Large city	19
Suburban area	24
Small town	37
Rural area	17
Have disability	30
Have chronic condition	74
Have difficulty paying for prescriptions	12
Take more than 10 scripts	10

EXECUTIVE SUMMARY

Executive Summary

1. The vast majority of seniors report being satisfied with their Medicare prescription drug plans.
   - Across all demographic groups studied, satisfaction is high.
   - Reasons for satisfaction include both emotional and functional benefits—most seniors feel peace of mind, feel they are getting what their plans said they would deliver, their costs are affordable, and their medicines are covered.
   - Without Medicare drug benefits, large numbers of seniors feel they would not be able to fill all their prescriptions and would be more likely to cut back or stop taking medicines.
2. Most seniors with a Medicare prescription drug plan recommend Medicare prescription drug coverage to others considering enrollment.
3. About 1 in 3 seniors with plans and 1 in 4 without plans say they will shop around to compare plans during this year's Open Enrollment.
   - Those enrolled in a plan who do not intend to shop around mainly say so because they are satisfied with their current coverage.
4. There are gaps in awareness of useful plan comparison tools:
   - Few are aware of the Medicare 5-star plan quality ratings that are part of the online Medicare Plan Finder tool;
   - Few are aware that there are state counselors who can assist them with Medicare plan comparisons.

DETAILED FINDINGS

Satisfaction with Medicare

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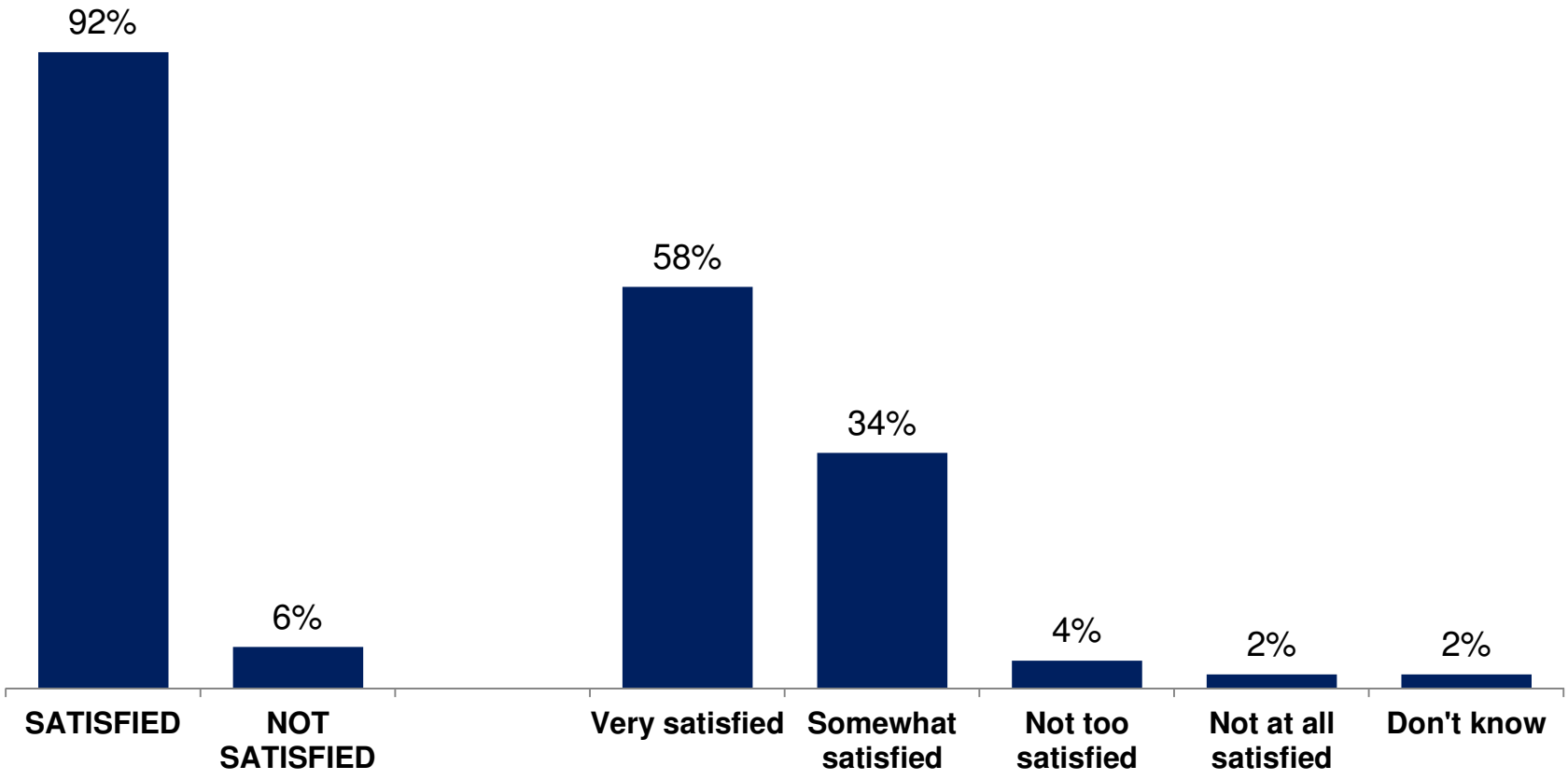
Medicare continues to be popular with seniors.

Over 9 in 10 are satisfied, with nearly 6 in 10 very satisfied.



Overall, how satisfied are you with your Medicare health care coverage these days?

Base: (N=2,274) Total Seniors 65+ with Medicare

Satisfaction with Medicare Part D

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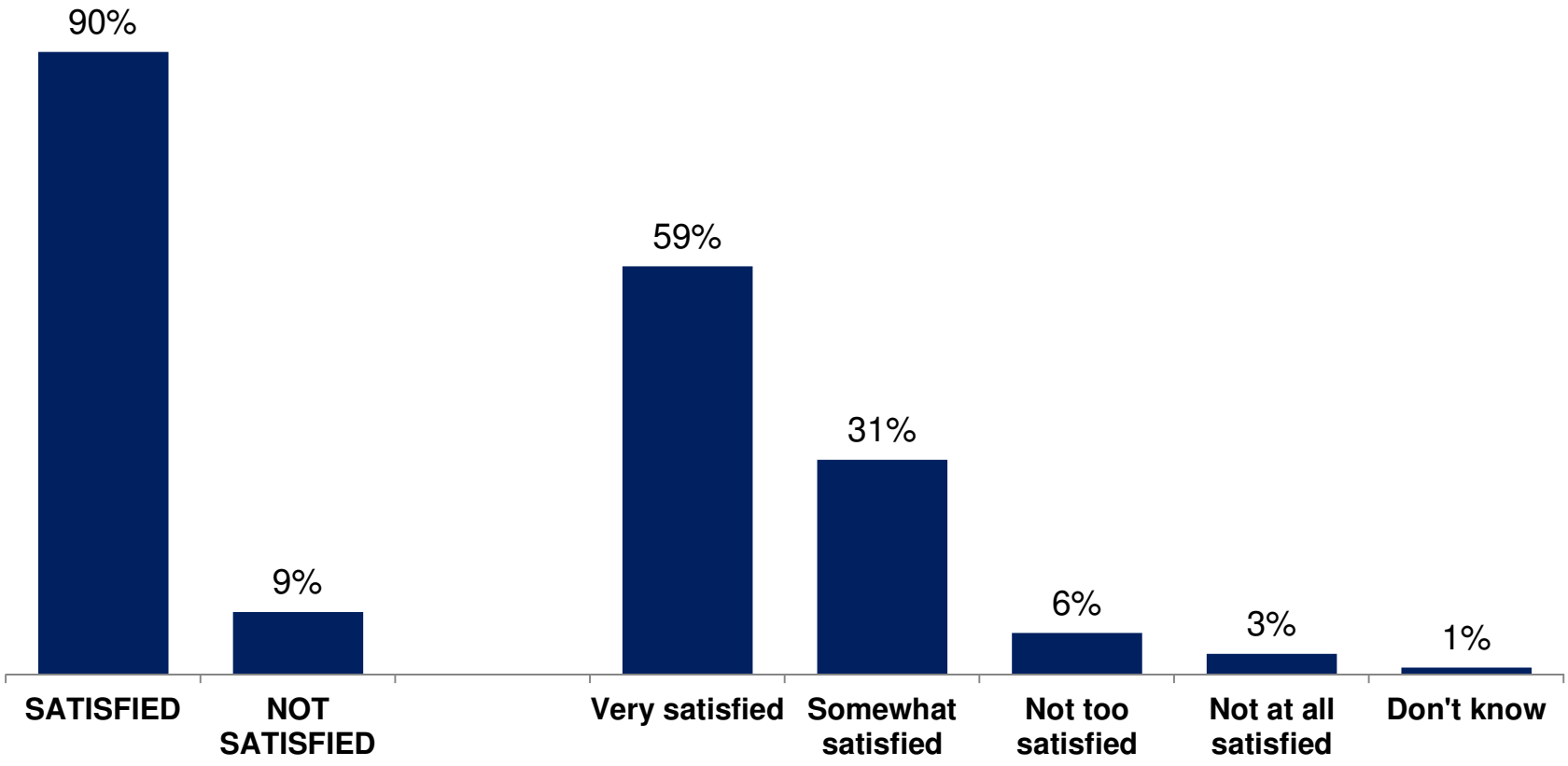
Seniors give very high satisfaction ratings to Medicare Part D.

Nine out of 10 are satisfied and 6 in 10 are very satisfied.



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

Base: (N=901) Those enrolled in a Medicare drug plan (stand-alone or Medicare Advantage)

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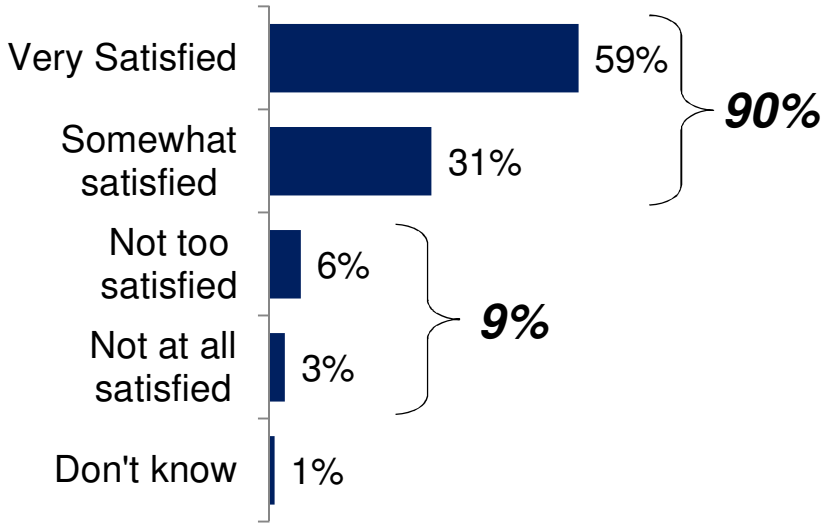
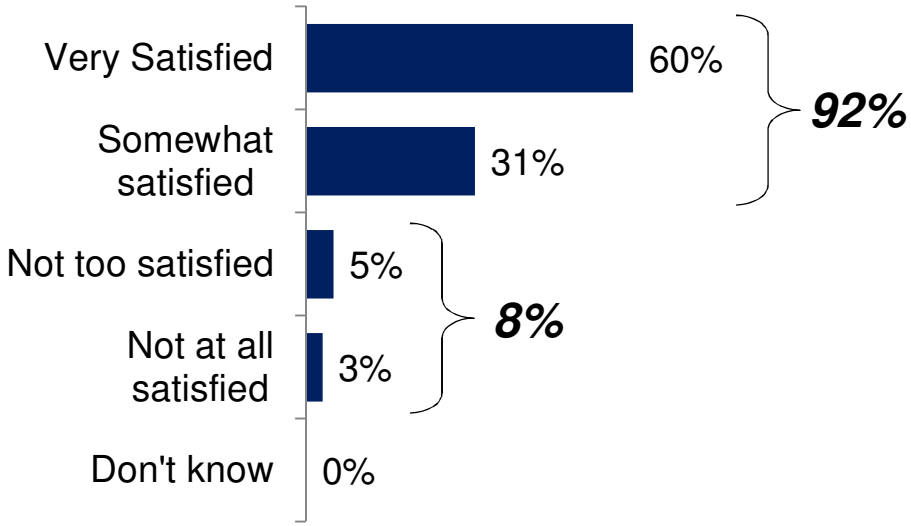
Medicare prescription drug plan enrollees—including those who use their plans—are highly satisfied.

Seniors with Medicare Drug Coverage



Base: (N=901) Those enrolled in a Medicare drug plan (stand-alone or Medicare Advantage)

Seniors with Medicare Drug Coverage Who Have Received Medicines through their Medicare Drug Plan



Base: N=785 Medicare drug plan enrollees who received medicines through plan

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

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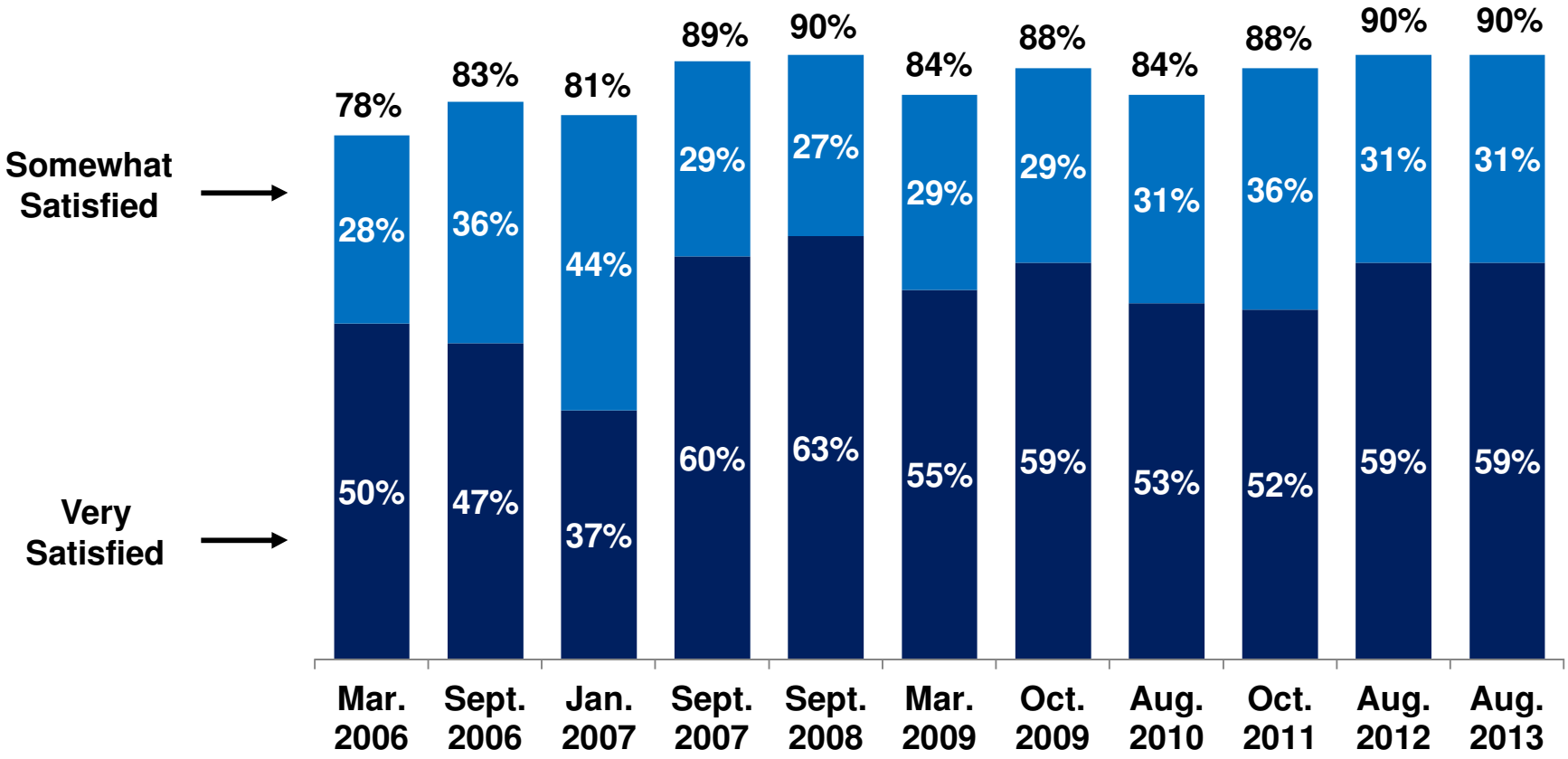
Seniors' satisfaction with Medicare Part D has been high and trending upward over the last 8 years.

More than 3 in 4 seniors have reported satisfaction with their plan in each of 11 surveys.



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

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

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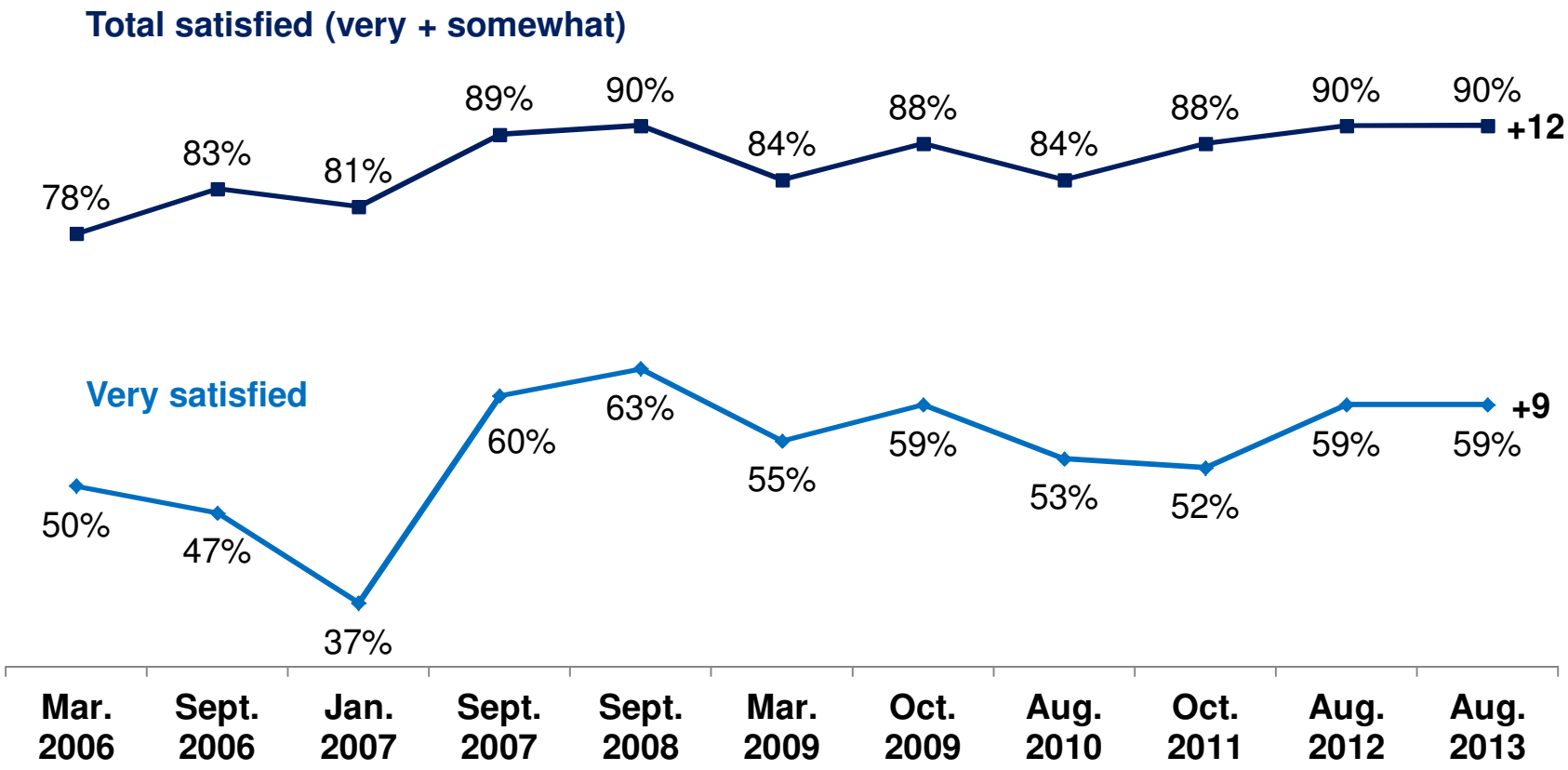
Historically high levels of satisfaction have been achieved once again.

Overall satisfaction is up 12 points since March 2006 and the intensity of that satisfaction has increased 9 points during the same time (those saying "very satisfied").



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

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

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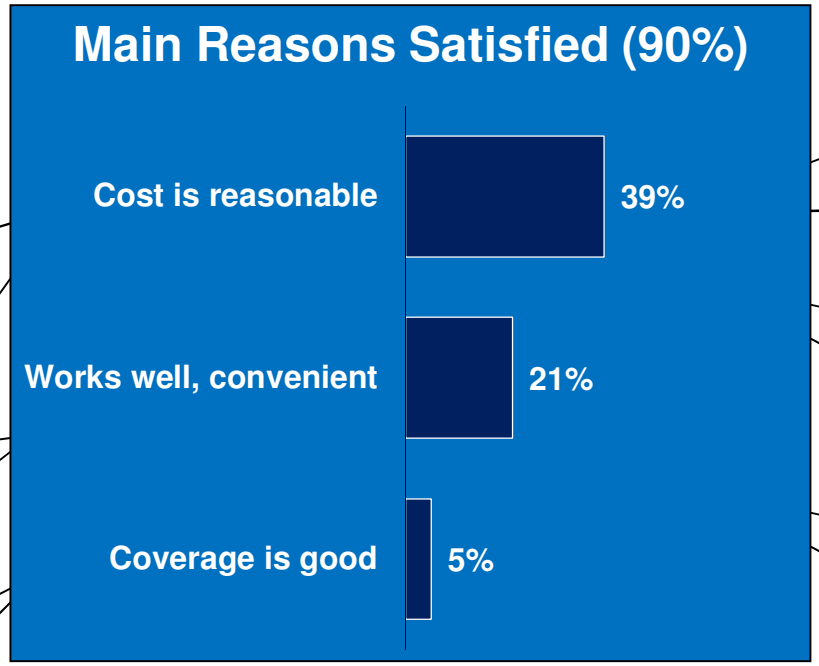
Primary Reasons for Satisfaction with Medicare Prescription Drug Coverage (Unaided)

"Because what I pay isn't much and they reimburse me. Everything is taken care of – very easy and the mail order is here in a matter of days."

"Because I've been able to afford what isn't being paid for."

"I don't have to pay a lot of money."



"I have no problems getting my prescription medicines. I have to pay very little out of pocket."

"I haven't had any problems, so I'm definitely satisfied."

"It's real good coverage. It covers most of the costs of my drugs."

What are the main reasons you're satisfied?

Base: (N=811) Those who are satisfied with their drug plan

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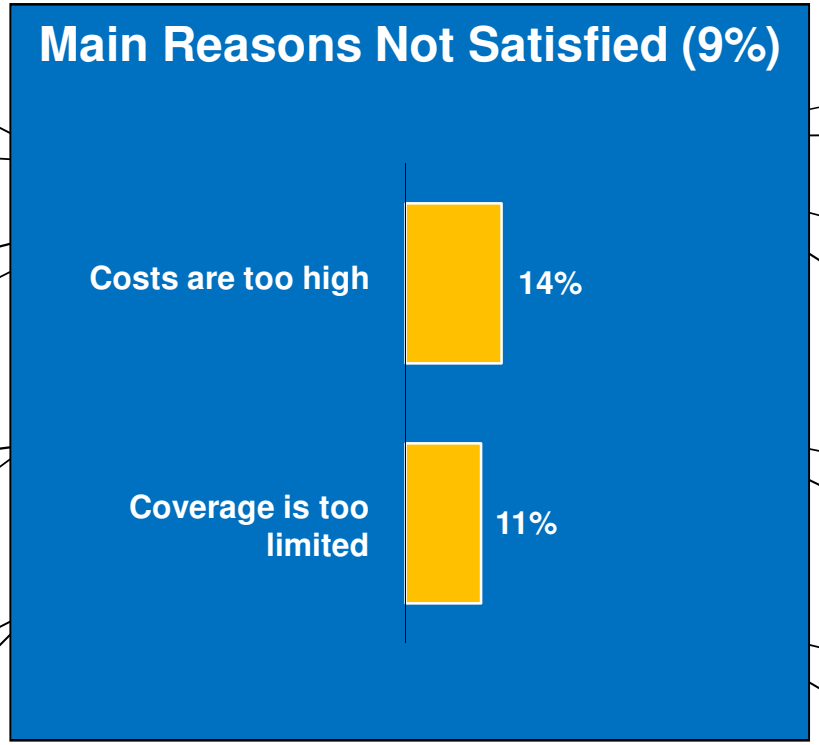
Primary Reasons Not Satisfied with Medicare Prescription Drug Coverage (Unaided)

"I have to have something or else I'd be drowning in debt with the number of pills I have."

"I feel I shouldn't be paying as much as I do for prescriptions."

"It costs me a lot. Now I pay more because of insurance."

"Some of the drugs are very expensive."



"Each year the coverage decreases."

"Because a lot of the drugs are not generic and are not covered by the plan. Some of the ones that are covered keep going up."

"Because they don't cover that much. They claim they do, but they don't."

"Because it's supposed to cover medicines and it doesn't. I'm paying a lot of money for drugs out of my pocket."

What are the main reasons you're not satisfied?

Base: (N=78) Those who are not satisfied with their drug plan

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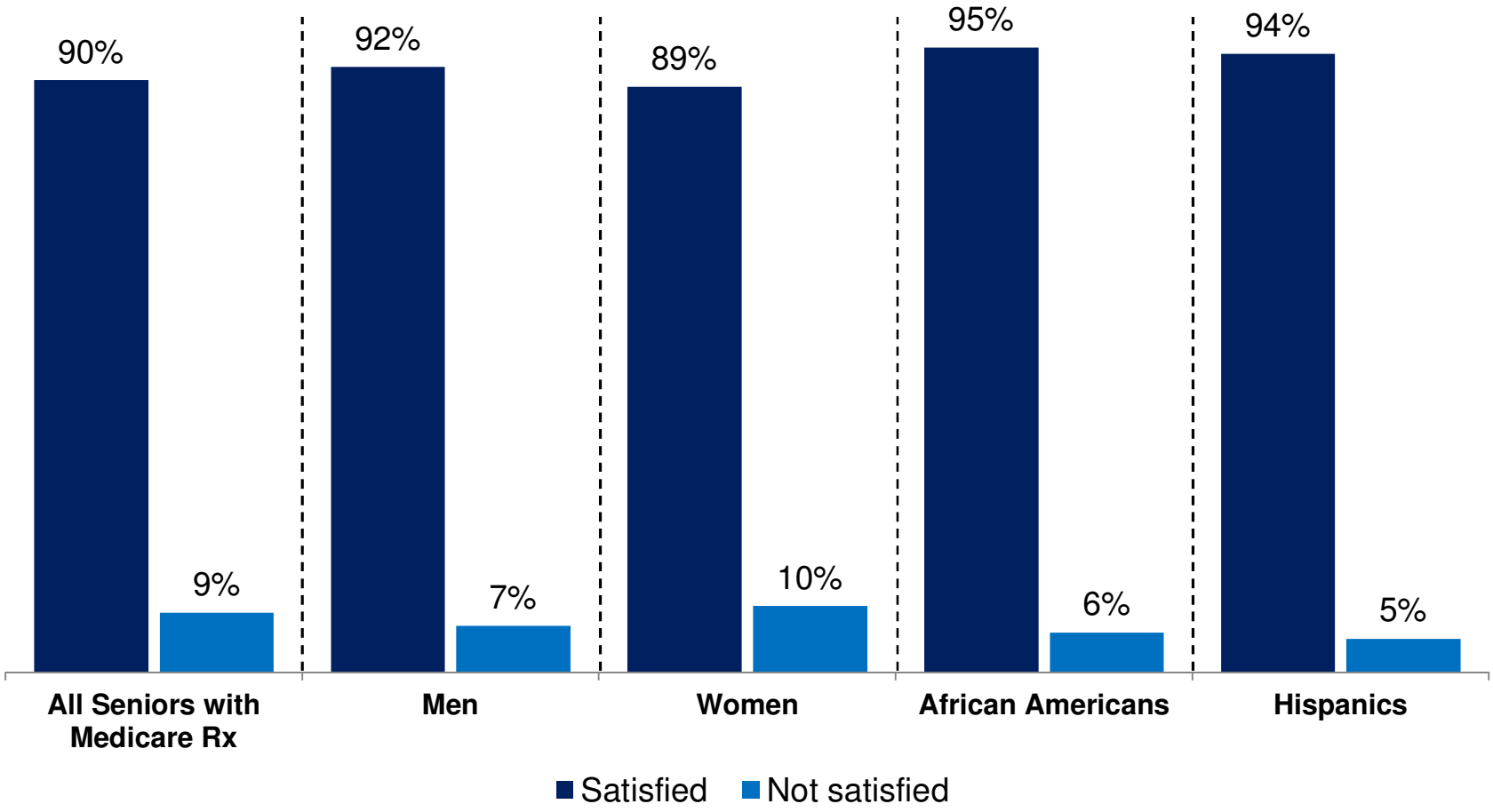
Across demographic groups satisfaction is very high.



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

Base: (N=901) Those enrolled in a Medicare drug plan (stand-alone or Medicare Advantage)

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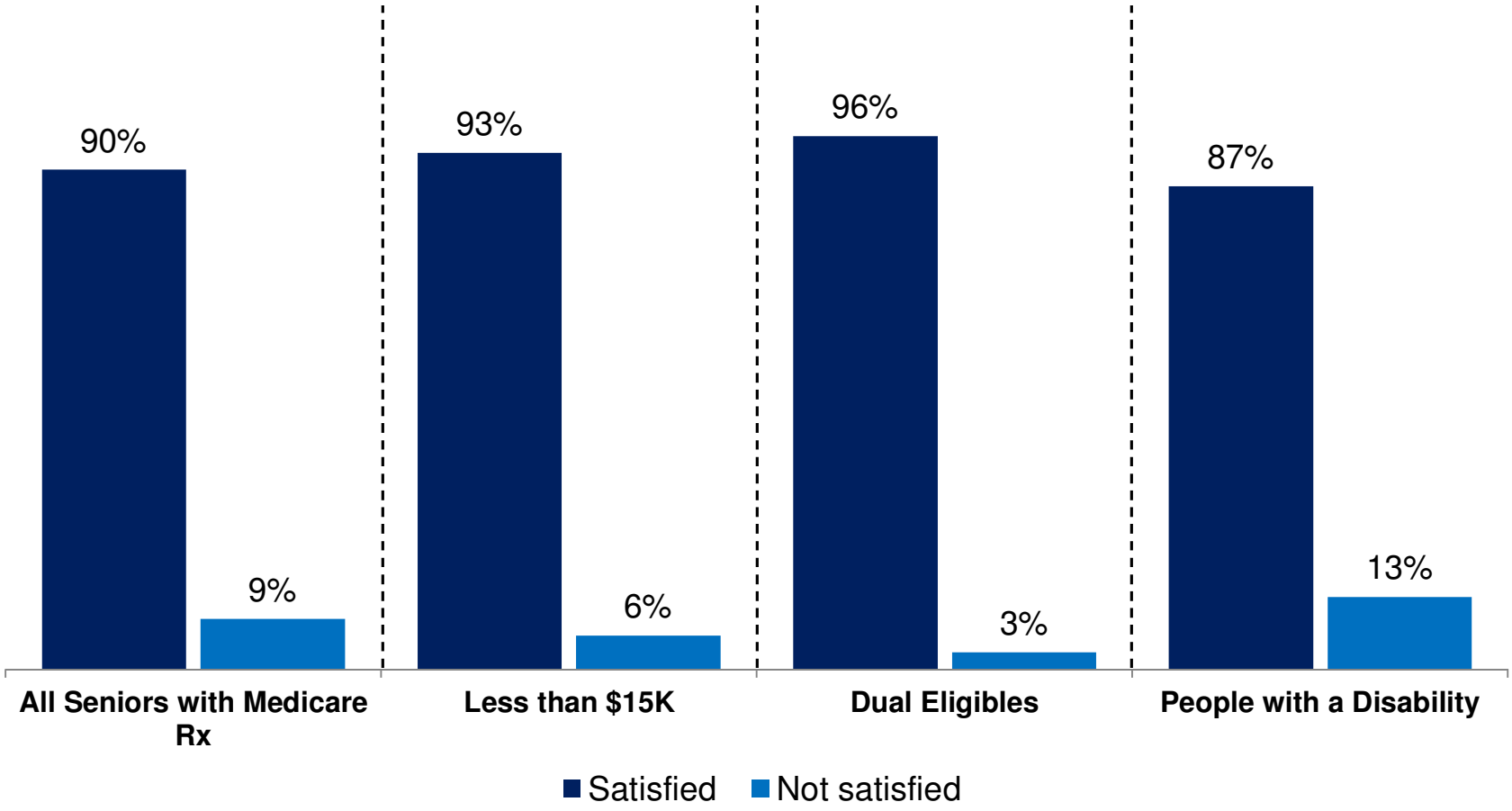
Beneficiaries with low incomes, dual eligibles, and people living with a disability are also satisfied.



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

Base: (N=901) Those enrolled in a Medicare drug plan (stand-alone or Medicare Advantage)

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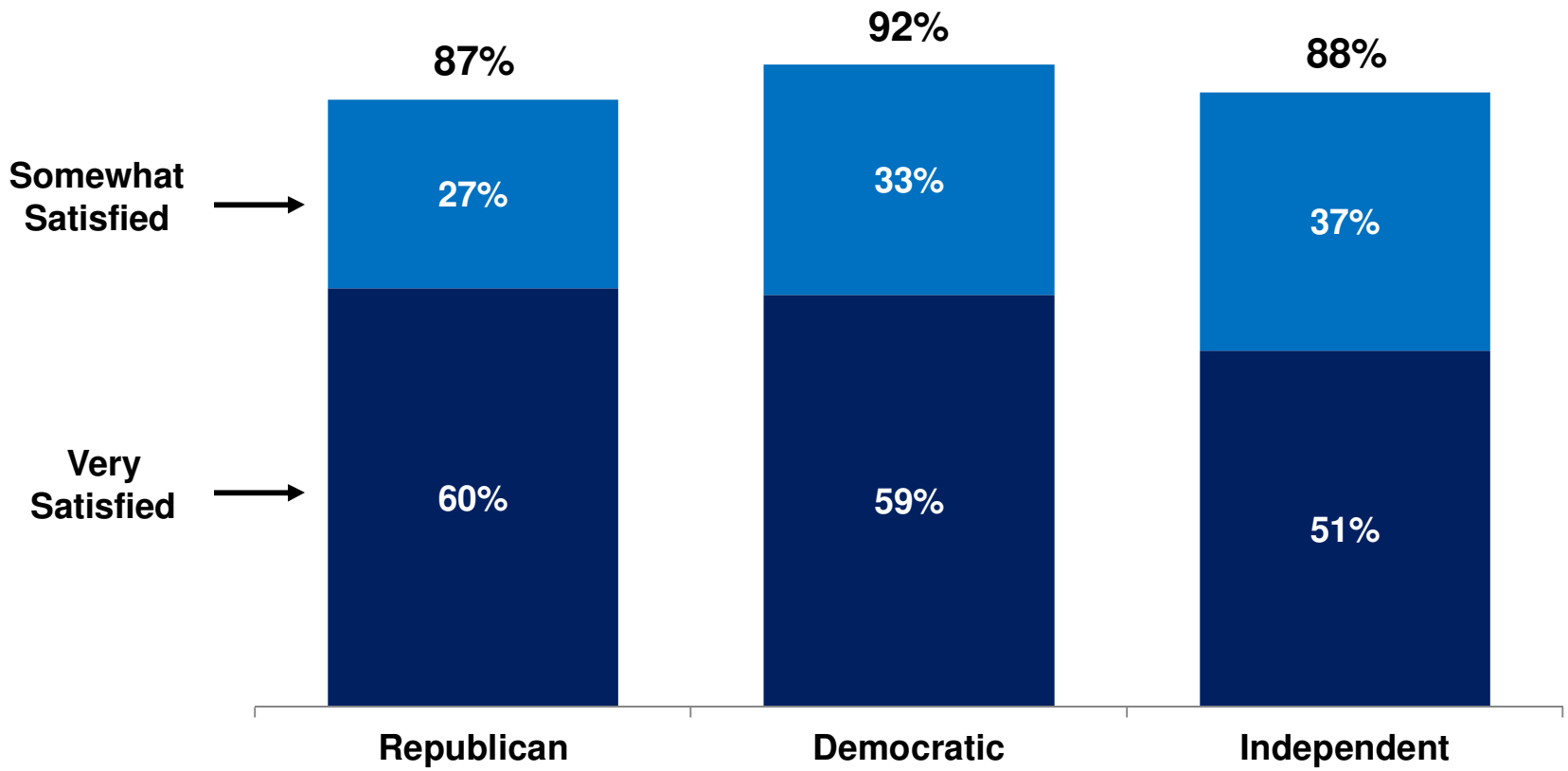
Satisfaction with Medicare Part D is popular across the political spectrum.



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

Generally speaking, do you think of yourself as a Republican, a Democrat, an independent, or something else? [If independent, other, or don't know] Do you think of yourself as closer to the Republican Party or the Democratic Party?

Base: (N=901) Those enrolled in a Medicare drug plan (stand-alone or Medicare Advantage)

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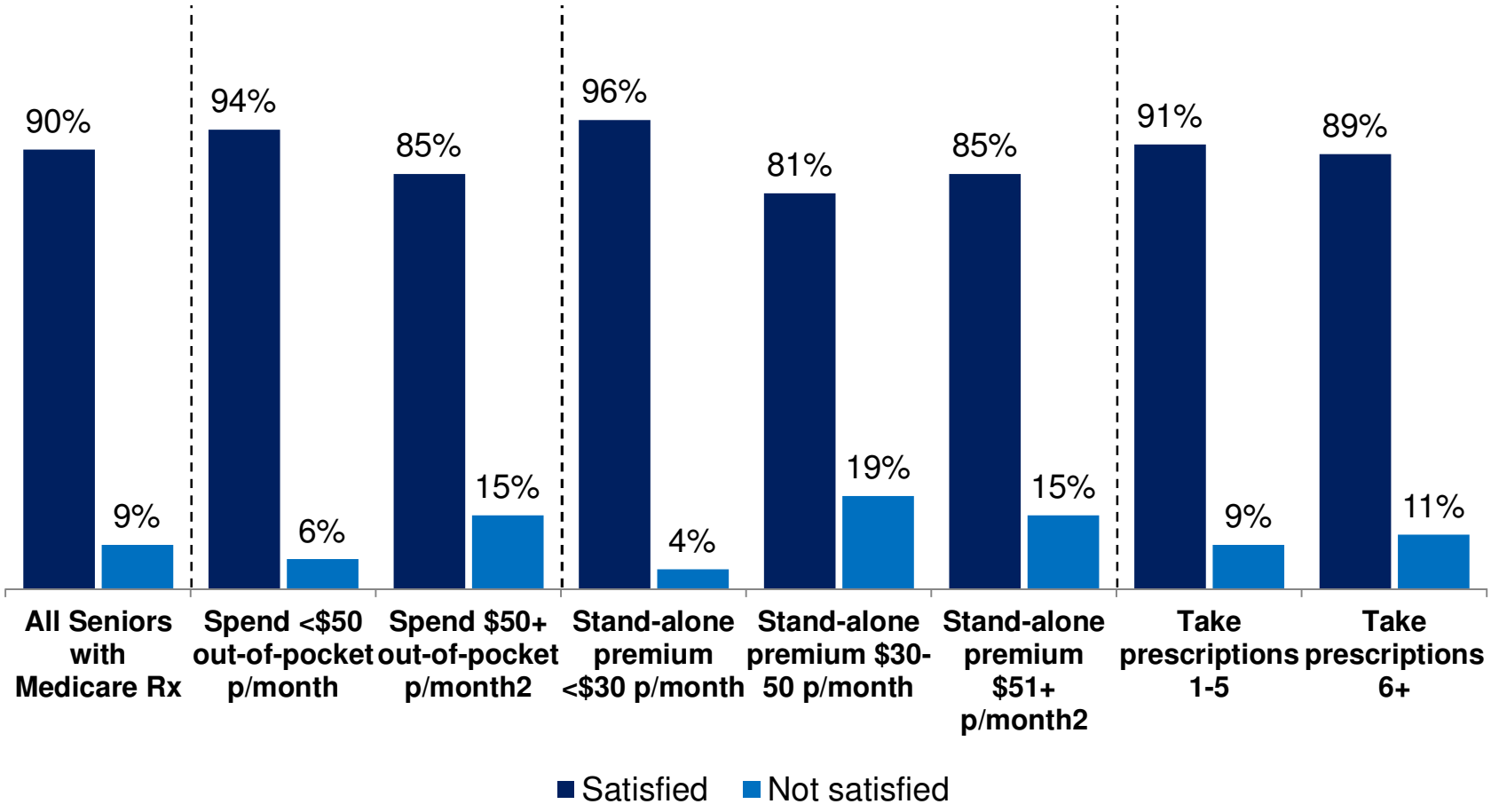
Those with low out-of-pocket costs and low premiums are the most satisfied with their Medicare drug coverage.



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

Base: (N=901) Those enrolled in a Medicare drug plan (stand-alone or Medicare Advantage)

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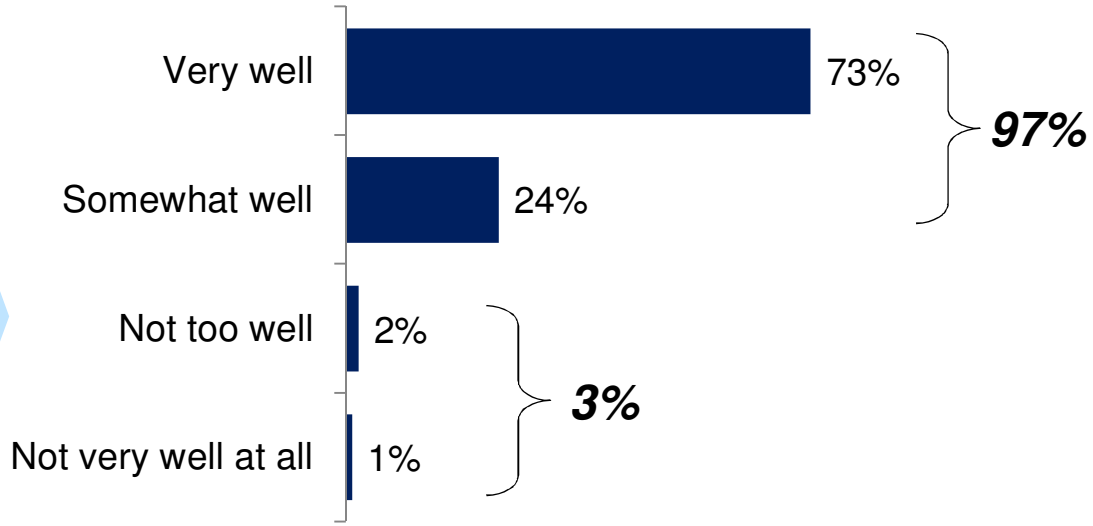
The vast majority of those who use their plans say they work well.

More than 7 in 10 say their plan works very well.

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

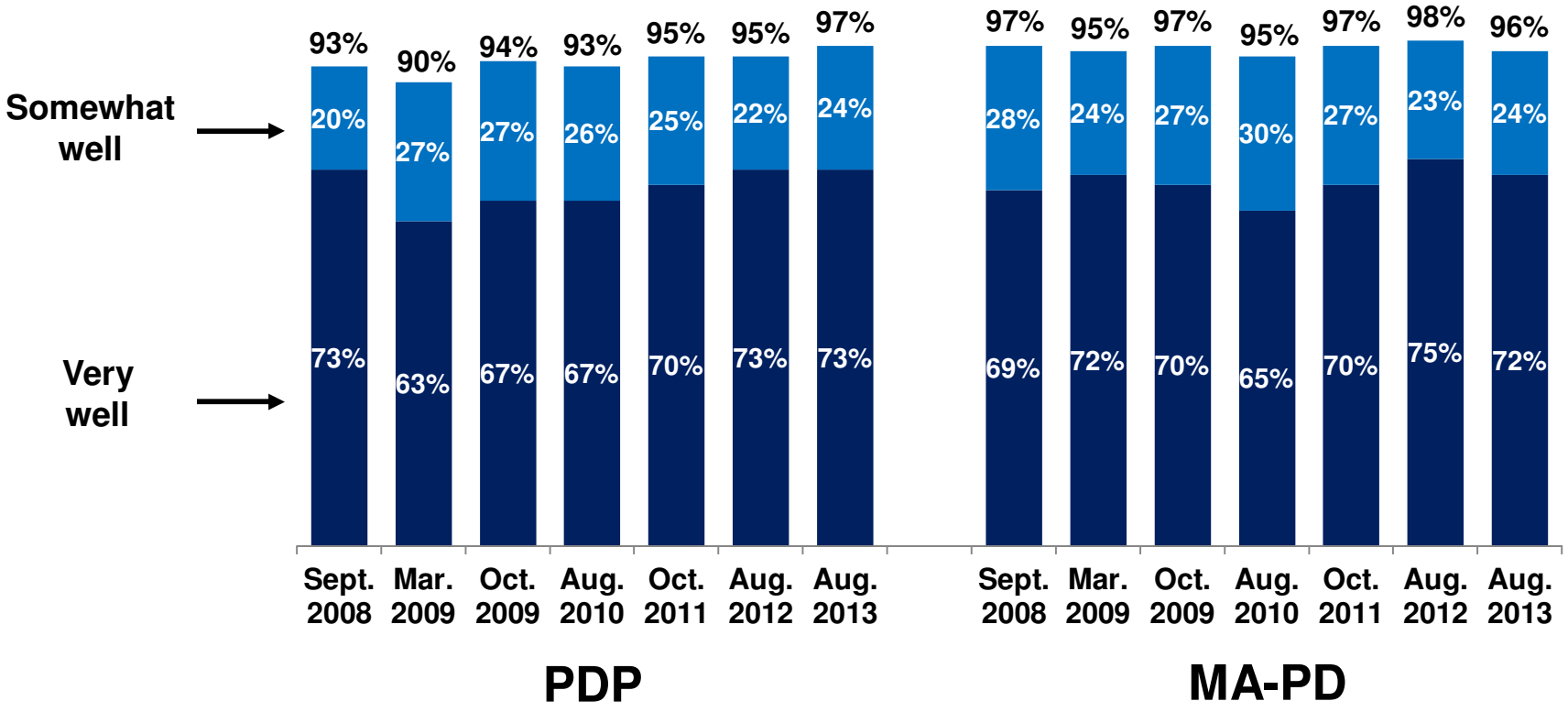
86% Received meds
12% Have not



IF RECEIVED MEDICINES THROUGH PLAN (N=785): And how well has your prescription drug plan worked for you—has it worked very well, somewhat well, not too well, or not very well at all?

KRC RESEARCH

Nearly all with stand-alone and Medicare Advantage plans say their plans work well—most say VERY well.



How well has your prescription drug plan worked for you?

Base: Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

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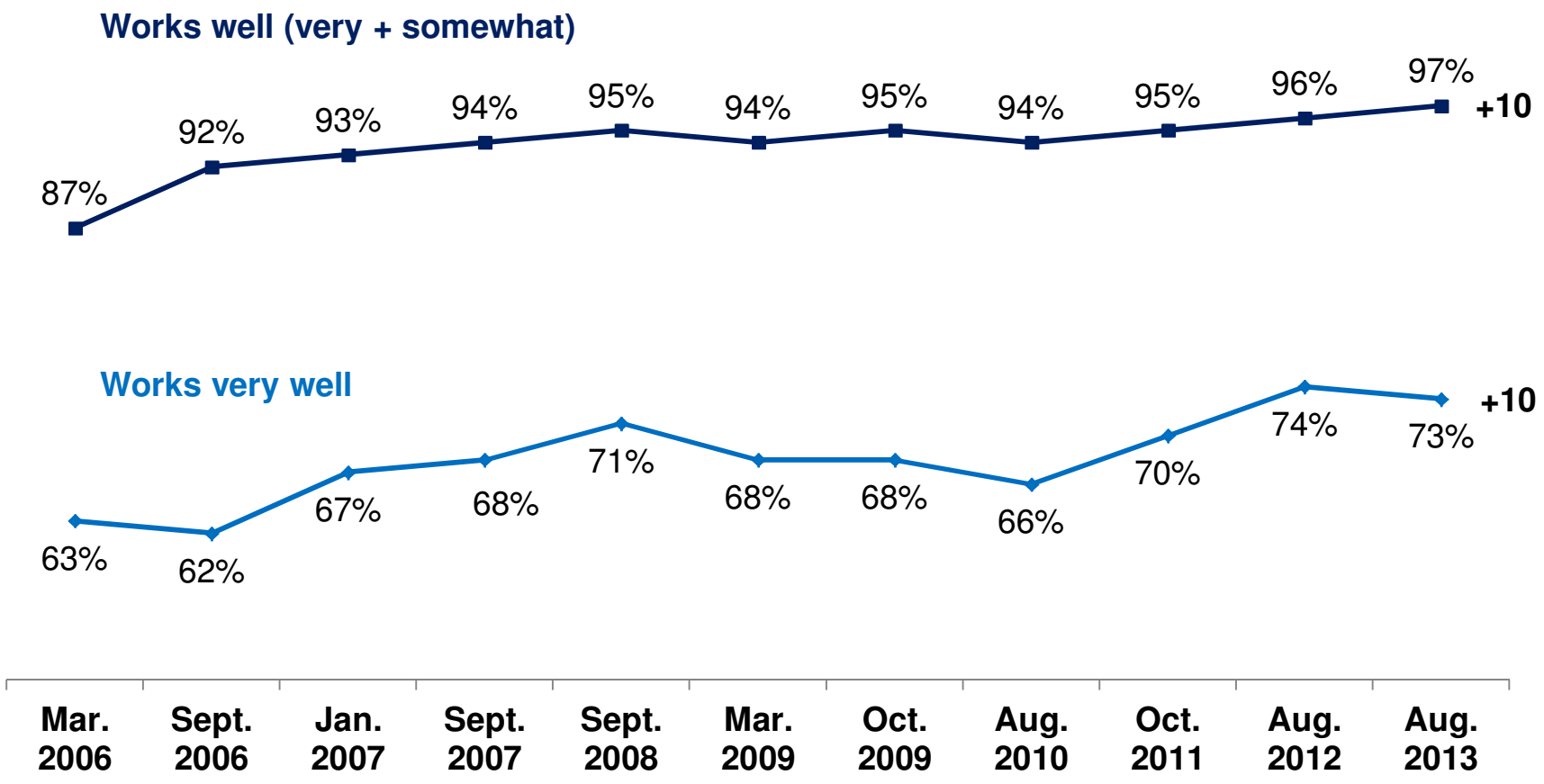
Ratings of how well Medicare drug plans work are at peak levels: 97%.

Works well overall and works "very well" have jumped 10 points since Spring 2006.

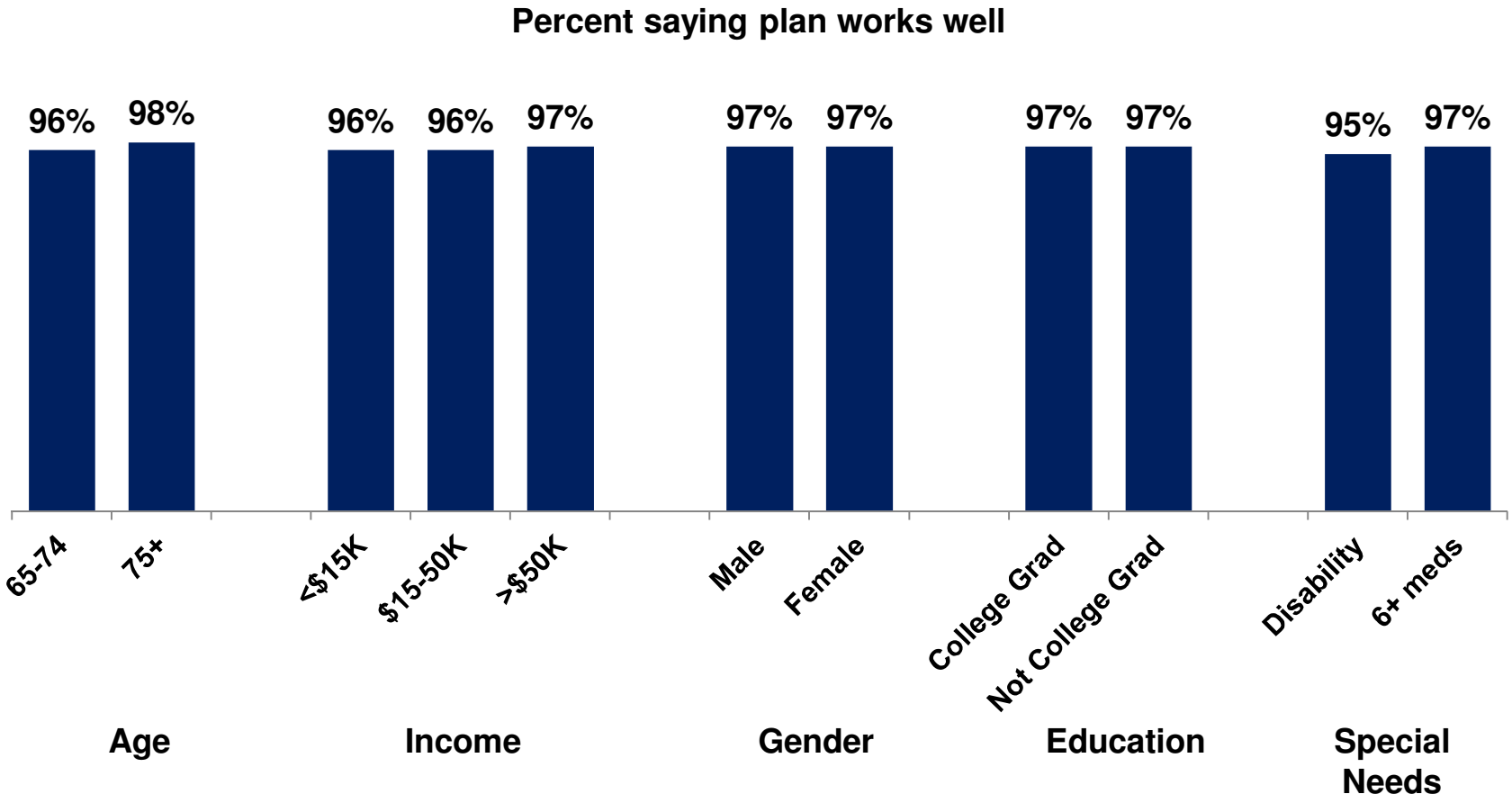


IF RECEIVED MEDICINES (N=785): How well has your prescription drug plan worked for you?

Base: Medicare drug plan enrollees who received medicines through plan

KRC RESEARCH

All demographic groups agree: their Medicare drug plans work well.

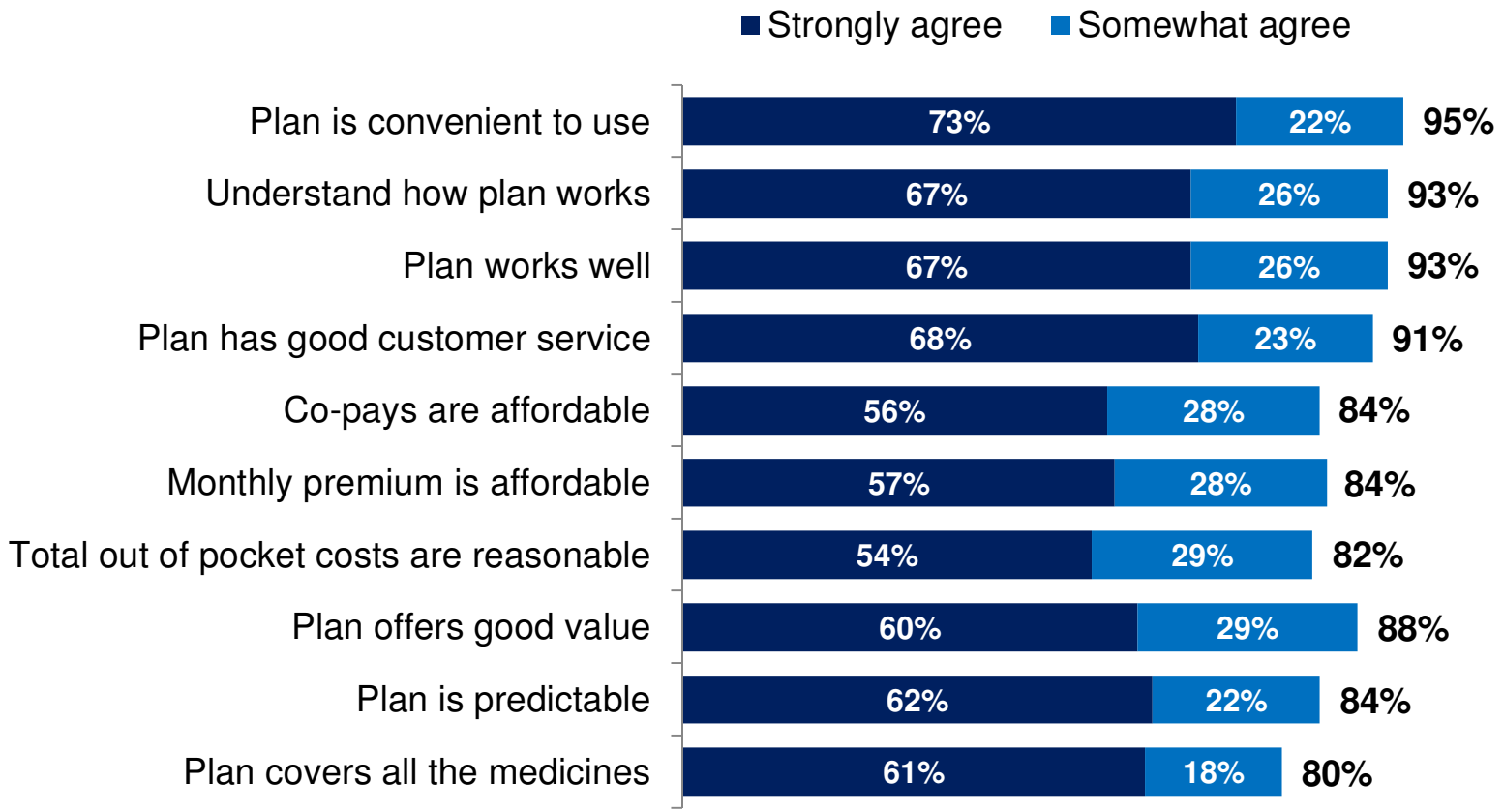


How well has your prescription drug plan worked for you?

Base: (N=785) Medicare drug plan enrollees who received medicines through plan

KRC RESEARCH

Nine in 10 see Medicare drug plans as convenient, understandable, working well, and having good customer service.



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: (N=901) Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

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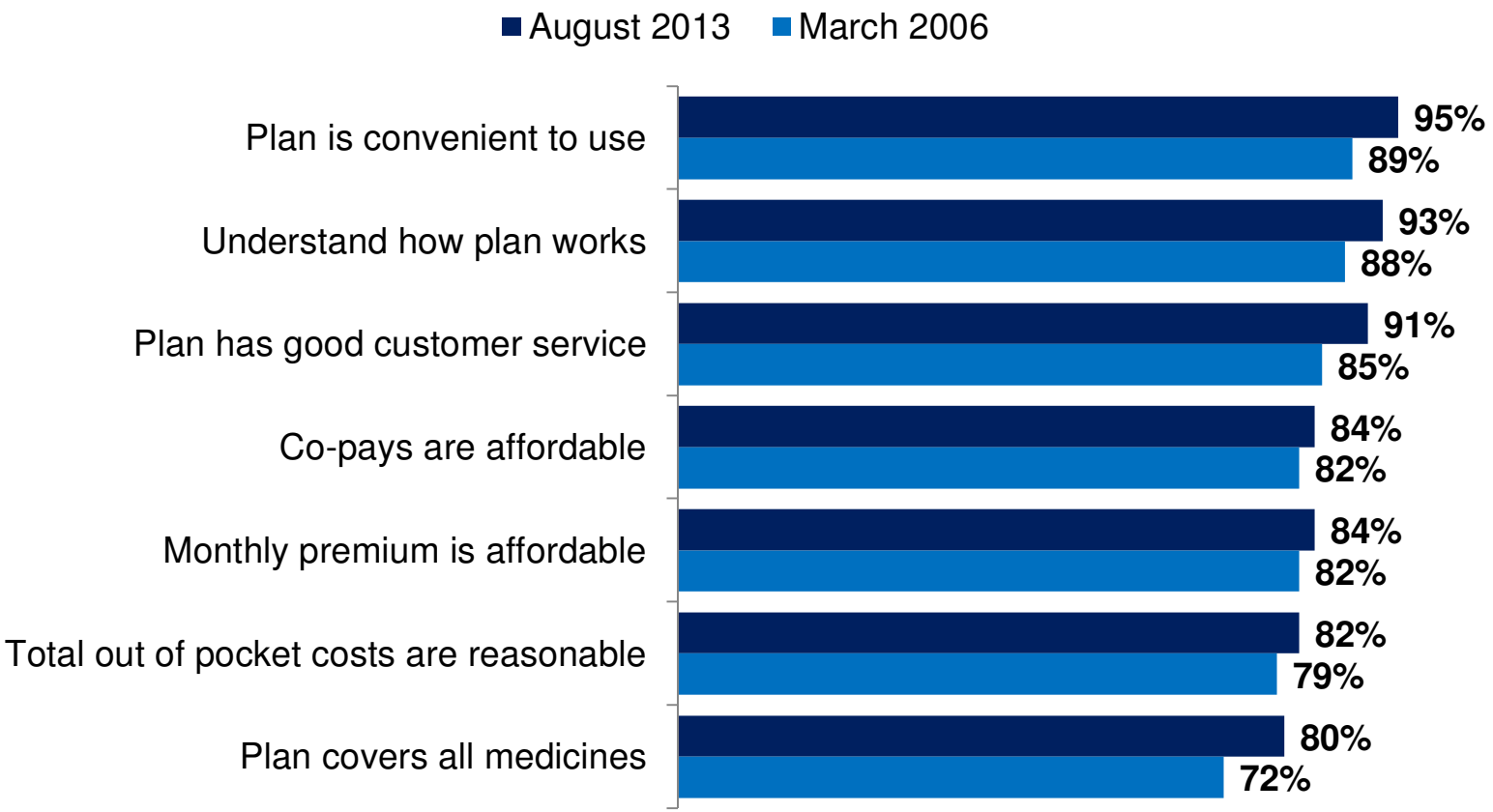
Since its inception, satisfaction with Medicare drug coverage has risen across multiple indicators.



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Base: Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

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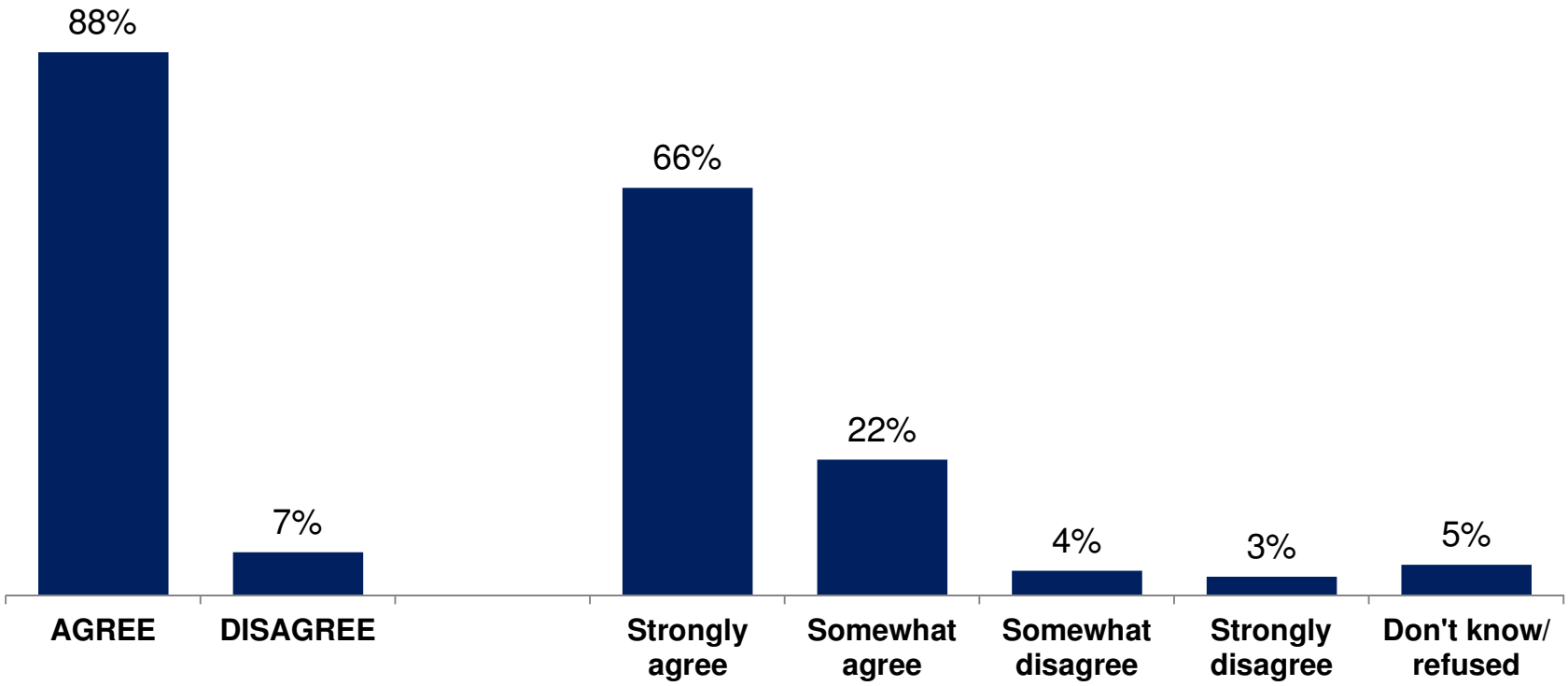
Nearly 9 in 10 say that Medicare drug plans are delivering on their promise.

"My Medicare drug plan is delivering what it said it would when I enrolled"



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: (N=901) Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

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Feelings of "peace of mind" are nearly universal.

Those saying "A great deal" or "some"

	Mar. 2006	Sept. 2006	Jan. 2007	Sept. 2007	Sept. 2008	Mar. 2009	Oct. 2009	Aug. 2010	Oct. 2011	Aug. 2012	Aug. 2013
Feel fortunate that I'm covered	N/A	N/A	N/A	96	97	93	95	94	95	95	97
Feel peace of mind	78	82	83	94	97	91	93	94	95	94	96
Feel frustrated with my coverage	33	35	35	28	22	26	30	27	32	24	26
Feel nervous about my coverage	28	26	25	19	23	23	27	27	25	25	24

I'm going to read a list of words that may or may not describe how you're feeling about your prescription drug coverage these days. Tell me if that describes how you're feeling a great deal, some, or not at all

Base: Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

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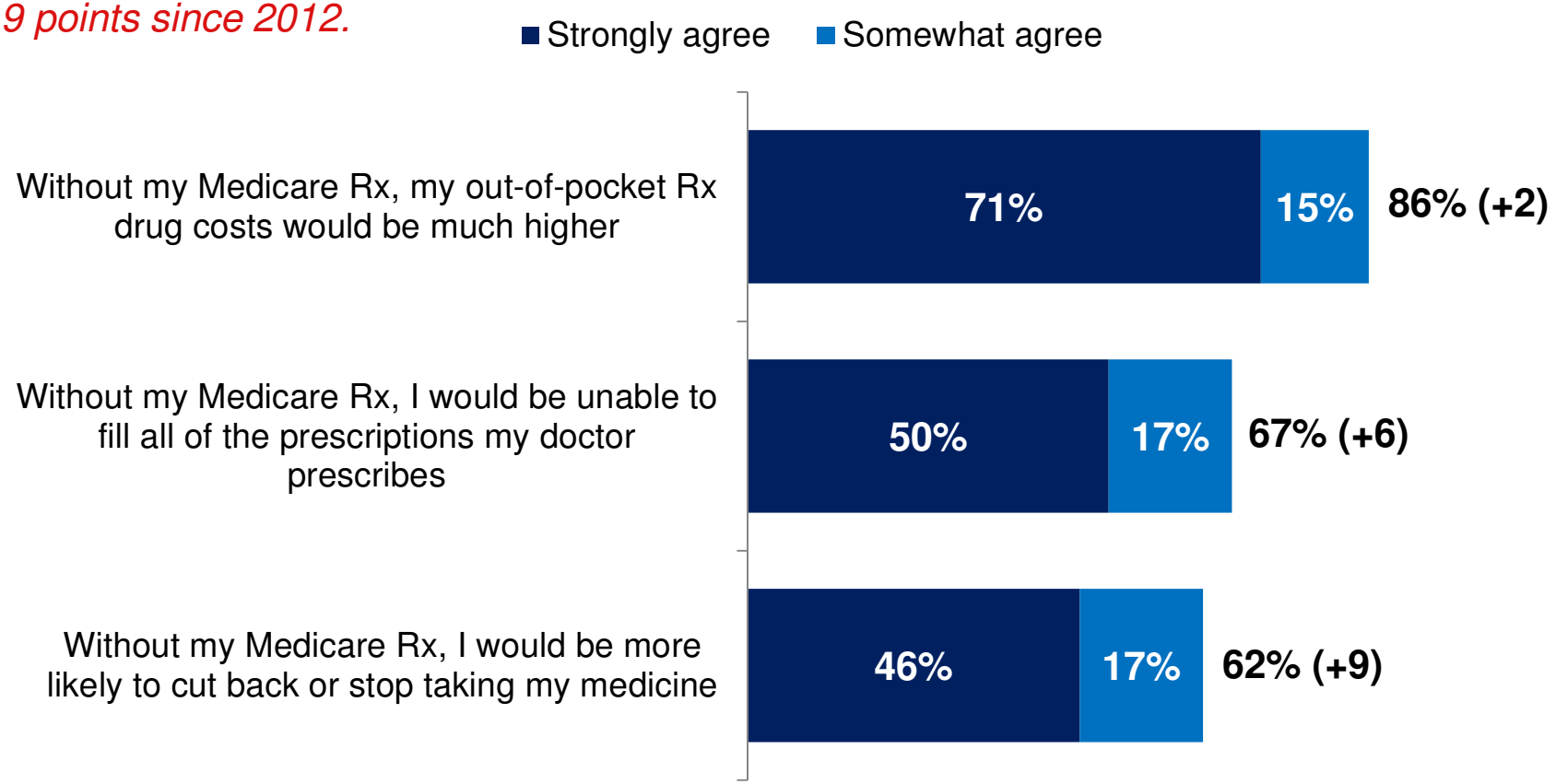
Without Medicare drug coverage, most say they would face higher costs and challenges getting prescriptions.

Without a Medicare drug plan, 62% say they would cut back or stop taking medicine – up 9 points since 2012.



I'm going to read you some statements to hear how you feel about having Medicare prescription drug coverage. For each one, think about your situation before you had Medicare prescription drug coverage and tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree.

Base: (N=901) Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

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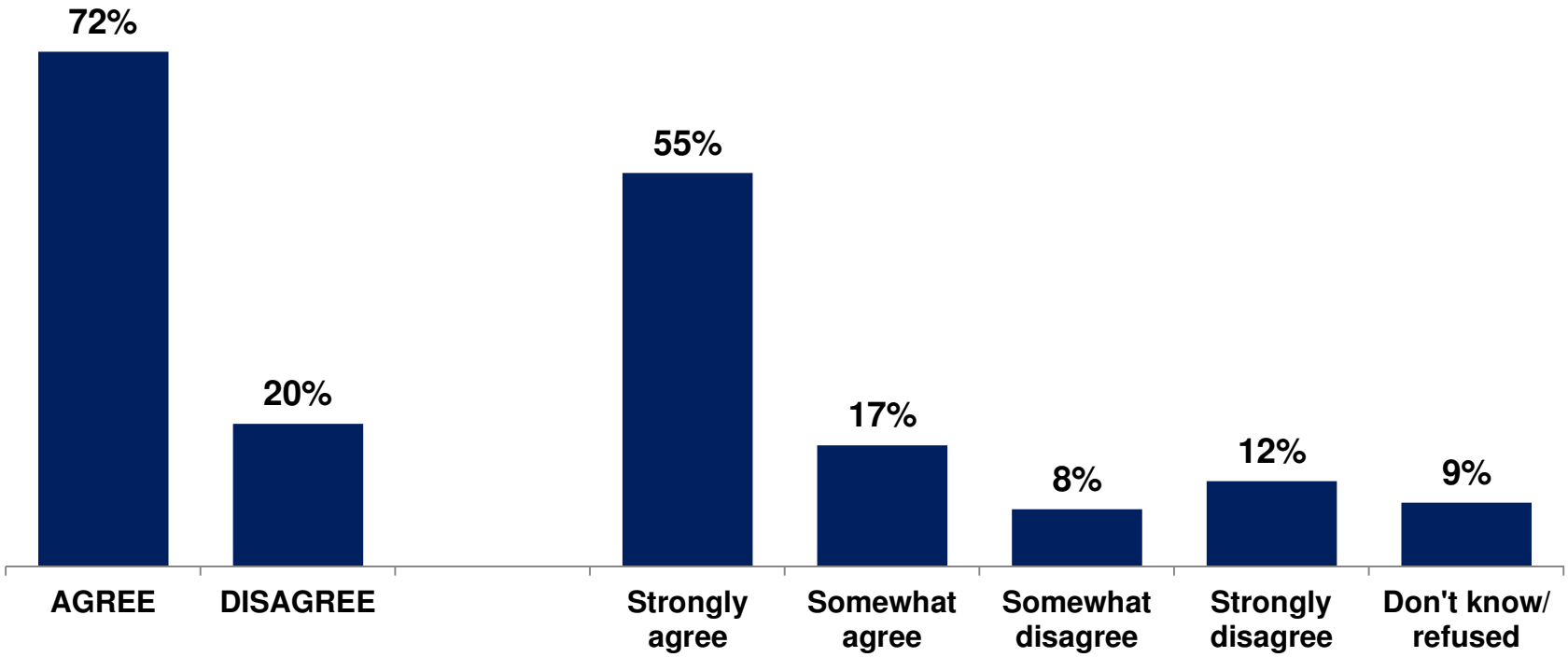
Nearly 3 in 4 agree they are better off with a Medicare prescription drug plan than before they had one.

Those who say they are better off is up 6 points from Spring 2006.

"Overall, I'm better off now than before I had Medicare prescription drug coverage"



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: (N=901) Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

2014 Open Enrollment

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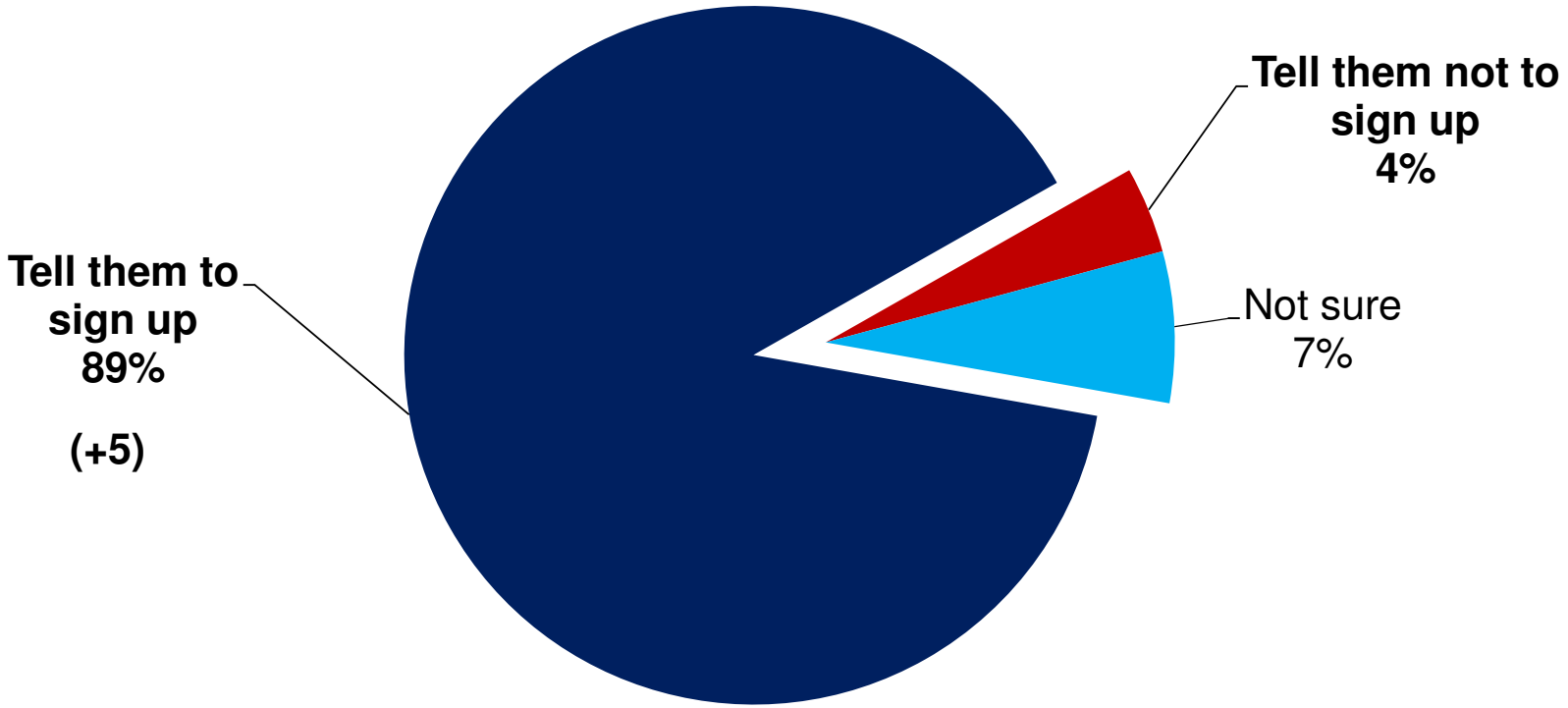
Nearly 9 in 10 enrollees would recommend Medicare drug coverage.

Those who would recommend Medicare drug coverage is up 5 points over the year.



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

Base: (N=901) Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

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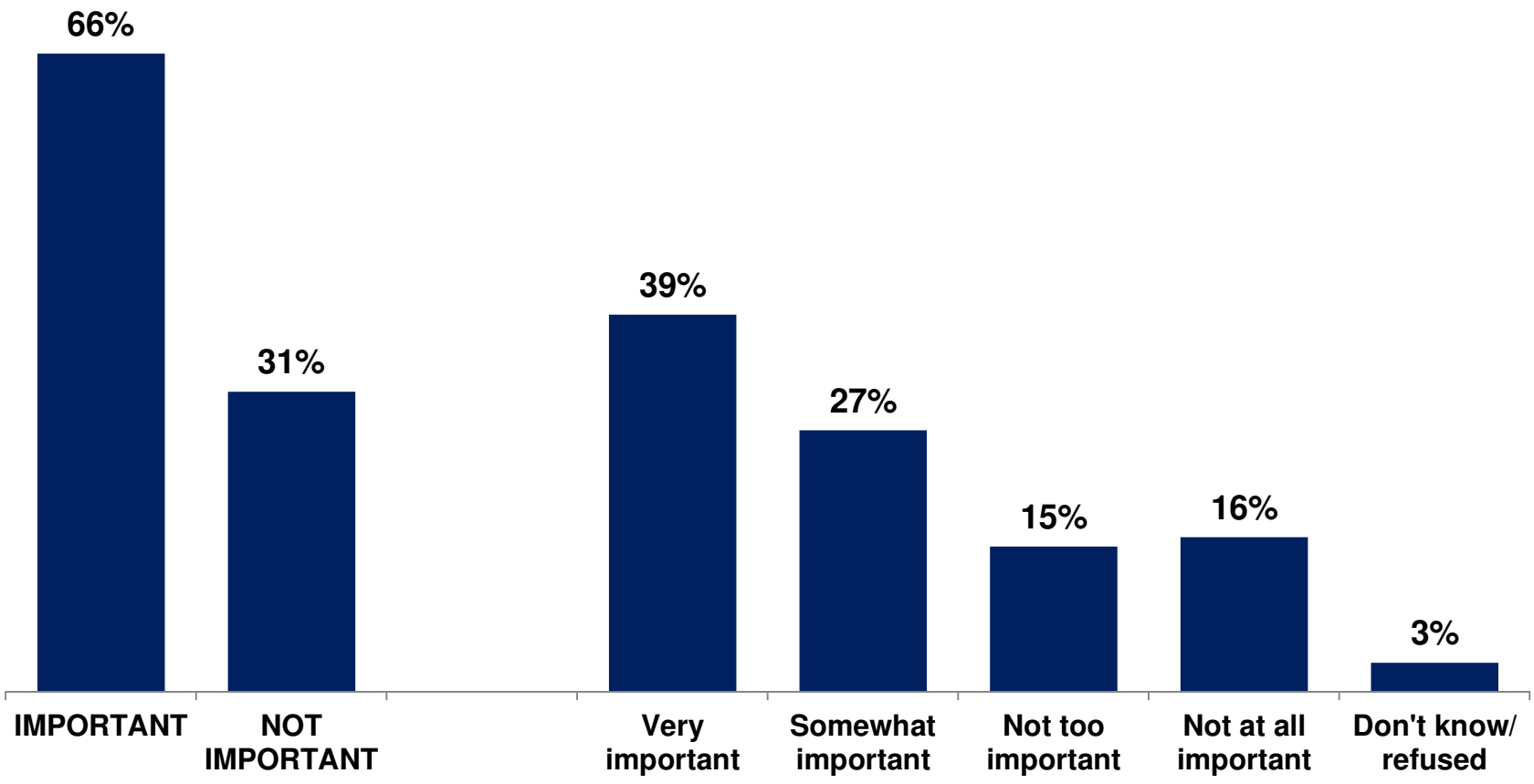
Two-thirds of beneficiaries say a variety of plan options is important to them.



How important is it to you personally to have a variety of plans to compare and choose from - is it very important, somewhat important, not too important or not at all important?

Base: (N=901) Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

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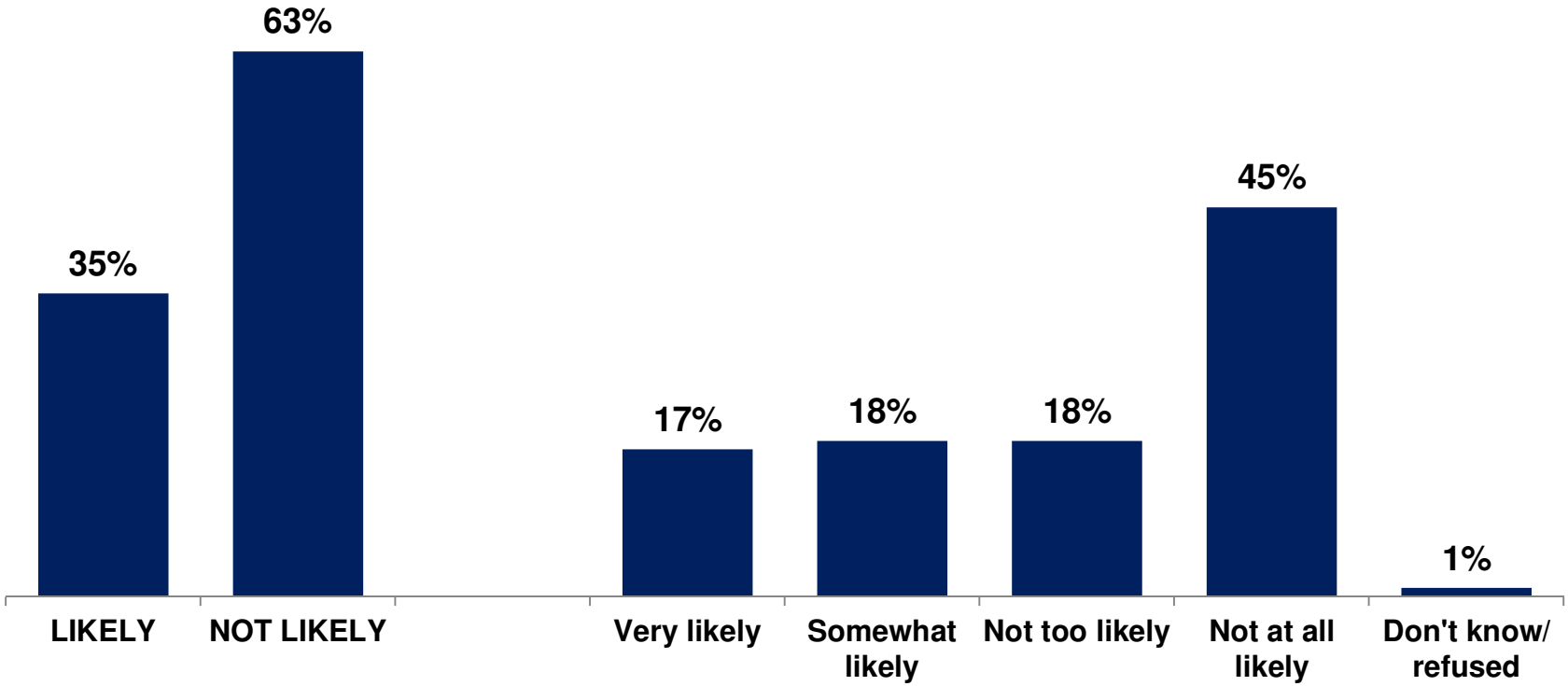
More than a third of enrollees are likely to shop around during this year's Open Enrollment period.

Forty-five percent – about the same as last year – say they are not at all likely to shop around.



This year, open enrollment is from October 15th to December 7th. How likely are you to shop around and compare Medicare health or prescription drug plans this year—very likely, somewhat likely, not too likely, or not at all likely?

Base: (N=901) Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

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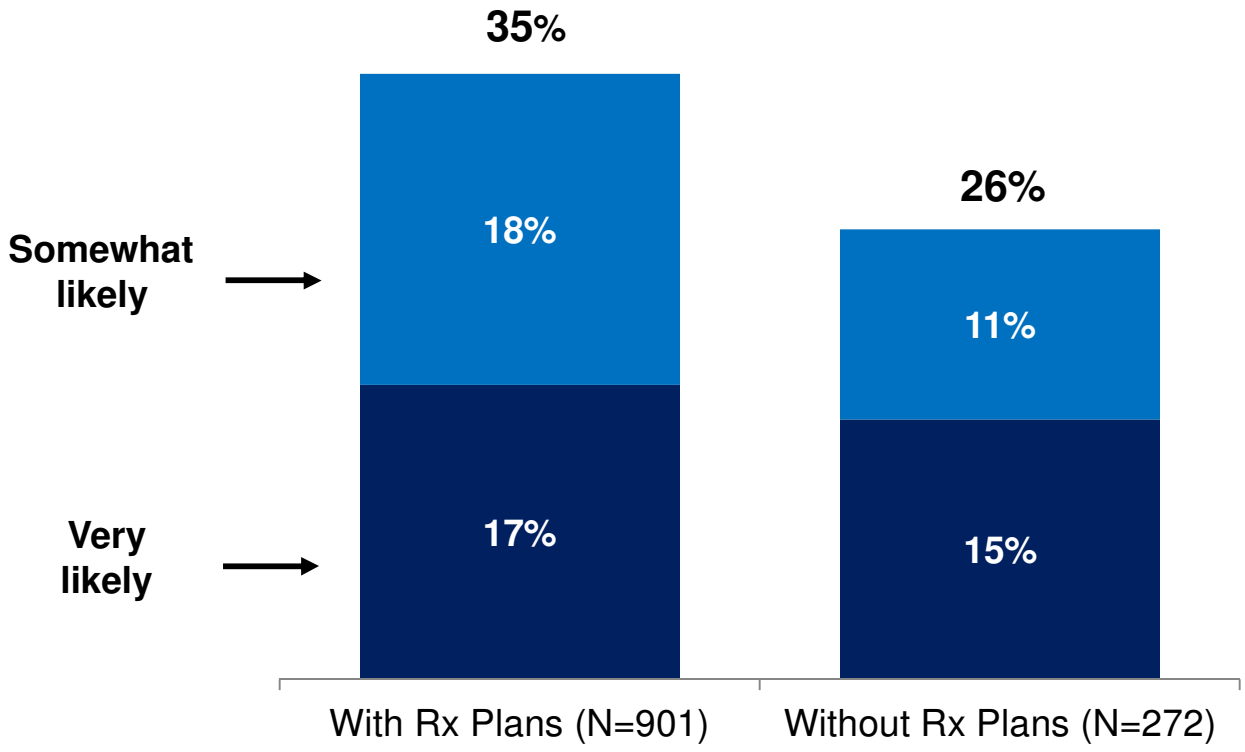
Those already enrolled in a Medicare drug plan are more likely to shop around than others.



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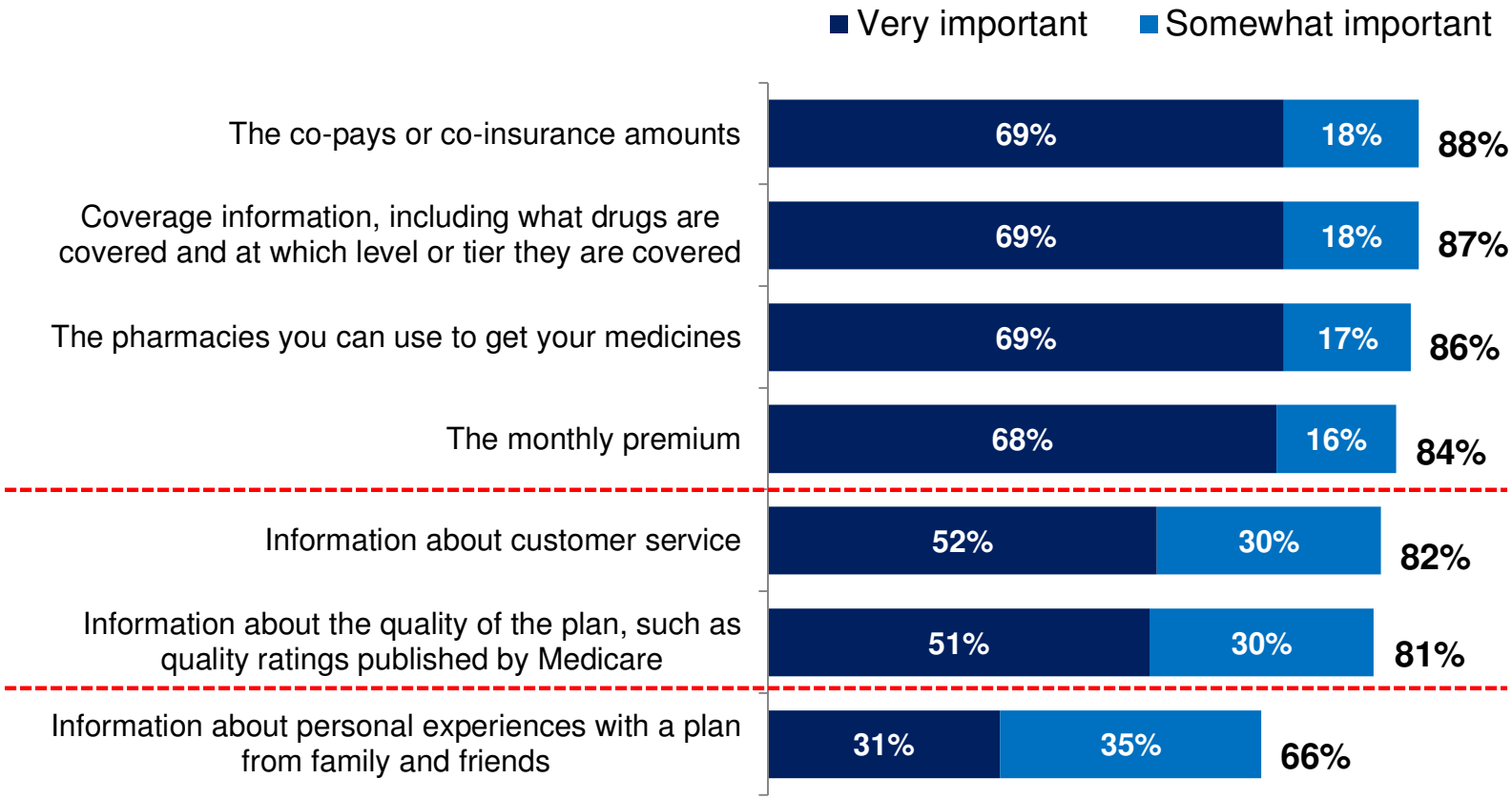
Cost, coverage, and choice of pharmacies are most important to seniors when comparing plans.



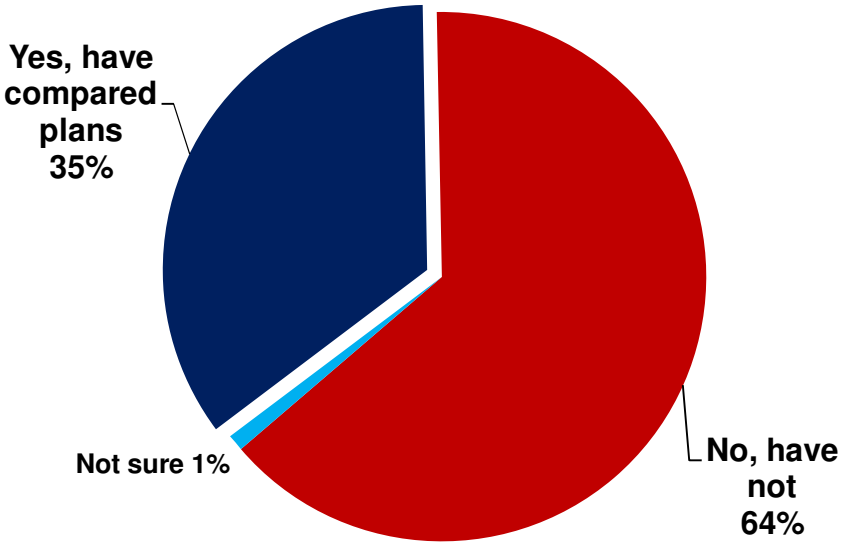
I'm going to read you some information that you may like to look at when you are comparing prescription drug plans to determine which one is right for you. For each one, tell me how important that is to you personally—very important, somewhat important, not too important, not at all important. (RANDOMIZE)

Base: (N=901) Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

KRC RESEARCH

More than a third of enrollees have shopped around and compared plans since they first enrolled in Part D.

Those who do not take prescriptions and those very satisfied are among the least likely to have shopped around; those not satisfied and those paying higher premiums and out-of-pocket costs are among the most likely to shop around.



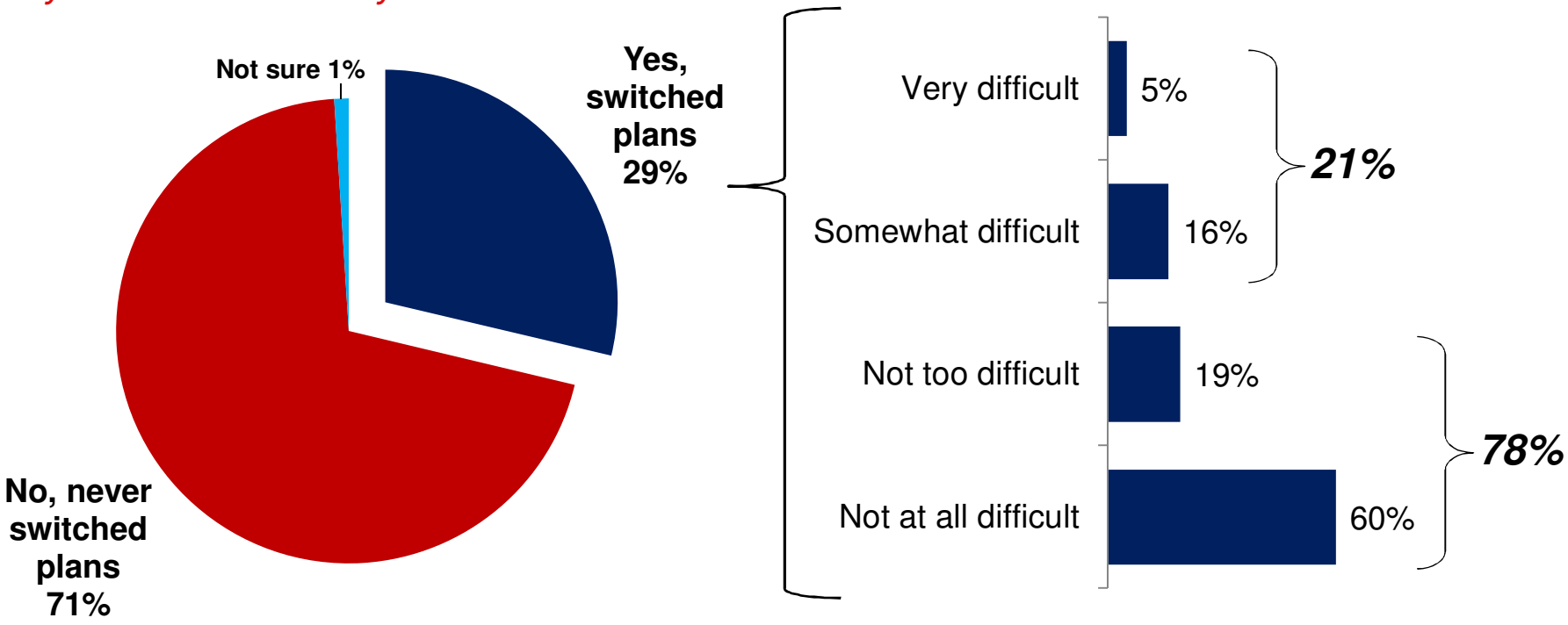
Those most likely to have shopped around and compared drug plans	
Not satisfied with coverage	50%
Premium cost $31-50	49%
Out-of-pocket expenses $50+	47%
College graduates	46%
Believe it is important to have variety of plans to choose from	45%

Since you first enrolled in your Medicare prescription drug plan, have you ever shopped around and compared plans?

KRC RESEARCH

Almost a third have switched plans since they first enrolled. Of those, nearly 8 in 10 said it was not difficult to do.

Only 5% said it was very difficult



Since you first enrolled in a Medicare health or prescription drug plan, have you ever switched from one plan to another?

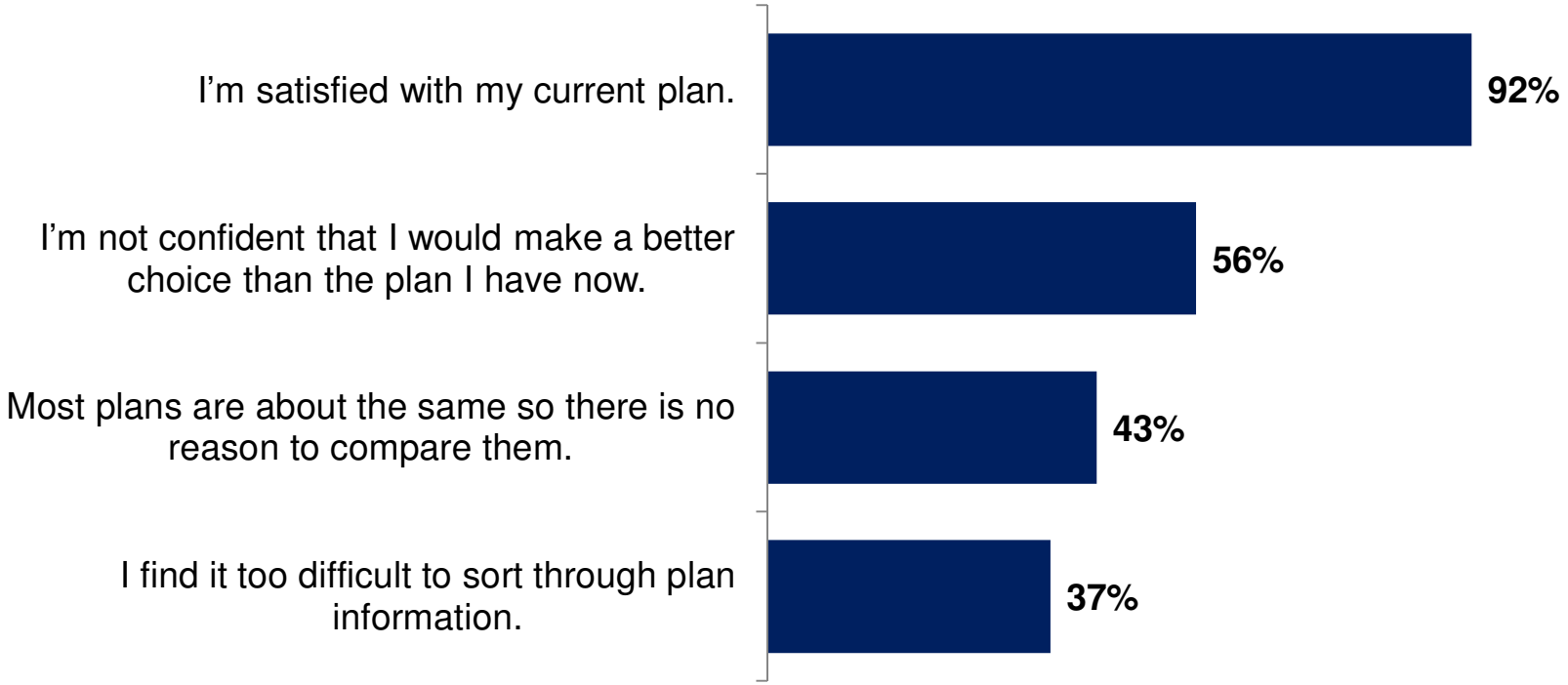
IF SWITCHED PLAN (29%, N=264): *How difficult was it for you to switch to a different Medicare prescription drug plan—very difficult, somewhat difficult, not too difficult, or not at all difficult?*

Base: (N=901) Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

KRC RESEARCH

Satisfaction with a current plan is the primary reason enrollees choose not to shop around.

Those saying "Yes, a reason" for not shopping around for a plan this year



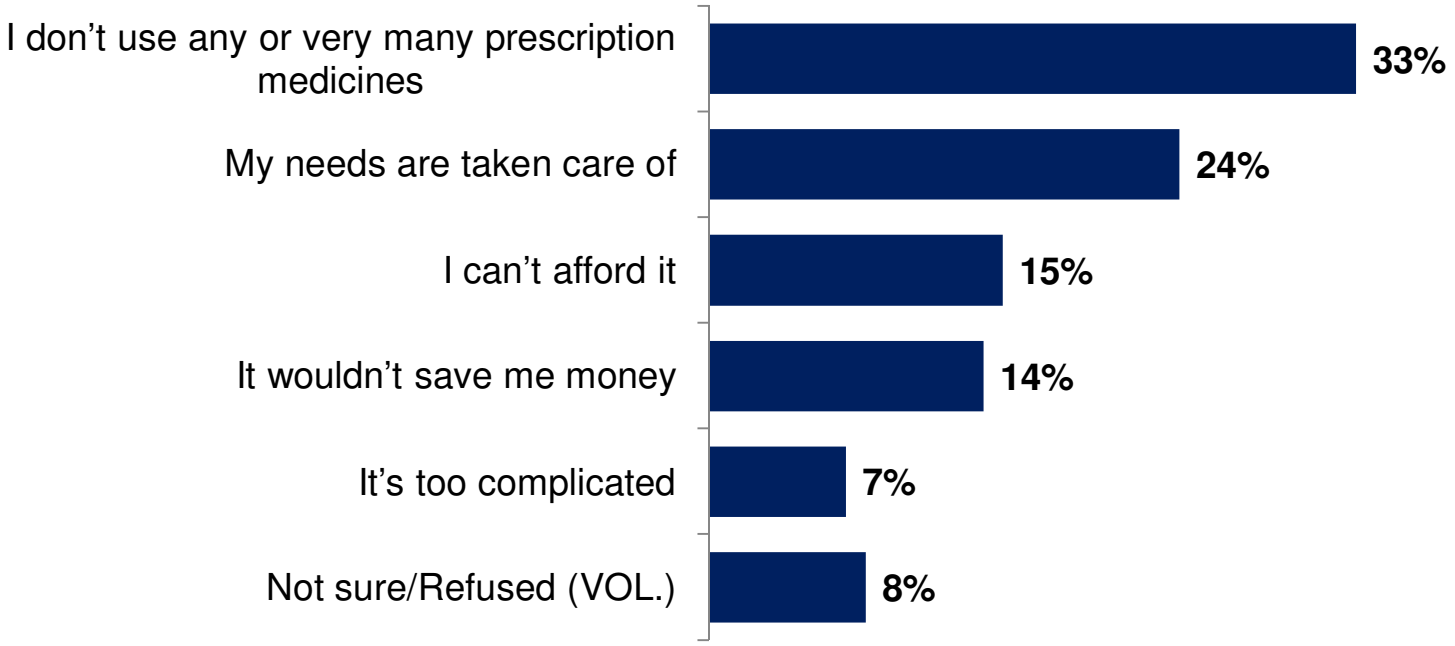
IF NOT TOO OR NOT AT ALL LIKELY TO SHOP AROUND AND COMPARE PLANS (N=551) : I'm going to read you a list. For each one, tell me if that is a reason you are not likely to shop around and compare plans.

Base: Those not likely to shop around and compare Medicare health or drug plans

KRC RESEARCH

Among those without a Medicare drug plan (10%), the main reason for not enrolling is lack of perceived need.

Main reason for not enrolling in a prescription coverage plan



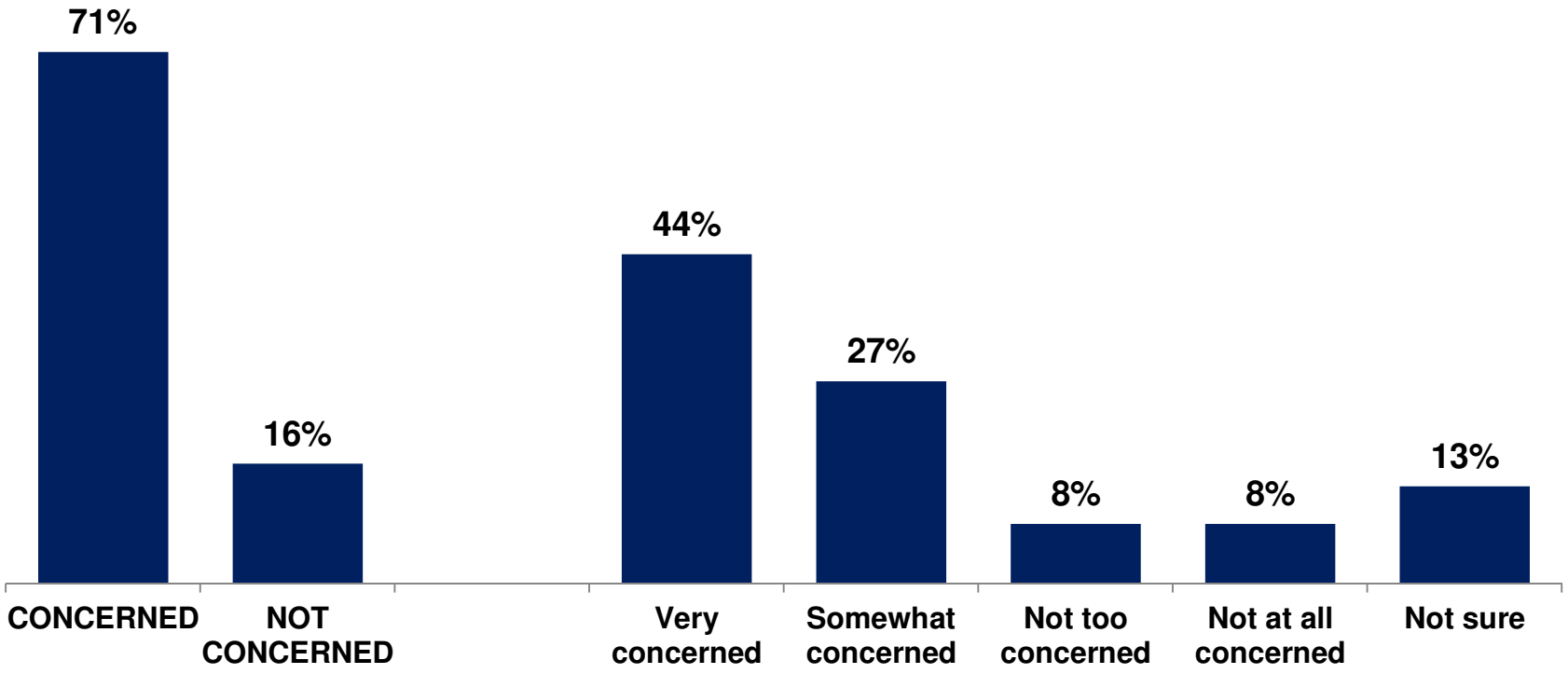
THOSE WITHOUT DRUG COVERAGE (N=272): You said you are not enrolled in a Medicare prescription drug plan. I'm going to read a list of reasons some seniors give for why they have not enrolled in a Medicare prescription drug plan. When I finish reading the list, I'd like you to tell me which one is the main reason you have not enrolled.

Base: Those without a prescription coverage plan

KRC RESEARCH

The idea of reducing Medicare plan choices is concerning to 7 in 10 enrollees.

Only 8% of enrollees would not be at all concerned with fewer options.



One of the key features of Medicare Part D is giving beneficiaries options so they can pick a plan that meets their health care needs. How concerned would you be if changes were made to reduce the number of choices available to you in Part D? Would you be very concerned, somewhat concerned, not too concerned, not at all concerned— or are you not sure?

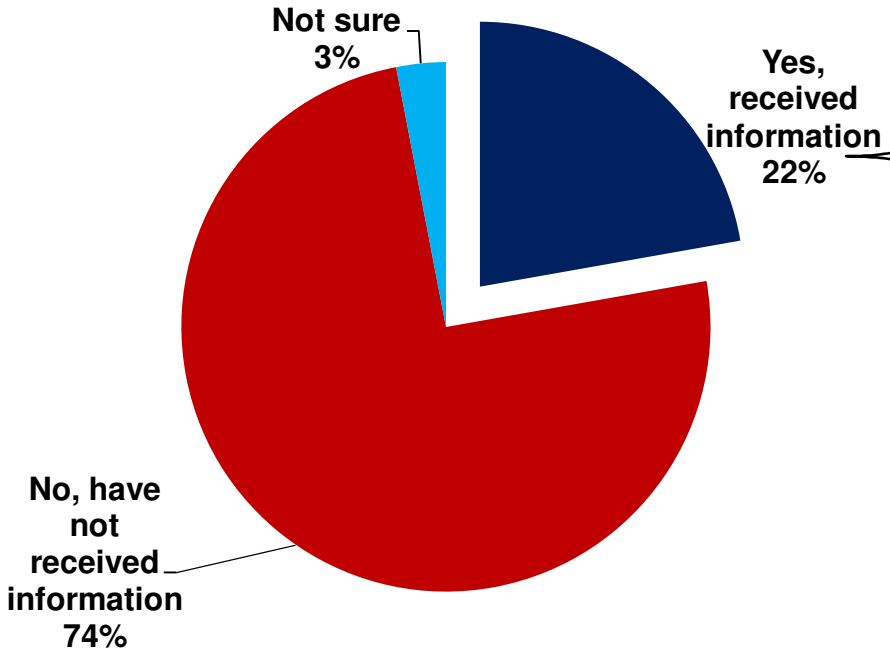
Base: (N=901) Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

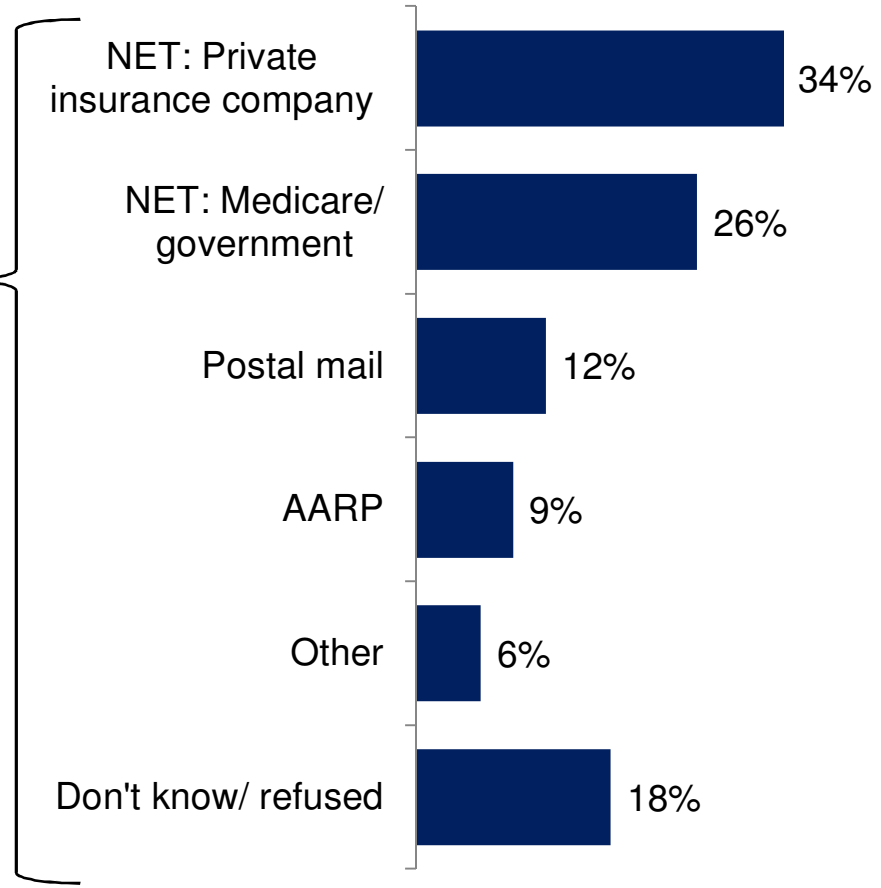
Information and Knowledge

KRC RESEARCH

As of early August, fewer than 1 in 4 said they had received Medicare drug plan information.

Private insurers were the main providers of information.





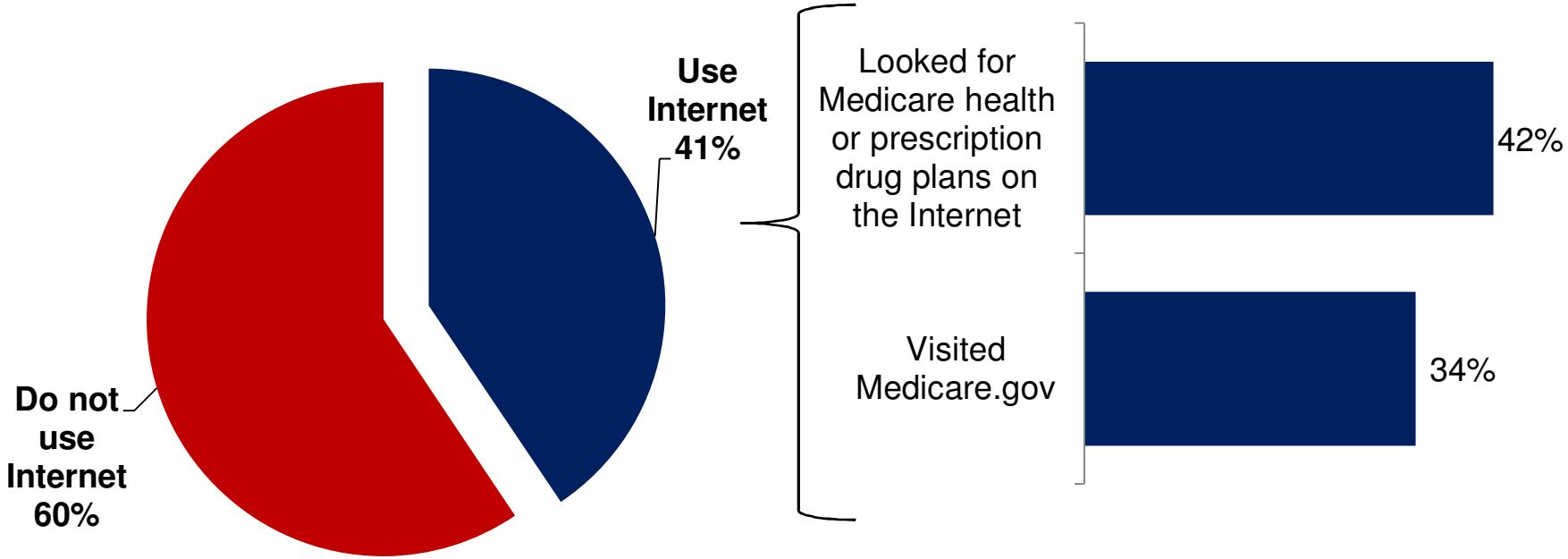
And have you received any information recently about Medicare prescription drug plans?

IF HEARD OR READ SOMETHING (22%, N=191):
From whom did you receive information about Medicare prescription drug plans?

Base: Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

KRC RESEARCH

4 in 10 senior Internet users looked up information about Medicare plans on the web, while over a third visited Medicare.gov.



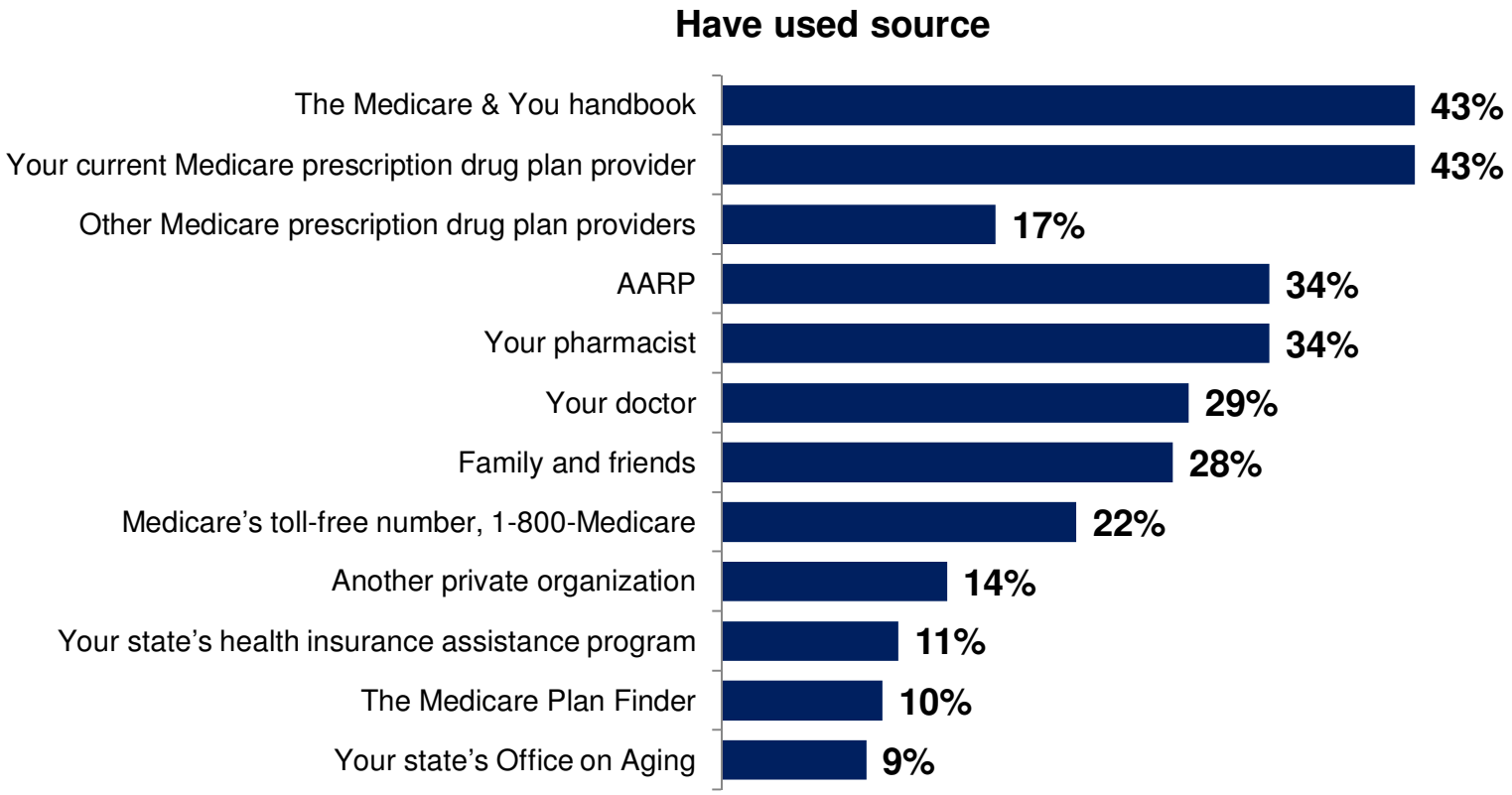
Do you personally use the Internet?

IF USE INTERNET (41%, N=397): *Tell me if you have ever gone to this source for information to help in comparing Medicare health or prescription drug plans.*

Base: Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

KRC RESEARCH

Plan providers and the *Medicare & You* handbook are top sources of information.



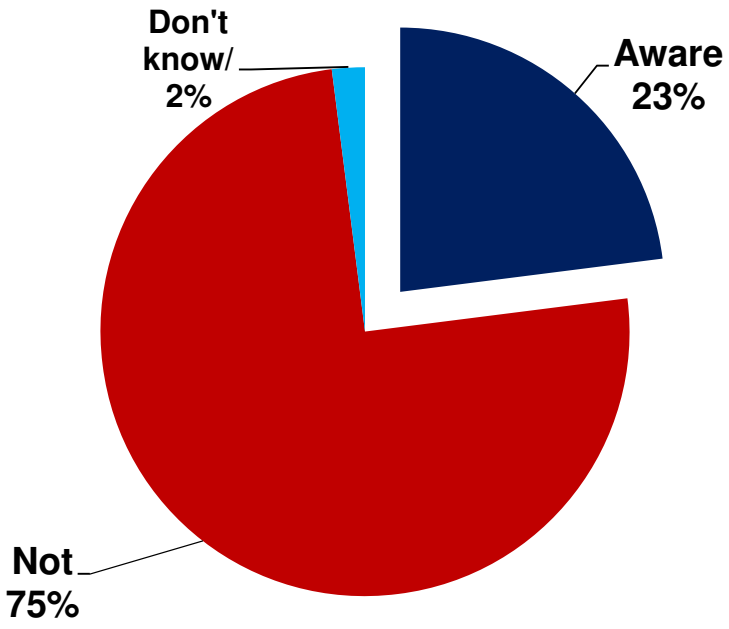
Tell me if you have ever gone to that source for information to help in comparing Medicare health or prescription drug plans.

Base: (N=901) Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

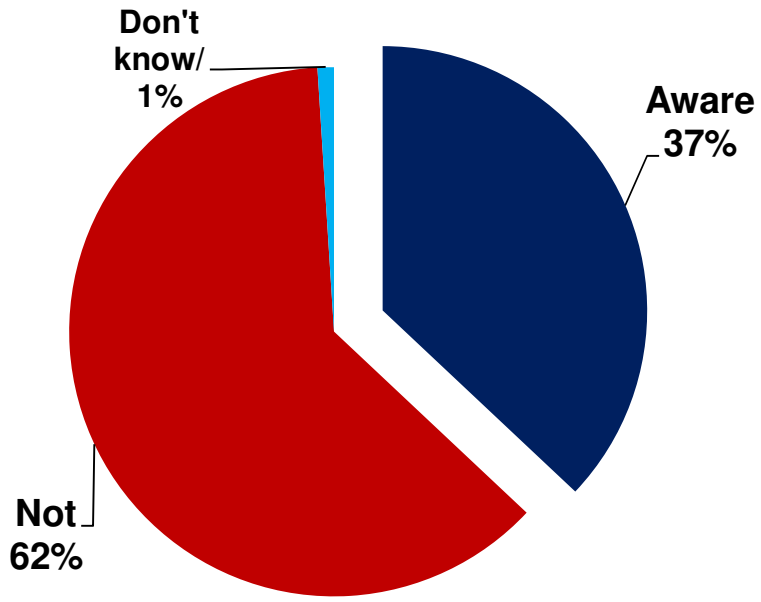
KRC RESEARCH

Few know about Medicare's 5-star quality ratings on the Medicare Plan Finder, or are aware of local Medicare counselors who can assist with plan comparisons.

Did you know that Medicare gives each plan a quality rating ranging from one to five stars?



Did you know that there are Medicare counselors in your state who you can call or visit to get help in comparing Medicare plans?



Base: (N=901) Those enrolled in a Medicare drug plan (Stand-Alone or Medicare Advantage)

CONCLUSIONS

Conclusions

1. Medicare Part D is a success story—across all demographic groups examined, beneficiaries are highly satisfied and feel peace of mind with their coverage. Most report that their plan is—
   - Meeting their expectations;
   - Affordable, covers the medicines they need, and is convenient to use;
   - Saving them money and giving them access to prescription medicines they might otherwise have difficulty getting.
2. For these reasons, most beneficiaries with Part D plans recommend Part D to others who are considering enrolling in a plan.
3. On the eve of 2014 Open Enrollment, more than a third plan to shop around and compare plans. Information about costs, coverage, and pharmacies they can use are important features enrollees consider when comparing plans.
4. Almost a third have switched plans since they first enrolled—and most say it was not difficult to make the switch. This should be encouraging to others interested in exploring their options.
5. There is an opportunity to raise awareness of personalized plan comparison help available from State Health Insurance Assistance Program (SHIP) counselors as well as the Medicare Plan Finder with its accompanying 5-star plan quality ratings.

KRC RESEARCH

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