



Seniors' Opinions About Medicare Rx: Second Year Update

Key Findings

October 2007



Presentation

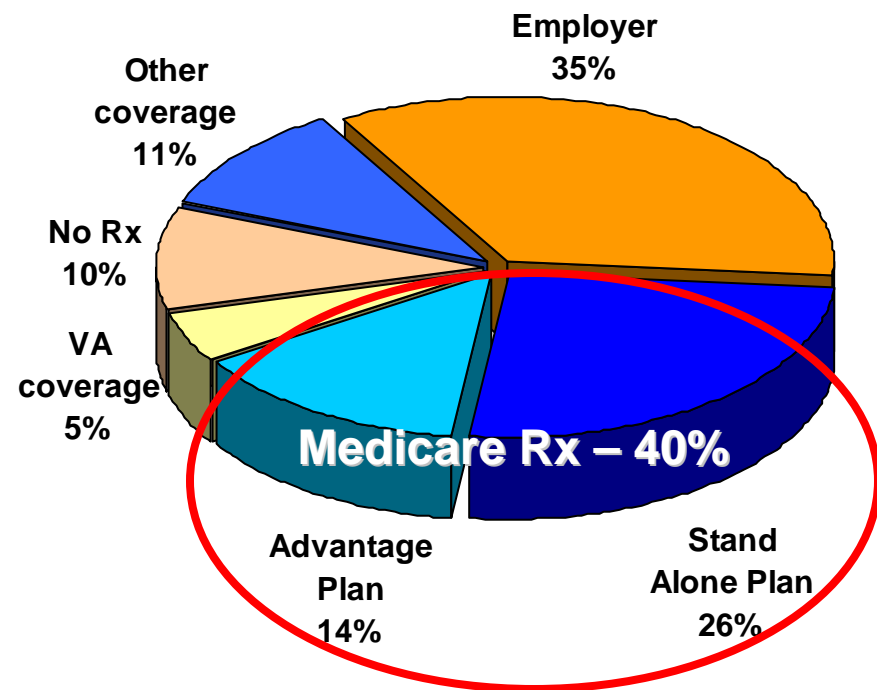
- Purpose and method
- Opinions about Medicare Rx and how it's working
- Will seniors keep or change their current plan?
- Conclusions

Method

Nationally representative random sample of 1,001 seniors 65+ enrolled in Medicare conducted by telephone Sept. 8-16, 2007. The margin of error (MOE) for the full sample is ± 3.1 percentage points (pps). This report discusses the following groups:

- **All seniors with Rx coverage** (N=906, MOE is ± 3.3 pps.)
- **Medicare Rx plan** (N=406, MOE is ± 4.9 pps.)
- **Stand-alone plan** (N=269, MOE is ± 5.6 pps.)
- **Medicare Advantage plan** (N=137 MOE is ± 8.4 pps.)
- **Dual eligibles** (N=117 MOE is ± 9.6 pps.)
- **Limited income** (N=204 MOE is ± 6.9 pps.)
- **Hi Rx** (use 6+ meds, N=97 MOE is ± 10 pps.)

Distribution of Rx Coverage in Our Sample



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

Tracking is based on identical questions asked 4 times

	Mar. 2006	Sept. 2006	Jan. 2007	Sept. 2007
Interview dates	March 15 to 20	September 1 to 7	January 5 to 9	September 8 to 16
Research firm	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
Number of interviews	896	802	1,003	1,001
Estimated sampling error	+/- 3.3 percentage points	+/- 3.5 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

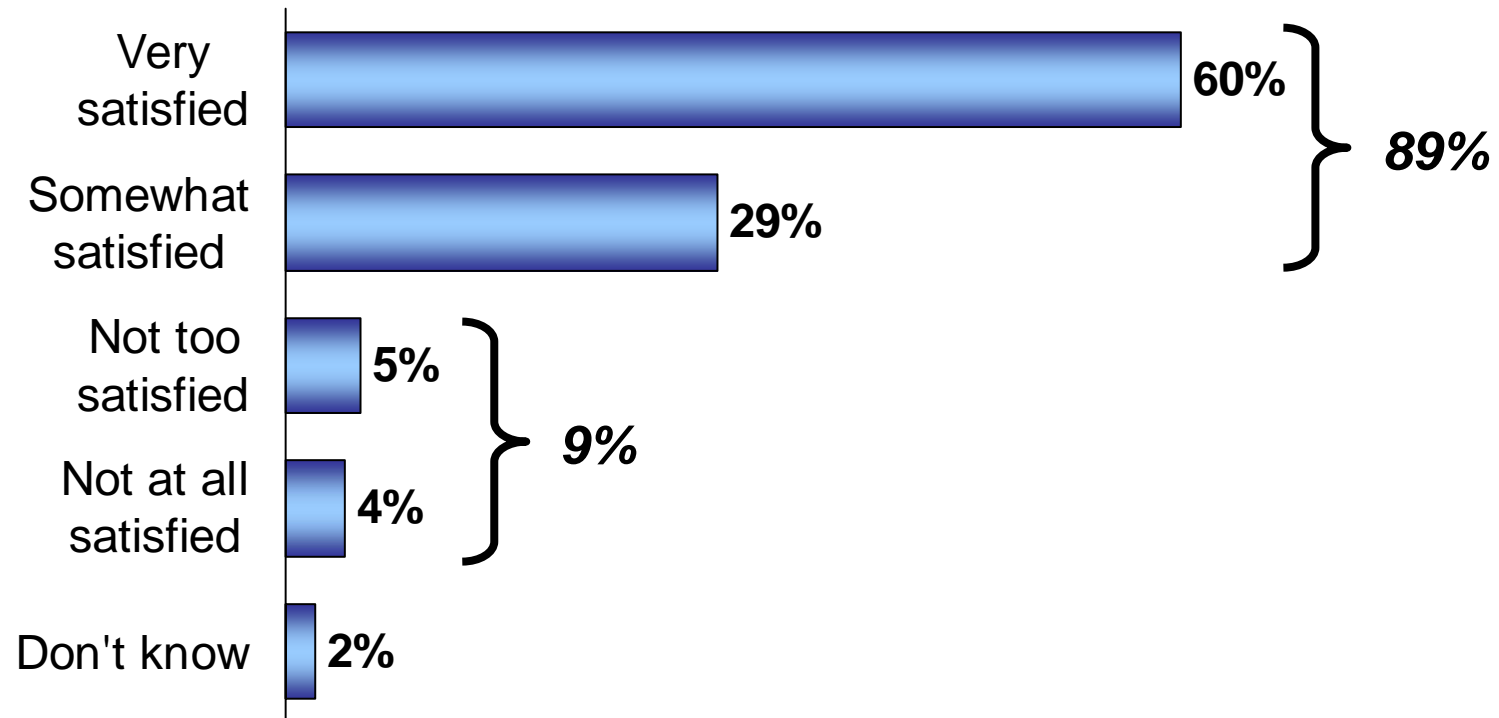
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Nearly 9 in 10 seniors satisfied with coverage

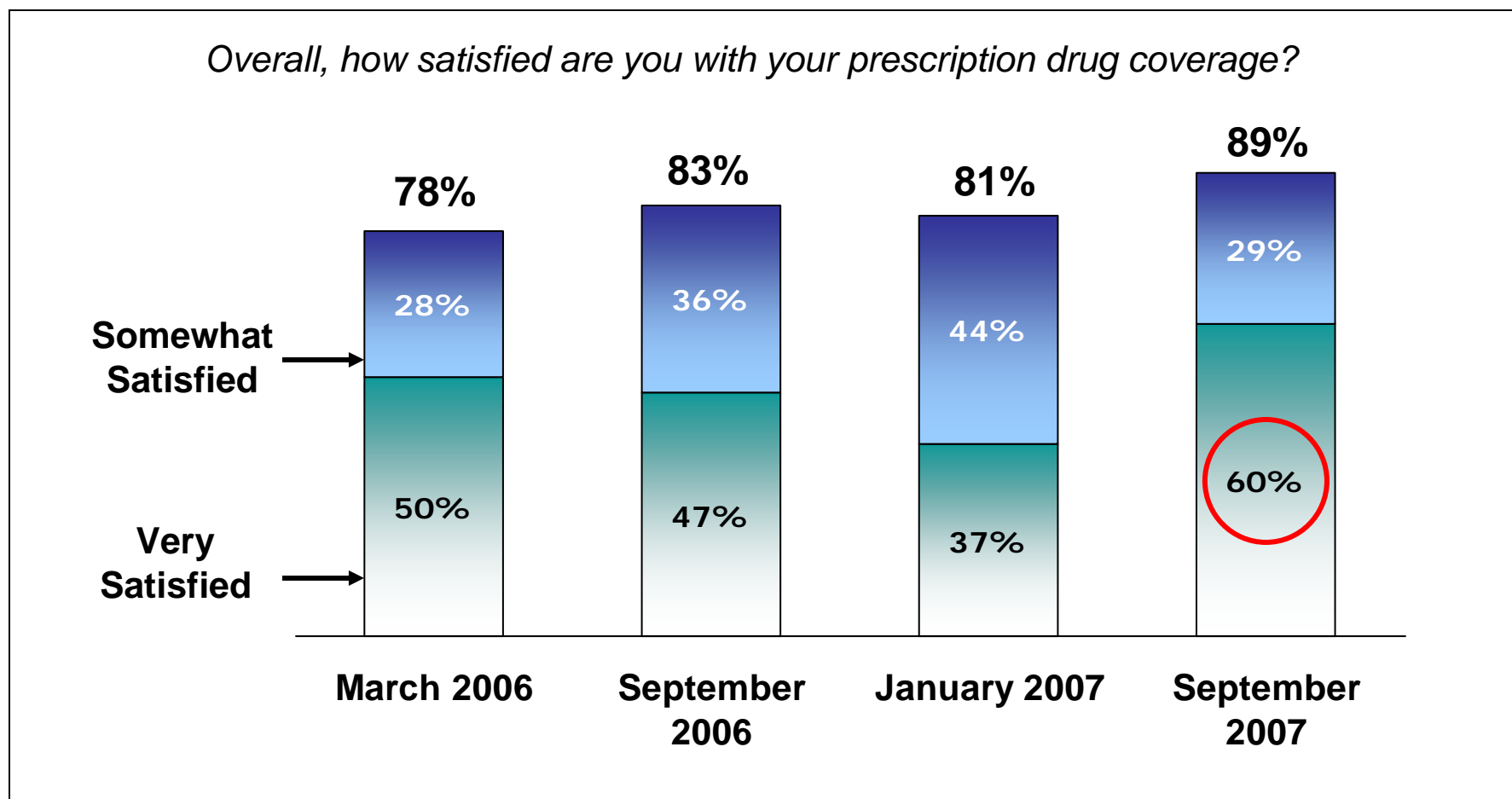
6 in 10 VERY satisfied

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



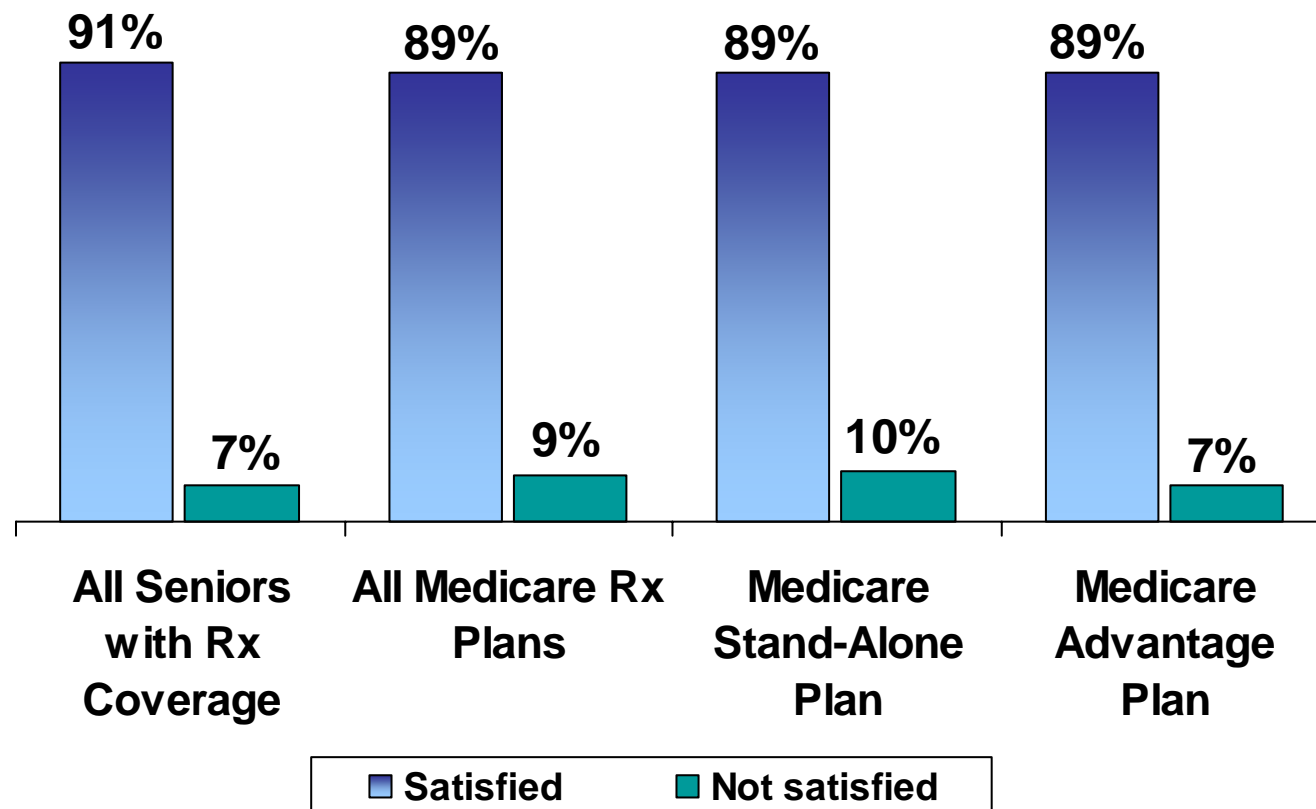
Base: Those enrolled in a Medicare plan (stand-alone or Medicare Advantage)

Satisfaction among those with Medicare Rx plans has increased 11 percentage points since the program started
Now, 6 in 10 say they are VERY satisfied



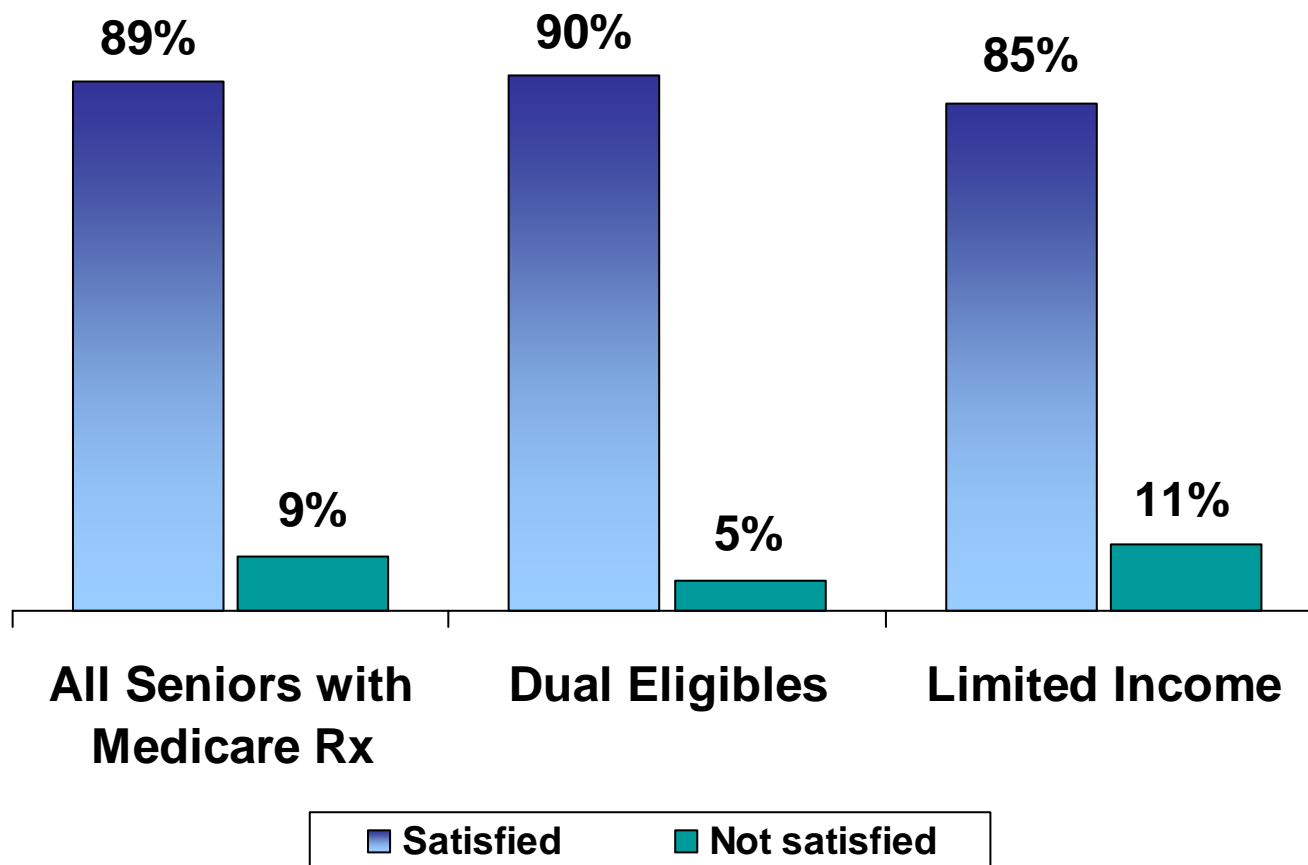
Satisfaction among those with Medicare Rx plans compares favorably to seniors with other kinds of plans

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



The majority of dual eligibles and those with limited incomes said they are satisfied with their plans

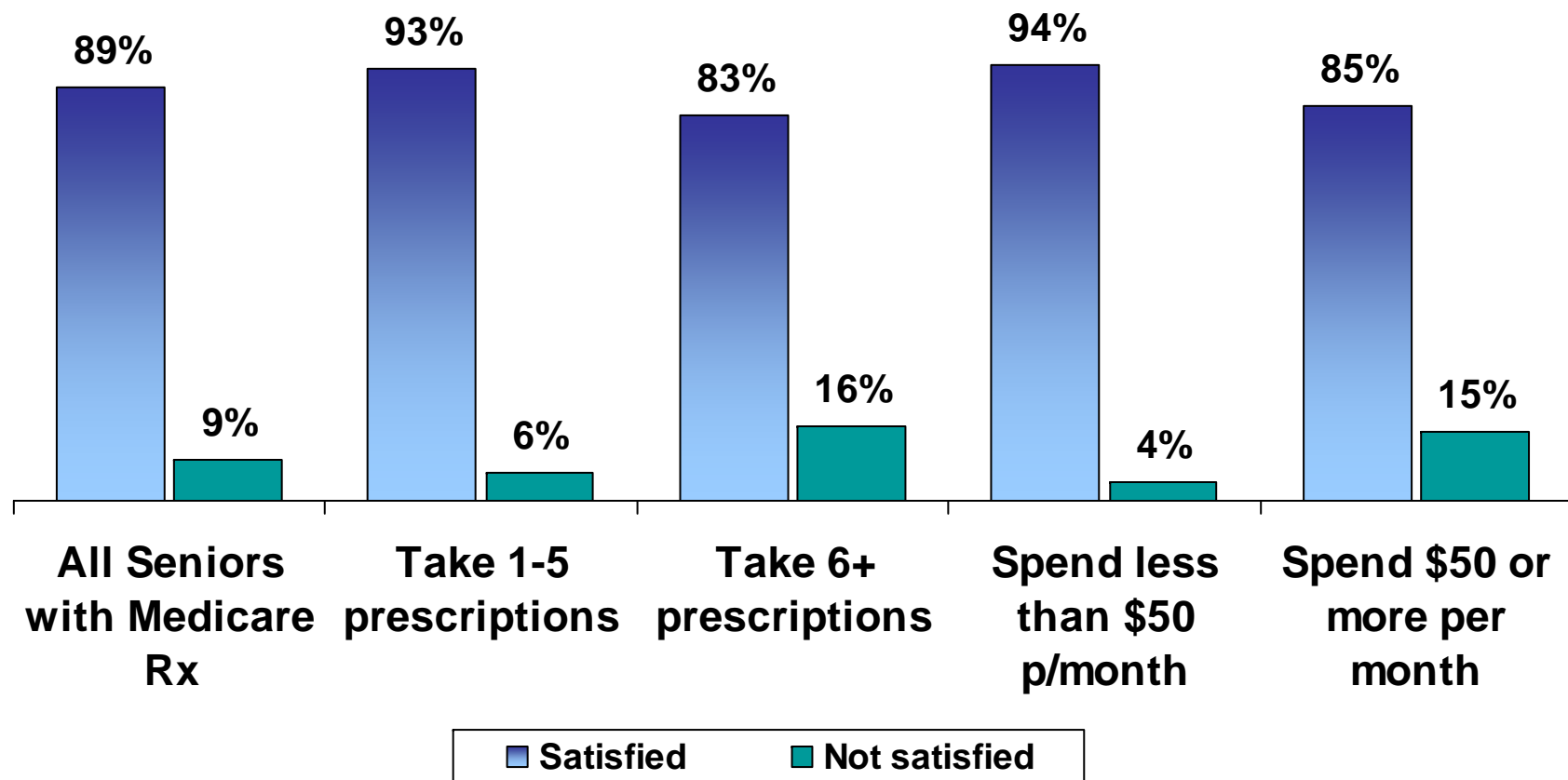
Overall, how satisfied are you with your prescription drug coverage?



Limited income is defined as \$15,000 if single and \$20,000 if married.

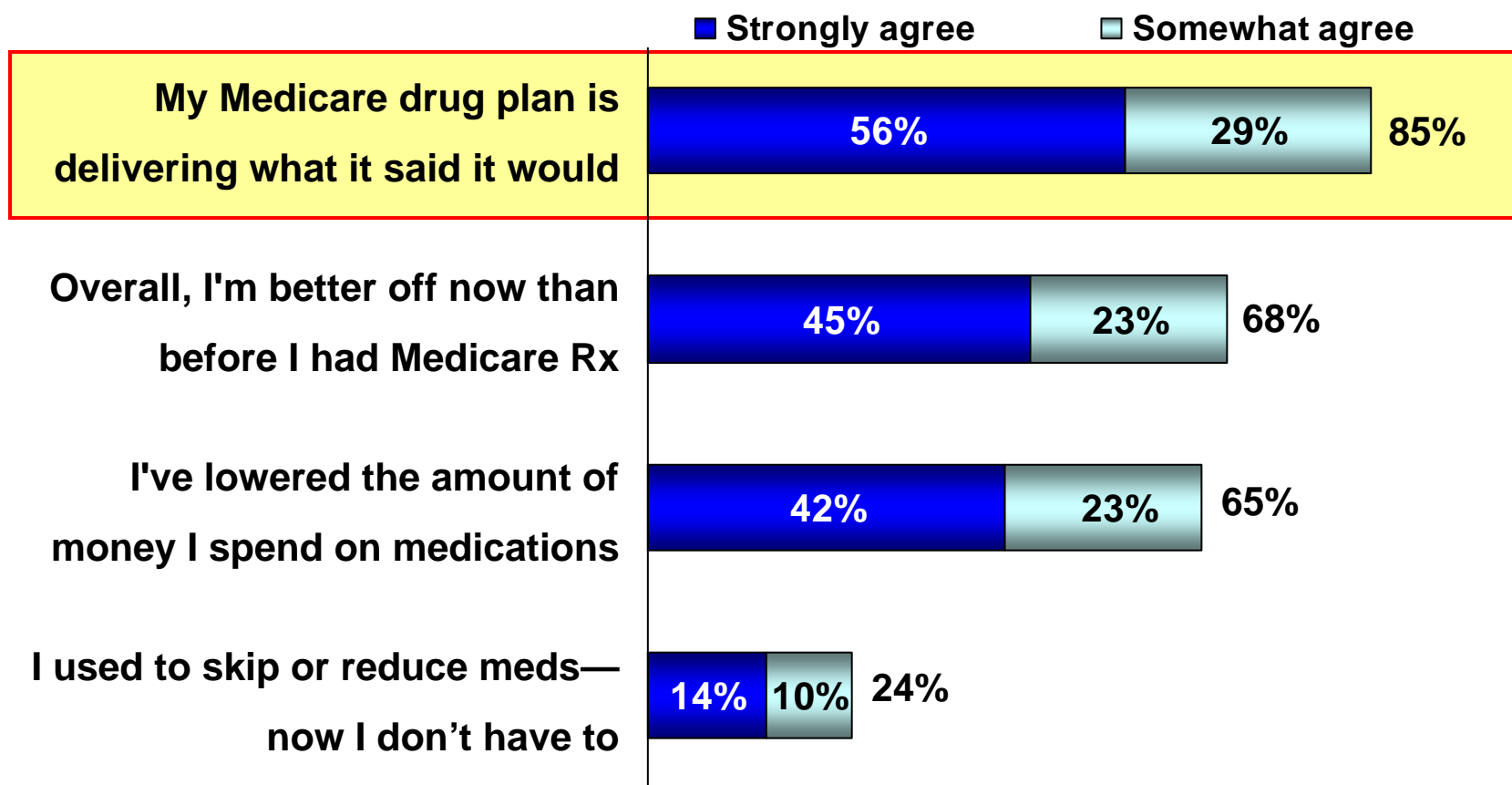
Over 8 in 10 of those taking the most medicines and spending the most money are satisfied

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



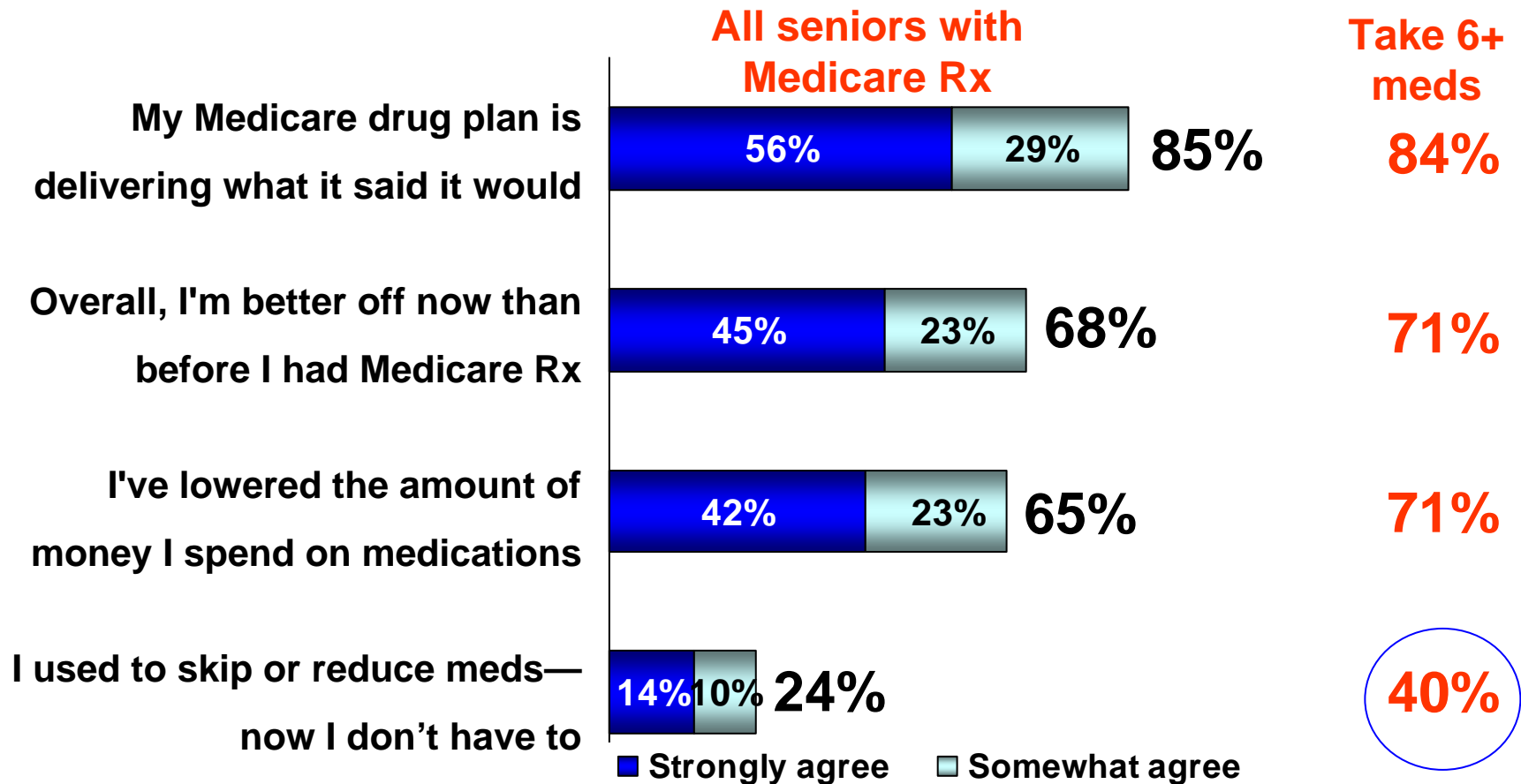
Most seniors feel their plan is delivering what it said it would when they signed up

7 in 10 say they're better off now than before



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 who take the most medications also say they're better off and have less need to skip their medicines



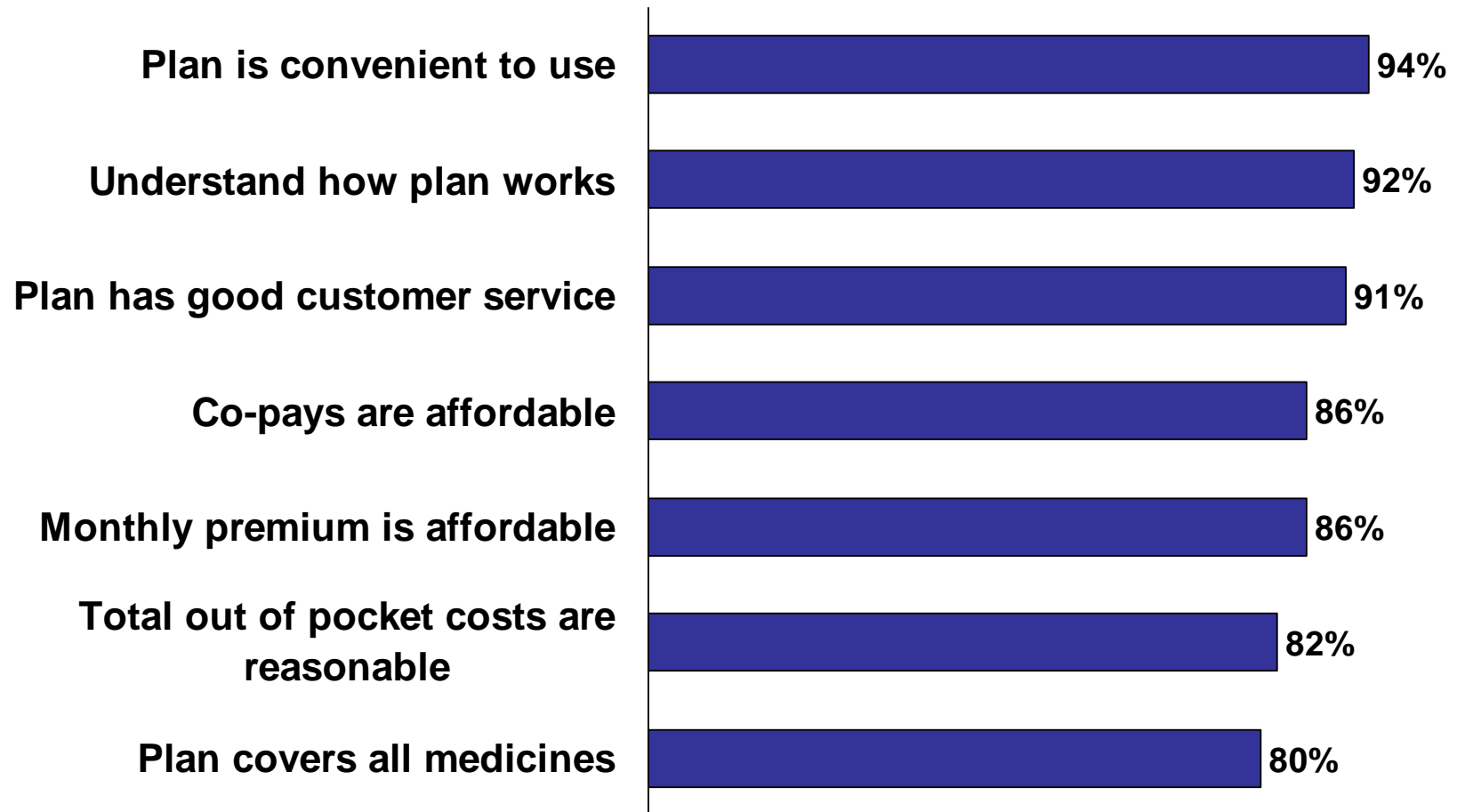
I'm going to read you some statements to hear how you feel now that you have enrolled in a Medicare prescription drug plan. For each one, tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree.

Overall feelings toward the benefit have become increasingly positive

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

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

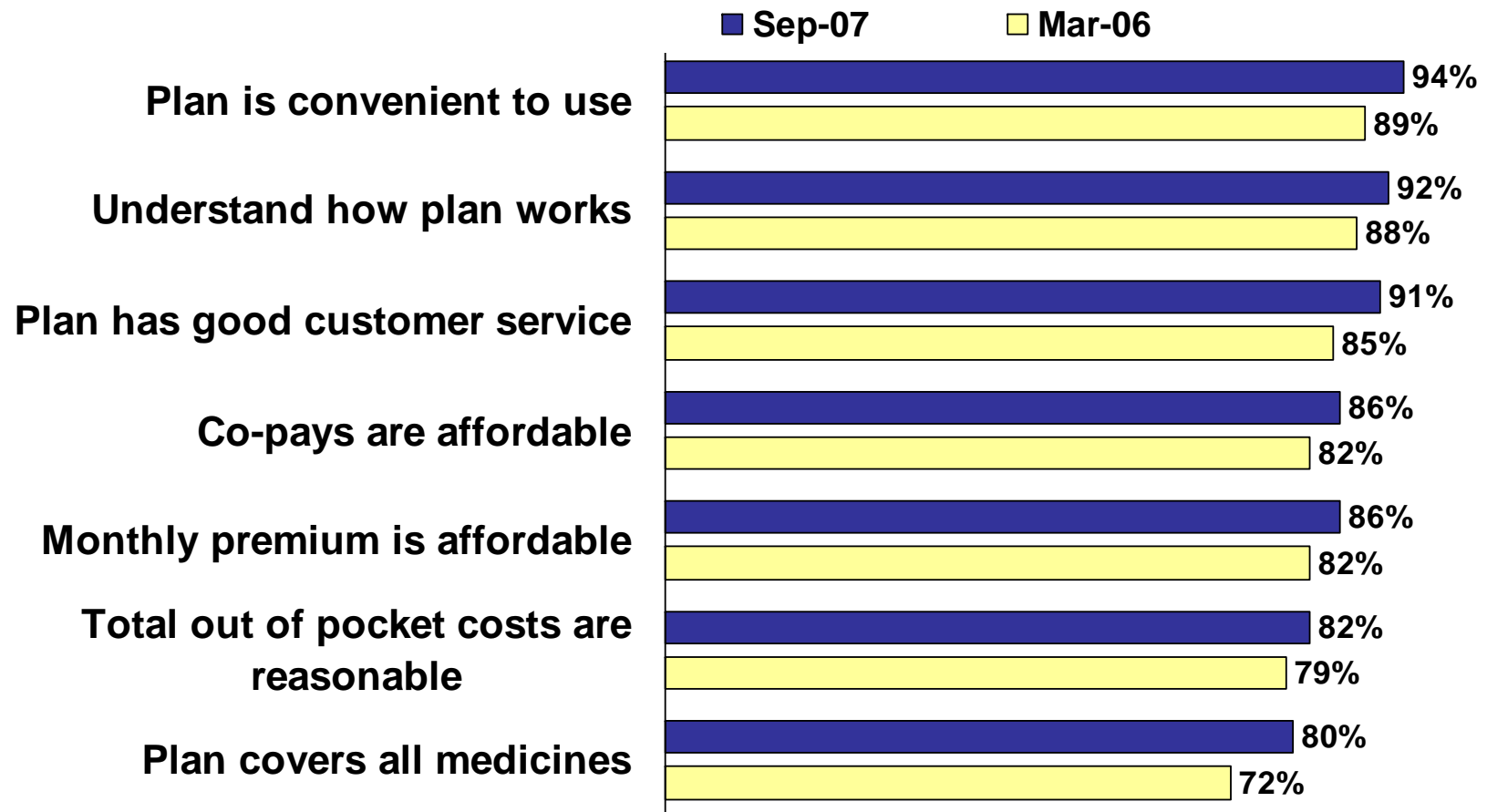
Overall, seniors continue to give high ratings on cost, coverage, and convenience



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)

On all plan rating measures, the trend is positive

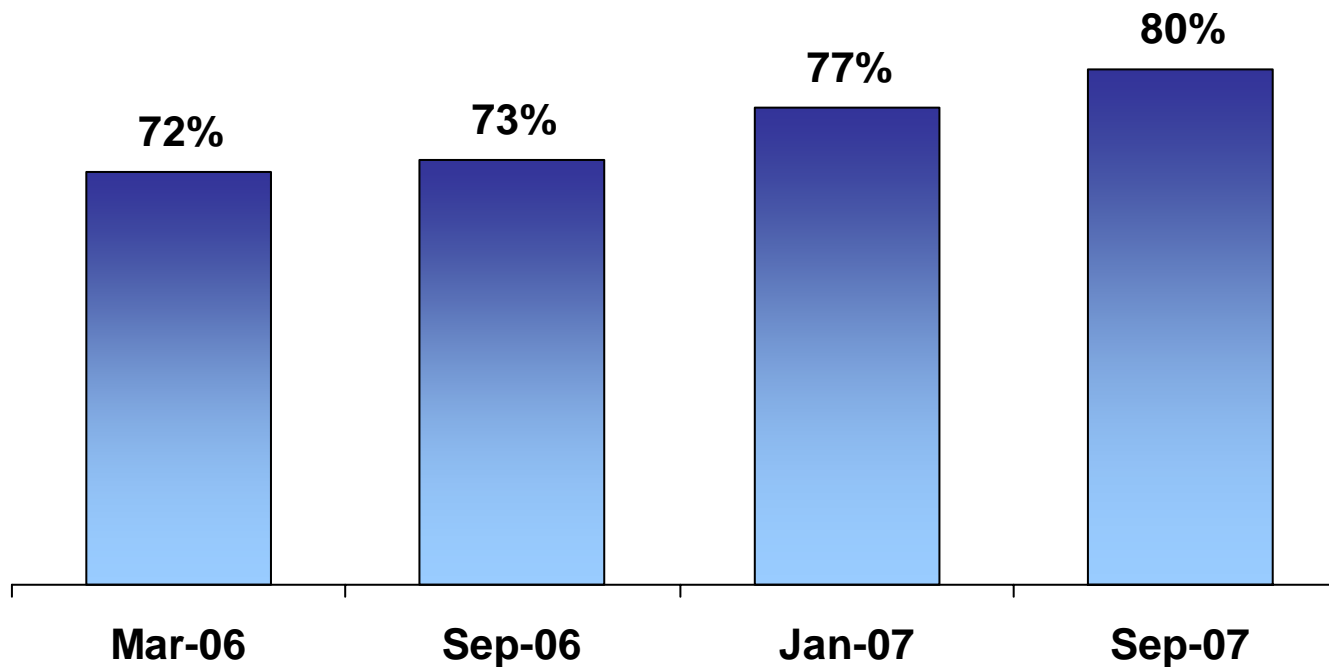


I'm going to read you some statements that may or may not describe your opinions about your Medicare prescription drug plan. For each one, tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree.

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

Those saying their plan covers all their medicines has increased 8 percentage points since the program started

Percent Agree, "My plan covers all the medicines my doctor prescribes"



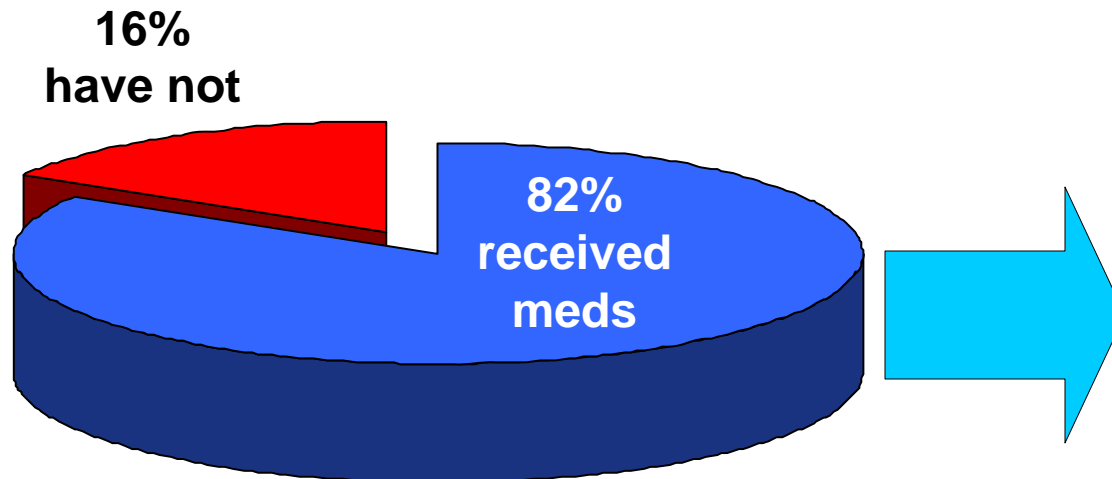
I'm going to read you some statements that may or may not describe your opinions about your Medicare prescription drug plan. For each one, tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree.

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

8 in 10 seniors are getting medicines through their Medicare Rx Plan

9 in 10 say their plan works 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?*

94% worked well
68% very well
26% somewhat well

4% didn't work well
3% not too well
1% not well at all

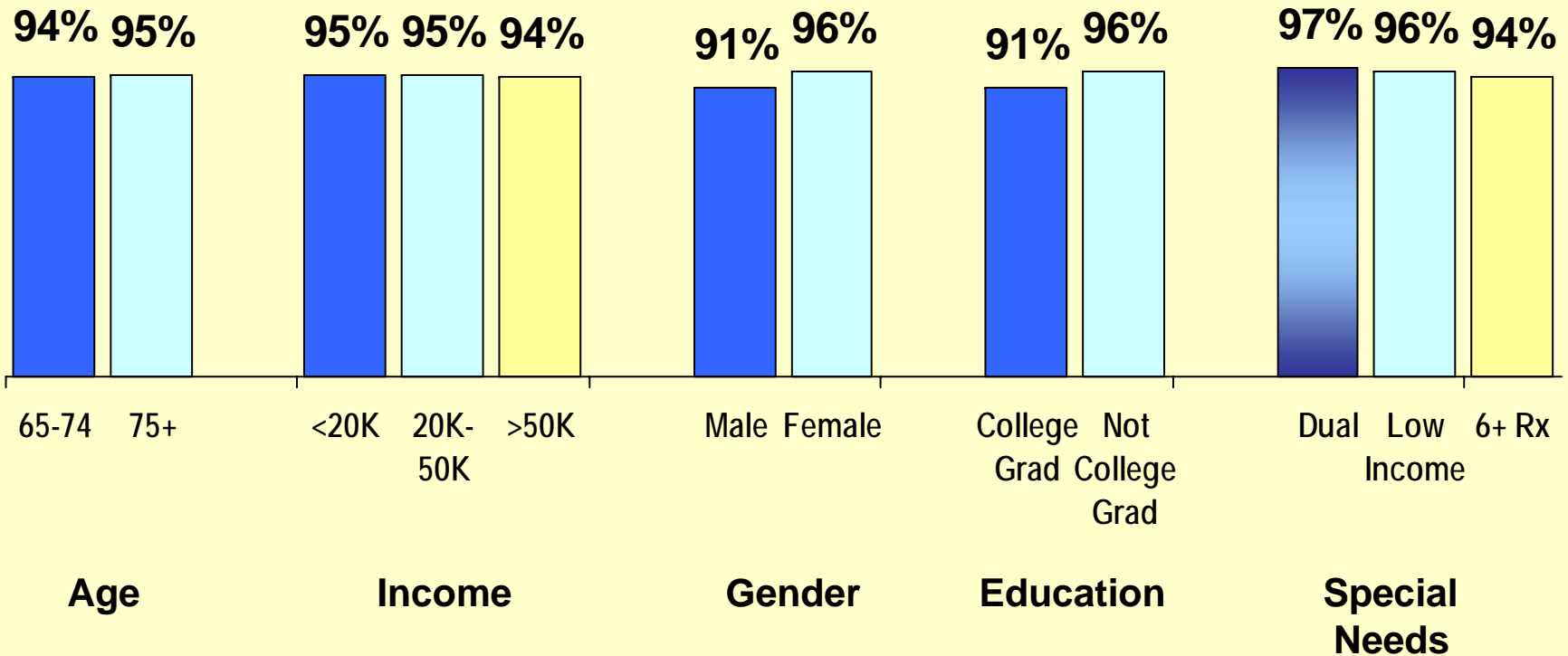
Base: Those enrolled in a Medicare plan (stand-alone or Medicare Advantage)

Base: Medicare Rx enrollees got medicines

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?

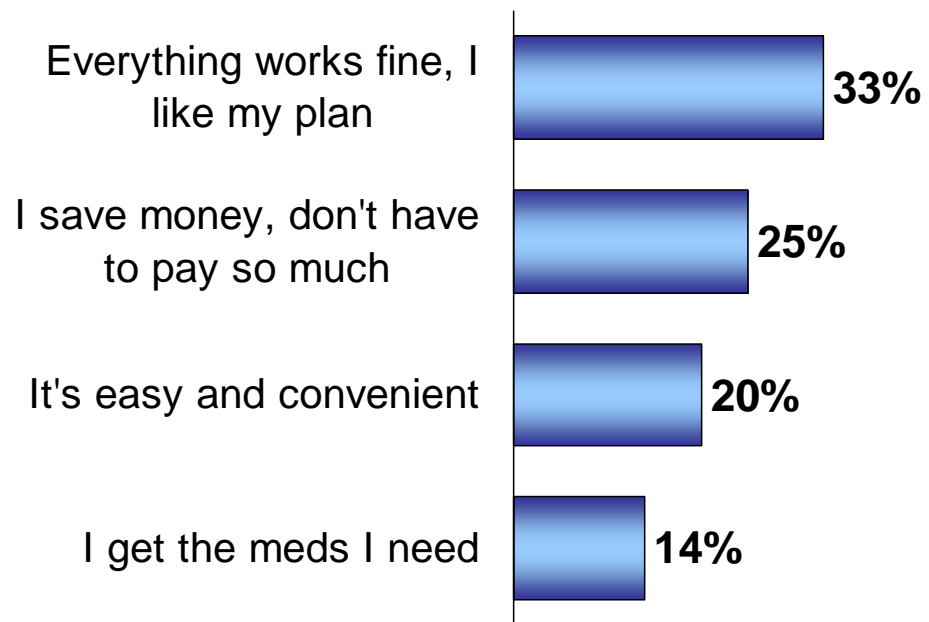
Percent Saying Plan Works Well



Base: Medicare Rx enrollees who received medicines

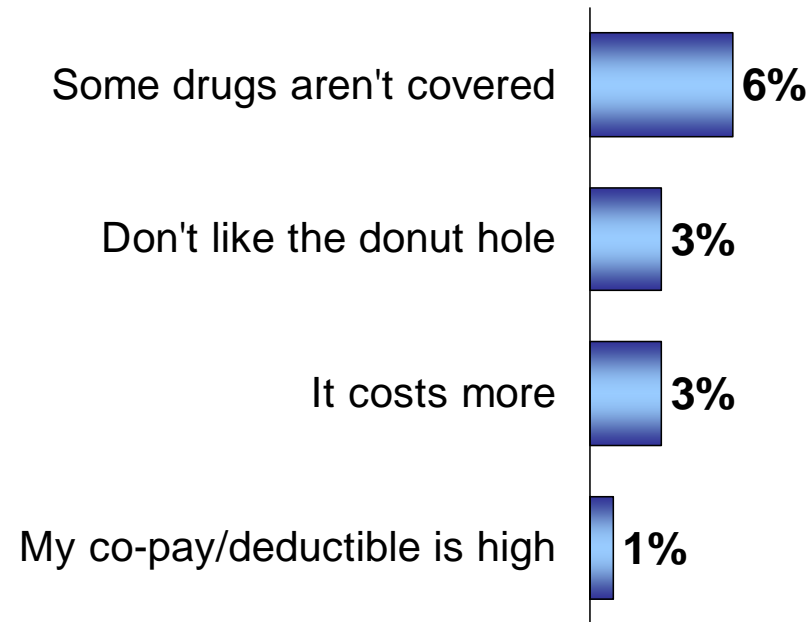


What works well...



What about your plan works well?

...Not so well

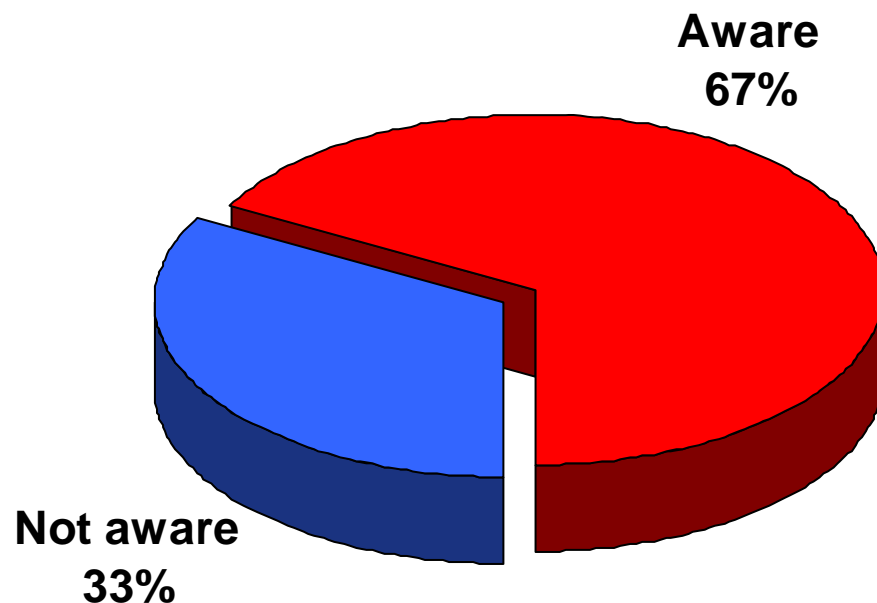


What about your plan doesn't work well?

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

7 in 10 seniors are aware of the low income subsidy

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?

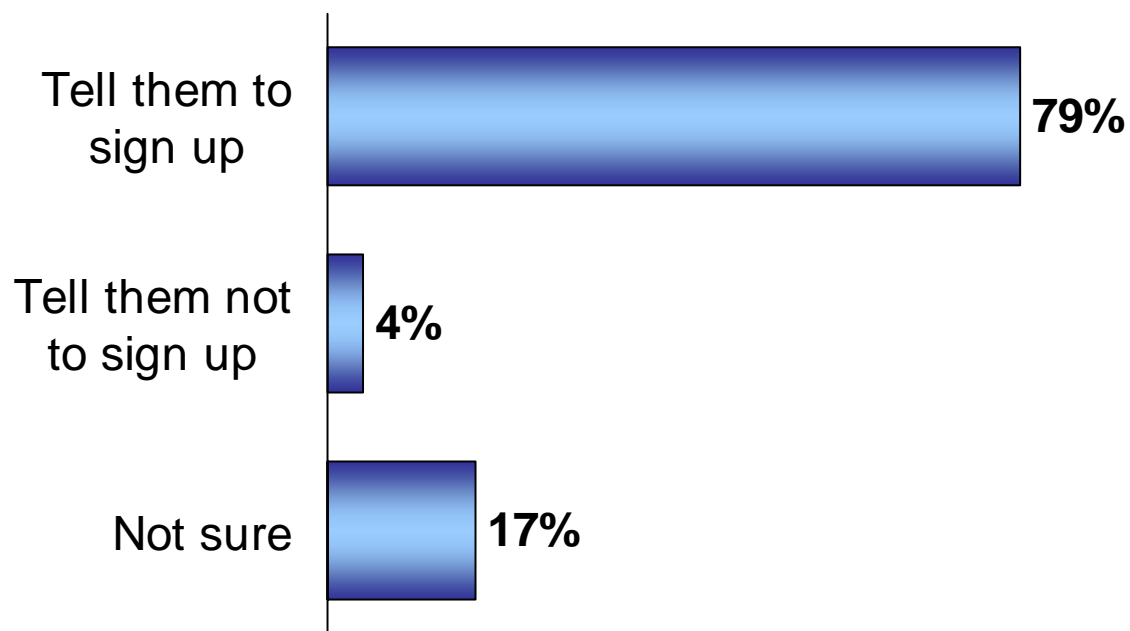


- One third of those with limited incomes who would qualify for extra help are not aware that extra help is available.

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

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?



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

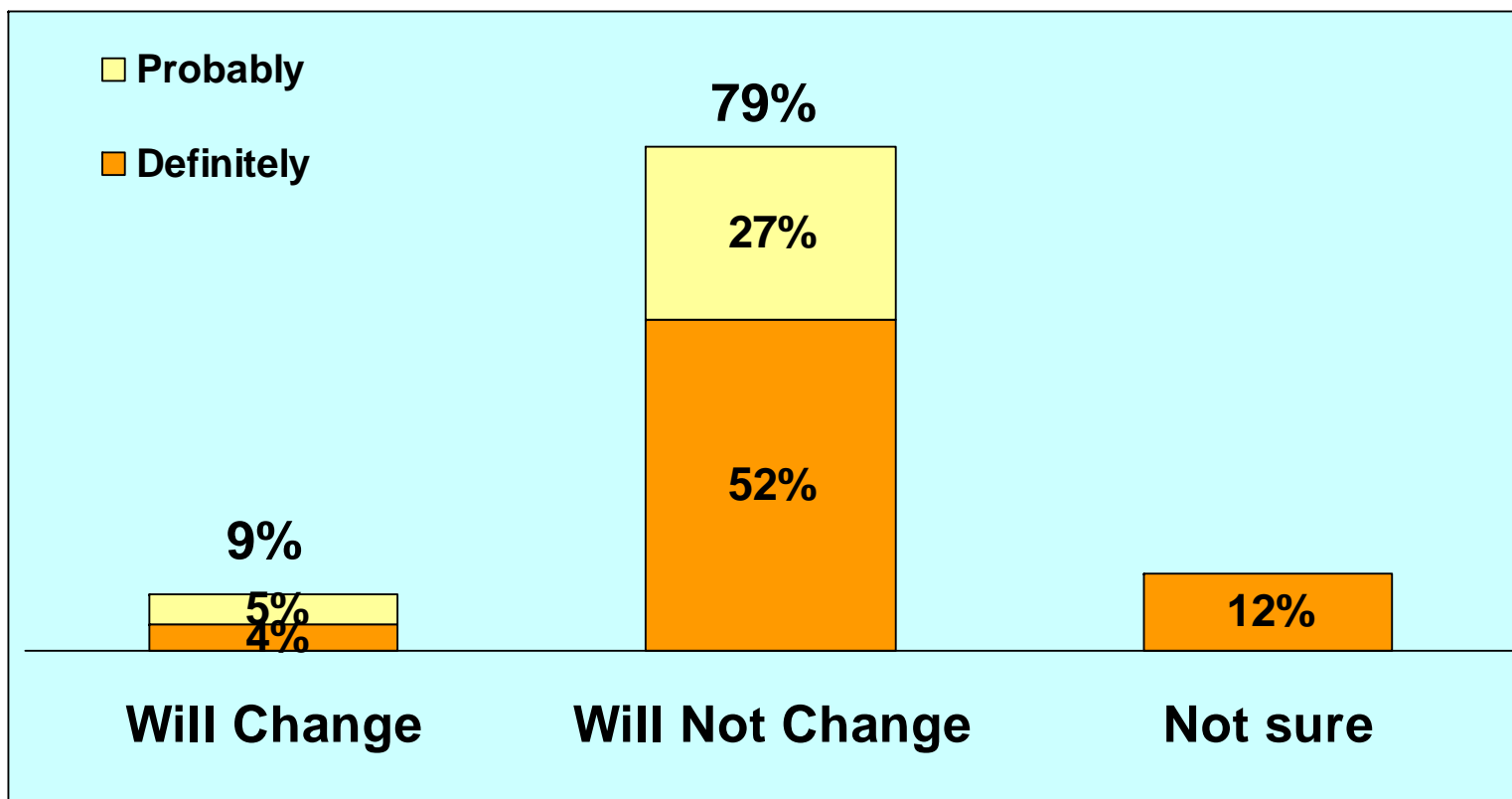


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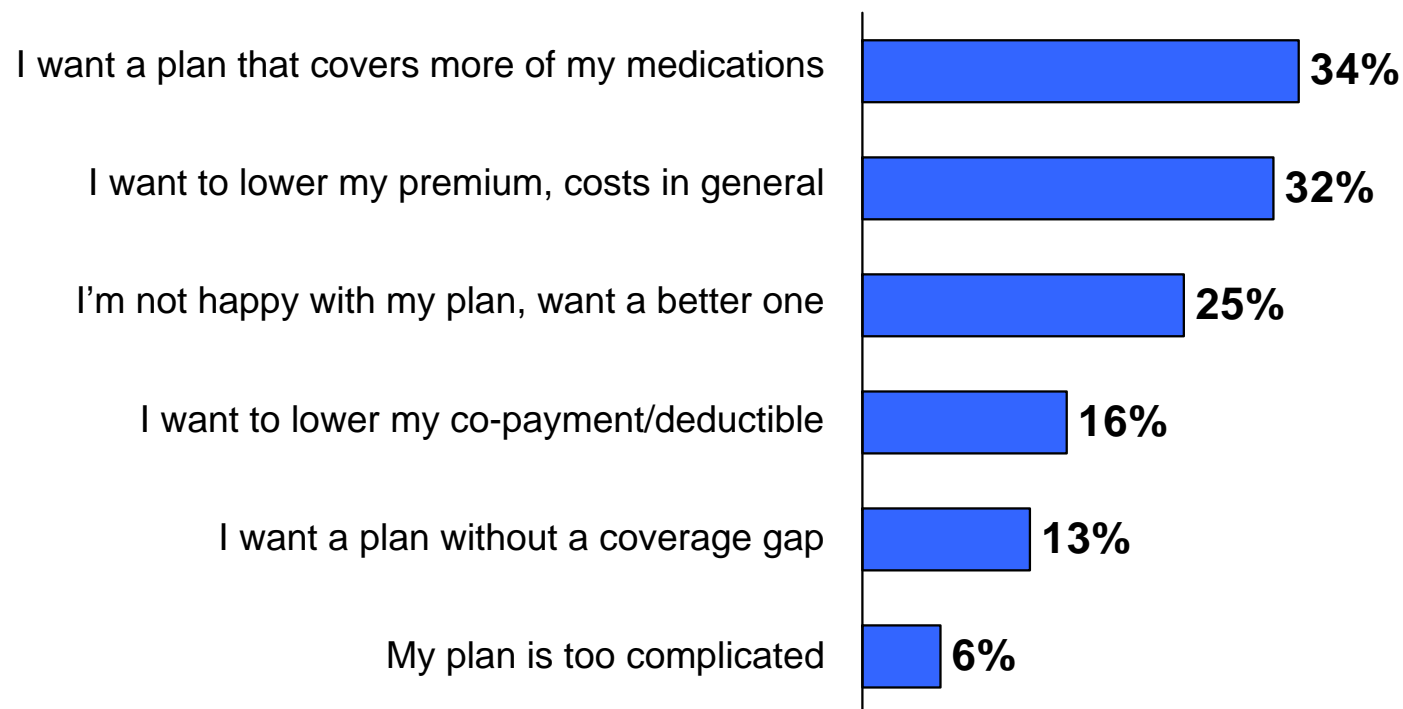
Prior to Fall enrollment, 8 in 10 say they'll probably keep their current plan; almost 1 in 10 plan say they're likely to change plans and 1 in 10 are not sure

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 plans, better coverage and lower cost are the main things they're looking for in a new plan

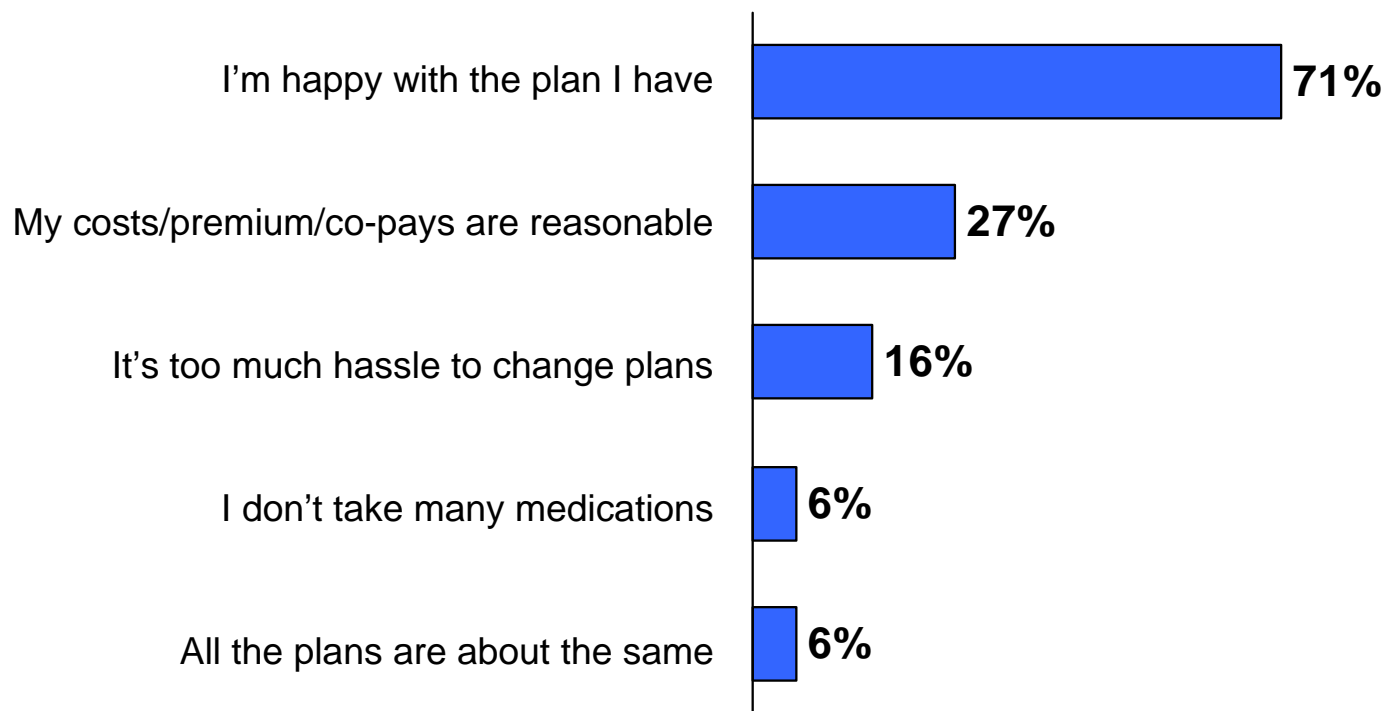
What are the main reasons you will [probably/definitely] change your Medicare prescription drug plan this year?



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

Most of the 79% unlikely to change their plans say they're happy with the one they have

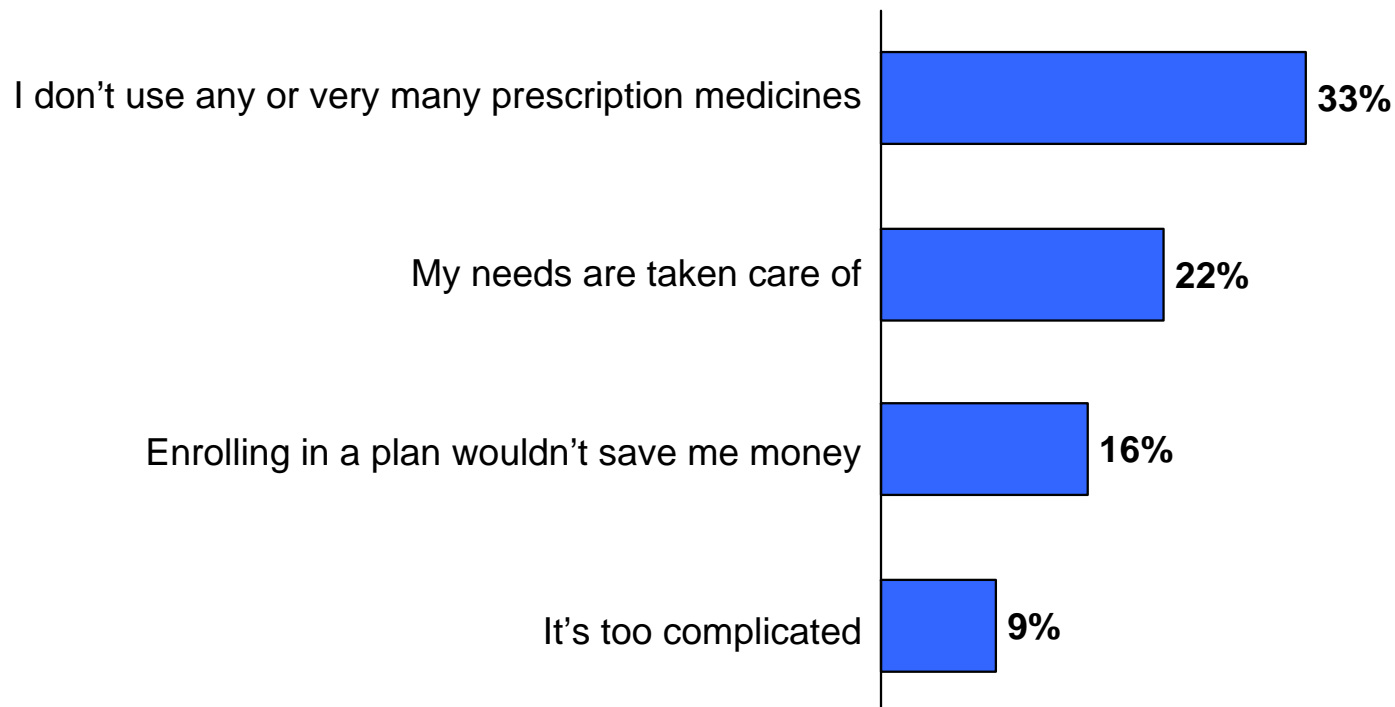
What are the main reasons you will [probably/definitely] not change your Medicare prescription drug plan this year?



Base: 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



Presentation

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

Conclusions

- Nearly two years into the program, seniors report continued—and growing—satisfaction with Medicare Rx.
 - Satisfaction has grown 11 percentage points since the start;
 - 96% feel fortunate to be covered;
 - 94% say their plan works well;
 - 85% say their plan is delivering what it said it would;
 - 68% feel better off now than before they had a Medicare plan;
 - 65% have lowered the amount they spend on medications; and
 - 1 in 4 now get medications they once had to skip or ration.
- Nearly 80% percent expect to keep the Medicare Rx plan they have because they're happy with it.

KRC RESEARCH

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