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One-Fifth of Nursing Home Residents Lack Prescription Drug Coverage

Study Highlights Greater than Expected Need for Medicare Part D in Nursing Homes; Warns of Challenges in Enrolling Residents

New York City, February 24, 2006—A new study points to great potential for the new Medicare drug benefit to provide assistance to the estimated one-fifth of the nation's nursing home population without drug coverage. The study, led by Bruce Stuart of the University of Maryland with support from The Commonwealth Fund, found that of those nursing home residents without prescription drug coverage, one-third (37 percent) have incomes below the federal poverty level and another one-third (35 percent) have incomes between 100 and 200 percent of poverty.

In "[Coverage and Use of Prescription Drugs in Nursing Homes: Implications for the Medicare Modernization Act](#)," published in the March issue of *Medical Care*, the authors conclude that "there is a much greater need for Part D drug coverage among nursing home residents than commonly thought." They also note that many nursing home residents will likely qualify for subsidized Part D coverage for those with low incomes. Over half (56%) of nursing home residents on Medicare also qualify for Medicaid, and therefore could be vulnerable to changes in access to the drugs they need as the system changes over from Medicaid to Medicare drug benefits.

"The Medicare drug benefit is a potentially important benefit for many of our most vulnerable Americans, particularly patients with low incomes, who are in poor health," said Commonwealth Fund President Karen Davis. "It will be important to monitor whether low-income nursing home residents qualify for premium and cost-sharing subsidies."

"As Medicare beneficiaries, particularly dual eligibles also enrolled in Medicaid, have been experiencing significant difficulties with the new Part D drug benefit, nursing homes could face problems meeting their needs," said Stuart Guterman, senior program director for the Commonwealth Fund's Program on Medicare's Future.

The researchers analyzed data from the Medicare Current Beneficiary Survey in 2001, supplemented with information on nursing home residents from medical records and nursing home staff interviews.

The Commonwealth Fund is a private foundation that supports independent research on health and social issues.