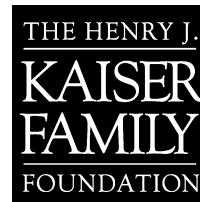

Chartpack

Medicare Prescription Drug Benefit Progress Report:

Findings from the Kaiser/Commonwealth/Tufts-New England Medical Center 2006 National Survey of Seniors and Prescription Drugs

August 2007

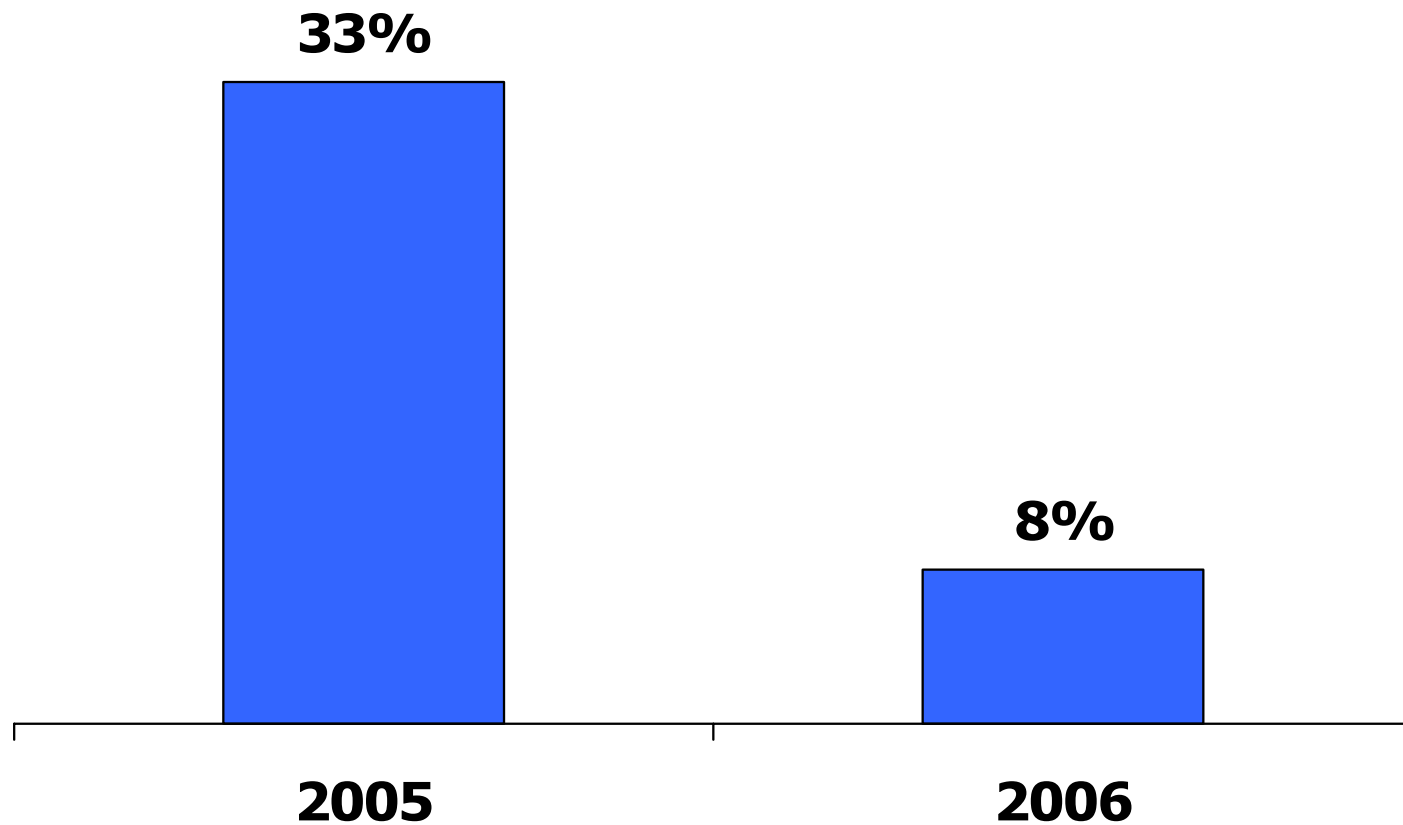


Methodology

The National Survey of Seniors and Prescription Drugs, 2006 was designed and analyzed by researchers at the Kaiser Family Foundation, The Commonwealth Fund, and Tufts–New England Medical Center. The survey of 16,072 seniors was administered in English and Spanish between October 5 and December 20, 2006, primarily by mail with telephone follow-up. The study used an augmented longitudinal design that included respondents to our 2003 national survey of seniors and a randomly selected nationally representative sample of non-institutionalized Medicare beneficiaries age 65 and older that was provided by the Centers for Medicare and Medicaid Services in June 2006. After accounting for beneficiaries excluded because of death, institutionalization, relocation, non-English/Spanish language, or severe cognitive or physical impairment, the final study sample had a response rate of 56 percent. The survey had a margin of sampling error of less than 1 percent. Bivariate and multivariate methods were used to examine seniors' prescription drug coverage, use, out-of-pocket spending, adherence, and experiences in a Part D plan.

Prescription Drug Coverage of Non-Institutionalized Seniors

Share of Non-Institutionalized Seniors Who Said They Were Without Drug Coverage in 2005 and 2006

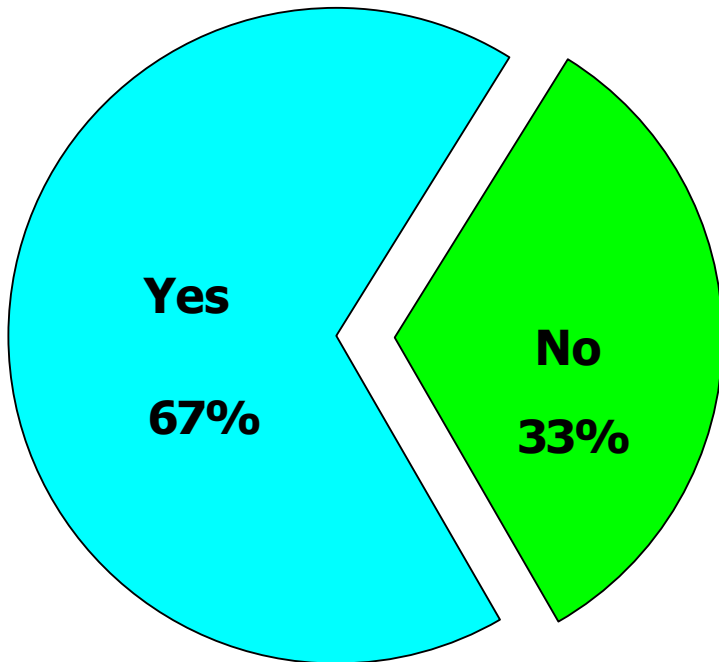


NOTES: Numbers are rounded.

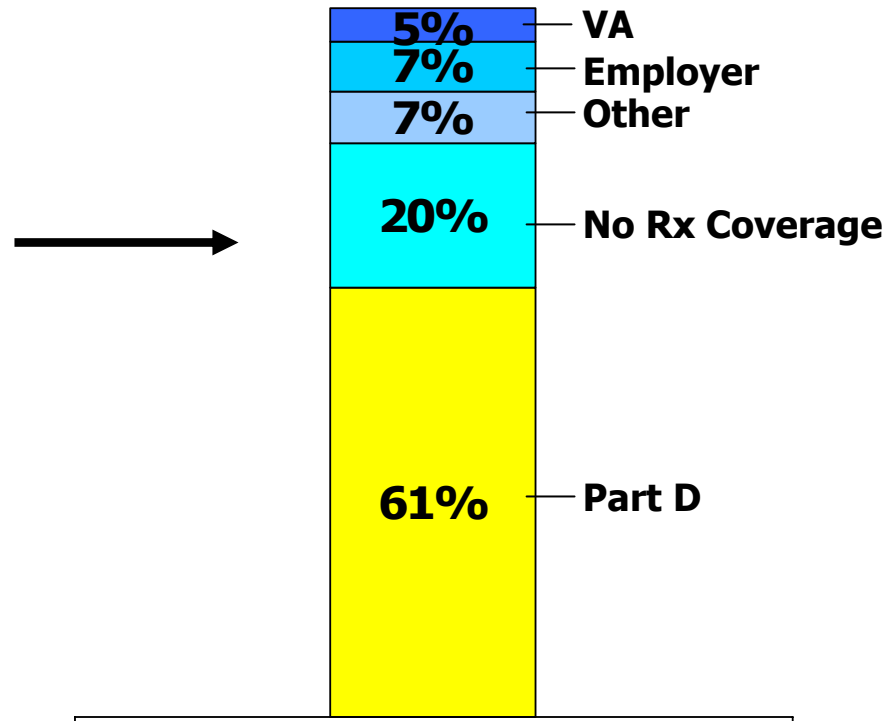
SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Distribution of Non-Institutionalized Seniors' Drug Coverage in 2006 Among Those Who Did Not Have Drug Coverage in 2005

Drug coverage in 2005:



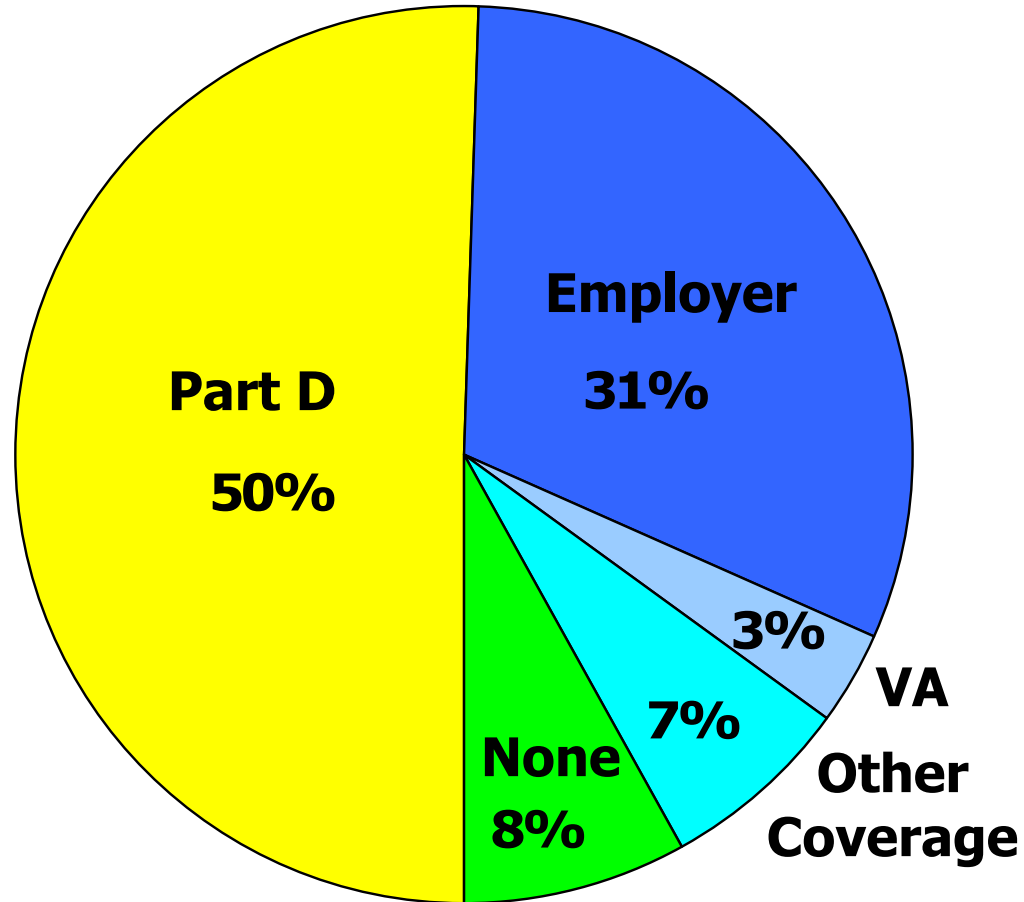
Source of Drug Coverage in 2006:



NOTES: VA is Department of Veterans Affairs. Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

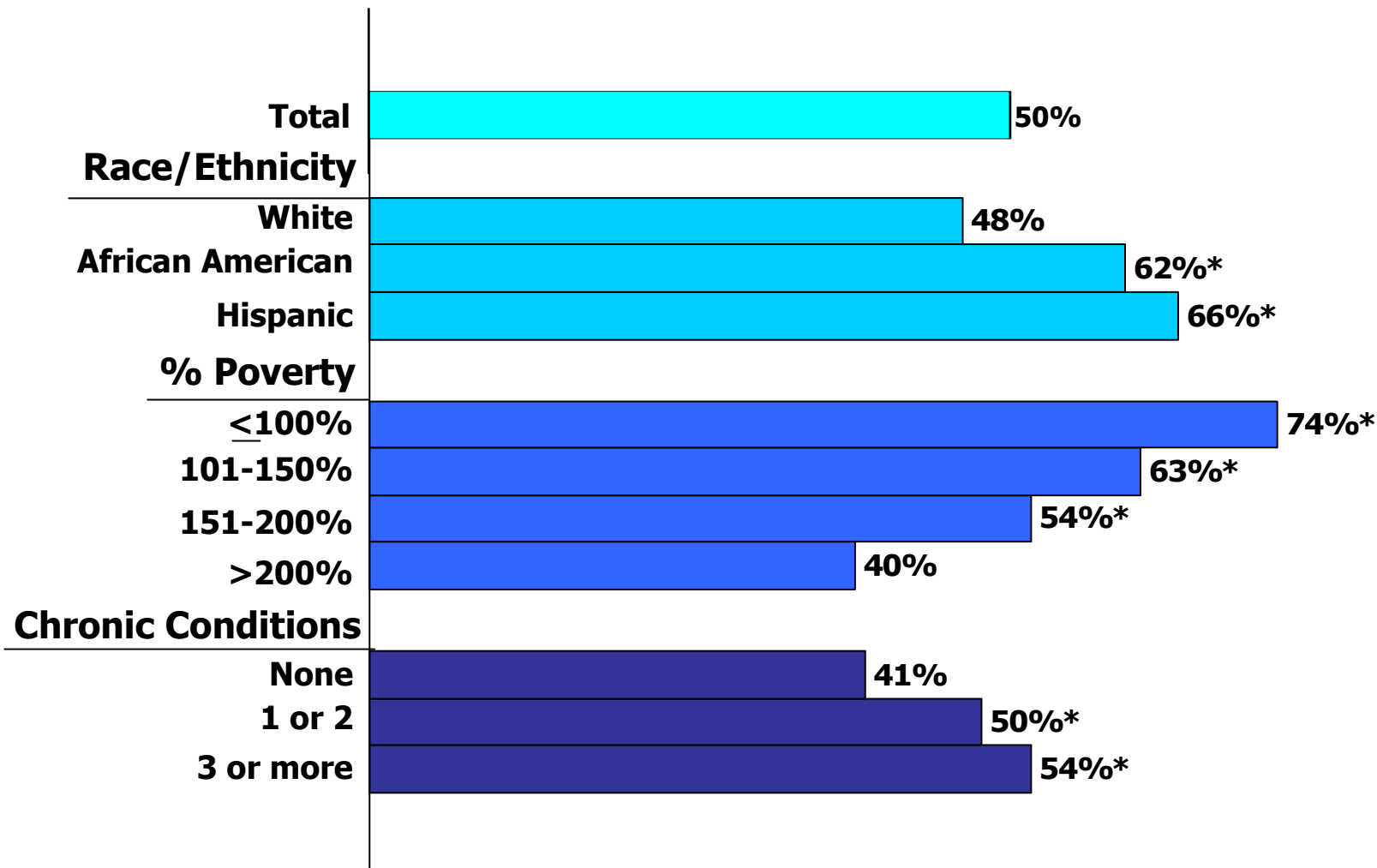
Distribution of Non-Institutionalized Seniors by Primary Source of Drug Coverage, 2006



NOTES: VA is Department of Veterans Affairs. Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

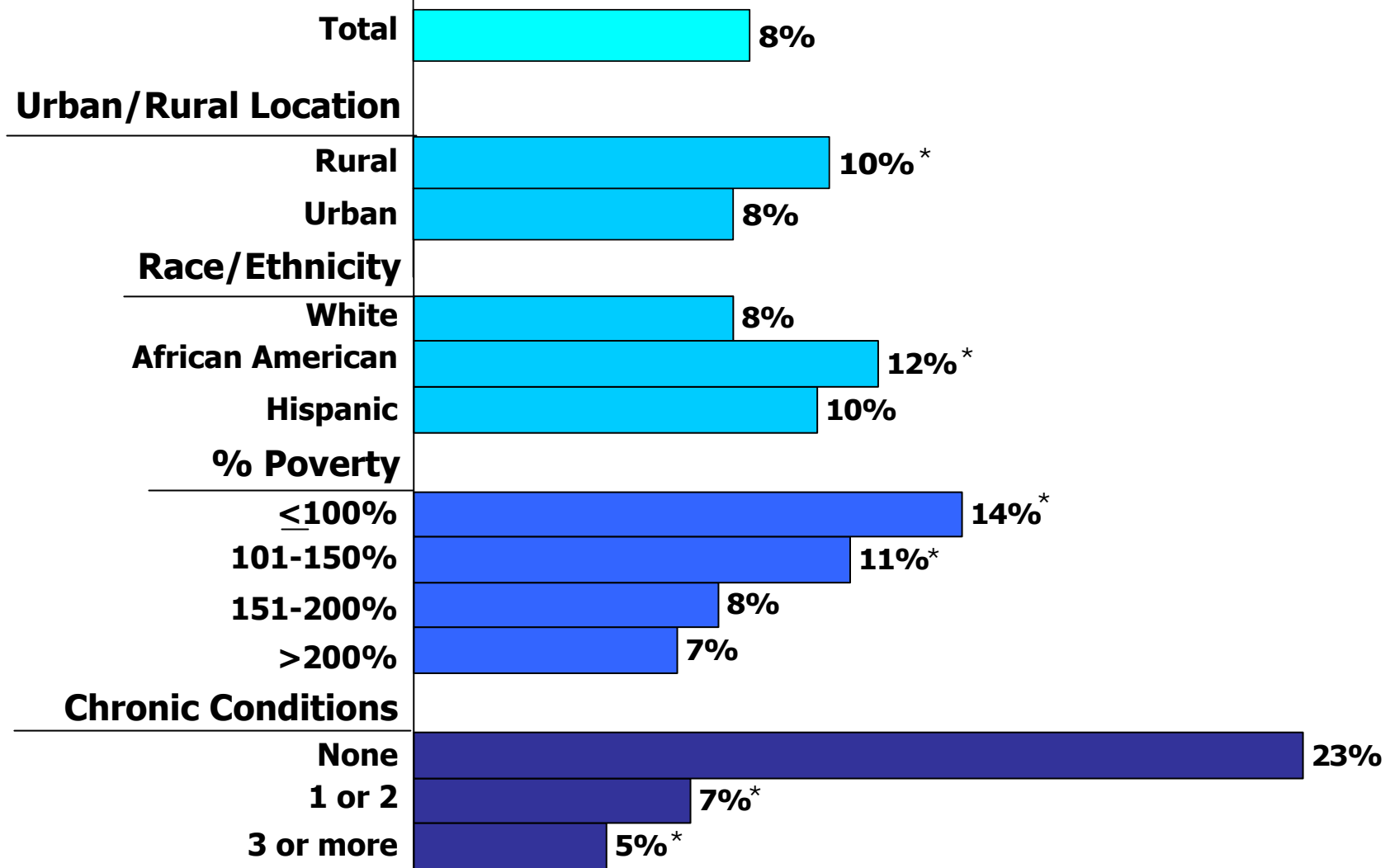
Part D Coverage Rates Among Seniors with Selected Characteristics, 2006



NOTES: Weighted percentages. In 2006, federal poverty level: \$9,800/individual and \$13,200/couple. Reference groups for statistical significance include: white, >200% poverty, and no chronic conditions (*p < 0.05). Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Lack of Any Drug Coverage Among Seniors with Selected Characteristics, 2006

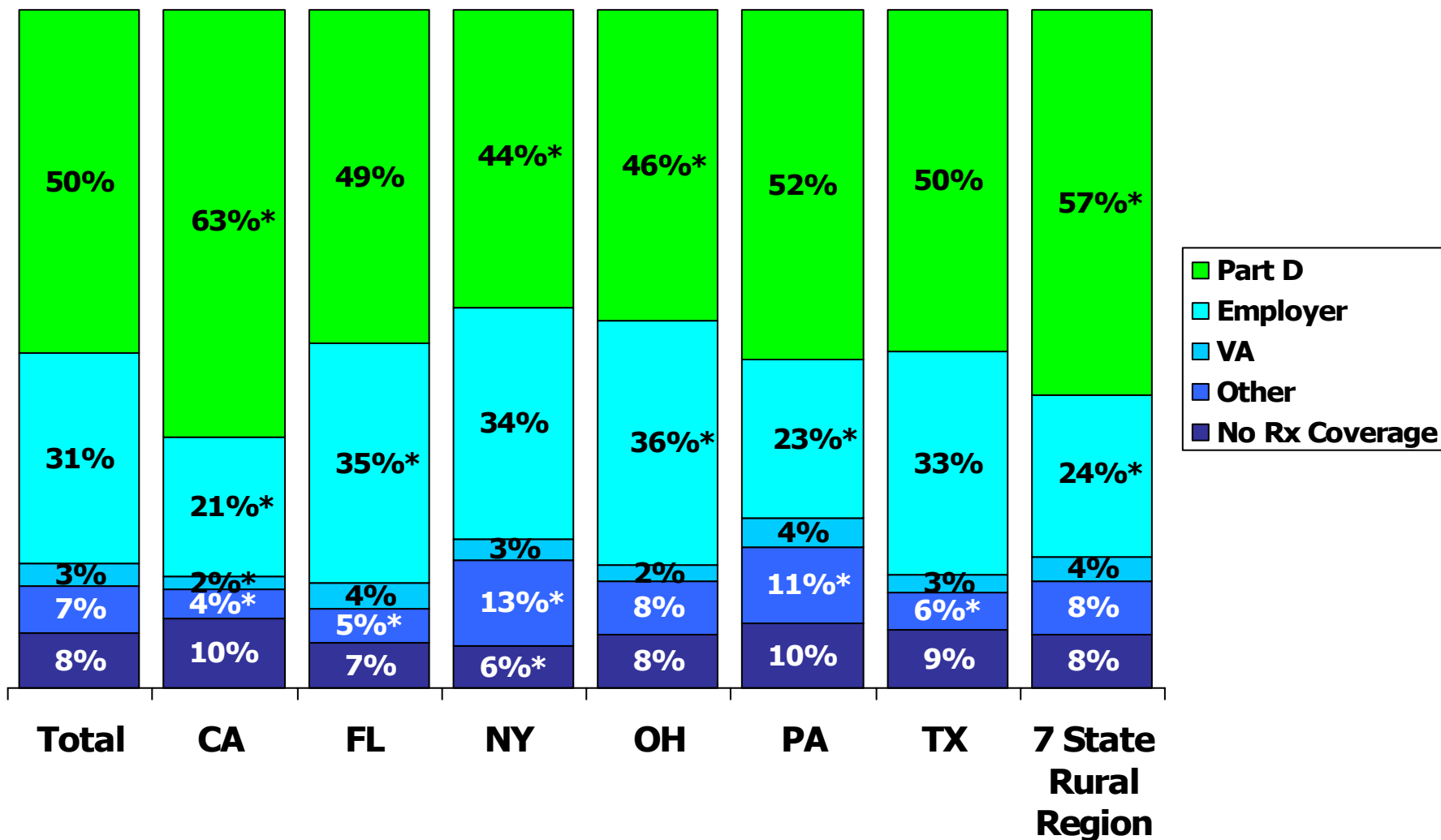


NOTES: Weighted percentages. In 2006, federal poverty level: \$9,800/individual and \$13,200/couple. Reference groups for statistical significance include: white, >200% poverty, and no chronic conditions (*p < 0.05). Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Chart 6

Seniors' Drug Coverage in Selected States, 2006

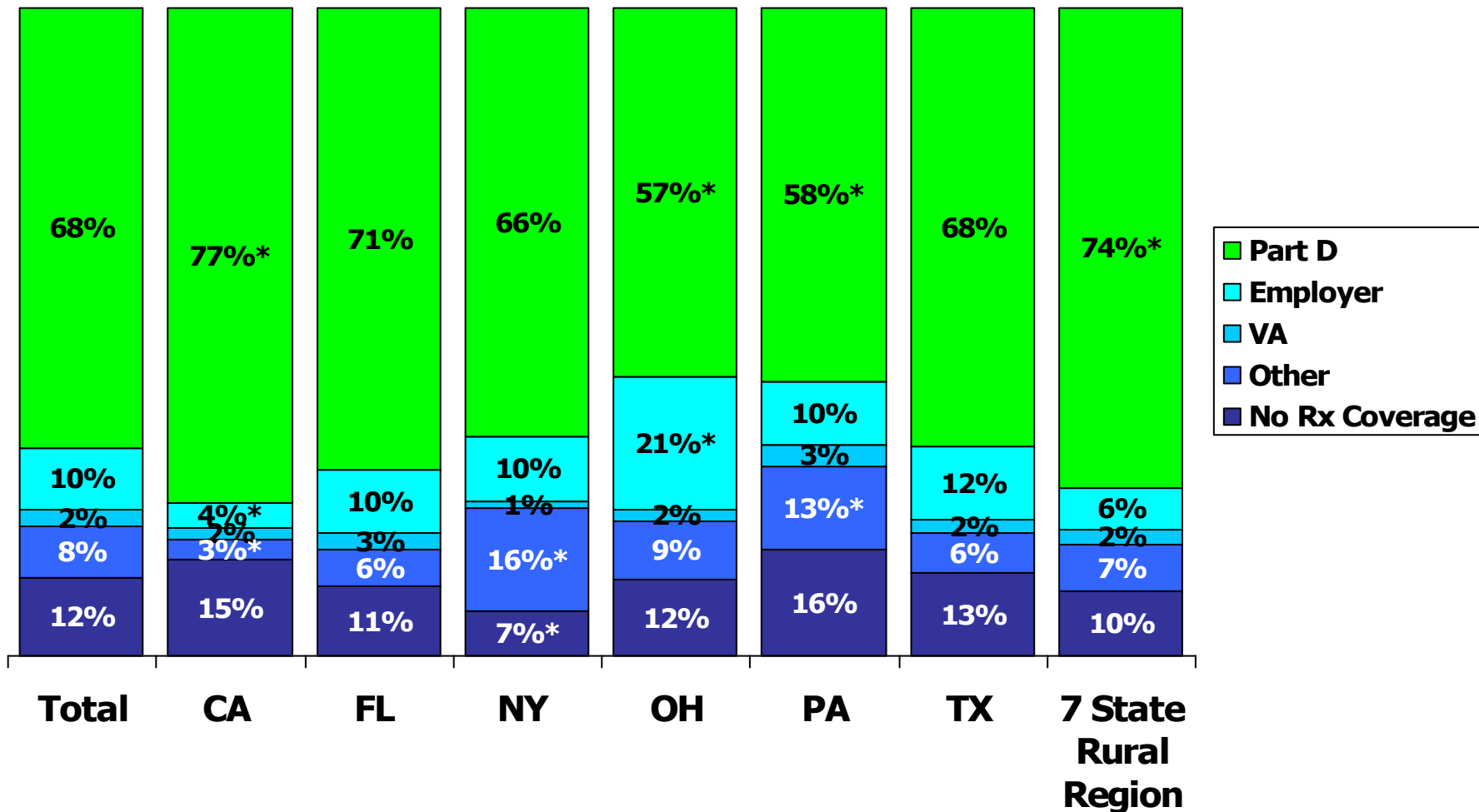


NOTES: VA is Department of Veterans Affairs. Seven state rural region includes: IA, MN, MT, ND, NE, SD, WY. Reference group for statistical significance is Total (*p<0.05). Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Chart 7

Low-Income Seniors' Drug Coverage in Selected States, 2006

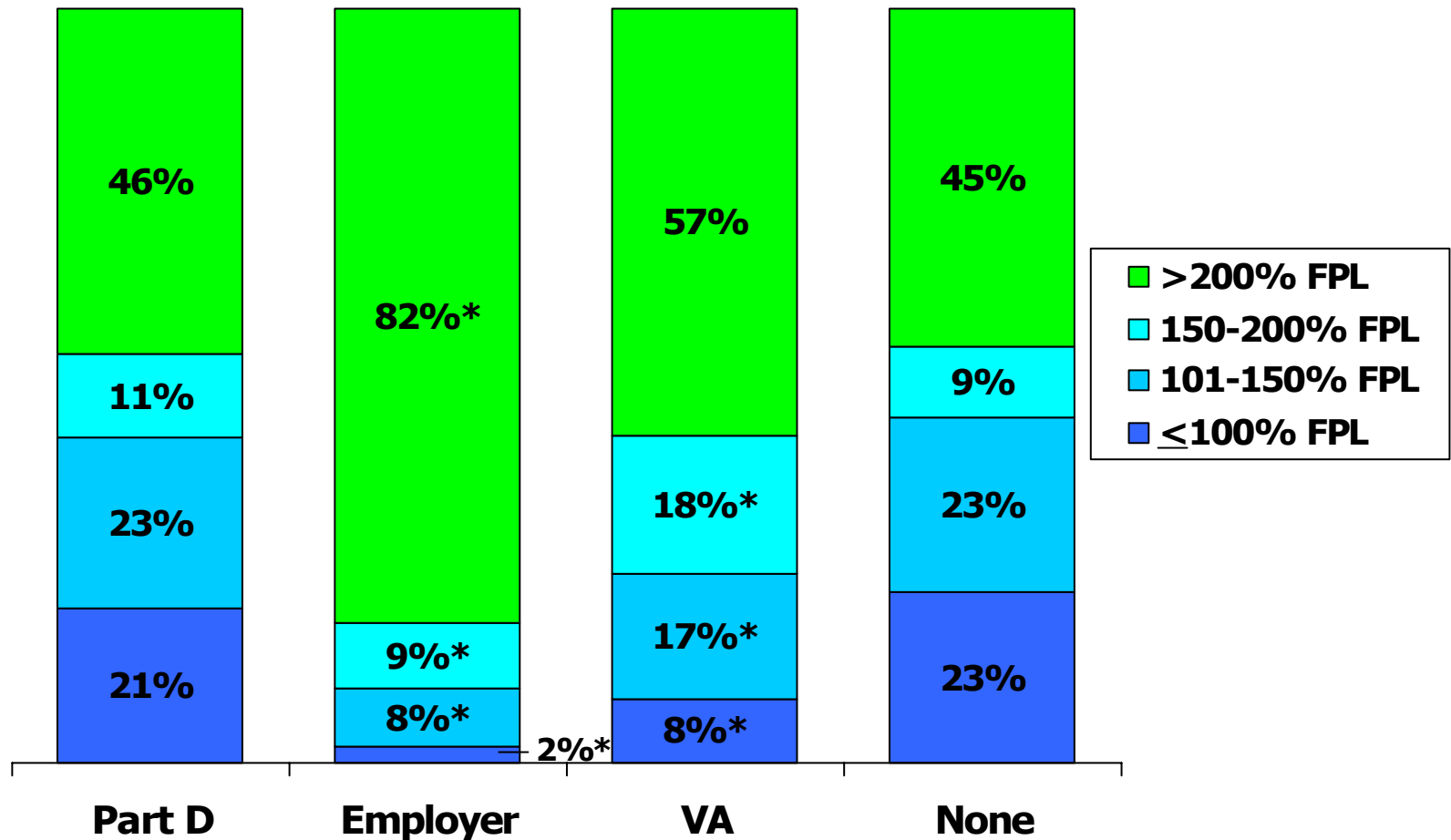


NOTES: VA is Department of Veterans Affairs. Seven state rural region includes: IA, MN, MT, ND, NE, SD, WY. Low-income refers to seniors at or below 150% of poverty. Reference group for statistical significance is Total (*p<0.05). Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

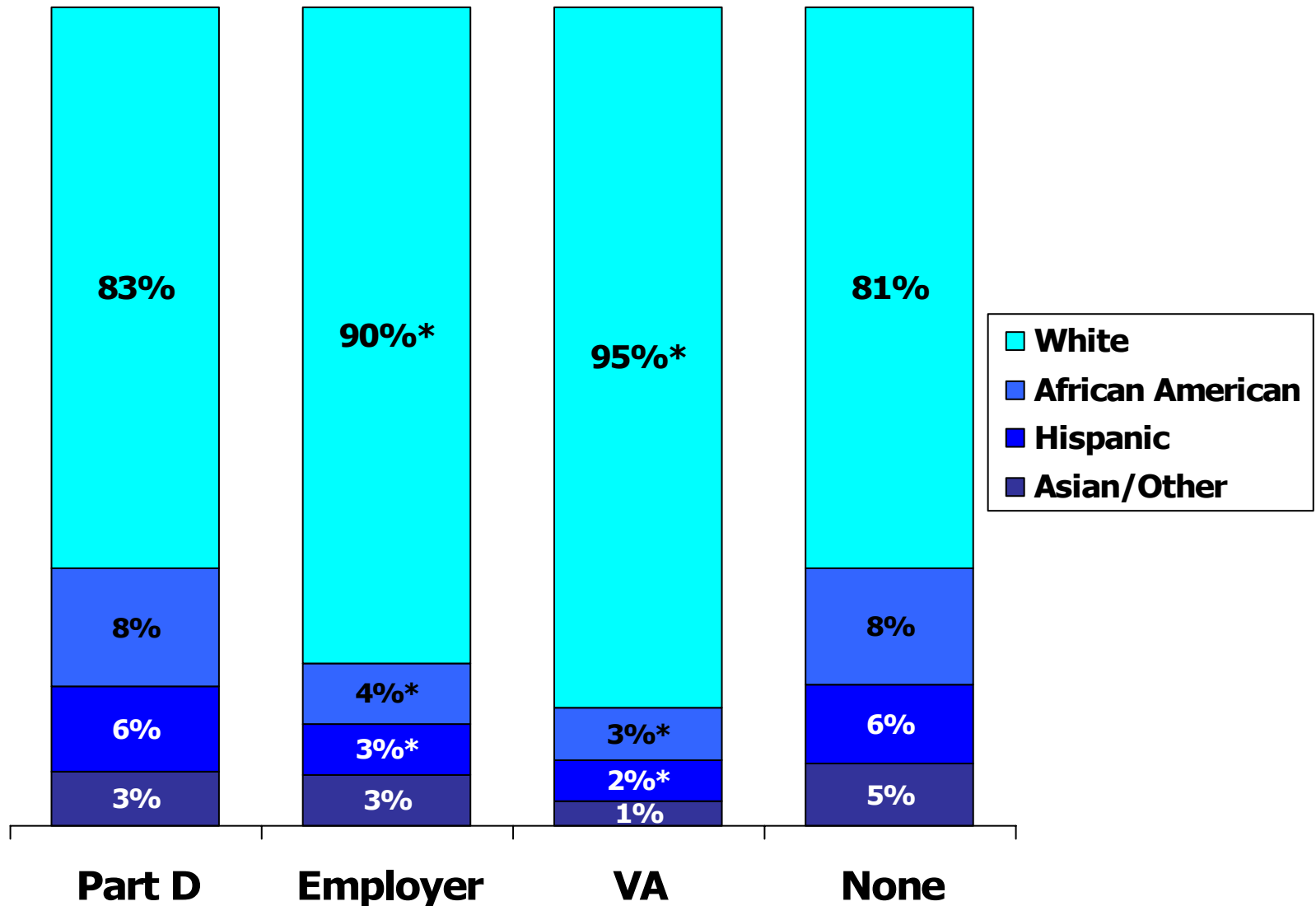
Characteristics of Non- Institutionalized Seniors with Various Sources of Drug Coverage

Income Distribution of Non-Institutionalized Seniors, by Source of Drug Coverage, 2006



NOTES: VA is Department of Veterans Affairs. "Other coverage" is not shown. In 2006, federal poverty level (FPL): \$9,800/individual and \$13,200/couple. The reference group for statistical significance is Part D coverage (*p < 0.05). Numbers are rounded.
 SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

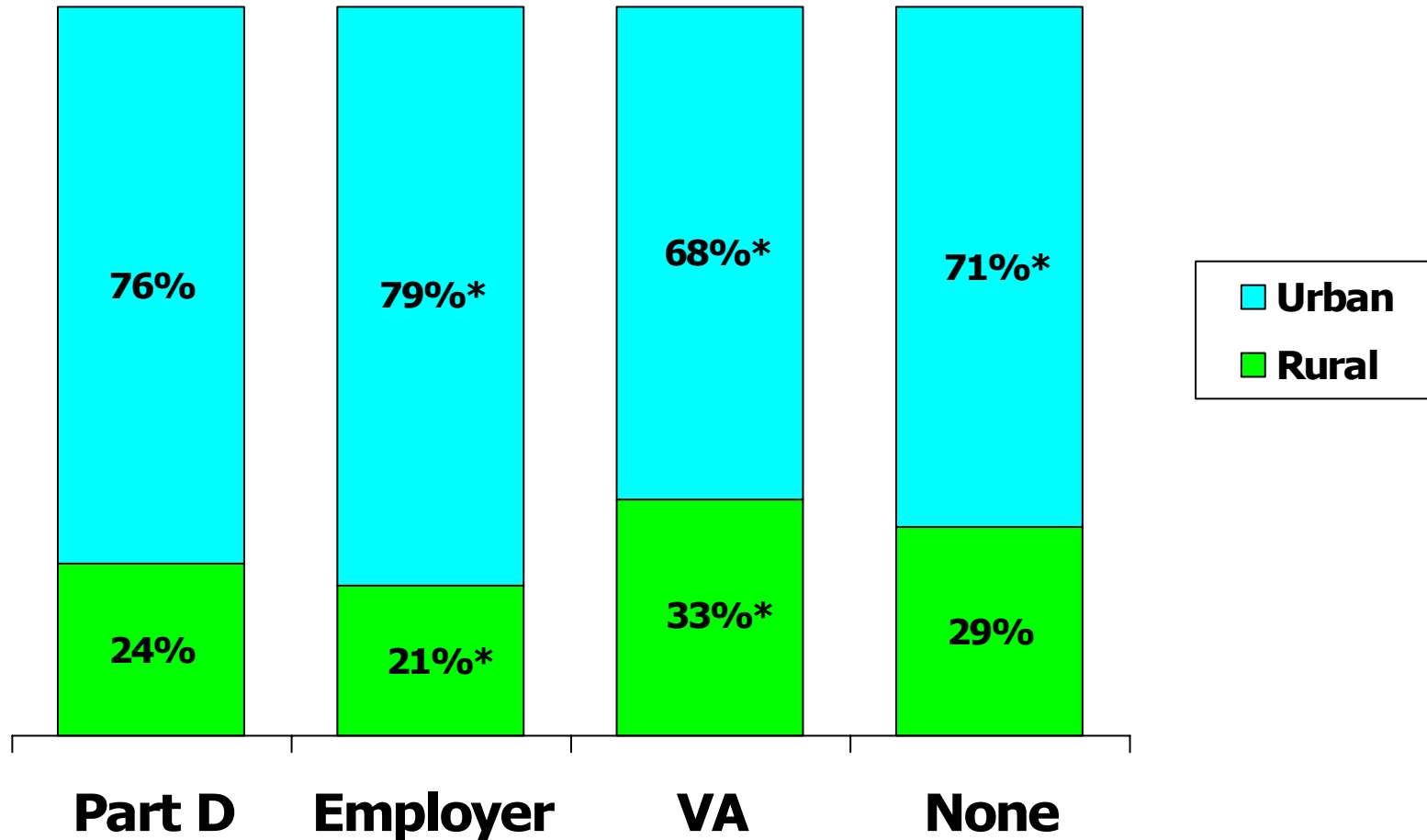
Race/Ethnicity of Non-Institutionalized Seniors, by Source of Drug Coverage, 2006



NOTES: VA is Department of Veterans Affairs. "Other coverage" is not shown. Reference group for statistical significance is Part D Coverage (*p < 0.05). Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

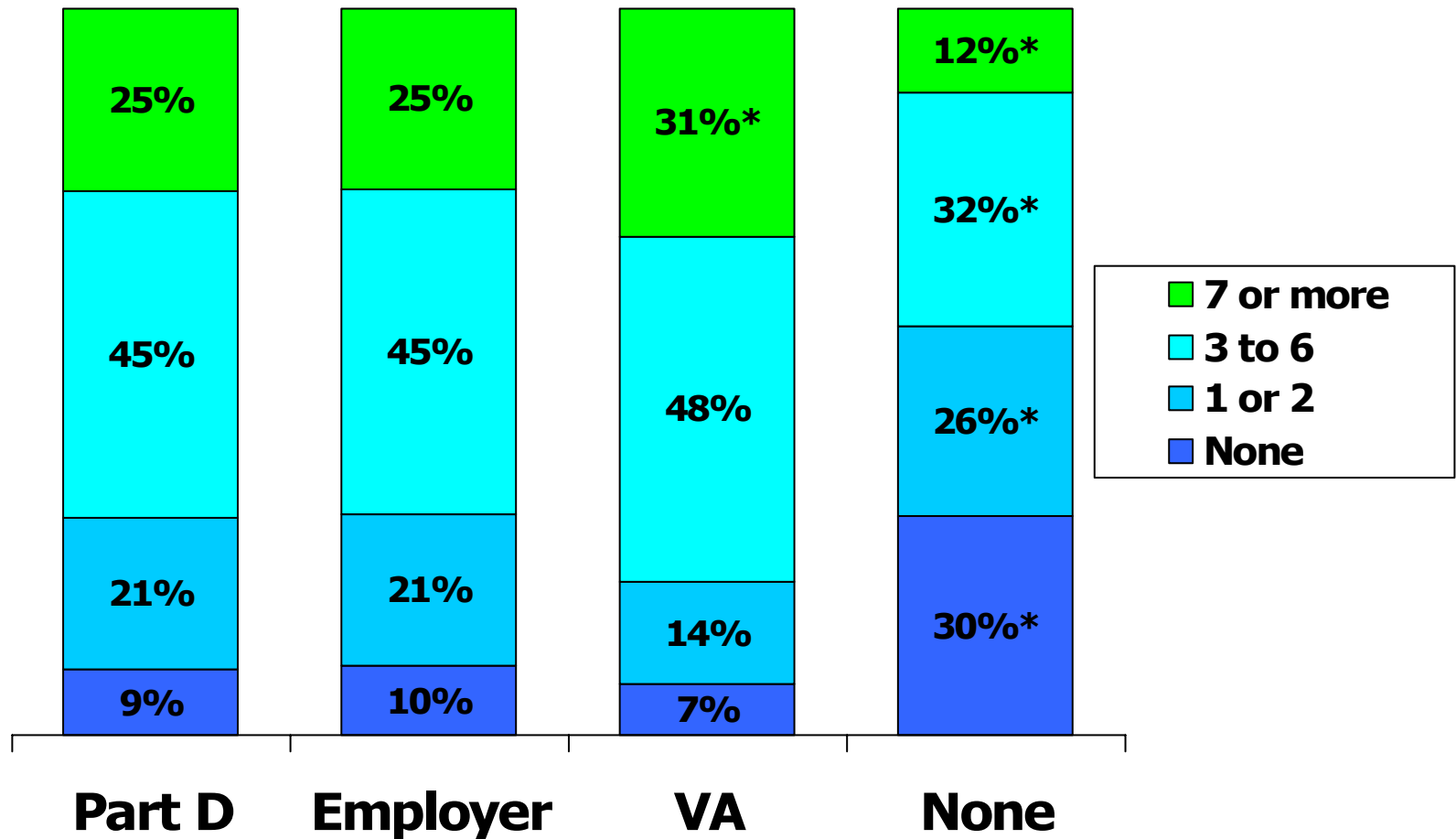
Rural/Urban Residence of Non-Institutionalized Seniors, by Source of Drug Coverage, 2006



NOTES: VA is Department of Veterans Affairs. "Other coverage" is not shown. Reference group for statistical significance is Part D coverage (* $p < 0.05$). Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Number of Prescriptions Taken Monthly by Non-Institutionalized Seniors, by Source of Drug Coverage, 2006



NOTES: VA is Department of Veterans Affairs. "Other coverage" is not shown. Reference group for statistical significance is Part D coverage (* $p < 0.05$). Numbers are rounded.

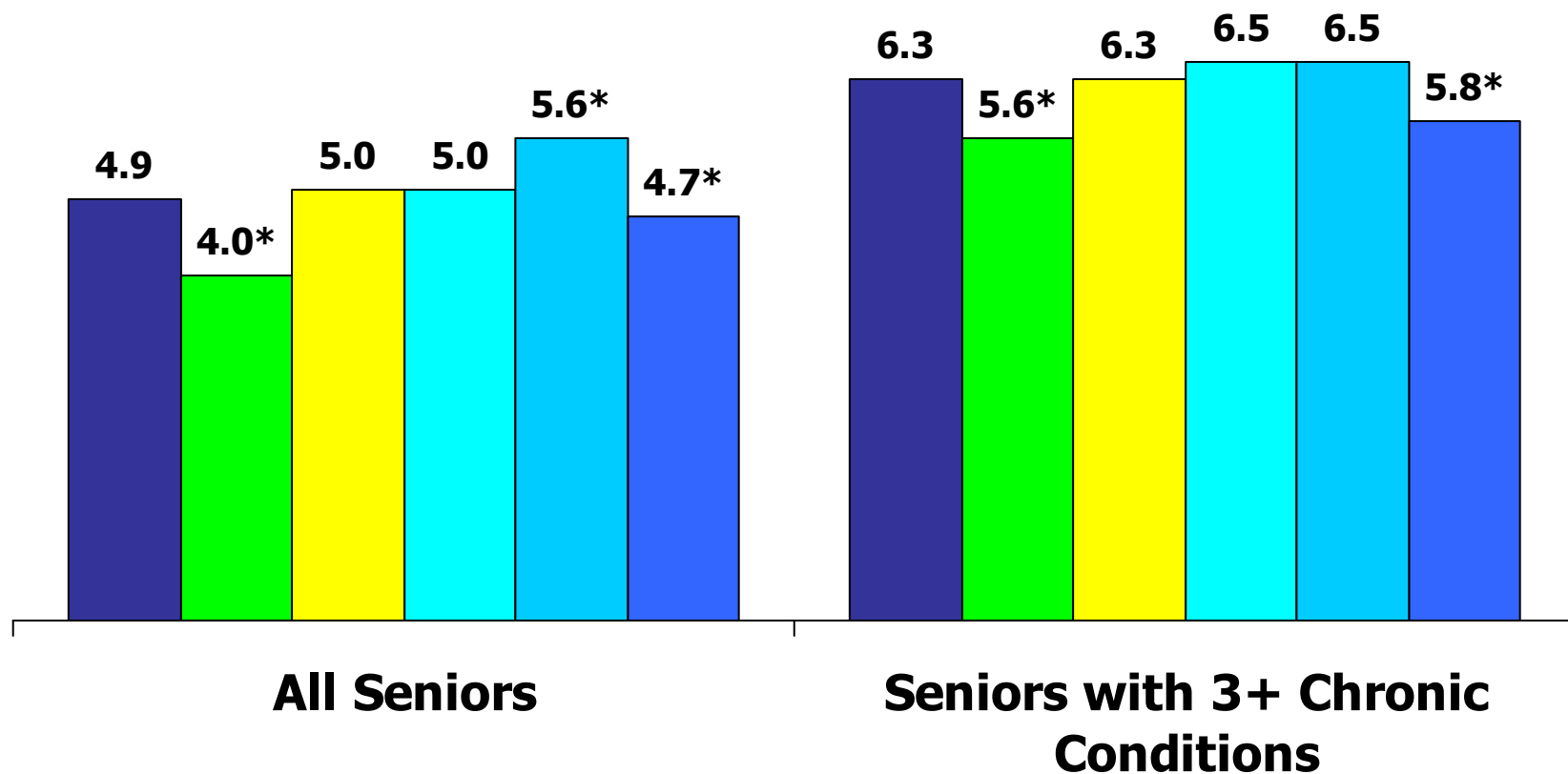
SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Prescription Drug Use, Out-of-Pocket Spending, and Non-Adherence

Mean Number of Prescriptions Filled by Seniors Per Month, by Source of Drug Coverage, 2006

(Among Seniors Taking 1 or More Rx)

■ Total ■ No Rx Coverage ■ Part D ■ Employer ■ VA ■ Other



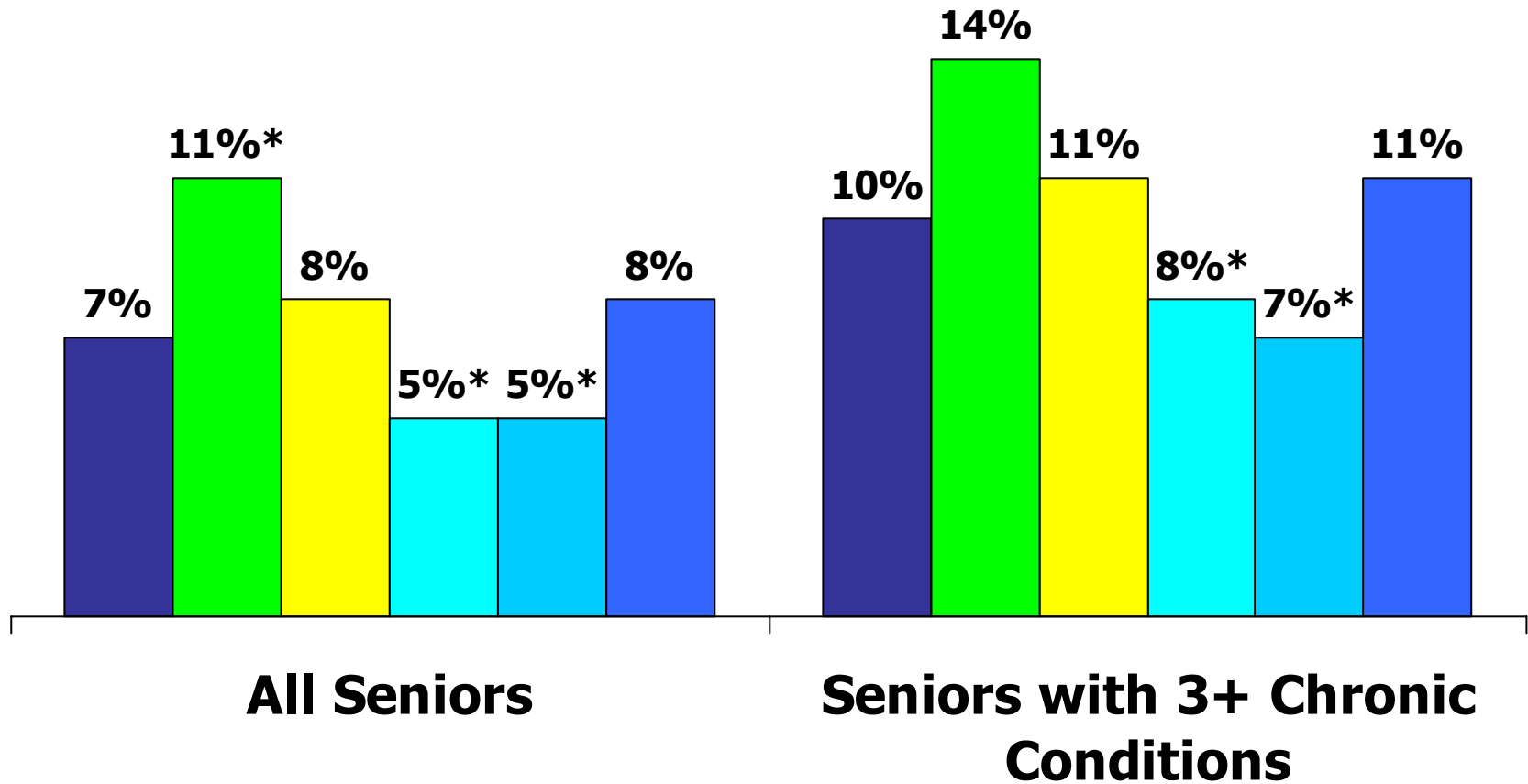
NOTES: VA is Department of Veterans Affairs. Reference group for statistical significance is Part D coverage (*p<0.05). Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Share of Seniors Spending More Than \$300 Per Month on Prescriptions, by Source of Drug Coverage, 2006

(Among Seniors Taking 1 or More Rx)

■ Total ■ No Rx Coverage ■ Part D ■ Employer ■ VA ■ Other

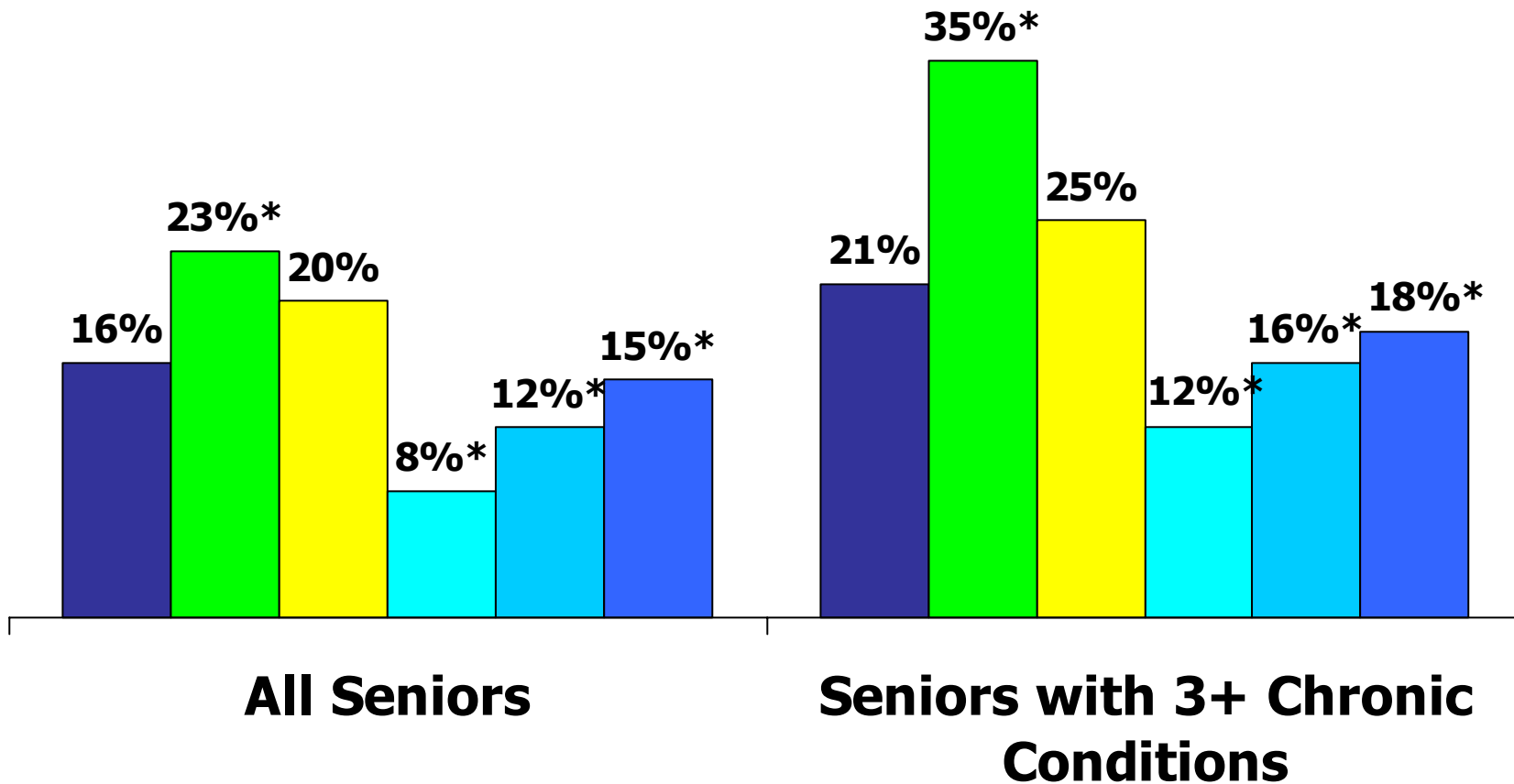


NOTES: VA is Department of Veterans Affairs. Reference group for statistical significance is Part D coverage (*p<0.05). Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Share of Seniors Who Did Not Fill or Delayed Filling Prescriptions Due to Cost, by Source of Drug Coverage, 2006

(Among Seniors Taking 1 or More Rx)

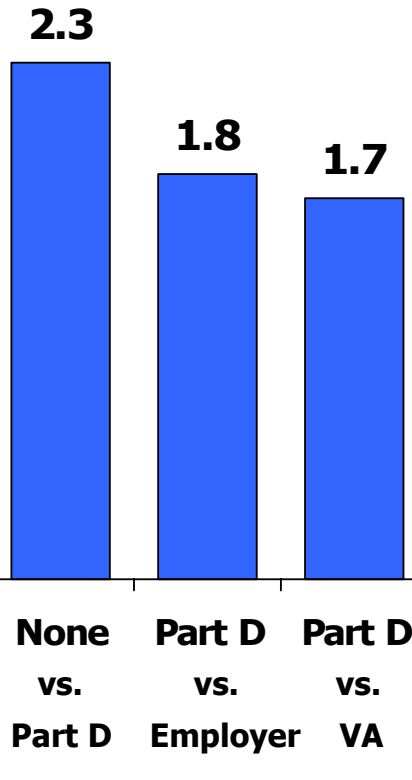


NOTES: "Did not fill/delayed fill of Rx" refers to not filling or delay filling or refilling a prescription because of cost in the past twelve months. VA is Department of Veterans Affairs. Reference group for statistical significance is Part D coverage (*p<0.05). Numbers are rounded.

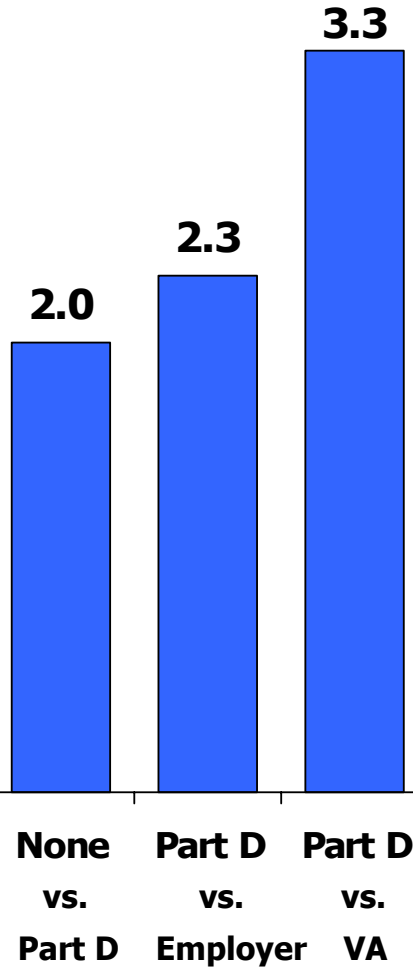
SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Multivariate Results Showing Association Between Sources of Drug Coverage, Out-of-Pocket Spending, and Non-Adherence, 2006 (Odds Ratios)

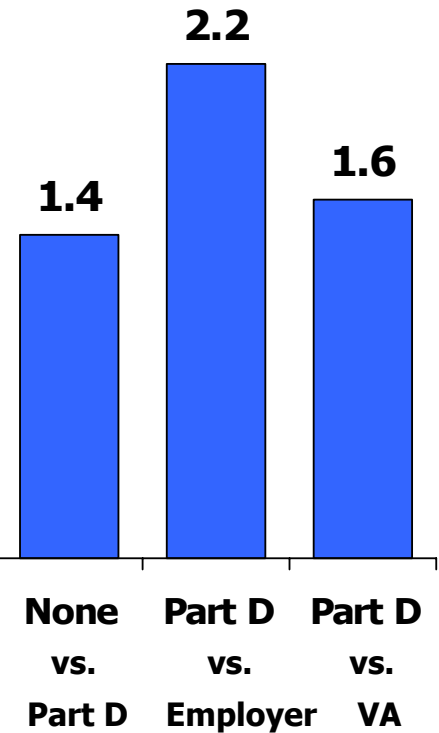
Spend >\$100/month



Spend >\$300/month



Did not fill/Delay fill or refill due to cost in past 12 months

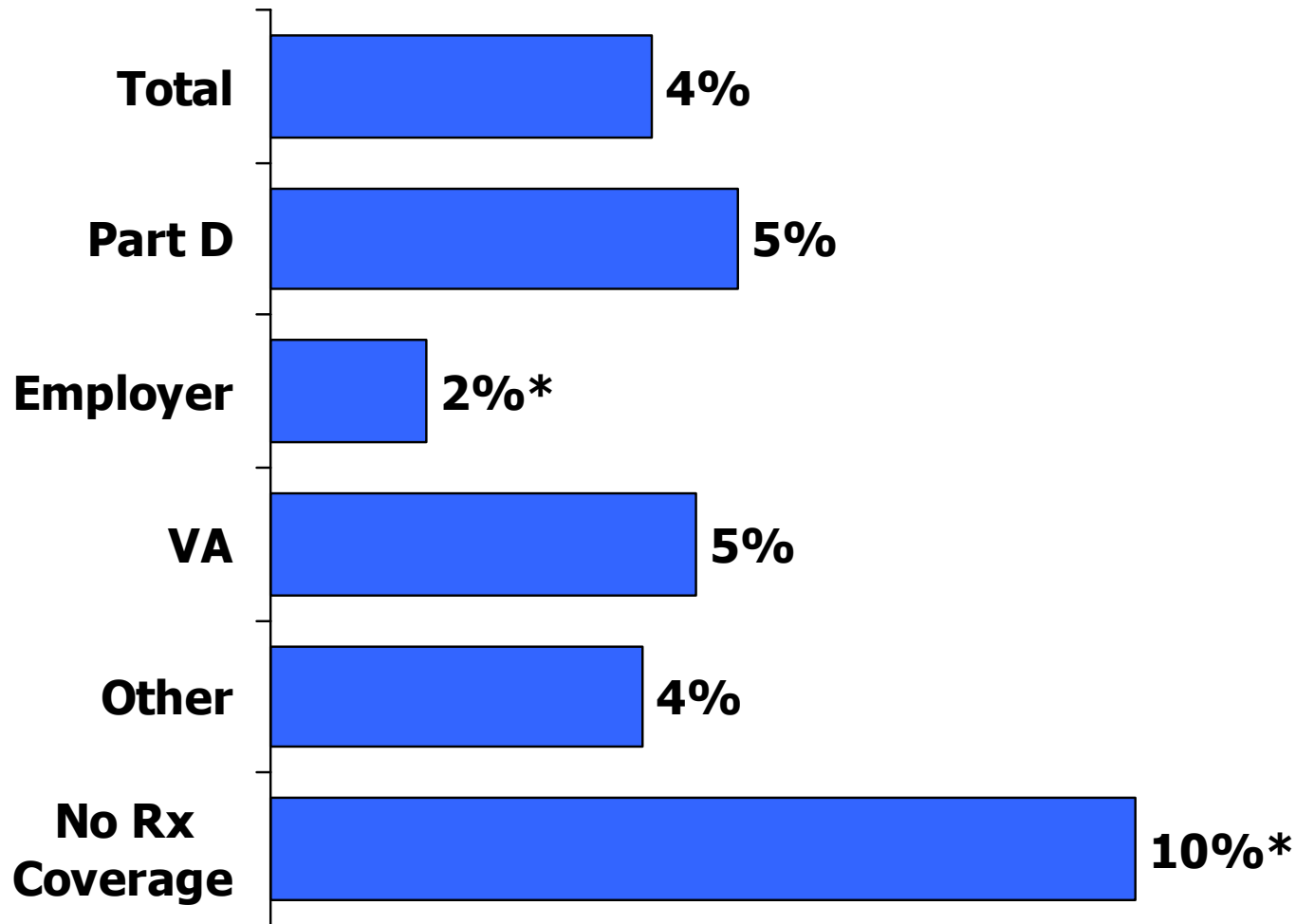


Notes: Findings based on three separate models each of which controlled for demographics, health measures, self-reported diseases, number of duals, and source of coverage. Among seniors taking one or more prescription medications. VA is Department of Veterans Affairs. Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Share of Seniors Who Purchased Prescriptions From Canada or Mexico, by Source of Drug Coverage, 2006

(Among Seniors Taking 1 or More Rx)

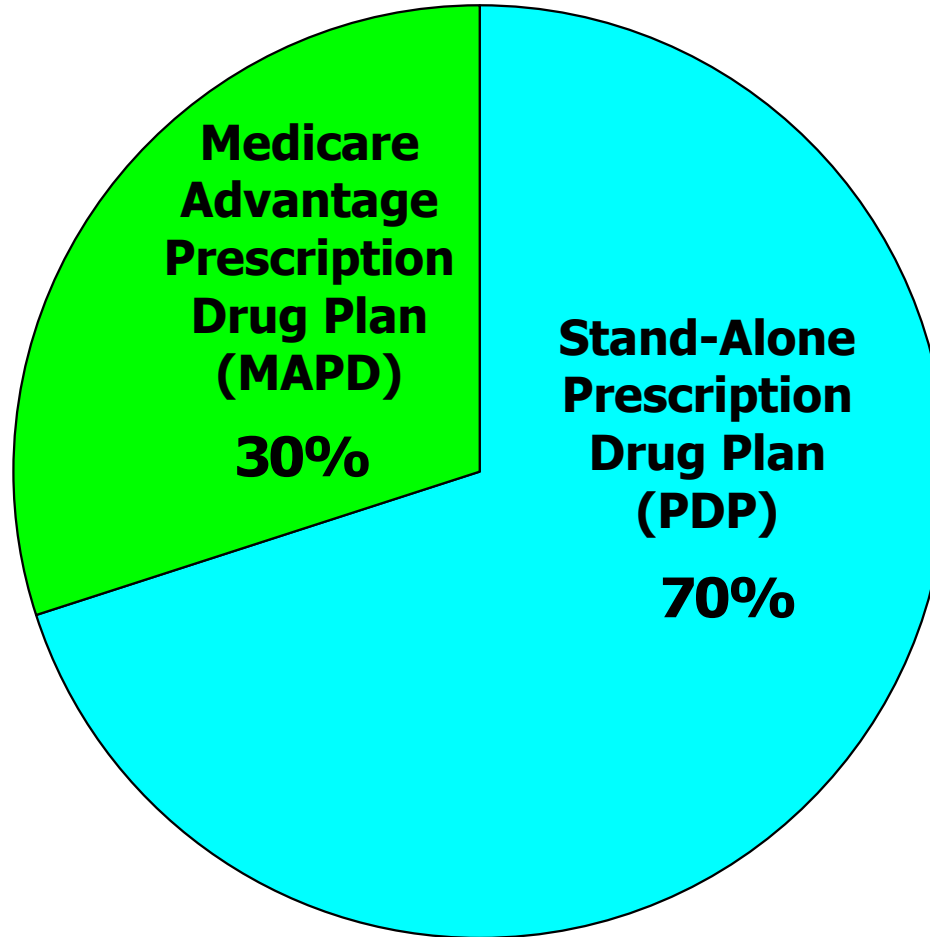


NOTES: VA is Department of Veterans Affairs. Reference group for statistical significance is Part D coverage (* $p < 0.05$). Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Characteristics and Cost-Related Experiences of Non-Institutionalized Seniors in Part D Plans

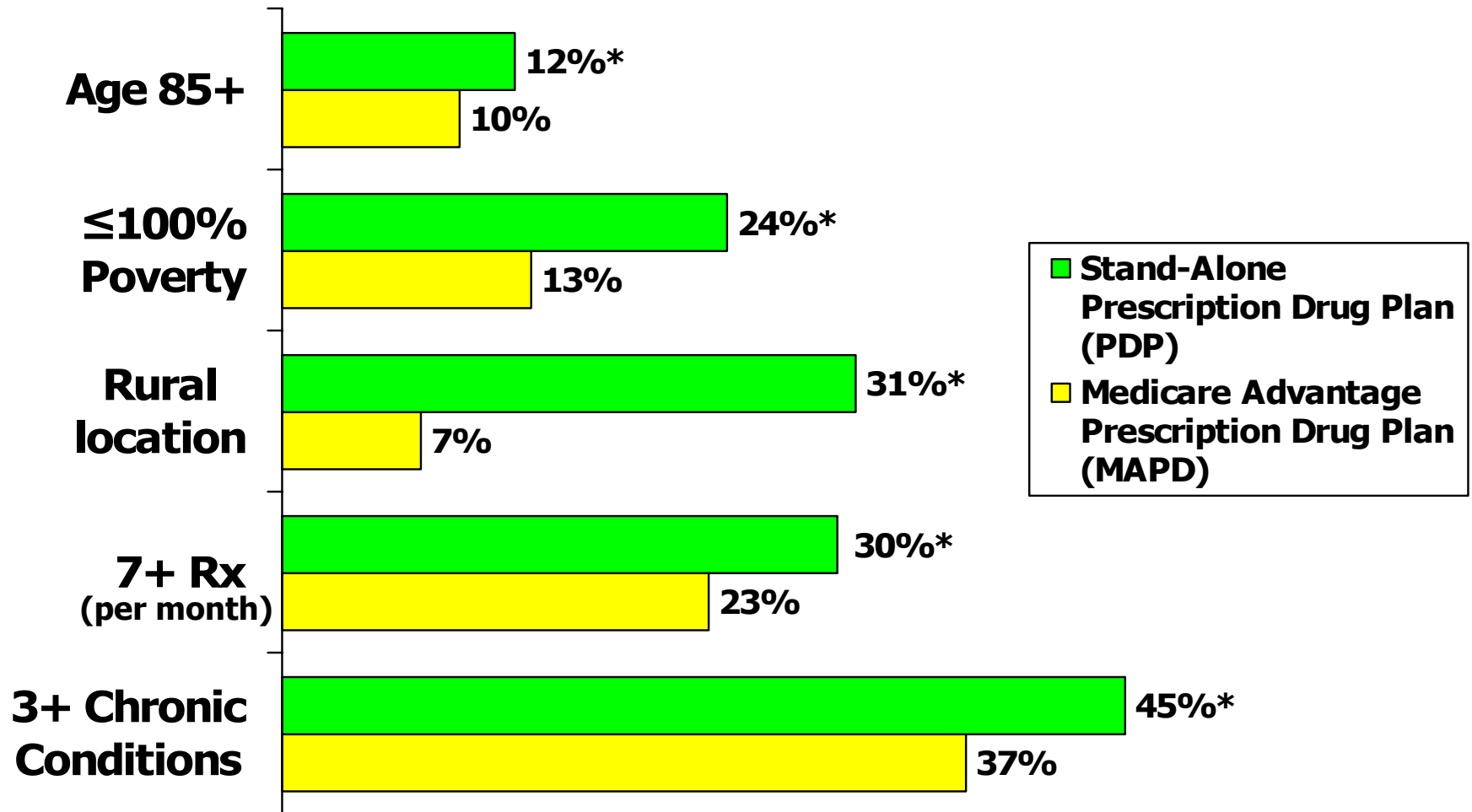
Part D Enrollment Among Non-Institutionalized Seniors, by Plan Type, 2006



NOTES: Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

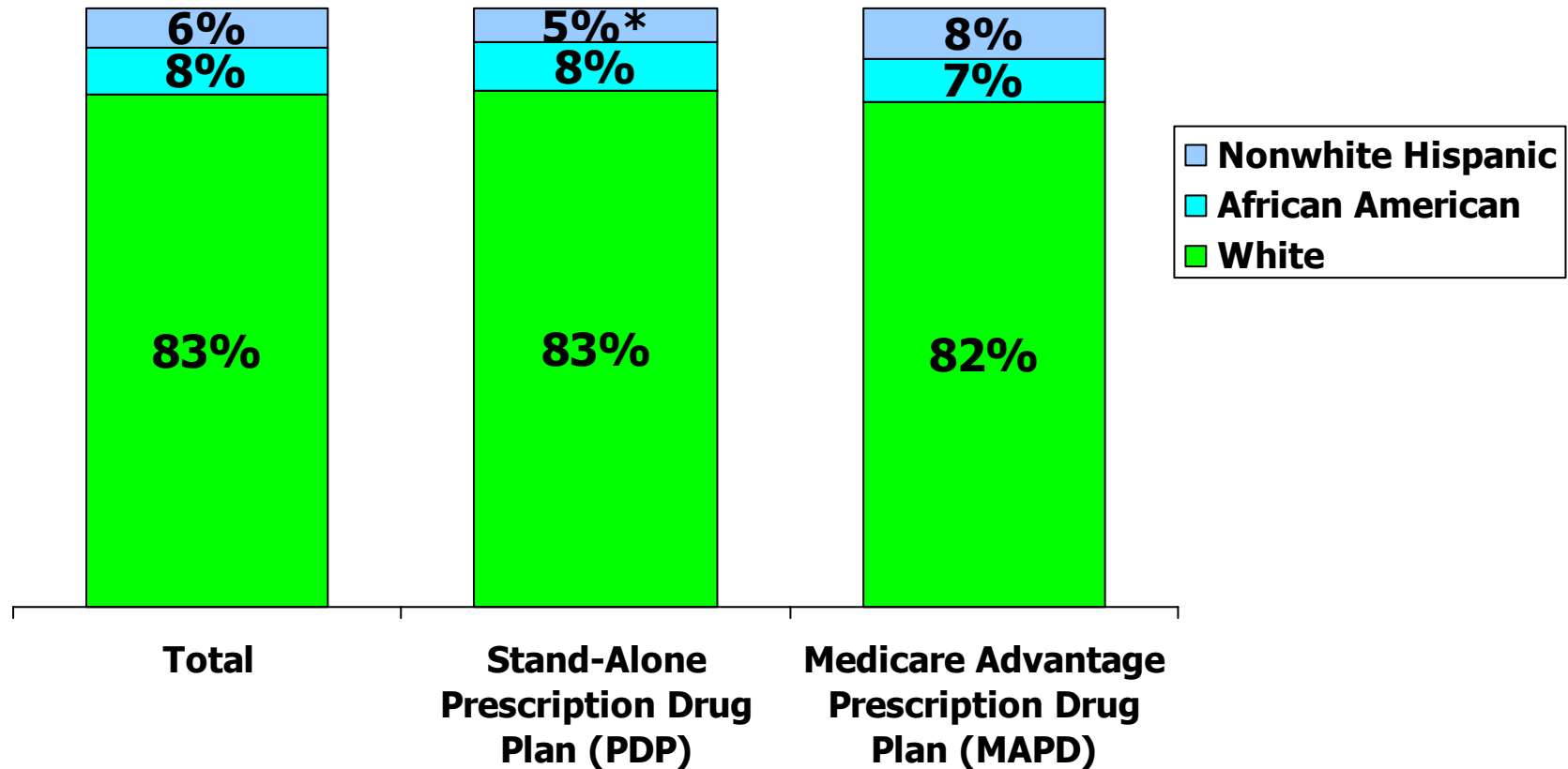
Share of Seniors in Part D Plans (PDP vs. MAPD) with Selected Characteristics, 2006



NOTES: Weighted percentages. Significance testing: PDP versus MAPD plan (* $p < 0.05$). In 2006, federal poverty level: \$9,800/individual and \$13,200/couple. Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Race/Ethnicity of Seniors in Part D Plans, by Part D Plan Type, 2006

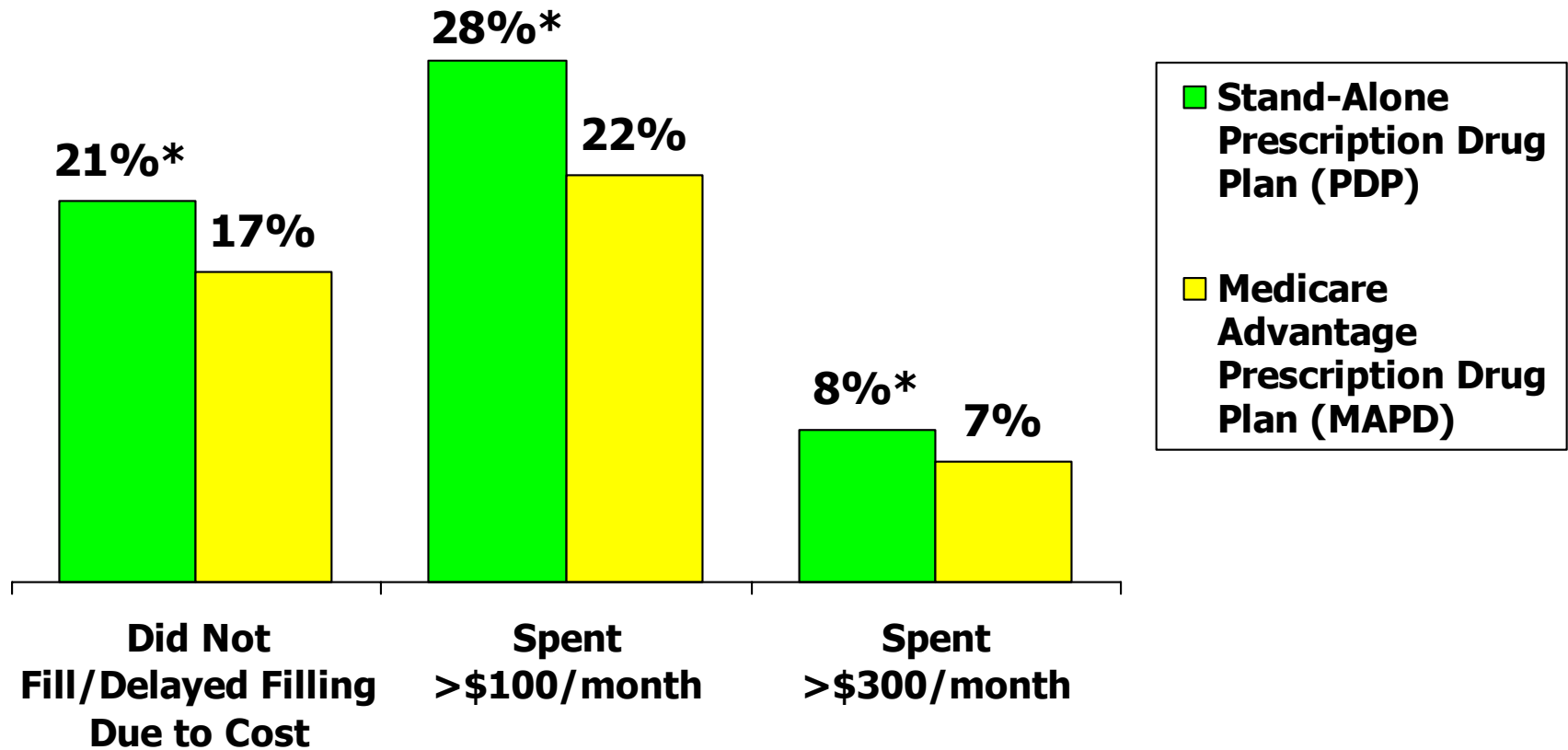


NOTES: Weighted percentages. Significance testing: PDP versus MAPD plan (* $p < 0.05$). Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Prescription Out-of-Pocket Spending and Non-Adherence Among Seniors in Part D Plans, by Part D Plan Type, 2006

(Among Seniors Taking 1 or More Rx)

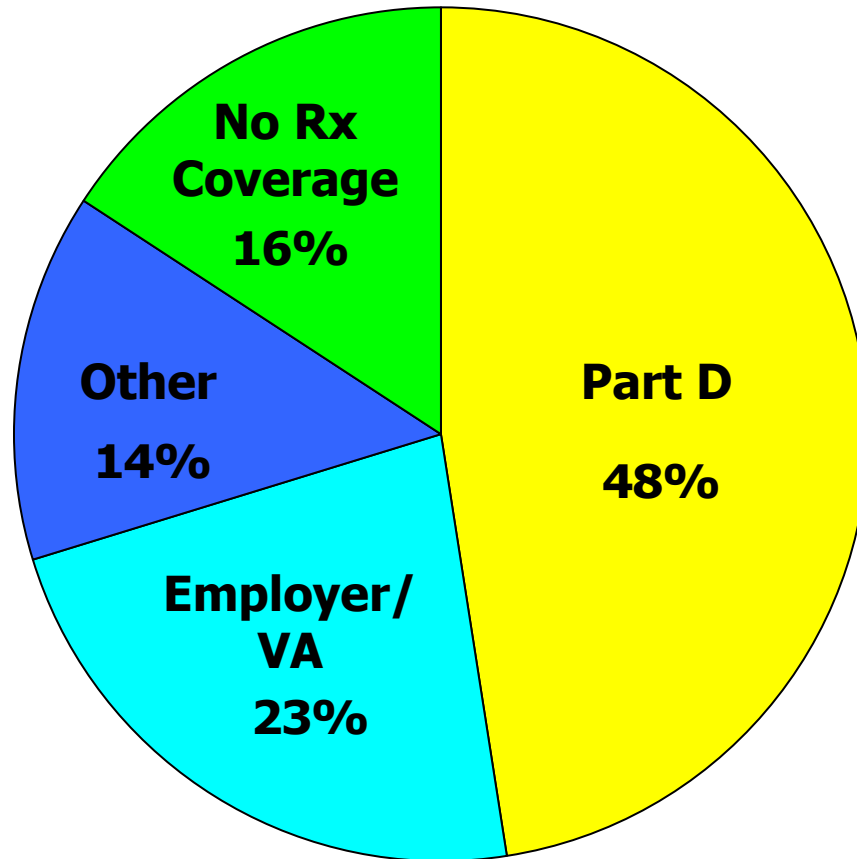


NOTES: Weighted percentages. Significance testing: PDP versus MAPD plan (* $p < 0.05$). Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Role of the Part D Low-Income Subsidy (LIS) and Non-Institutionalized Seniors' Related Experiences

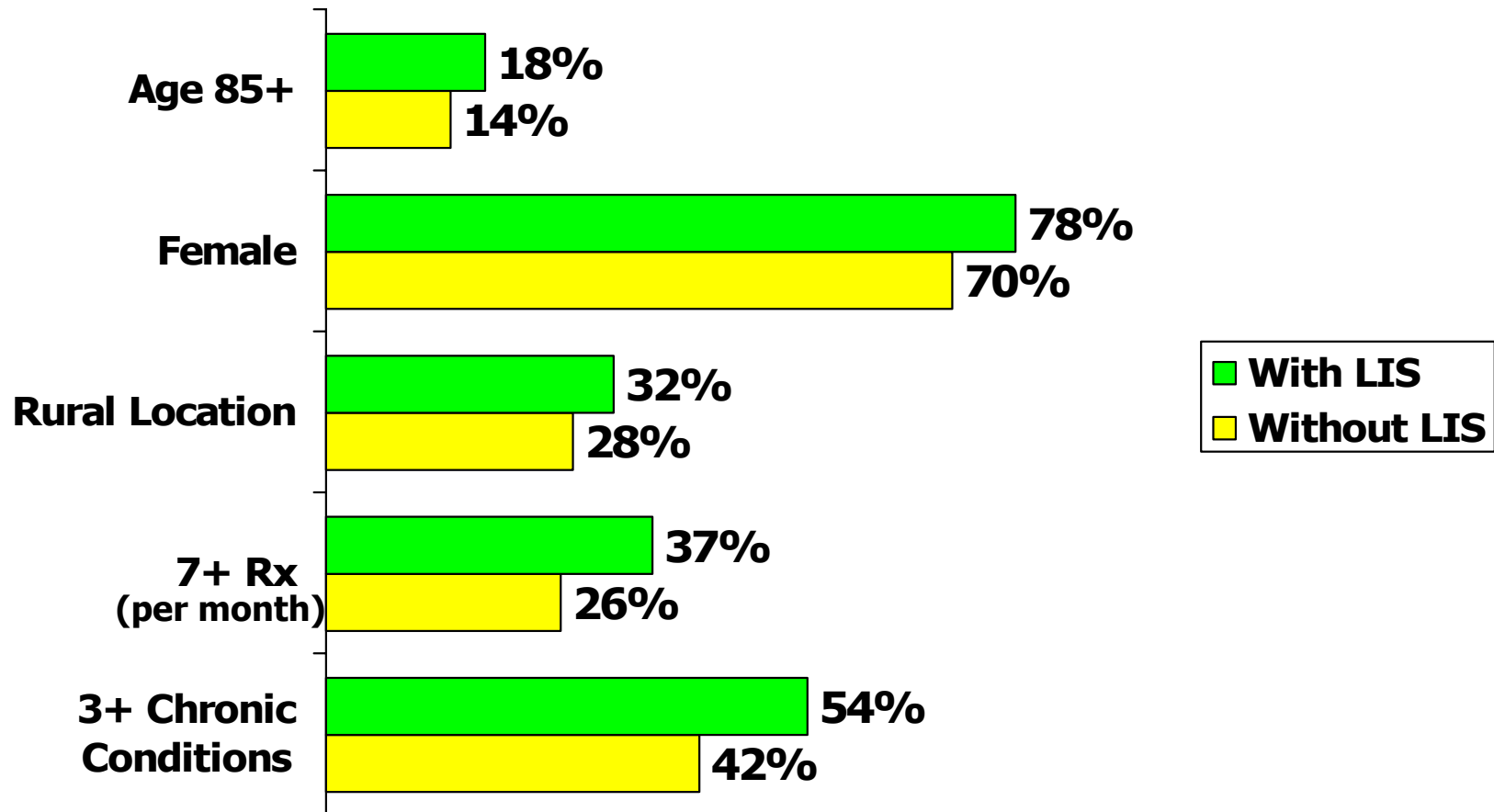
Drug Coverage Among Seniors with Incomes At or Below 150% of Poverty Who Were Not Receiving the Low-Income Subsidy (LIS), 2006



NOTES: VA is Department of Veterans Affairs. Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

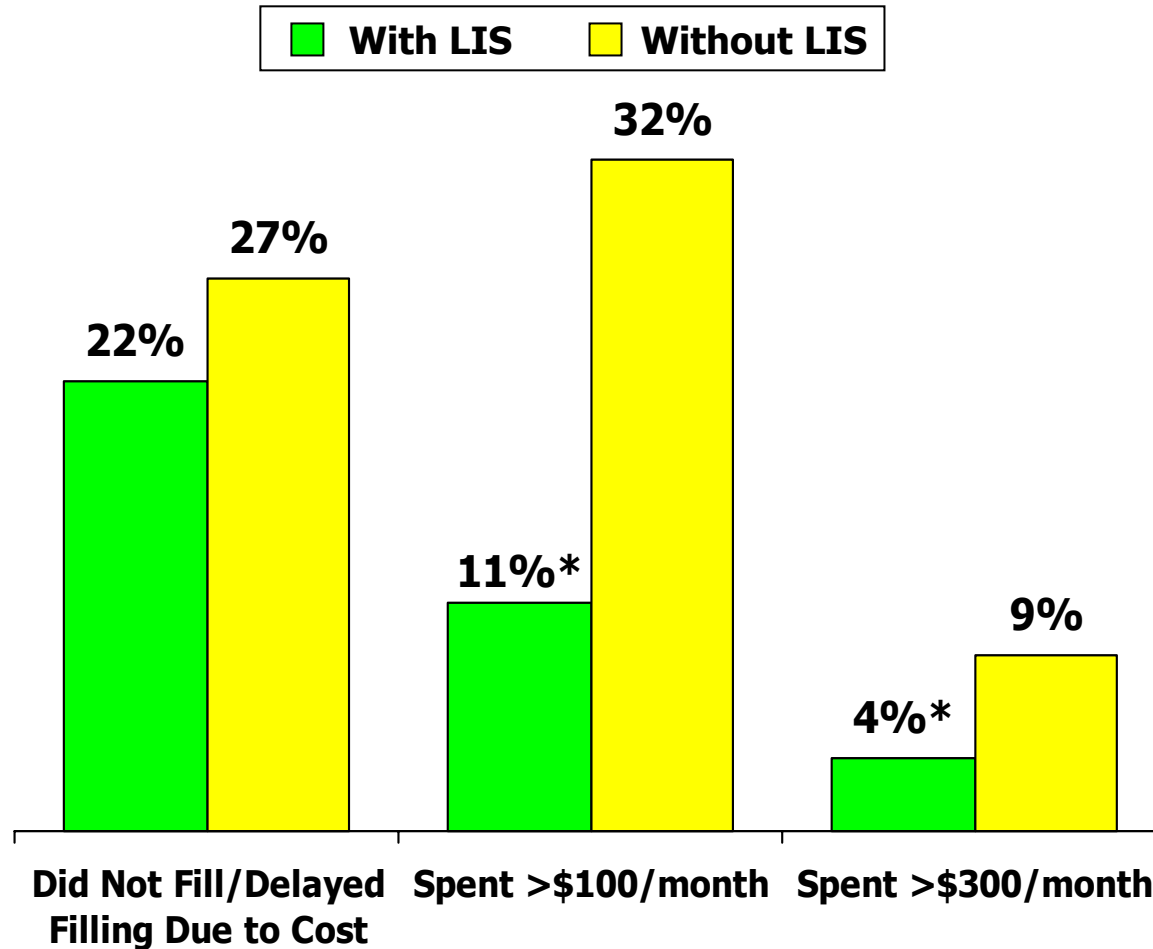
Characteristics of Seniors in Part D Plans, With Incomes At or Below 150% of Poverty, With and Without the Low-Income Subsidy (LIS), 2006



NOTES: Weighted percentages. Excludes dual eligibles and seniors for whom LIS status is unknown (n=686). Significance testing: with LIS versus without LIS (*p<0.05). In 2006, federal poverty level: \$9,800/individual and \$13,200/couple. Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

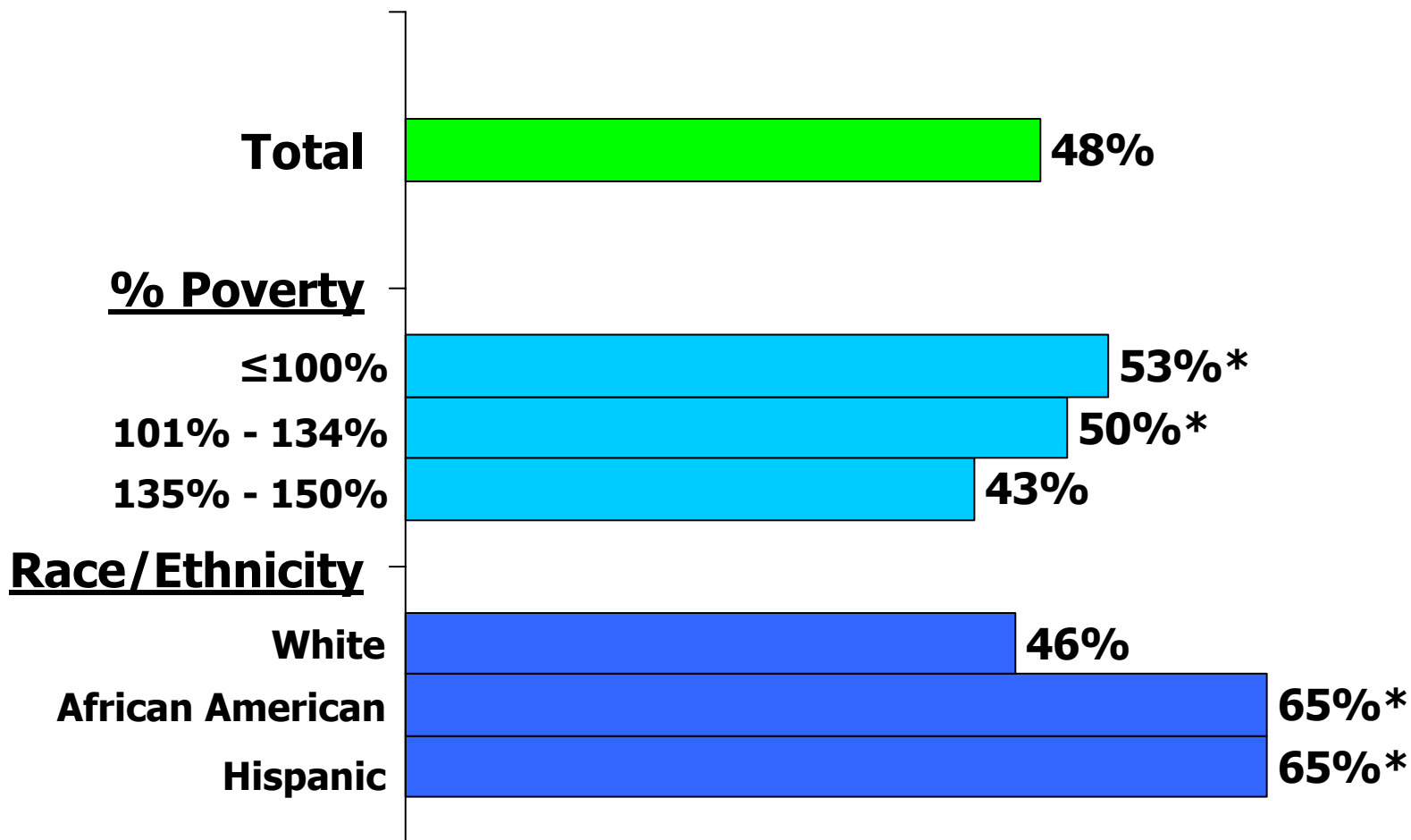
Out-of-Pocket Spending on Prescriptions and Non-Adherence Among Low-Income Seniors in Part D Plans, With and Without the Low-Income Subsidy (LIS), 2006 (Among Seniors Taking 1 or More Rx)



NOTES: Weighted percentages. Excludes dual eligibles and seniors for whom LIS status is unknown (n=686). Significance testing: with LIS versus without LIS (*p < 0.05). Low-income is defined as at or below 150% of poverty. In 2006, federal poverty level: \$9,800/individual and \$13,200/couple. Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Share of Seniors With Incomes At or Below 150% of Poverty Who Said That They Were Not Aware of the Part D Low-Income Subsidy (LIS), Among Those Not Receiving The LIS, 2006



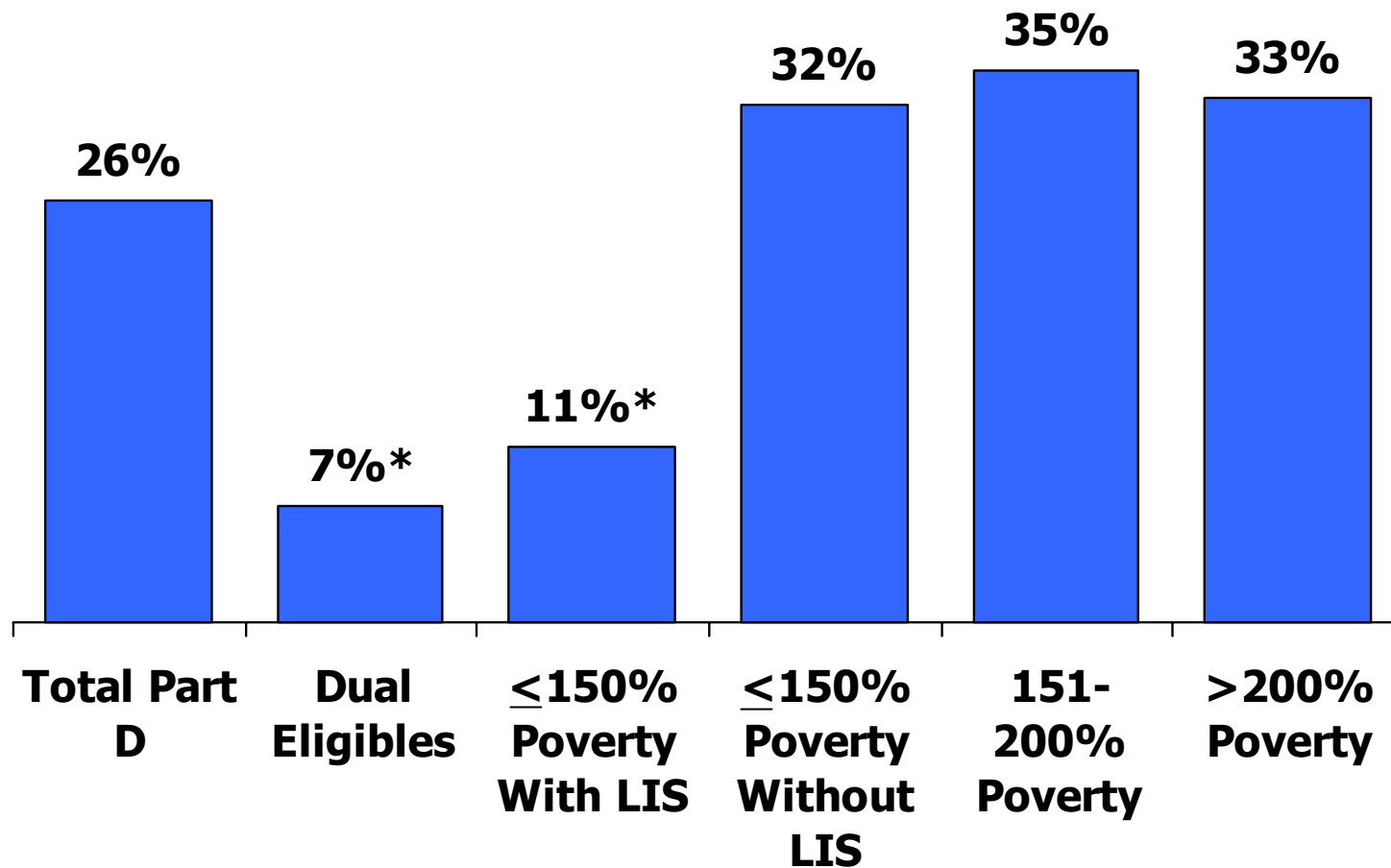
NOTES: Weighted percentages. Reference Groups: 135-150% of poverty, white, and Part D Rx Coverage (*p<0.05). In 2006, federal poverty level: \$9,800/individual and \$13,200/couple. Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Cost-Related Experiences of Non-Institutionalized Seniors in Part D Plans, by Income and Low-Income Subsidy (LIS) Status

Seniors in Part D Plans Who Spent More Than \$100 Per Month on Prescriptions, by Income Level and Low-Income Subsidy (LIS) Status, 2006

(Among Seniors Taking 1 or More Rx)

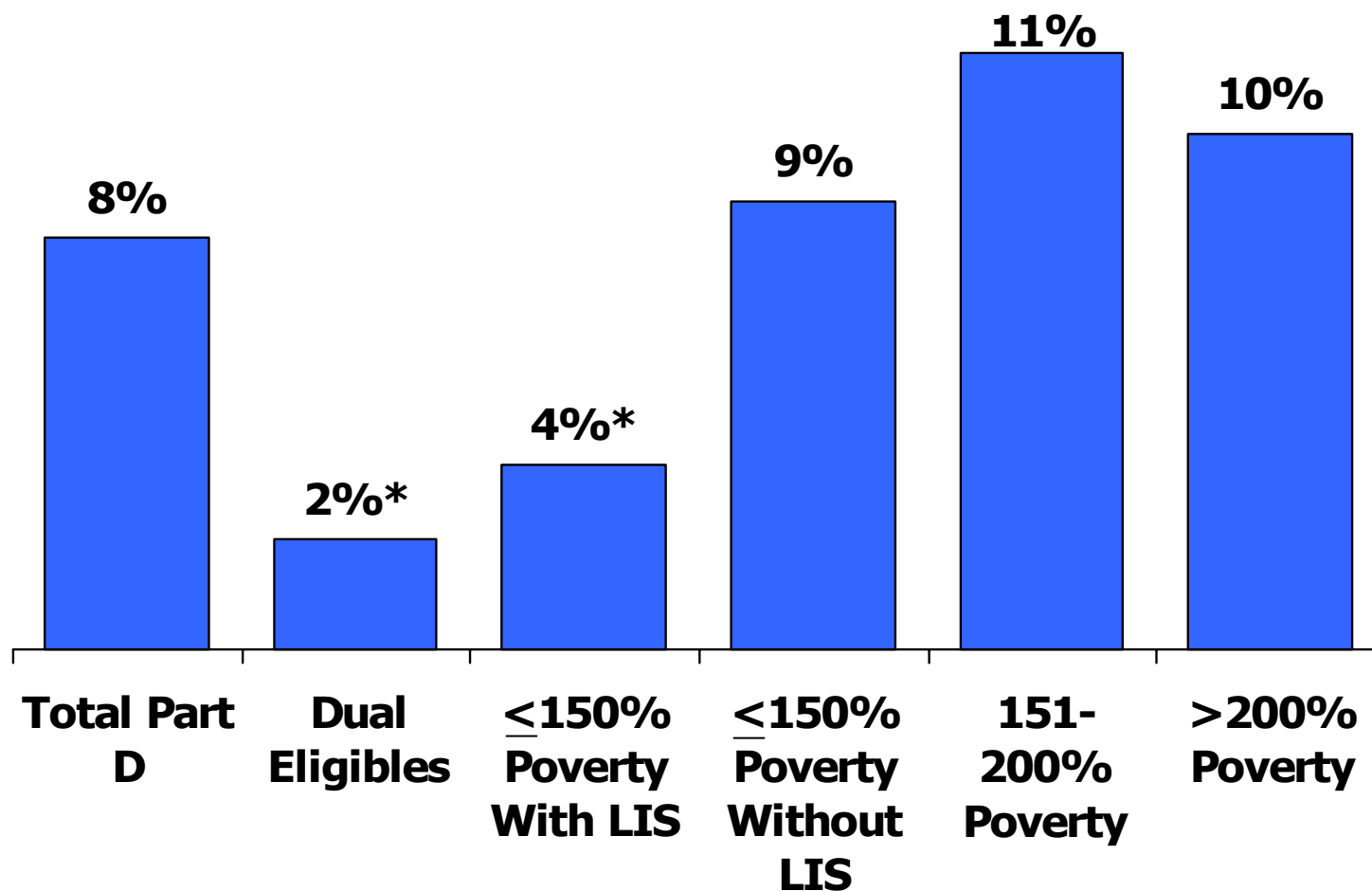


NOTES: Weighted percentages. Excludes seniors for whom LIS status is unknown (n=686). Significance testing: >200% poverty as reference group, except as indicated (*p < 0.05). In 2006, federal poverty level: \$9,800/individual and \$13,200/couple. Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Seniors in Part D Plans Who Spent More Than \$300 Per Month on Prescriptions, by Income Level and Low-Income Subsidy (LIS) Status, 2006

(Among Seniors Taking 1 or More Rx)

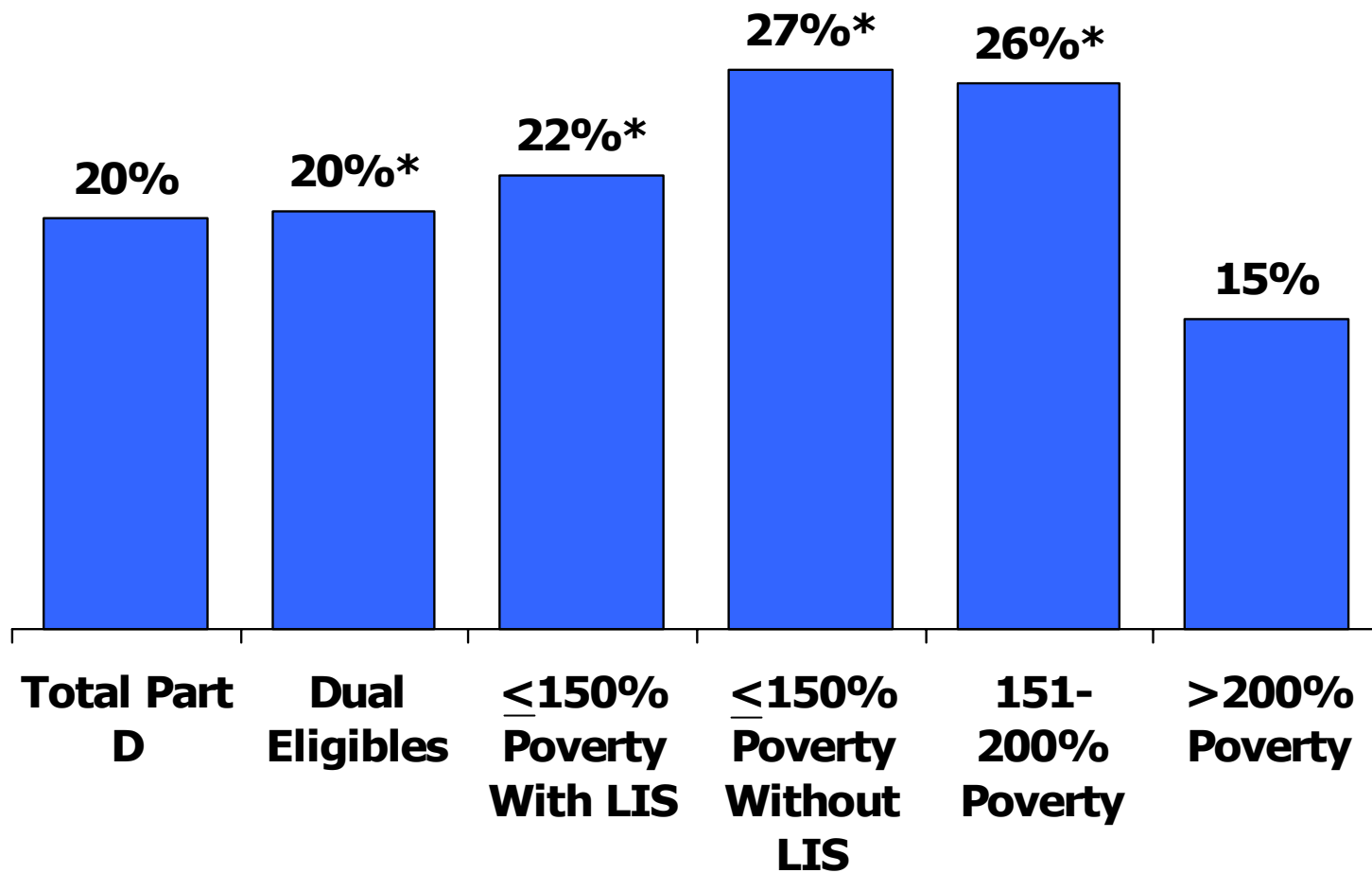


NOTES: Weighted percentages. Excludes seniors for whom LIS status is unknown (n=686). Significance testing: >200% poverty as reference group, except as indicated (*p < 0.05). In 2006, federal poverty level: \$9,800/individual and \$13,200/couple. Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Seniors in Part D Plans Who Did Not Fill or Delayed Filling a Prescription Due to Costs in the Past Twelve Months, by Income Level and Low-Income Subsidy (LIS) Status, 2006

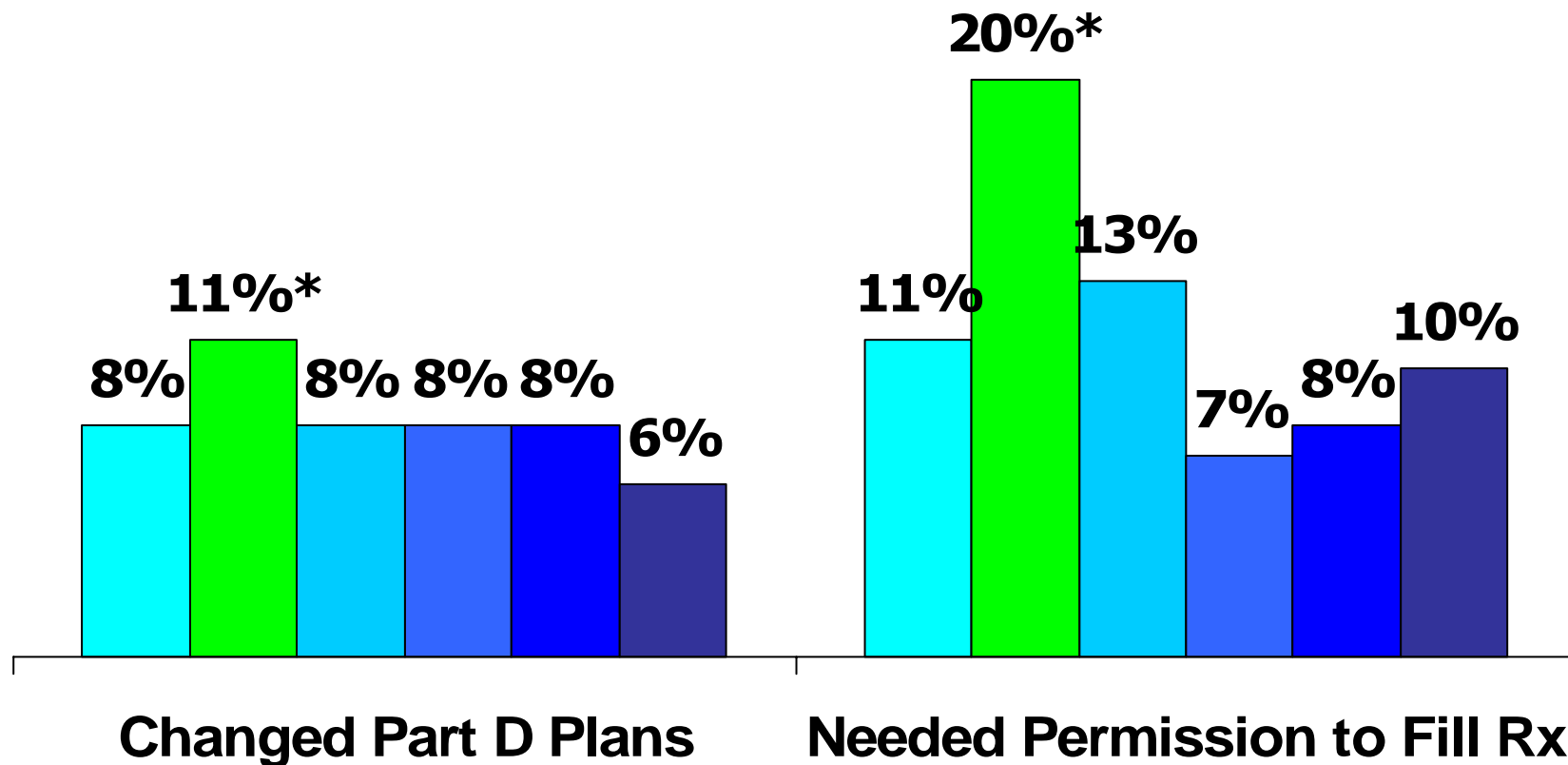
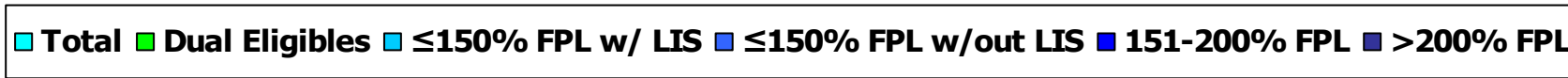
(Among Seniors Taking 1 or More Rx)



NOTE: Weighted percentages. Excludes seniors for whom LIS status is unknown (n=686). Significance testing: >200% poverty as reference group (*p < 0.05). In 2006, federal poverty level: \$9,800/individual and \$13,200/couple. Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

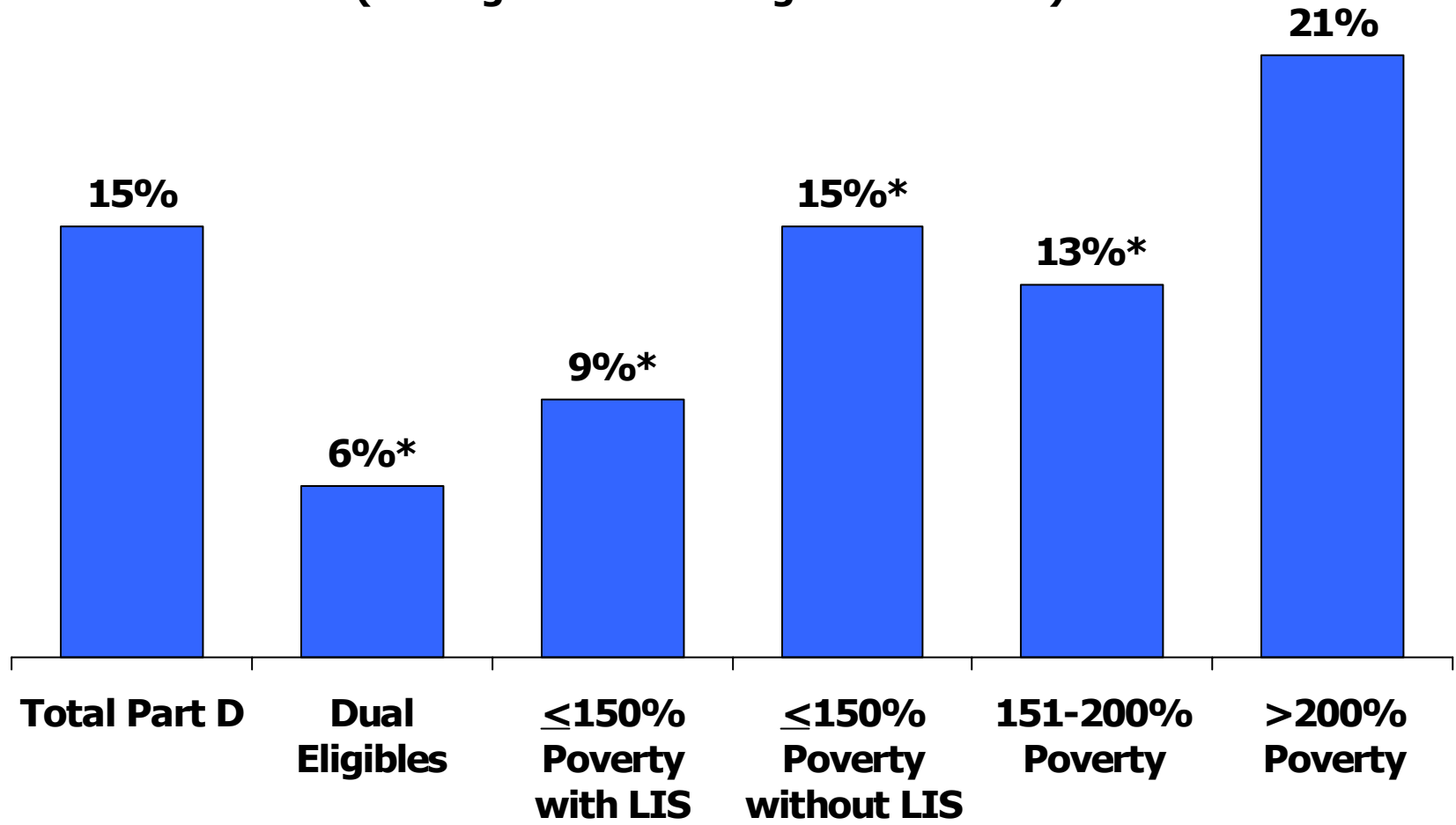
Part D Enrollees' Experiences Since Enrolling in a Part D Plan, by Income Level and Low-Income Subsidy (LIS) Status, 2006 (Among Seniors Taking 1 or More Rx)



NOTE: Weighted percentages. Excludes seniors for whom LIS status is unknown (n=686). Significance testing: >200% poverty as reference group (*p < 0.05). In 2006, federal poverty level (FPL): \$9,800/individual and \$13,200/couple. Numbers are rounded. SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.

Share of Part D Enrollees' Who Started Ordering Prescriptions by Mail, by Income Level and Low-Income Subsidy (LIS) Status, 2006

(Among Seniors Taking 1 or More Rx)



NOTE: Weighted percentages. Excludes seniors for whom LIS status is unknown (n=686). Significance testing: >200% poverty as reference group (*p < 0.05). In 2006, federal poverty level: \$9,800/individual and \$13,200/couple. Numbers are rounded.

SOURCE: Kaiser/Commonwealth/Tufts-New England Medical Center National Survey of Seniors and Prescription Drugs, 2006.