



**NEW YORK SENIORS AND PRESCRIPTION DRUGS:
SENIORS REMAIN AT RISK DESPITE STATE EFFORTS**

FINDINGS FROM A 2001 SURVEY OF SENIORS IN EIGHT STATES

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CONTENTS

List of Figures and Tables.....	iv
Acknowledgments	vi
About the Authors.....	vi
Executive Summary.....	vii
Survey Methods.....	xii
Survey Findings	
1. Prescription Drug Coverage.....	1
2. Out-of-Pocket Costs by Coverage and Income.....	6
3. Skipping Doses and Not Filling Prescriptions Due to Costs.....	10
4. Public Programs: Roles of Medicaid and EPIC	14
5. Awareness of and Participation in Medicaid and EPIC	20
Appendix. Descriptions of New York State Medicaid and EPIC.....	24

LIST OF FIGURES AND TABLES

Figure 1.1	Sources of Drug Coverage for Seniors in New York	3
Figure 1.2	Sources of Drug Coverage for Seniors in Eight States	3
Figure 1.3	Percent of Seniors in Eight States Without Drug Coverage, by Poverty Level and State	4
Figure 1.4	Sources of Drug Coverage for Seniors in New York with Incomes Below 200% of Poverty	4
Figure 1.5	Sources of Drug Coverage for Seniors in New York, by Race/Ethnicity	5
Figure 1.6	Sources of Drug Coverage for Seniors in New York, by Region	5
Figure 2.1	Monthly Out-of-Pocket Expenses for Prescription Drugs Among Seniors in New York, With and Without Drug Coverage	7
Figure 2.2	Percent of Seniors in New York Who Spend \$100+ per Month on Drugs, by Chronic Condition and Prescription Drug Coverage	8
Figure 2.3	Percent of Seniors in New York Who Spend \$100+ per Month on Drugs, by Source of Drug Coverage	8
Figure 2.4	Percent of Seniors in Eight States with Incomes at or Below 200% of Poverty Who Spend \$100+ per Month on Drugs	9
Figure 2.5	Percent of Seniors in New York with Incomes at or Below 200% of Poverty Who Spend Less on Basic Needs in Order to Afford Medicines, by Source of Drug Coverage	9
Figure 3.1	Percent of Seniors in New York Who Did Not Fill a Prescription One or More Times Due to Cost or Skipped Doses to Make a Prescription Last Longer in the Past Year, by Drug Coverage	11
Figure 3.2	Percent of Seniors in New York Who Reported Forgoing Needed Medicines, by Chronic Condition and Prescription Drug Coverage	12
Figure 3.3	Percent of Seniors in New York Who Reported Forgoing Needed Medicines, by Poverty and Prescription Drug Coverage	12
Figure 3.4	Percent of Seniors in New York with Incomes at or Below 200% of Poverty Who Either Didn't Fill a Prescription One or More Times or Skipped Doses of a Medicine to Make It Last Longer, by Source of Drug Coverage	13
Figure 3.5	Percent of Seniors in Eight States with Incomes at or Below 200% of Poverty Who Either Didn't Fill a Prescription One or More Times or Skipped Doses of a Medicine to Make It Last Longer	13

Figure 4.1	Percent of Seniors in Eight States with Incomes at or Below 200% of Poverty with Drug Coverage Provided by Medicaid or State Pharmacy Programs.....	16
Figure 4.2	Percent of Seniors in Eight States with Incomes at or Below 100% of Poverty with Medicaid Drug Coverage.....	16
Figure 4.3	Percent of Seniors in New York with Medicaid or New York’s EPIC Program, by Poverty Level	17
Figure 4.4	Percent of Seniors in New York with Medicaid or New York’s EPIC Program, by Race/Ethnicity	17
Figure 4.5	Percent of Seniors in Eight States with Medicaid Drug Coverage Who Spend \$100+ per Month on Prescription Drugs	18
Figure 4.6	Percent of Seniors in Eight States with Medicaid Drug Coverage Who Skipped Doses of a Medication or Didn’t Fill a Prescription One or More Times.....	18
Figure 4.7	Percent of Seniors in New York with Incomes at or Below 200% of Poverty Who Spend \$100+ Per Month on Drugs, by Source of Drug Coverage.....	19
Figure 5.1	Percent of Seniors in New York with Incomes at or Below 200% of Poverty Who Have Heard of Medicaid and New York’s EPIC Program.....	21
Figure 5.2	Awareness of State Pharmacy Assistance Programs Among Seniors with Incomes at or Below 200% of Poverty.....	22
Figure 5.3	Most Commonly Reported Sources for Hearing About New York’s EPIC Program by Seniors with Incomes at or Below 200% of Poverty	22
Figure 5.4	Reasons Why Seniors in New York with Incomes at or Below 100% of Poverty Who Have Heard of Medicaid Report They Are Not Enrolled.....	23
Figure 5.5	Reasons Why Seniors with Incomes at or Below 200% of Poverty Who Have Heard of New York’s EPIC Program Report They Are Not Enrolled.....	23
Table A-1	Selected Demographics, Medicaid Program, and Pharmacy Assistance Program Characteristics for the Eight Study States.....	26
Table A-2	Number of Surveyed Seniors in the Eight Study States, by Income Level and Source of Prescription Drug Coverage	27
Table A-3	Health Status of Surveyed New York Seniors, by Source of Drug Coverage and Poverty	28

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This report focuses on the New York findings from the Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States and draws on published analyses of the survey.¹ Dana Gelb Safran of Tufts–New England Medical Center served as overall project director for the eight-state survey. The authors of this New York report gratefully acknowledge William H. Rogers of Tufts–New England Medical Center for his seminal role in the design and conduct of this study and Andrea Bowen, Wenjun Li, and Jana E. Montgomery of Tufts–New England Medical Center for their contributions to the overall conduct of the study and for their analyses of the survey data. The authors also thank Tricia Neuman of the Henry J. Kaiser Family Foundation for her key role in the eight-state survey. A team led by staff at Kaiser has prepared a separate report focused on California.²

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¹ Dana Gelb Safran, Patricia Neuman, Cathy Schoen et al., “Prescription Drug Coverage and Seniors: How Well are the States Closing the Gap?” *Health Affairs* Web Exclusive, July 31, 2002, available at http://www.healthaffairs.org/WebExclusives/Safran_Web_Excl_073102.htm; and The Henry J. Kaiser Family Foundation, The Commonwealth Fund, and Tufts–New England Medical Center, *Seniors and Prescription Drugs: Findings from a 2001 Survey of Seniors in Eight States*, July 2002, available at <http://www.kff.org/content/2002/6049>.

² Tricia Neuman, Michelle Kitchman, Teresa McMeans et al., *California Seniors and Prescription Drugs*. The Henry J. Kaiser Family Foundation and Tufts–New England Medical Center, November 2002, available at <http://www.kff.org/content/2002/6058>.

EXECUTIVE SUMMARY

The absence of a Medicare drug benefit leaves seniors vulnerable nationwide, including the 2.4 million seniors who live in New York State. New York is one of several states that have invested substantial state resources in public programs for low- and modest-income seniors in an attempt to fill the gap left by Medicare. In addition to Medicaid, New York operates Elderly Pharmaceutical Insurance Coverage (EPIC), one of the oldest and largest state pharmaceutical benefit programs.

Relatively little is known about the extent to which states have succeeded in reaching their low- and modest-income seniors. To understand experiences of seniors in individual states, the Commonwealth Fund in partnership with the Henry J. Kaiser Family Foundation and Tufts–New England Medical Center sponsored a 2001 survey of seniors in New York and seven other states, the summary results of which were published as a *Health Affairs* Web Exclusive in July 2002.³ This report focuses on New York for insights into what seniors in the state face when without prescription benefits and to understand how well the state’s public and private sources are filling the gaps left by Medicare.

Overall, the survey finds that despite New York’s public program efforts, large gaps in health coverage remain. Nearly one of five seniors living in New York reported having no coverage for medications in 2001.

Those who lack prescription coverage or have inadequate benefits are at risk of going without needed medications or incurring high out-of-pocket costs. During 2001, one of five seniors in New York either skipped doses to make their medications last longer or did not fill a prescription because of cost. One of five seniors spent \$100 or more each month on medications. Among seniors without any insurance to cover prescriptions costs, one-third (32%) skipped doses or did not fill prescriptions because of cost—twice the rate for those with drug coverage.

Levels of access to needed medications and protection against high out-of-pocket costs varied markedly by source of drug benefits. New York seniors with coverage from Medicaid were generally best protected, followed by those with employer-sponsored

³ Findings from the eight-state survey were published electronically by *Health Affairs* on July 31, 2002. See Dana Gelb Safran, Patricia Neuman, Cathy Schoen et al., “Prescription Drug Coverage and Seniors: How Well are the States Closing the Gap?” (www.healthaffairs.org/WebExclusives/Safran_Web_Excl_073102.htm). See also a companion report and charts released the same day, entitled *Seniors and Prescription Drugs: Findings from a 2001 Survey of Seniors in Eight States*. This report is available at <http://www.kff.org/content/2002/6049>.

coverage (e.g., retiree benefits). Seniors who rely on Medigap drug benefits or on private plans purchased to supplement Medicare generally fared the worst.

New York's two key public programs for supplementing Medicare for seniors — Medicaid and EPIC—play critical roles in providing drug coverage to New York's low-income seniors. According to the 2001 survey, the two programs in combination reached one-third of seniors with incomes below 200 percent of the federal poverty level. Nevertheless, the survey found evidence that these programs are failing to reach all seniors eligible to participate. New York Medicaid drug benefits covered fewer than half of seniors with incomes below poverty the level. Only 60 percent of seniors with incomes that would potentially make them eligible for EPIC had even heard of the program.

SURVEY HIGHLIGHTS

Prescription Drug Coverage

- One of five (19%) New York seniors were without drug benefits. Lack of drug benefits was most prevalent among the “near-poor” (incomes between 101 and 200 percent of poverty): one of four of this group reported no drug benefits.⁴
- Employers were the primary source of drug coverage in New York, assisting 42 percent of all seniors in 2001. Employer retiree benefits were most common among higher-income seniors (those with incomes above 200 percent of poverty).
- One of six seniors relied on either Medicaid (7%) or EPIC (9%) for their primary source of drug benefits. EPIC also supplemented private drug benefits for another 3 percent of seniors. In combination, EPIC and Medicaid were a source of drug benefits for about one-third of seniors with incomes at or below 200 percent of poverty.
- Seniors identifying themselves as African American/Black or Hispanic were less likely to have employer drug benefits and more likely to have public sources than white non-Hispanic seniors.

Out-of-Pocket Costs for Prescription Medications

- One of five (20%) New York seniors spent \$100 or more per month out-of-pocket on drugs in 2001. Lack of drug benefits sharply increased the risk of high out-of-pocket spending. One-third (35%) of seniors without drug coverage spent \$100 or more per month on their medications, twice the rate (17%) of those with coverage.

⁴ In 2001, the federal poverty level was \$8,510 per year for a single person and \$11,610 for couples.

- Seniors with chronic conditions were at notable financial risk if without coverage. More than two of five seniors with diabetes or hypertension and lacking drug benefits spent \$100 or more per month.
- Out-of-pocket spending varied by source of coverage. One-third (33%) of New York seniors with Medigap drug coverage spent \$100 or more per month for medications, while only 4 percent of Medicaid enrollees and 12 percent of those with employer-sponsored drug benefits spent that much.

Skipping Doses and Not Filling Prescriptions Due to Costs

- One of five of all New York seniors (20%) and one-third of New York seniors lacking drug coverage (32%) did not fill prescriptions or skipped doses to stretch out medicines during the past year. Those without coverage went without needed medicines at twice the rate of those with coverage (32% vs. 17%).
- Skipping medication and unfilled prescription rates were disturbingly high among seniors with chronic illness and without drug benefits. One-third of seniors without coverage who had congestive heart failure, diabetes, or hypertension skipped doses, compared with only 9 to 14 percent of those with chronic illnesses who had drug benefits.⁵
- Low-income seniors (those with incomes at or below 200% of poverty) with Medigap (33%) or HMO coverage (28%) went without needed medications at about twice the rate of those with Medicaid (15%). Seniors with EPIC or employer coverage were also comparatively well protected, with 16 and 18 percent, respectively, not taking medications due to costs.
- Drug costs can force trade-offs with basic living costs. One of five (19%) low-income seniors in New York spent less on food and rent in order to afford their medications.

Role of New York's Public Programs for Seniors: Medicaid and EPIC

- New York's Medicaid and EPIC programs covered one-third of low-income seniors: 16 percent through Medicaid, 13 percent through EPIC alone, and an additional 5 percent through EPIC as a supplement to private drug benefits. The two programs provided drug benefits for nearly one of five New York seniors of all incomes.

⁵ For a recent story of the consequences of skipping drugs, see Lucette Lagnado, "Uninsured and Ill, a Woman Is Forced to Ration Her Care," *Wall Street Journal*, November 12, 2002, A2.

- Reflecting the availability of these public programs, the share of low-income seniors in New York without drug benefits was among the lowest in the eight-state survey.
- Yet, Medicaid drug benefits reach less than half (45%) of New York seniors with incomes below the federal poverty level and a negligible share of the near-poor (2%). EPIC was more available to the near-poor, covering one of seven (14%) of New York seniors with incomes between 101 and 200 percent of poverty.
- Only 4 percent of New York seniors with Medicaid drug benefits spent \$100 or more per month on drugs. Medicaid skipping or unfilled prescription rates were among the lowest in the survey, despite Medicaid seniors' low incomes, poor health, and consequent reliance on medications.
- New York Medicaid also compared well with Medicaid in the other seven states in terms of out-of-pocket costs and rates of going without needed medications. New York Medicaid skipping rates were among the lowest in the eight states.

Awareness of and Participation in Medicaid and EPIC

- Nearly all (94%) low-income seniors are familiar with Medicaid. Yet, a third (34%) of seniors with incomes at or below poverty did not apply for Medicaid programs because they thought they would not qualify. By contrast, only 60 percent of low-income seniors had heard of EPIC. Among those aware of the program but not enrolled, one-third thought their incomes were too high to qualify. Yet, they would likely be eligible under current program rules.

CONCLUSIONS

The New York survey findings underscore the importance of adequate drug benefits for seniors. Seniors without prescription drug benefits or with inadequate benefits went without needed medications or skipped doses to stretch out medicines and were exposed to high out-of-pocket costs.

Sources of drug benefits in New York varied markedly in terms of financial protection and access to medications, indicating that the quality of benefits matters. In fact, seniors with Medigap drug benefits were almost as likely as those with no coverage to spend \$100 or more per month for medications. Given the high costs of premiums for such supplemental plans, this source of coverage is particularly problematic and expensive for New York seniors.

Prescription drug coverage from all sources is likely to erode in the future. Access to private sources of supplemental drug coverage is on the decline due to the erosion of employer-sponsored retiree health plans and Medicare+Choice offerings.⁶ In New York, employer retiree benefits are currently the primary source of drug benefits for seniors, but declines are expected due to rising health costs and an ongoing economic downturn.⁷ New York's Medicare+Choice plans provide drug benefits to 9 percent of seniors based on the survey.⁸ If New York Medicare+Choice plans follow national trends in benefit reductions and plan withdrawals, this source is also likely to erode.

New York's seniors with low and modest incomes are fortunate to have two key sources of public coverage available to them.⁹ Yet, Medicaid provides drug benefits to fewer than half of the state's poor seniors and 40 percent of low-income seniors had not heard of EPIC. These survey findings indicate that Medicaid and EPIC are failing to reach many seniors who would likely qualify for benefits. Confusion over eligibility levels appears to be the greatest barrier to participation. Improved outreach and simplified eligibility rules and application procedures could help these programs reach more seniors.

Projected increases in drug costs will make it difficult for New York to maintain, much less expand, its safety-net programs. In the absence of a Medicare drug benefit, New York seniors may be at risk for erosion in public as well as private drug benefits. The lack of affordable access to pharmaceuticals places the health and independence of New York's seniors in jeopardy. The New York experience also indicates the importance of making enrollment in drug benefit programs more automatic. State programs that depend on seniors to inform themselves about eligibility and enroll separately yield lower participation rates than would a program linked to Medicare. These lower participation rates put seniors who remain uncovered at risk. The experiences of New York's seniors attest to the need for a national policy solution.

⁶ *Erosion of Private Health Insurance Coverage for Retirees: Findings from the 2000 and 2001 Retiree Health and Prescription Drug Coverage Survey*, The Henry J. Kaiser Family Foundation, Health Research and Educational Trust, and The Commonwealth Fund, April 2002; Lori Achman and Marsha Gold, *Trends in Medicare+Choice Benefits and Premiums, 1999–2002*, The Commonwealth Fund, November 2002; and Becky Briesacher, Bruce Stuart, and Dennis Shea, *Drug Coverage for Medicare Beneficiaries: Why Protection May Be in Jeopardy*, The Commonwealth Fund, January 2002.

⁷ Heidi Whitmore, Kelley Dhont, Jeremy Pickreign, Jon Gabel, David Sandman, and Cathy Schoen, *Employer Health Coverage in the Empire State: An Uncertain Future*, The Commonwealth Fund, September 2002.

⁸ Jennifer Stuber, Andrew Dennington, and Brian Biles, *Medicare+Choice in New York City: So Far, So Good?*, The Commonwealth Fund, September 2002.

⁹ For additional information, see Margaret H. Davis, *Prescription Drug Coverage for New York State's Medicare Beneficiaries: Options for Strengthening the Elderly Pharmaceutical Insurance Coverage (EPIC) Program*, The Commonwealth Fund, forthcoming.

SURVEY METHODS

This report describes prescription drug coverage patterns among seniors in New York and seven other states and examines the difference coverage makes in terms of access to medications when needed and protection against high out-of-pocket costs, including how such protections vary by source of drug benefits. Sections on public programs assess the important role played by New York's Medicaid and Elderly Pharmaceutical Insurance Coverage (EPIC) programs in providing coverage for low-income seniors. The analysis also contrasts experiences of New York's seniors with those of seniors in the other seven survey states.

The New York findings are based on a 2001 survey of seniors in eight states that was conducted by researchers at Tufts–New England Medical Center, The Commonwealth Fund, and the Henry J. Kaiser Family Foundation and published as a *Health Affairs* Web Exclusive on July 31, 2002. The 2001 survey included four states that had subsidized pharmacy assistance programs at the time (Illinois, Michigan, New York, and Pennsylvania) and four states without such programs (California, Colorado, Ohio, and Texas). This report provides new representative data that focus on the experiences of seniors in New York.

The eight states included in the survey account for 42 percent of U.S. adults ages 65 and older and 41 percent of low-income elderly adults nationwide. (In the survey, low-income seniors are those with incomes at or below 200 percent of poverty.) The states vary both in terms of geography and the programs and policies they use to meet the needs of low-income seniors (Table A-1). The 2001 survey consisted of mail and follow-up phone interviews with 10,927 non-institutionalized seniors living in eight states, including 1,691 seniors in New York. To enable a focus on low-income seniors, the study oversampled seniors enrolled in Medicaid and those residing in low-income neighborhoods. The analysis presented in this report is based on responses from 1,605 New York seniors for whom prescription drug coverage information was available.

The survey was conducted in English and Spanish between May 15, 2001, and August 23, 2001. After accounting for individuals excluded due to death, institutionalization, relocation, non-English/Spanish language, or severe cognitive or physical impairment, the survey response rate for all eight states was 55 percent. The response rate was 51 percent for New York.

The survey elicited information about sources of prescription drug coverage, medication use, and out-of-pocket spending and included questions on health status, income, and other demographic characteristics. For beneficiaries reporting more than one source of prescription coverage, the study assigned a primary coverage source based on the following hierarchy: Medicaid, employer-sponsored, HMO, Medigap, state prescription program, and other. Tables A-2 and A-3 in the Appendix provide additional information on the eight states and profile the health and income of New York seniors by source of coverage.

1. PRESCRIPTION DRUG COVERAGE

Nearly one of five seniors in New York lacked prescription drug coverage in 2001. Employer-sponsored plans were the most common source of health insurance, covering two of five seniors statewide. Medigap, HMOs, Medicaid, EPIC, and other sources of coverage collectively covered about another 40 percent of the state's seniors. New York's two public programs—EPIC and Medicaid—were the primary source of coverage for more than one of six New York seniors and one-third of low-income seniors. (In the survey, low-income seniors are those with incomes at or below 200 percent of poverty.)

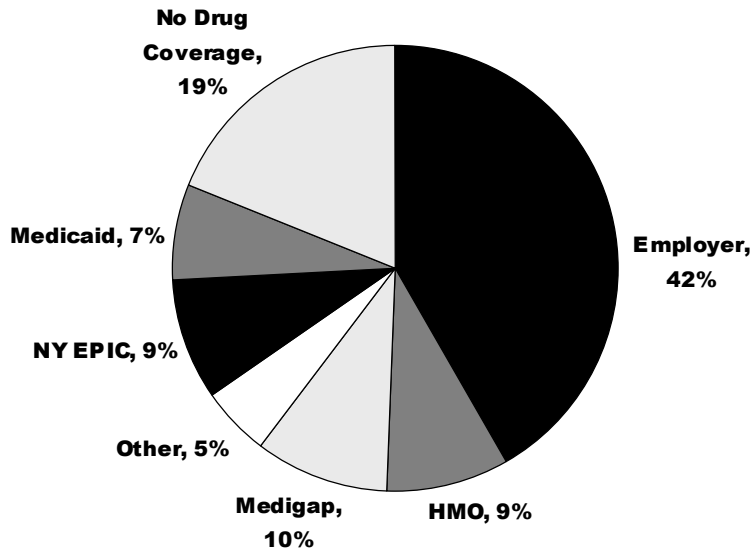
Sources of prescription drug coverage varied across specific populations. Low-income and minority seniors were much more likely to be insured through Medicaid, while higher-income and non-Hispanic white seniors were more likely to have coverage through a former employer. Low-income seniors, particularly whites, Hispanics, and those living outside of New York City, were more likely than other groups to report receiving EPIC coverage.

- One of five (19%) New York seniors reported no prescription drug benefit in 2001 despite substantial state efforts to provide supplemental drug benefits (Figure 1.1).
- Employer-sponsored coverage was by far the largest source of prescription benefits for New York's seniors, covering 42 percent of all New York seniors. Smaller groups had prescription benefits through Medigap (10%), HMOs (9%), EPIC (9%), Medicaid (7%), and other sources (5%).
- Compared with other states in the survey, New York had one of the lowest rates of seniors without drug benefits. While one-fifth of seniors in New York and California lacked drug coverage (19% and 18%, respectively), nearly one-third of seniors (31%) in Illinois and Texas lacked such coverage (Figure 1.2).
- Coverage rates varied by income. Near-poor seniors in New York (with incomes between 101 and 200 percent of the federal poverty level) were more likely than poorer or higher-income seniors (incomes above 200 percent of poverty) to lack prescription drug coverage. One of four (25%) near-poor seniors lacked coverage (Figure 1.3).
- Only one of 10 (11%) poor seniors in New York lacked drug coverage. Notably, New York's poor seniors were the least likely among poor seniors in any of the eight states to lack drug coverage. In five of the eight states, more than three of 10

poor seniors lacked prescription drug coverage; in two of these states—Michigan and Colorado—nearly four of 10 (38%) did. New York’s relatively low number of poor seniors without drug coverage reflects the high rates of coverage under the state’s Medicaid and EPIC programs.

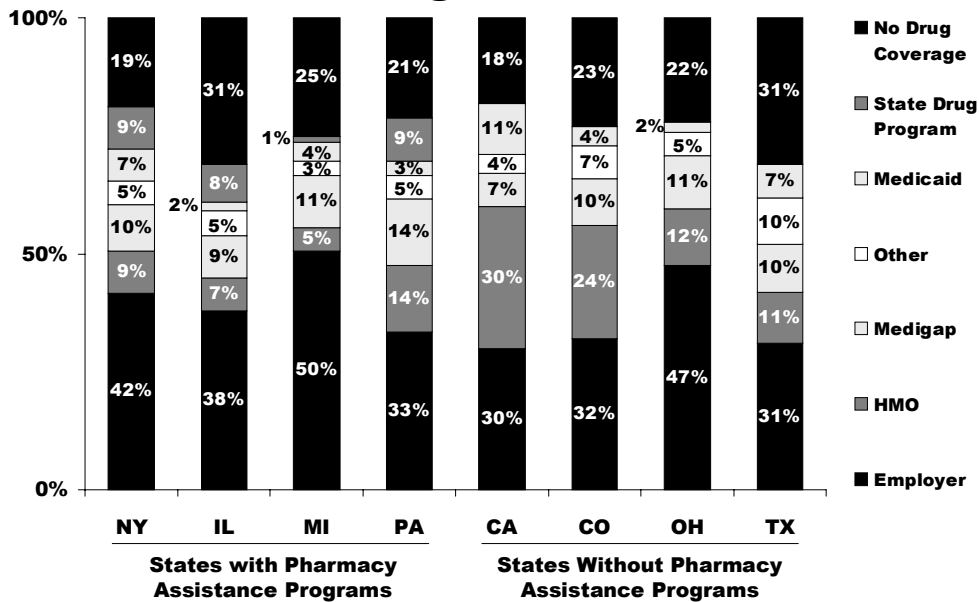
- Employer drug benefits are generally less available to low-income seniors than to those with higher incomes in New York. While more than two-fifths (42%) of all New York seniors received coverage through a former employer, among low-income seniors only slightly more than one-fifth (22%) reported employer-sponsored drug benefits (Figure 1.4).
- Low-income New York seniors rely on state programs for drug coverage. Three of 10 low-income seniors in New York received their primary coverage through a state program—16 percent through Medicaid and 13 percent through EPIC (Figure 1.4). An additional 5 percent had EPIC coverage in addition to private coverage (not shown).
- Seniors of different racial or ethnic groups in New York were equally likely to lack drug coverage. However, among those who had drug benefits, the sources of coverage varied by race/ethnicity. White, non-Hispanic seniors reported employer coverage at twice the rates of Hispanic seniors (44% vs. 20%) and somewhat more frequently than blacks (37%). In contrast, Hispanic and African American seniors were more likely to depend on Medicaid than were seniors who identified themselves as white and non-Hispanic. Hispanics and blacks reported HMO coverage at about twice the rates of whites (15% and 17% vs. 8%, respectively). Whites were more likely than Hispanics and blacks to have Medigap (11% vs. 6% and 2%, respectively) (Figure 1.5).
- Compared with seniors living elsewhere in the state, seniors living in New York City were more likely to be without drug coverage. New York City seniors were also more likely to be covered by Medicaid. Nearly one of four seniors (24%) in New York City was without drug coverage, compared with less than one of five (18%) in the rest of the state. One of six seniors (17%) living in New York City reported Medicaid coverage, a much higher rate than that reported by seniors outside the city (3%). Seniors in New York City were less likely than those outside the city to be covered by employer prescription benefits (30% v. 46%) (Figure 1.6).

Figure 1.1
Sources of Drug Coverage for Seniors in New York



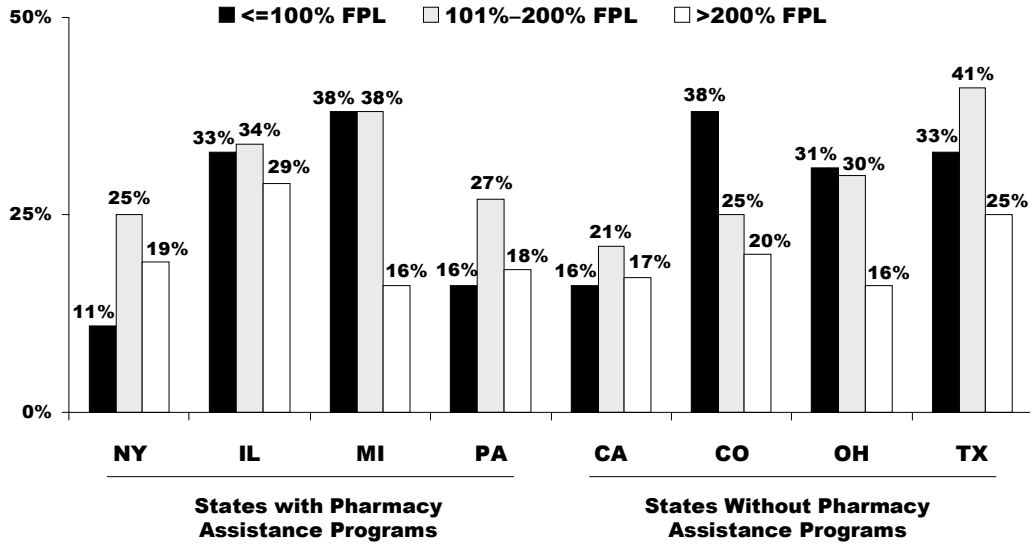
Note: Analysis of seniors in sample with classifiable drug coverage. "Other" includes those with drug coverage through Department of Veterans Affairs (VA)/Department of Defense (DOD).
 Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 1.2
Sources of Drug Coverage for Seniors in Eight States



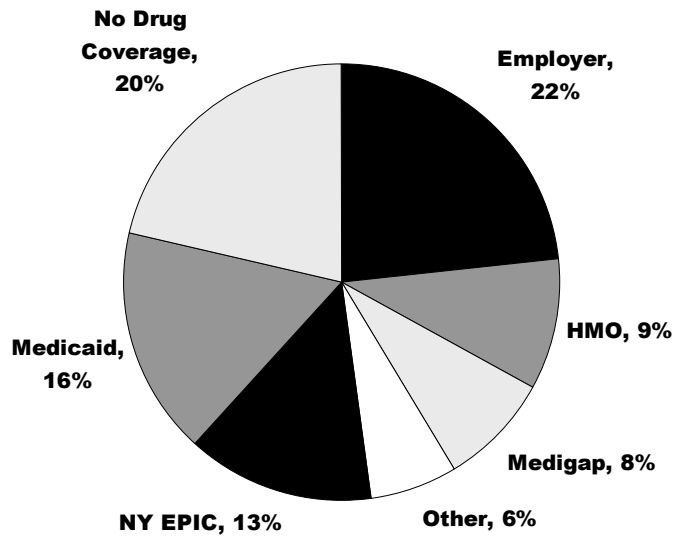
Note: Analysis of seniors in sample with classifiable drug coverage. "Other" includes those with drug coverage through VA/DOD.
 Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 1.3
Percent of Seniors in Eight States Without Drug Coverage, by Poverty Level and State



Note: Analysis of seniors in sample with classifiable drug coverage. "Other" includes those with drug coverage through VA/DOD. Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

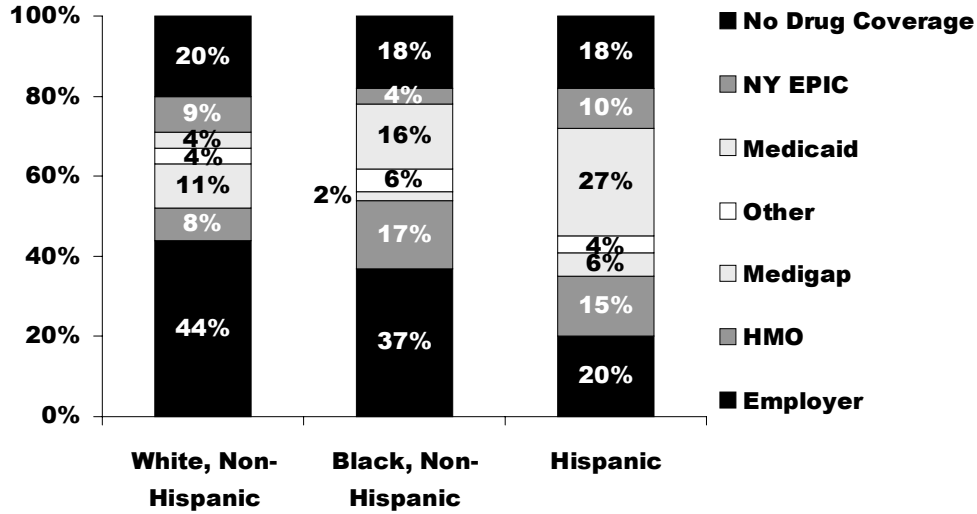
Figure 1.4
Sources of Drug Coverage for Seniors in New York with Incomes Below 200% of Poverty



Note: Analysis of seniors in sample with classifiable drug coverage. "Other" includes those with drug coverage through VA/DOD. Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 1.5

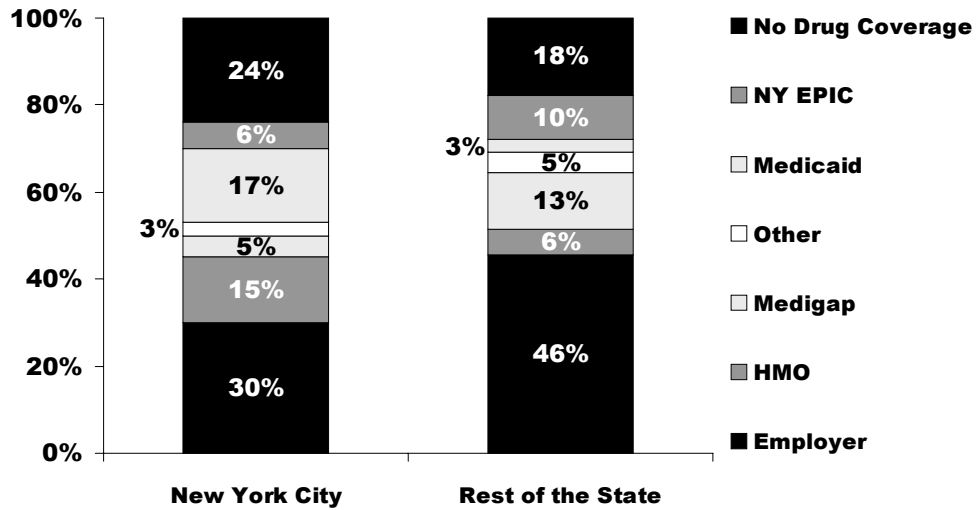
Sources of Drug Coverage for Seniors in New York, by Race/Ethnicity



Note: Analysis of seniors in sample with classifiable drug coverage. "Other" includes those with drug coverage through VA/DOD. Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 1.6

Sources of Drug Coverage for Seniors in New York, by Region



Note: Analysis of seniors in sample with classifiable drug coverage. "Other" includes those with drug coverage through VA/DOD. Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

2. OUT-OF-POCKET COSTS BY COVERAGE SOURCE AND INCOME

One of five seniors in New York reported spending \$100 or more per month out-of-pocket on their medications. Seniors without drug coverage were twice as likely as those with any source of coverage to spend this much. Seniors with chronic conditions were at notable risk of high out-of-pocket costs if without drug benefits: two of five or more reported monthly costs of \$100 or more. The extent of financial protection provided against high out-of-pocket spending varied considerably by coverage source. Generally, Medicaid and employer coverage provided the most protection against high out-of-pocket costs, while Medigap and EPIC provided the least.

- One-third (35%) of seniors without drug coverage spent at least \$100 per month on drugs, compared with 17 percent of those with drug coverage (Figure 2.1).
- Access to drug benefits did not necessarily protect seniors from high rates of out-of-pocket spending. One-third of seniors with some form of coverage (34%) spent \$50 or more per month on drugs.
- Seniors with chronic health conditions that typically require regular management through medications were exposed to high out-of-pocket costs if they lacked drug coverage. Among seniors without drug benefits, three of five (60%) with congestive heart failure and more than two of five with hypertension (44%) or diabetes (42%) spent \$100 or more per month on medications (Figure 2.2).
- Out-of-pocket costs faced by seniors in New York varied by the source of drug coverage (Figure 2.3).
 - > Medicaid provided the most protection against high out-of-pocket prescription costs. Only 4 percent of seniors with Medicaid spent \$100 or more per month.
 - > Seniors with employer benefits were also relatively well protected, with 12 percent reporting out-of-pocket expenditures of at least \$100 per month.
 - > Medigap and EPIC provided seniors with the least financial protection against high out-of-pocket spending. One-third of seniors with drug benefits through these sources reporting spending \$100 or more per month—nearly the same rates reported by those without drug benefits.
- Out-of-pocket drug expenses for low-income seniors varied across states, with seniors in New York spending less than seniors in most of the other seven states. Rates of spending \$100 or more per month ranged from lows of 16 percent in

California and 21 percent in New York to a high of 36 percent among low-income seniors in Texas (Figure 2.4).

- High out-of-pocket costs for drug expenses can result in the inability to pay for other basic needs. One of five (19%) low-income seniors in New York said they spent less on the basics (e.g., food and rent) in order to afford medications. Such budget compromises were most frequent among low-income seniors covered by Medigap: one of three (31%) in this group spent less on basics to pay for medicines, compared with one of 10 (11%) of those with Medicaid drug benefits (Figure 2.5).

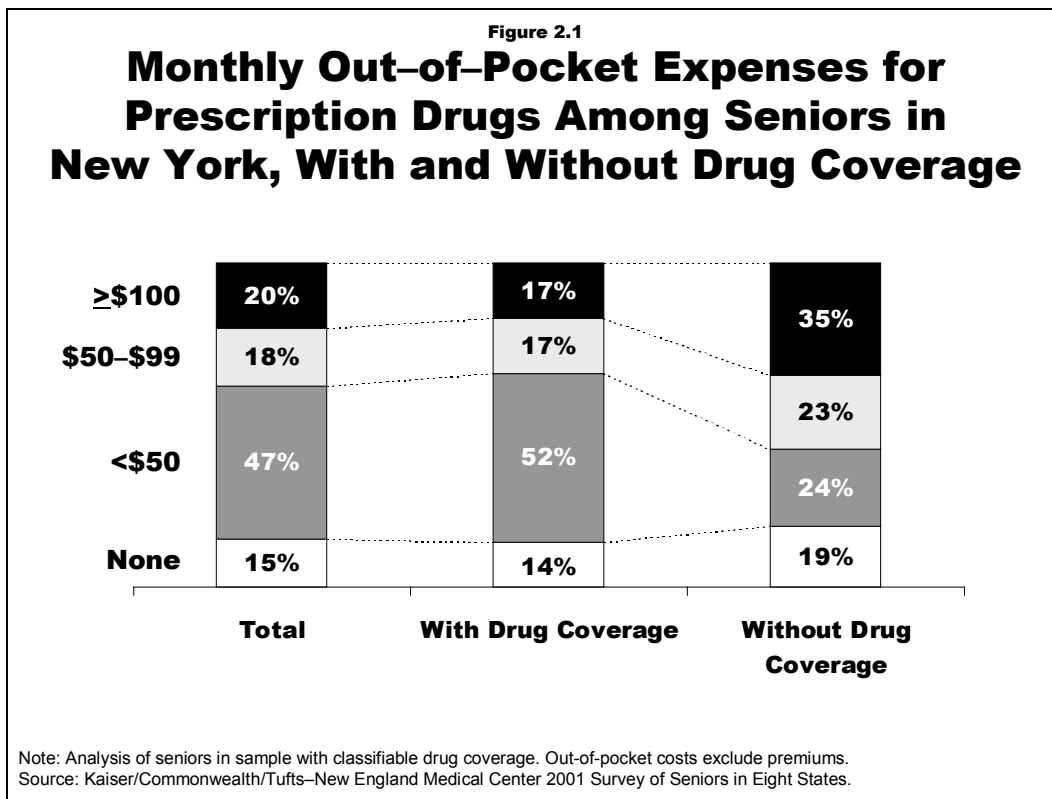
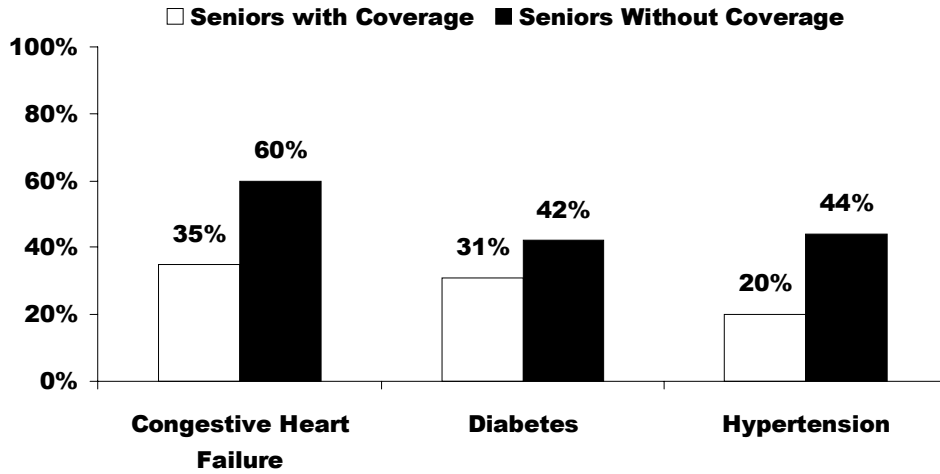


Figure 2.2

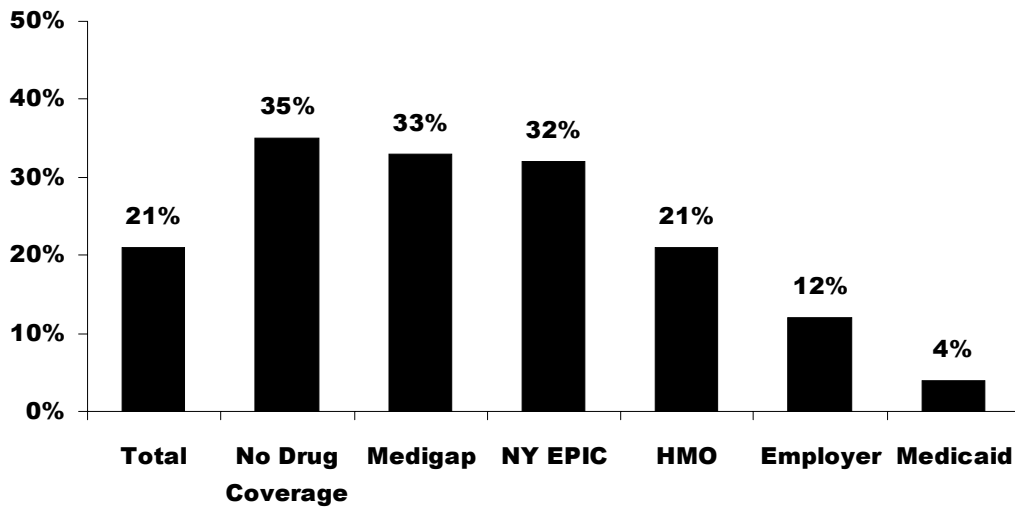
Percent of Seniors in New York Who Spend \$100+ per Month on Drugs, by Chronic Condition and Prescription Drug Coverage



Note: Analysis of seniors in sample with classifiable drug coverage.
Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 2.3

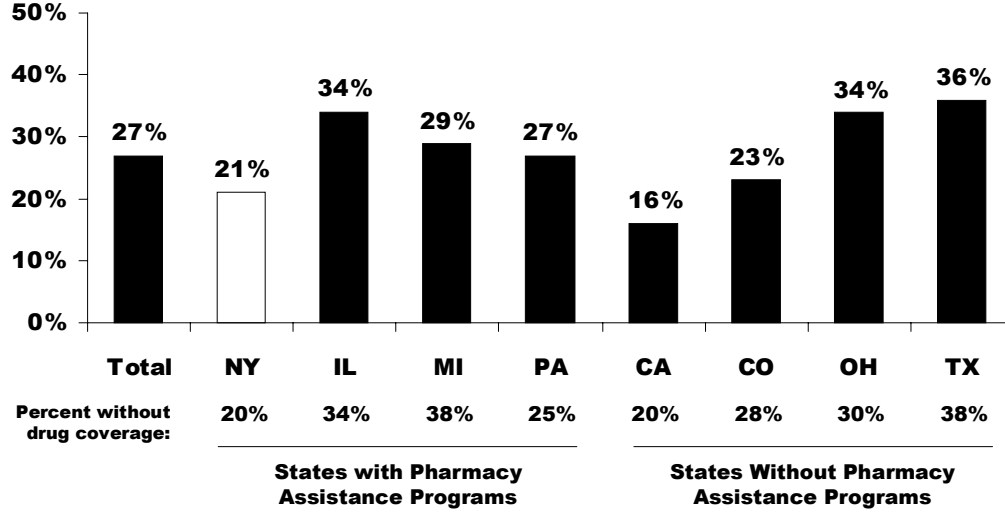
Percent of Seniors in New York Who Spend \$100+ per Month on Drugs, by Source of Drug Coverage



Note: Analysis of seniors in sample with classifiable drug coverage. Out-of-pocket costs exclude premiums.
Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 2.4

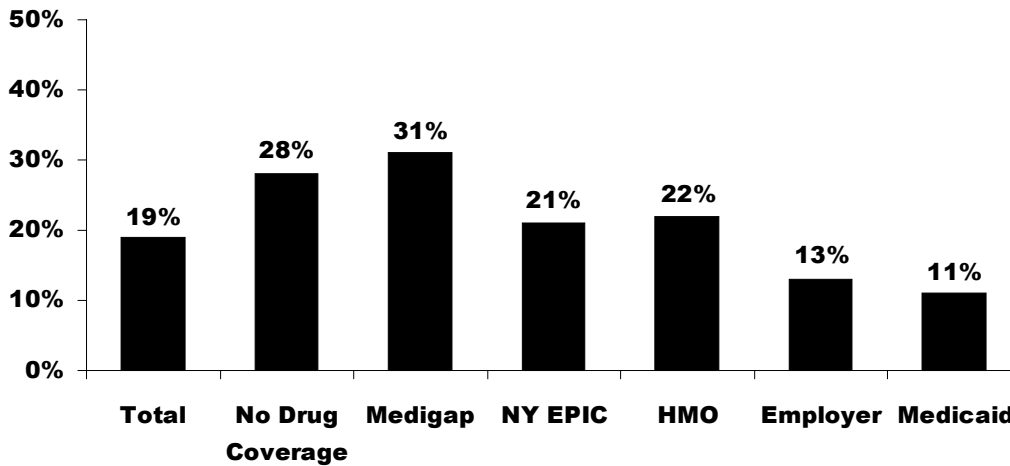
Percent of Seniors in Eight States with Incomes at or Below 200% of Poverty Who Spend \$100+ per Month on Drugs



Note: Analysis of seniors in sample with classifiable drug coverage. Out-of-pocket costs exclude premiums.
 Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 2.5

Percent of Seniors in New York with Incomes at or Below 200% of Poverty Who Spend Less on Basic Needs in Order to Afford Medicines, by Source of Drug Coverage



Note: Analysis of seniors in sample with classifiable drug coverage. Out-of-pocket costs exclude premiums.
 Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

3. SKIPPING DOSES AND NOT FILLING PRESCRIPTIONS DUE TO COST

New York seniors without prescription drug coverage, especially those with low incomes, often face cost barriers that lead them to forgo needed medications or a prescribed drug regimen. Whether or not a senior had prescription drug coverage was closely associated with his or her likelihood of filling prescriptions and taking medications as advised. The survey found high rates of skipping doses and not filling prescriptions among New York seniors who lack drug benefits and have chronic health conditions such as heart disease or diabetes, which can be successfully controlled with medications.

- Overall, one of five (20%) New York seniors either did not fill a prescription due to cost or skipped doses of medications to make medicines last longer during the past year (Figure 3.1).
- New York seniors without drug coverage were nearly twice as likely as seniors with drug coverage to have gone without needed medications due to costs (32% vs. 17%).
- New York seniors with chronic conditions who lack drug coverage reported alarmingly high rates of skipping doses and not filling prescriptions. Among seniors with congestive heart failure or diabetes, more than one-third of those without prescription drug coverage did not fill a prescription due to cost or skipped doses (Figure 3.2).
- New York's low-income seniors without prescription benefits were at particularly high risk of forgoing recommended medications due to costs. One-third of low-income seniors without benefits skipped doses to make medications last longer. Poor and near-poor seniors were significantly more likely than higher-income seniors to skip medications if they lacked drug coverage (31% and 29% vs. 19%, respectively). When they had drug coverage, poor and near-poor seniors reported skipping medications at rates nearer to the skipping rate of higher-income seniors (Figure 3.3).
- The likelihood of skipping doses or not filling a prescription varied by source of drug coverage. Those with Medigap or HMO coverage went without needed medications at about twice the rate of those with Medicaid (33% and 28% vs. 15%, respectively). Seniors with EPIC and employer-sponsored coverage were also much better protected than those with Medigap or HMO coverage, with only 16 percent and 18 percent, respectively, forgoing recommended prescriptions (Figure 3.4).

- New York’s low-income seniors fared relatively well compared with their counterparts in several other states in the survey. The percent of low-income seniors forgoing prescriptions ranged from about one-fourth in California, Michigan, and New York to two-fifths in Ohio and Texas (Figure 3.5).

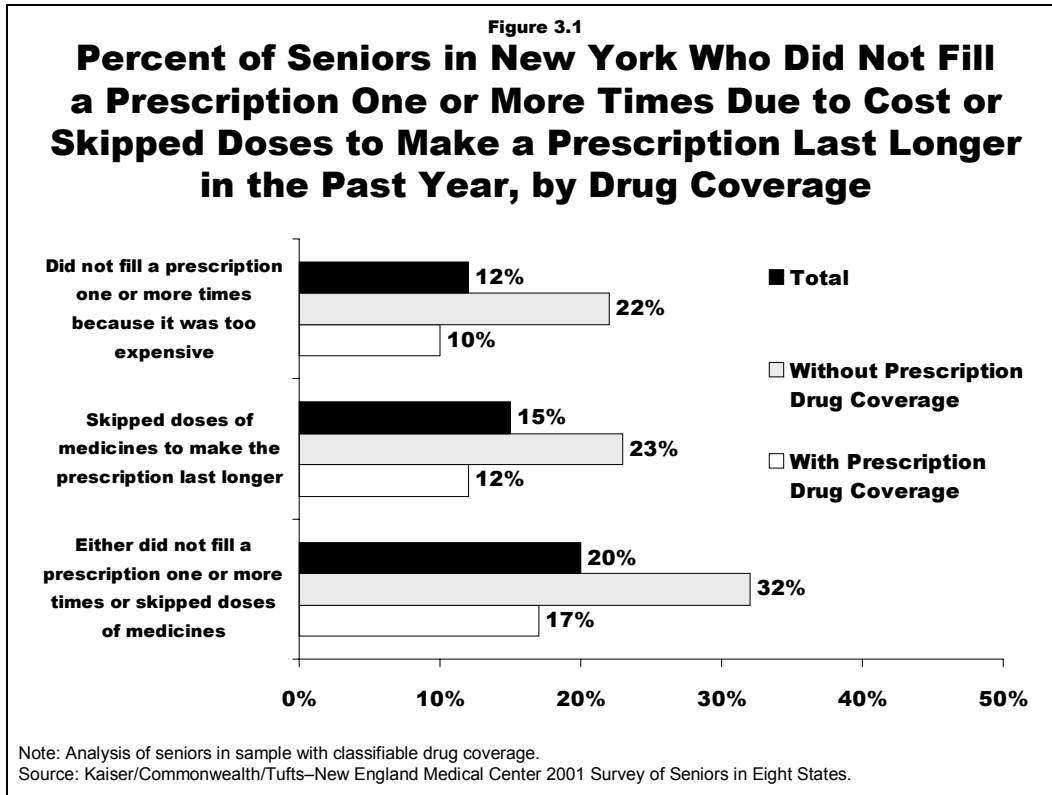
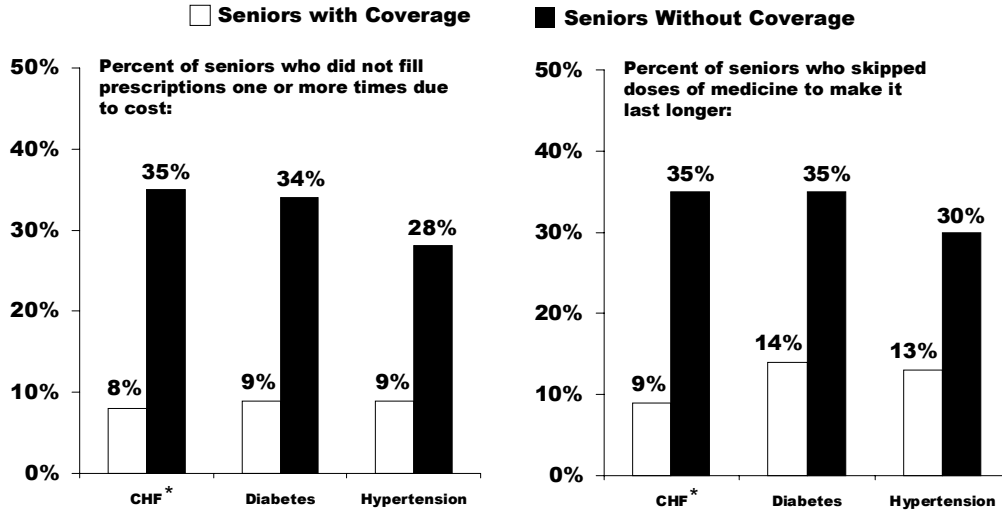


Figure 3.2

Percent of Seniors in New York Who Reported Forgoing Needed Medicines, by Chronic Condition and Prescription Drug Coverage



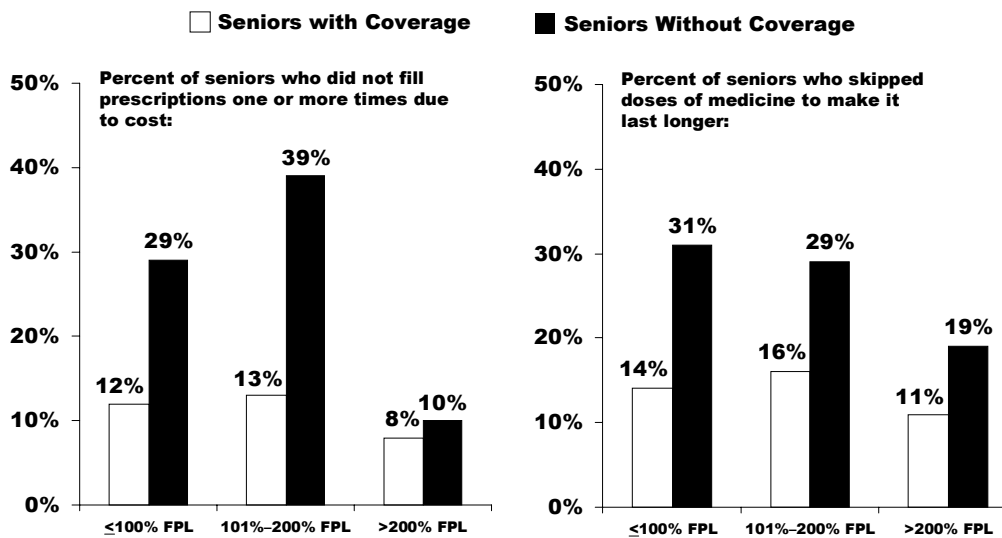
* CHF = Congestive Heart Failure.

Note: Analysis of seniors in sample with classifiable drug coverage.

Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

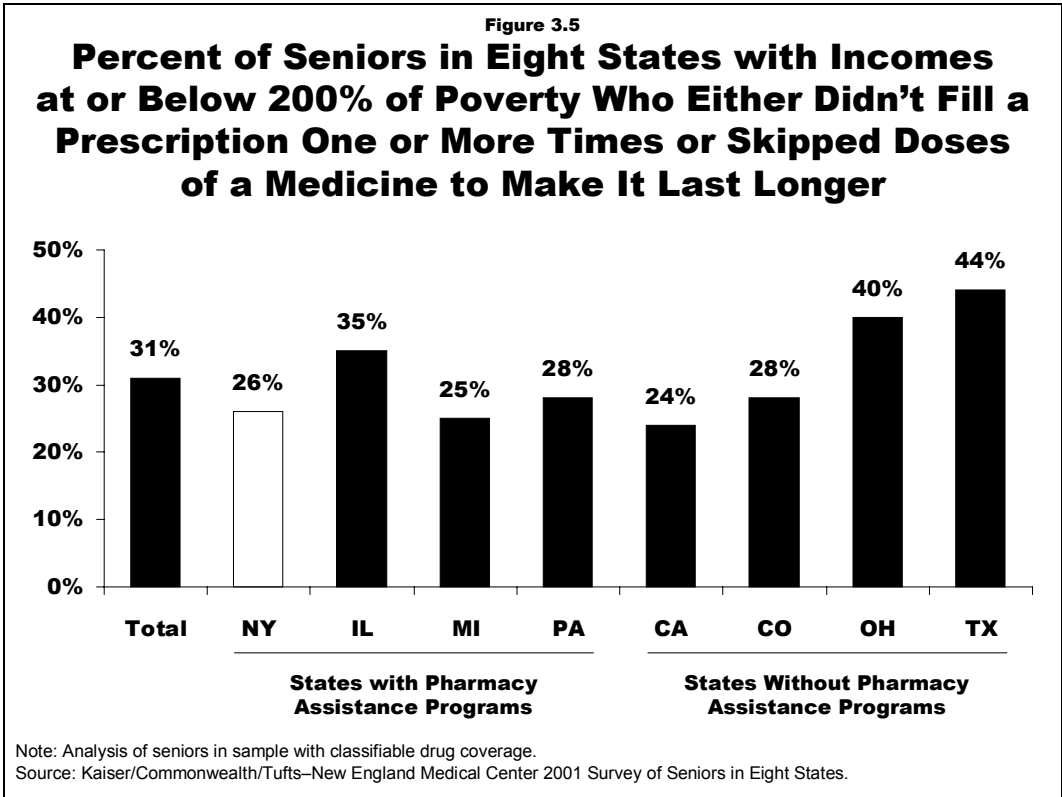
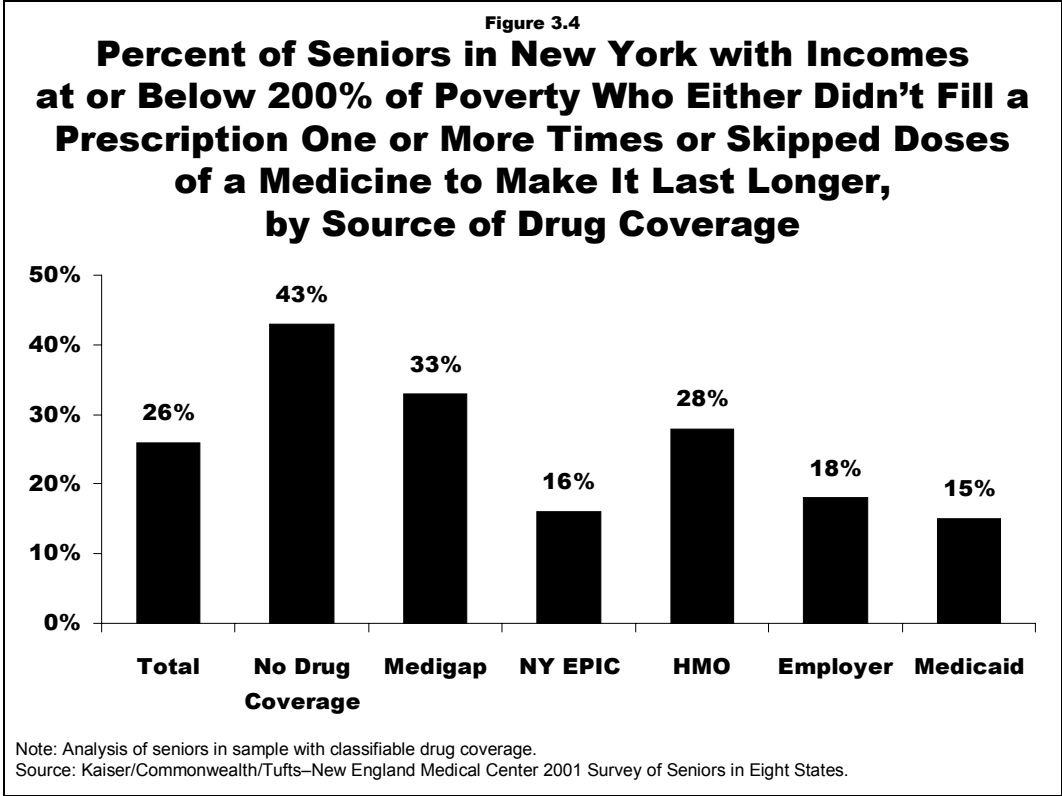
Figure 3.3

Percent of Seniors in New York Who Reported Forgoing Needed Medicines, by Poverty and Prescription Drug Coverage



Note: Analysis of seniors in sample with classifiable drug coverage.

Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.



4. PUBLIC PROGRAMS: ROLES OF MEDICAID AND EPIC

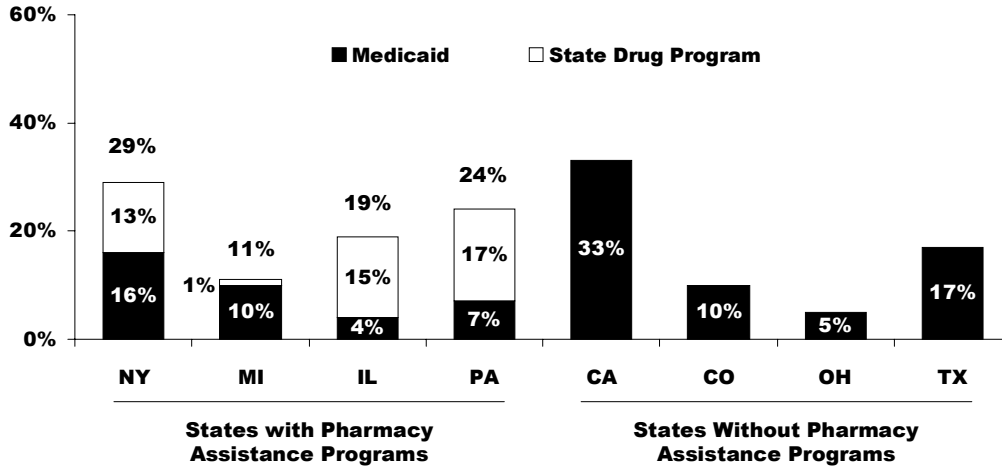
Public programs in New York are a key source of drug coverage for many seniors and comprise a more expansive coverage safety net than in most of the other states surveyed. Together, Medicaid and EPIC cover nearly one of five of all seniors in the state and one-third of low-income seniors. New York's Medicaid program is especially effective at providing low-income seniors with protection against high out-of-pocket spending for drugs and access to medications when needed.

- In combination, Medicaid and EPIC provide the primary source of coverage for about three of 10 (29%) low-income seniors in New York. Only California had a higher proportion of low-income seniors insured primarily through public coverage sources (Figure 4.1).
- New York's Medicaid program provides drug benefits to almost half (45%) of all New York seniors living at or below the federal poverty level. Again, only California had a higher proportion (56%) of its poor seniors covered by Medicaid drug benefits (Figure 4.2).
- By design, EPIC can work in tandem with private insurance drug benefits to supplement coverage when benefits are exhausted or out-of-pocket prescription costs reach high levels (see the description of EPIC in the Appendix). As a result, the rate of seniors reporting EPIC as their primary, or sole, source of coverage tends to understate the reach of the program.
 - > In the survey, 5 percent of New York's low-income seniors (incomes below 200% of poverty) reported having EPIC in addition to a private source of drug benefits. Adding this group to those with Medicaid or EPIC only, one-third of low-income seniors were covered by one of the two public programs (Figure 4.3).
 - > More than half of poor seniors in New York were covered by either Medicaid or EPIC, with Medicaid the primary source of coverage.
 - > One of five near-poor seniors (101% to 200% of poverty) received coverage from one of the two programs, including EPIC in combination with private coverage. In this income range, EPIC was the key source of coverage. This pattern reflects the fact that EPIC eligibility standards extend beyond the poverty threshold.

- > Among New York seniors of all incomes, nearly one of five (19%) had drug benefits either from Medicaid, EPIC alone, or EPIC as a supplement to private coverage.
 - > Enrollment in public programs varied by race/ethnicity. Medicaid played a key role in providing drug coverage to Hispanic (27%) and African American seniors (16%), compared with 4 percent of non-Hispanic white seniors. More white and Hispanic seniors than African American seniors reported being covered by EPIC (Figure 4.4).
 - > In part this pattern by race/ethnicity reflected the lower-income of New York's Hispanic and African American seniors.
- State Medicaid programs provide varying levels of financial protection to enrollees. New York's Medicaid program was among the programs that offered the most protection against high out-of-pocket costs in the eight-state survey. In New York, Michigan, Pennsylvania, and Colorado, 4 percent of low-income seniors with Medicaid coverage reported spending \$100 or more per month on drugs. The proportion of Medicaid seniors spending this amount was about twice as high in California and more than three times as high in Illinois, Ohio, and Texas (Figure 4.5).
 - Rates of skipping or not filling a prescription were lowest for seniors with Medicaid drug coverage in New York, Michigan, Pennsylvania, and Colorado. Sixteen percent of Medicaid enrollees in New York reported skipping doses or not filling a prescription one or more times, compared with 35 percent in Texas (Figure 4.6).
 - As discussed above, EPIC also performed relatively well in providing New York's low-income seniors with access to needed medications. Rates of skipping or forgoing needed care among those with EPIC as their source of coverage were comparable to the New York Medicaid program.
 - EPIC, however, was more likely than Medicaid to expose low-income seniors to high out-of-pocket costs. One-third of low-income seniors with EPIC spent \$100 or more per month, a rate much higher than reported among those with Medicaid (34% vs. 4%) (Figure 4.7).

Figure 4.1

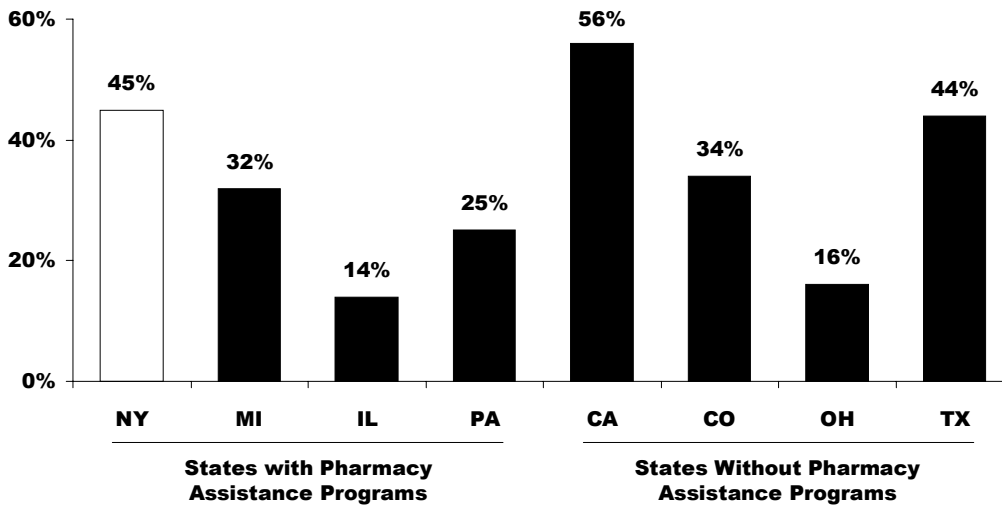
Percent of Seniors in Eight States with Incomes at or Below 200% of Poverty with Drug Coverage Provided by Medicaid or State Pharmacy Programs



Note: Analysis of seniors in sample with classifiable drug coverage.
 Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 4.2

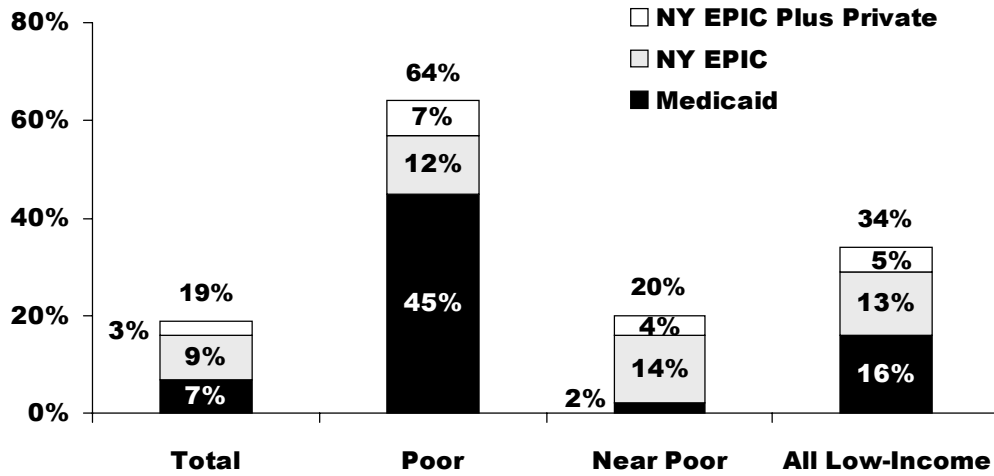
Percent of Seniors in Eight States with Incomes at or Below 100% of Poverty with Medicaid Drug Coverage



Note: 2001 federal poverty guidelines: \$8,590 (single); \$11,610 (couple).
 Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 4.3

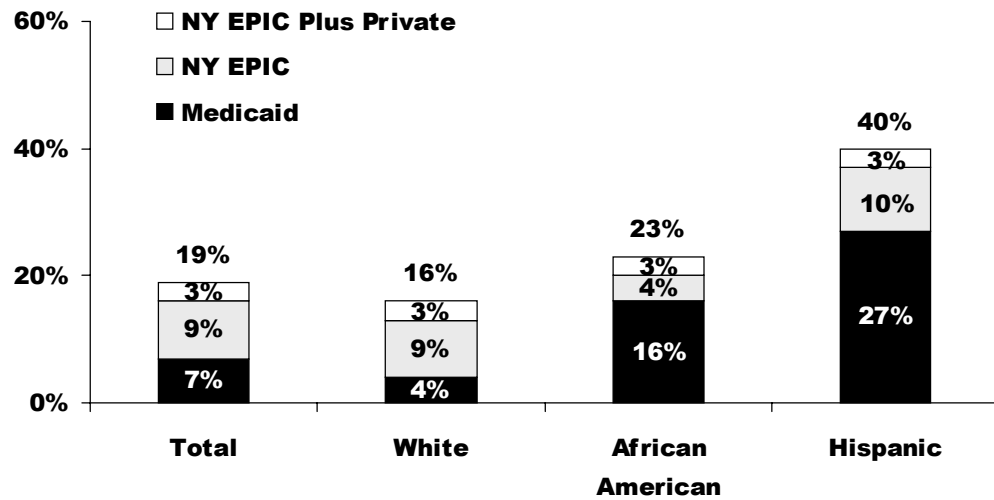
Percent of Seniors in New York with Medicaid or New York's EPIC Program, by Poverty Level



Note: Analysis of seniors in sample with classifiable drug coverage.
 Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 4.4

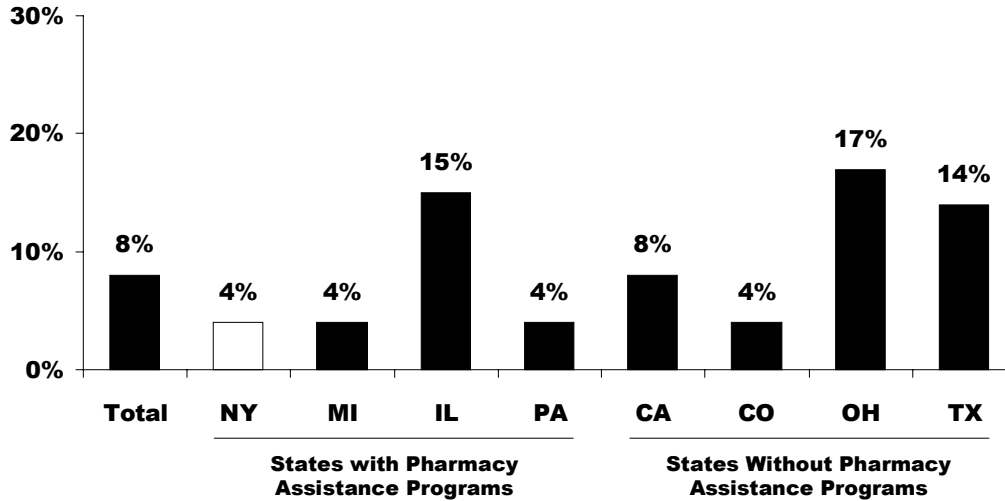
Percent of Seniors in New York with Medicaid or New York's EPIC Program, by Race/Ethnicity



Note: Analysis of seniors in sample with classifiable drug coverage.
 Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 4.5

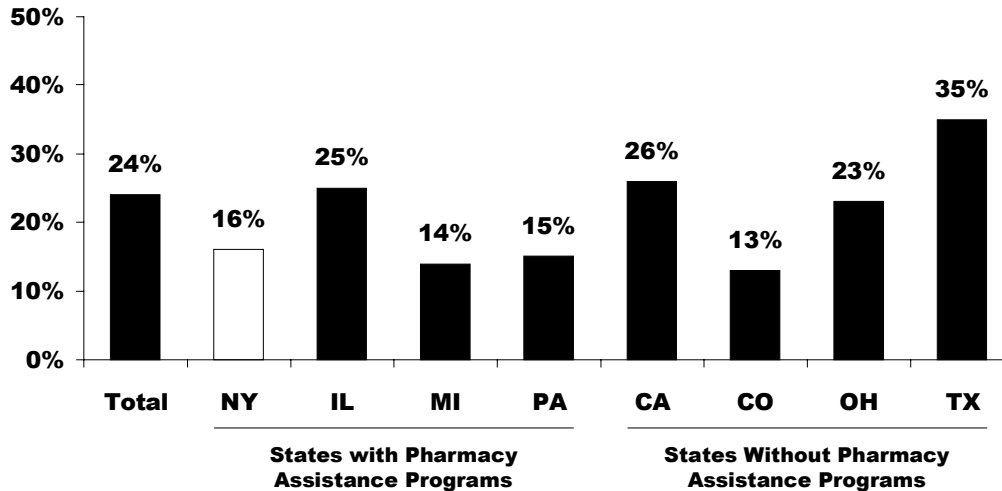
Percent of Seniors in Eight States with Medicaid Drug Coverage Who Spend \$100+ per Month on Prescription Drugs



Note: Analysis of seniors in sample with classifiable drug coverage. Out-of-pocket costs exclude premiums.
Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 4.6

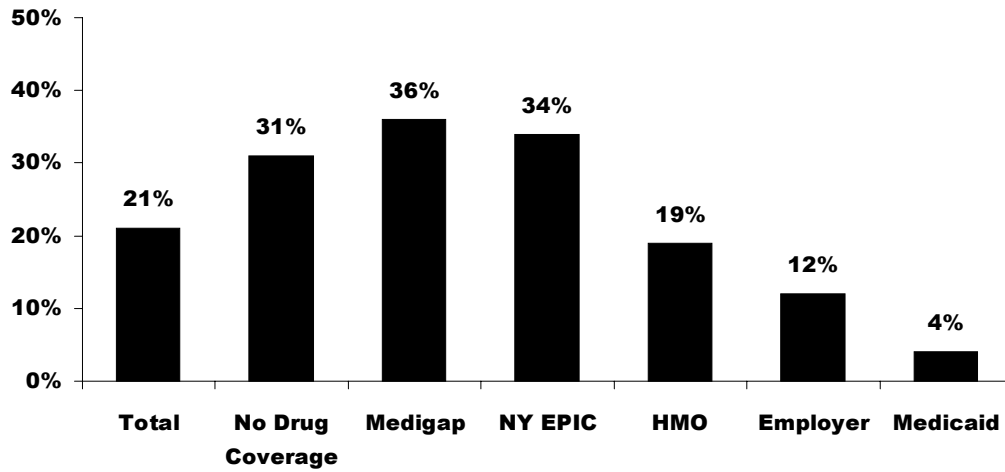
Percent of Seniors in Eight States with Medicaid Drug Coverage Who Skipped Doses of a Medication or Didn't Fill a Prescription One or More Times



Note: Analysis of seniors in sample with classifiable drug coverage.
Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 4.7

Percent of Seniors in New York with Incomes at or Below 200% of Poverty Who Spend \$100+ Per Month on Drugs, by Source of Drug Coverage



Note: Analysis of seniors in sample with classifiable drug coverage. Out-of-pocket costs exclude premiums.
Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

5. AWARENESS OF AND PARTICIPATION IN MEDICAID AND EPIC

Public awareness of available pharmaceutical assistance programs and an understanding of the programs' eligibility rules are critical to reaching those eligible to participate. Almost all low-income seniors in New York (94%) said that they were familiar with Medicaid, yet many did not apply for the program because they believed that they would not qualify for assistance. Only 60 percent of low-income seniors had heard of EPIC. Among those who had heard of EPIC but who had not enrolled, the majority stated that they had not applied because they believed they would not qualify for the program. These responses indicate that lack of awareness as well as misunderstanding of eligibility rules may be limiting the number of seniors who apply for EPIC and/or Medicaid.

- There is nearly universal awareness of Medicaid among New York's low-income seniors; more than nine of 10 (94%) seniors reported having heard of the program (Figure 5.1).
- EPIC is less well known. Only 60 percent of New York's low-income seniors had heard of the program. The state pharmacy programs in Illinois and Pennsylvania were better known to residents of those states, but very few low-income seniors were aware of Michigan's program (Figure 5.2).
- Among those low-income seniors who had heard of the program, the main sources of information in New York were friends, neighbors, and family members (33%) and television (31%). Almost one-quarter (24%) of low-income seniors heard about EPIC from their pharmacist, and 15 percent had heard about it through their doctor's office (Figure 5.3).
- Over one-third (34%) of poor seniors in New York who have heard of Medicaid but are not enrolled in it thought they had too much money to qualify. One-quarter (24%) said they had never thought of applying. Other reasons seniors gave for not enrolling in Medicaid included not wanting to get help from a welfare program (11%), being worried that they would lose their home or other benefits if they enrolled (7%), and finding the application too complicated (7%). Only 3 percent said that they didn't think the benefits seemed worthwhile (Figure 5.4).
- EPIC's income standards extend the program to New York seniors with incomes up to 200 percent of poverty and beyond. Yet, among low-income seniors who have heard of EPIC but are not enrolled, one-third (32%) believed that they would not qualify for assistance. This was the leading reason for not trying to enroll. Another 15 percent said that they had Medicaid and did not need EPIC.

Eleven percent thought the program costs too much money and 8 percent said that they did not know how to apply. Only 1 percent said they did not want assistance from a state program (Figure 5.5).

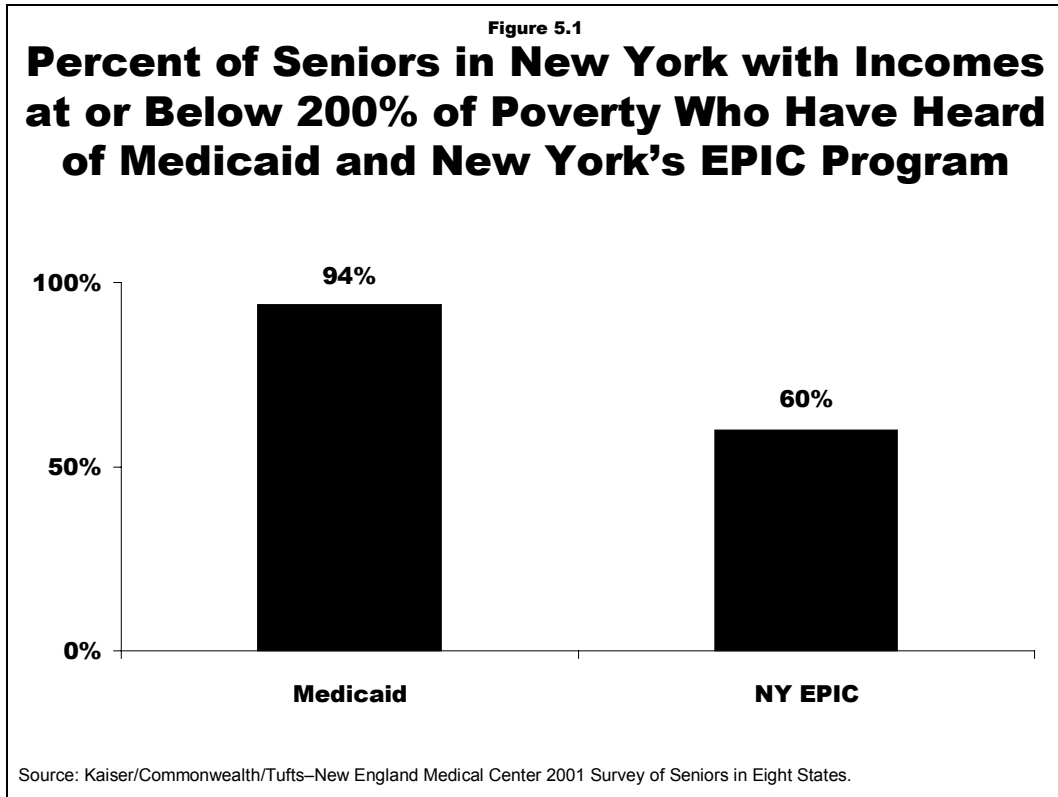
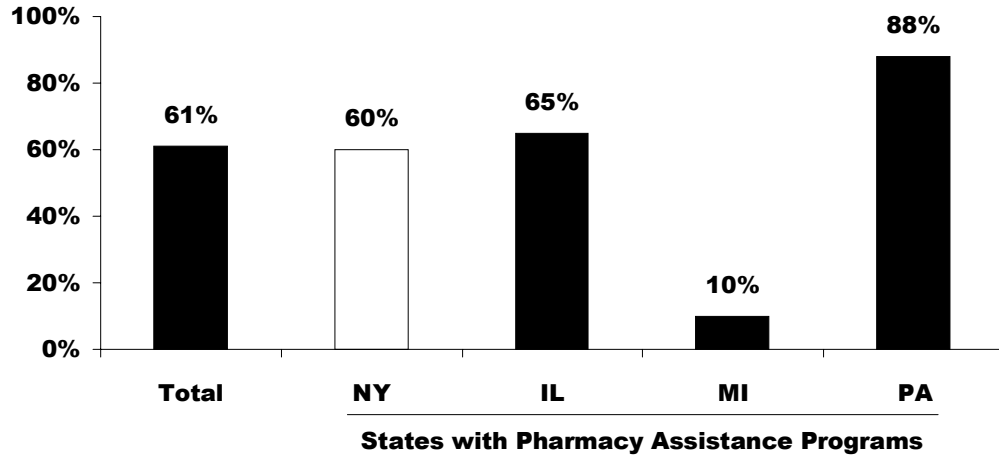


Figure 5.2

Awareness of State Pharmacy Assistance Programs Among Seniors with Incomes at or Below 200% of Poverty

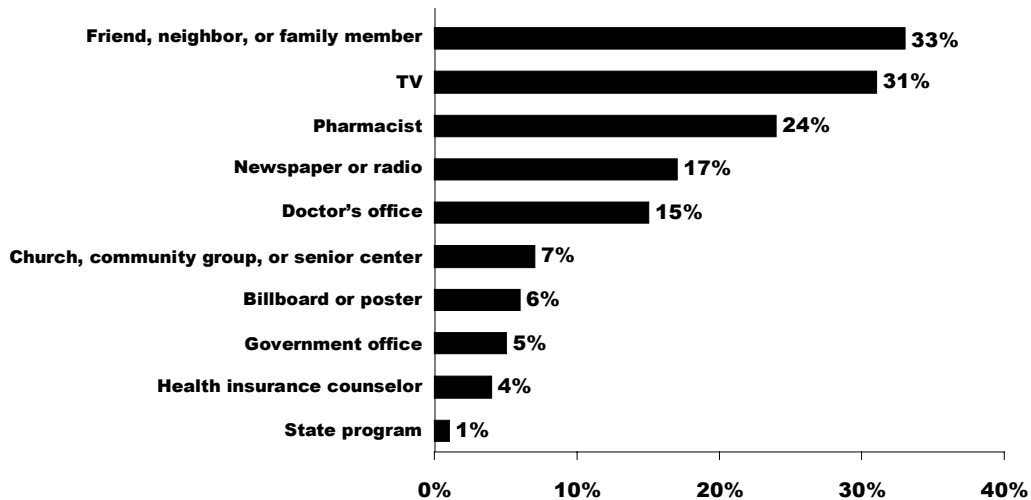
Percent who have heard of their state pharmacy assistance program



Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 5.3

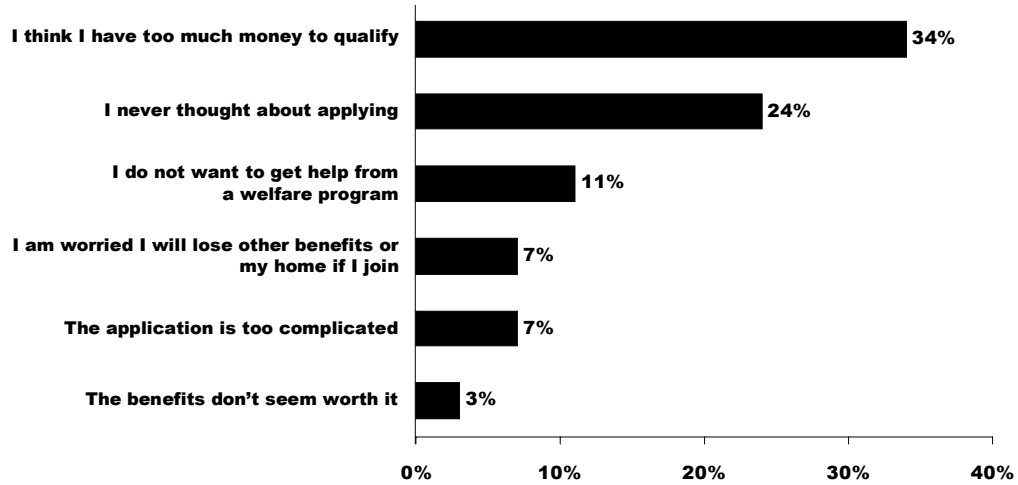
Most Commonly Reported Sources for Hearing About New York's EPIC Program by Seniors with Incomes at or Below 200% of Poverty



Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 5.4

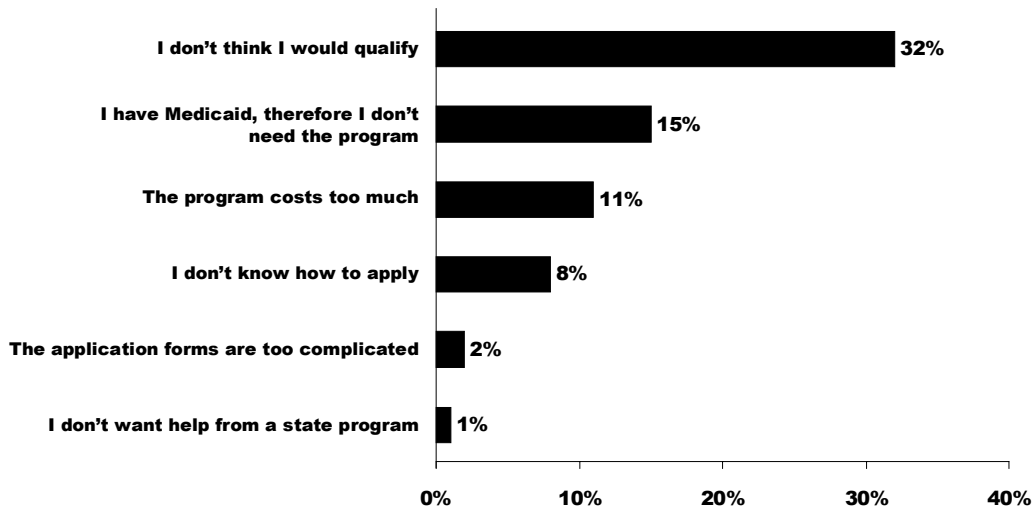
Reasons Why Seniors in New York with Incomes at or Below 100% of Poverty Who Have Heard of Medicaid Report They Are Not Enrolled



Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

Figure 5.5

Reasons Why Seniors with Incomes at or Below 200% of Poverty Who Have Heard of New York's EPIC Program Report They Are Not Enrolled



Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

APPENDIX.

DESCRIPTIONS OF NEW YORK STATE MEDICAID AND EPIC¹⁰

MEDICAID

Low-income individuals age 65 and older can become eligible for full Medicaid benefits, including prescriptions, in several ways. Federal law requires Medicaid to cover elderly persons receiving federal Supplemental Security Income (SSI). In 2001, the federal SSI eligibility limits were 74 percent of poverty for individuals and 82 percent of poverty for couples. Along with 25 other states, New York provides supplemental payments and Medicaid eligibility to people receiving SSI and to those with income too high to qualify for SSI. These supplements effectively raise the eligibility level for Medicaid to about 87 percent of poverty. Medicaid eligibility also involves an asset test.

Seniors can also become eligible for Medicaid through the “medically needy” program. This program applies to those whose incomes would ordinarily be too high to qualify for Medicaid, but who have medical expenses large enough to bring their incomes net of medical expenses down to meet the Medicaid eligibility cutoff. In essence, states allow people to “spend-down” into the Medicaid program as long as they meet the asset test. New York has a more expansive medically needy program than most other states.

For a single elderly individual in 2002, the income limit for Medicaid eligibility (SSI-related) in New York is \$7,584 annually; for a couple, it is \$11,052. Medically needy income levels are similar: \$7,608 per year for a single individual and \$11,100 for a married couple. New York Medicaid uses an open drug formulary and places no monthly limits on prescriptions.

EPIC

EPIC is one of the largest and most comprehensive state pharmacy assistance programs in the nation. It had approximately 260,000 enrollees in early 2002. Established in 1986, the program provides prescription drug coverage to qualifying seniors living in New York who either pay an annual fee or meet an annual deductible. Single seniors with incomes up to \$20,000 are eligible for the annual fee plan and those with incomes between \$20,000 and \$35,000 are eligible for the annual deductible plan. Levels for married seniors are up to \$26,000 and \$50,000, respectively. Annual fees, similar to a premium, range from \$8 to \$300 a year, depending on income and marital status. Those in the deductible plan must meet a dollar amount that ranges from \$530 to \$1,715, depending on income

¹⁰ For fuller descriptions of these programs, see Margaret H. Davis, *Prescription Drug Coverage for New York State's Medicare Beneficiaries: Options for Strengthening the Elderly Pharmaceutical Insurance Coverage (EPIC) Program*, The Commonwealth Fund, forthcoming.

and marital status, before they are eligible. Once eligible, EPIC requires patient copayments for medications through a four-tier copayment schedule, ranging from \$3 to \$20, depending on the cost of the drug. Medicaid beneficiaries may not join EPIC. However, EPIC allows seniors with inadequate private coverage to join. Because there are few private plans that are now considered better than EPIC, seniors can use EPIC to supplement private coverage if they otherwise meet EPIC participation rules. Seniors who have exhausted private benefit plans, which often place limits on drug coverage or have high cost-sharing burdens, can turn to EPIC for additional coverage.

Table A-1. Selected Demographics, Medicaid Program, and Pharmacy Assistance Program Characteristics for the Eight Study States

	CA	CO	OH	TX	IL	MI	NY	PA
DEMOGRAPHICS								
Number 65+ (in millions)	3.4	0.4	1.4	1.9	1.3	1.2	2.4	1.7
Percent 65+ below poverty	13%	8%	10%	19%	13%	11%	18%	11%
PROGRAM FEATURES								
Medicaid								
Income Eligibility (% of FPL) ^a	135%	79%	67%	74%	85%	100%	87%	100%
Medically Needy (% of FPL) ^a	84%	No program	No program	No program	40%	57%	87%	59%
Rx Benefits								
Formulary	Closed	Closed	Closed	Closed	Closed	Closed	Open	Open
Monthly Rx Limit ^b	6	None	None	3	None	None	None	None
State Pharmacy Program^c								
Enrollment ^d					145,089	12,000	234,916	234,711
Eligibility—single (% of FPL) ^a					≤247%	≤150%; Monthly Rx costs > 10% of income	≤407%	≤186%
Annual Enrollment Fee					\$5 or \$25	None	\$8–\$300 ^e	None
Limits on Benefit (beyond copayments, deductibles, and formularies)					Only select conditions covered; Senior pays 20% after \$2,000 paid by program	Coverage limited to 3 months per year	None	None

Notes:

^a For states where 2001 income eligibility requirements were in dollar terms, they were converted to a percentage of the 2001 federal poverty level, which was \$8,590 for singles and \$11,610 for couples. This indicates the number of prescriptions. The monthly Rx limit for California Medicaid may be overridden with prior authorization from a physician. The monthly Rx limit for Texas Medicaid is fixed, although a six-month supply may be obtained and only counts toward one month's allocation.

^b California offers a discount on retail price of drugs for Medicare beneficiaries but does not subsidize the purchase of drugs and thus is not considered a state pharmacy assistance program for the purposes of this study.

^c The number enrolled in Illinois' program includes nonelderly disabled. All other state program enrollment figures reflect elderly only.

^d For beneficiaries with income between 233% and 407% of FPL, a deductible (\$530–\$1,715) is charged instead of the enrollment fee.

^e Source: Henry J. Kaiser Family Foundation, Commonwealth Fund, and Tufts–New England Medical Center, *Seniors and Prescription Drugs: Findings from a 2001 Survey of Seniors in Eight States*, July 2002.

Table A-2. Number of Surveyed Seniors in the Eight Study States, by Income Level and Source of Prescription Drug Coverage

	Total	CA	CO	IL	MI	NY	OH	PA	TX
Total	10,927	2,500	1,238	1,051	1,176	1,691	1,070	1,117	1,084
Income (#)									
<100% of poverty	2,868	436	322	283	353	546	279	319	330
101%–200% of poverty	3,256	801	347	306	346	442	367	375	272
>200% of poverty	4,803	1,263	569	462	477	703	424	423	482
Drug Coverage (#)									
Total	10,416	2,380	1,181	1,004	1,128	1,605	985	1,085	1,048
Medicaid	2,420	637	292	123	280	426	198	256	208
Employer-Sponsored	2,909	551	282	278	420	507	346	269	256
HMO	1,297	589	210	55	41	102	91	113	96
Medigap	806	142	83	78	97	115	80	121	90
State Pharmacy Program	374	N/A	N/A	133	10	133	N/A	98	N/A
Other	470	79	67	43	30	70	47	46	88
No Drug Coverage	2,140	382	247	294	250	252	223	182	310
Drug Coverage (%)									
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicaid	23%	11%	4%	2%	4%	7%	2%	3%	7%
Employer-Sponsored	28%	30%	32%	38%	50%	42%	47%	33%	31%
HMO	12%	30%	24%	7%	5%	9%	12%	14%	11%
Medigap	8%	7%	10%	9%	11%	10%	11%	14%	10%
State Pharmacy Program	4%	N/A	N/A	8%	1%	9%	N/A	9%	N/A
Other	5%	4%	7%	5%	3%	5%	5%	5%	10%
No Drug Coverage	21%	18%	23%	31%	25%	19%	22%	21%	31%

Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

**Table A-3. Health Status of Surveyed New York Seniors,
by Source of Drug Coverage and Poverty**

	SOURCE OF DRUG COVERAGE							Total
	Medicaid	Employer-Sponsored	HMO	Medigap	EPIC	Other	None	
Total (N=1,605)	n=426	n=507	n=102	n=115	n=133	n=70	n=252	
Percent with health problem:								
Fair or poor health	68%	33%	49%	24%	52%	59%	36%	39%
CHF	16	8	4	11	18	11	4	9
Diabetes	23	22	28	20	24	18	14	21
Hypertension	69	61	62	60	67	61	45	59
3+ chronic conditions*	44	26	31	24	38	35	14	26
≤ 200% FPL (N= 928)	n=422	n=137	n=50	n=55	n=95	n=41	n=128	
Percent with health problem:								
Fair or poor health	68%	47%	49%	42%	58%	64%	45%	52%
CHF	16	11	1	6	25	7	5	11
Diabetes	23	29	25	16	26	19	17	23
Hypertension	69	59	54	64	71	65	45	60
3+ chronic conditions*	44	35	27	29	44	35	17	33

* The survey asked about eight different chronic or serious health conditions: congestive heart failure, diabetes, hypertension, heart attack, asthma/emphysema/COPD, arthritis, any cancer, and depression.

Source: Kaiser/Commonwealth/Tufts–New England Medical Center 2001 Survey of Seniors in Eight States.

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#580 *Trends in Medicare+Choice Benefits and Premiums, 1999–2002* (November 2002). Lori Achman and Marsha Gold, Mathematica Policy Research, Inc. This update on Medicare+Choice reports that, while Medicare+Choice plans cut back on benefits such as prescription drug coverage in 2002, enrollees faced a 40 percent rise in monthly premiums and substantial cost-sharing increases for their health care.

#575 *Average Out-of-Pocket Health Care Costs for Medicare+Choice Enrollees Increase Substantially in 2002* (November 2002). Marsha Gold and Lori Achman, Mathematica Policy Research, Inc. This issue brief finds that higher cost-sharing burdens in Medicare+Choice plans weigh most heavily on those in poor health, whose out-of-pocket costs are estimated to rise 34 percent in 2002, compared with a 20 percent increase for those in good health.

California Seniors and Prescription Drugs (November 2002). Tricia Neuman, Michelle Kitchman, Teresa McMeans, Dana Gelb Safran, Wenjun Li, and Andrea Bowen. Copies of this report (#6058) are available from The Henry J. Kaiser Family Foundation, 1450 G Street, NW, Suite 250, Washington, DC 20005, Tel: 800-656-4533, <http://www.kff.org/content/2002/6058>.

#583 *Medicare Versus Private Insurance: Rhetoric and Reality* (October 9, 2002). Karen Davis, Cathy Schoen, Michelle Doty, and Katie Tenney. *Health Affairs* Web Exclusive. This article reports on a recent survey that finds that Medicare out-performs private sector plans in terms of patients' satisfaction with quality of care, access to care, and overall insurance ratings. Available online at <http://www.healthaffairs.org/WebExclusives/2106Davis.pdf>.

#579 *The Role of the Asset Test in Targeting Benefits for Medicare Savings Programs* (October 2002). Laura Summer and Robert Friedland, Center on an Aging Society, Georgetown University. This report outlines steps that states are taking to modify the Medicare Savings Programs asset tests to ensure that the neediest beneficiaries receive financial assistance.

#574 *Employer Health Coverage in the Empire State: An Uncertain Future* (September 2002). Heidi Whitmore, Kelley Dhont, Jeremy Pickreign, Jon Gabel, David Sandman, and Cathy Schoen. According to this report, the combination of a weak economy, higher unemployment, and rising health care costs is placing pressure on New York State employers to eliminate or scale back health benefits for workers, their dependents, and retirees.

#573 *Medicare's Disabled Beneficiaries: The Forgotten Population in the Debate over Drug Benefits* (September 2002). Betsy Briesacher, Bruce Stuart, Jalpa Doshi, Sachin Kamal-Bahl, and Dennis Shea. In this report from The Commonwealth Fund and the Henry J. Kaiser Family Foundation, the authors conclude that the 5 million disabled Americans under age 65 who are Medicare-eligible have few options other than Medicaid for obtaining prescription coverage, and that a Medicare drug benefit designed for the elderly will not suffice for the disabled unless their particular needs are assessed and addressed.

#562 *Medicare+Choice After Five Years: Lessons for Medicare's Future* (September 2002). Brian Biles, Geraldine Dallek, and Andrew Dennington, The George Washington University Medical Center. This field report argues that, five years later, Medicare+Choice has not become what program proponents had envisioned. While it was originally forecast that program enrollment would rise to 34 percent of total Medicare enrollment by 2005, the enrollment has now fallen from its 1997 level of 14 percent to just 13 percent.

#548 *Medicare+Choice in New York City: So Far, So Good?* (September 2002). Jennifer Stuber, Andrew Dennington, and Brian Biles. In this field report, the authors suggest that New York City's more than 200,000 elderly and disabled enrollees in Medicare+Choice plans—representing about 20 percent of all New York City Medicare beneficiaries—may soon begin to experience large-scale health plan withdrawals, premium increases, benefit reductions, and provider network instability, as have beneficiaries in most other markets.

#544 *Stretching Federal Dollars: Policy Trade-Offs in Designing a Medicare Drug Benefit with Limited Resources* (August 2002). Marilyn Moon and Matthew Storeygard, The Urban Institute. In this policy brief, the authors suggest that a modest Medicare prescription drug benefit could be crafted that provides some coverage to all beneficiaries while protecting those with low incomes and high out-of-pocket expenses.

Seniors and Prescription Drugs: Findings from a 2001 Survey of Seniors in Eight States (July 2002). Michelle Kitchman, Tricia Neuman, David Sandman, Cathy Schoen, Dana Gelb Safran, Jana Montgomery, and William Rogers. Copies of this report (#6049) are available from The Henry J. Kaiser Family Foundation, 1450 G Street, NW, Suite 250, Washington, DC 20005, Tel: 800-656-4533, <http://www.kff.org/content/2002/6049>.

Prescription Drug Coverage and Seniors: How Well Are States Closing the Gap? (July 31, 2002). Dana Gelb Safran, Patricia Neuman, Cathy Schoen, Jana E. Montgomery, Wenjun Li, Ira B. Wilson, Michelle S. Kitchman, Andrea E. Bowen, and William H. Rogers. *Health Affairs* Web Exclusive. Article available online only at <http://www.healthaffairs.org/WebExclusives/2105Safran.pdf>.

#530 *State Pharmaceutical Assistance Programs: Approaches to Program Design* (May 2002). Kimberley Fox, Thomas Trail, and Stephen Crystal, Rutgers Center for State Health Policy. State pharmacy assistance programs for Medicare beneficiaries help only a small proportion of the Medicare population—just 3 percent, or 1.2 million beneficiaries out of 39 million nationwide. According to the authors, a federal program is needed to fill this gap in coverage, and it should coordinate with the 28 state programs currently in place.

#538 *A Medicare Prescription Drug Benefit: Focusing on Coverage and Cost* (April 2002). Juliette Cubanski and Janet Kline. This issue brief, prepared for the 2002 Commonwealth Fund/Harvard University Bipartisan Congressional Health Policy Conference, discusses the significant policy challenge of designing an effective and politically viable Medicare prescription drug benefit. Available online only at www.cmwf.org.

#506 *Erosion of Private Health Insurance Coverage for Retirees: Findings from the 2000 and 2001 Retiree Health and Prescription Drug Coverage Survey* (April 2002). The Henry J. Kaiser Family Foundation, Health Research and Educational Trust, and The Commonwealth Fund. The survey profiles retiree health coverage for Medicare-age (65+) retirees, including the amount retirees pay for coverage compared to active workers, cost-sharing for prescription drugs, and eligibility requirements for retiree benefits. Available online only at www.cmwf.org.

#505 *Drug Coverage for Medicare Beneficiaries: Why Protection May Be in Jeopardy* (January 2002). Becky Briesacher, Bruce Stuart, and Dennis Shea. In this issue brief, the authors evaluate trends in prescription drug coverage for Medicare beneficiaries during the 1990s as a way to project their future coverage, costs, and needs. Based on data from 1993 to 1998, the projections indicate that beneficiary drug coverage most likely peaked in 1998 or shortly thereafter, and has been in decline ever since.

#473 *Coordinating Care for the Elderly: A Case Study of a Medicaid Long-Term Care Capitation Program in New York* (October 2001). Korbin Liu, Sharon K. Long, Matthew Storeygard, and Amanda Lockshin, The Urban Institute. According to the authors, a New York State demonstration program offering managed care to low-income adults who require long-term care appears to be enrolling more patients than previous programs and offering an expanded range of services.

#470 *Medicare+Choice: An Interim Report Card* (July/August 2001). Marsha Gold, Mathematica Policy Research, Inc. *Health Affairs*, vol. 20, no. 4. The author gives Medicare+Choice (M+C) a “barely passing grade,” noting disparities between what Congress intended under M+C and what was achieved. The author suggests that while operational constraints help explain experience to date, fundamental disagreements in Congress over Medicare’s future mean that dramatic growth in M+C was then, and remains now, highly unlikely.

#498 *Dynamics in Drug Coverage of Medicare Beneficiaries: Finders, Losers, Switchers* (March/April 2001). Bruce Stuart, Dennis Shea, and Becky Briesacher. *Health Affairs*, vol. 20, no. 2. The authors analyze the sources and stability of prescription coverage maintained by Medicare beneficiaries in 1995 and 1996. The results show that fewer than half of all beneficiaries had continuous drug coverage over this period, while nearly a third gained, lost, or had spells without coverage.

#382 *Drug Coverage and Drug Purchases by Medicare Beneficiaries with Hypertension* (March/April 2000). Jan Blustein. *Health Affairs*, vol. 19, no 2. This article shows that Medicare beneficiaries age 65 and older with high blood pressure are less likely to purchase hypertension medication if they are without drug coverage.

#348 *Long-Term Care in New York: Innovation in Care for Elderly and Disabled People* (September 1999). Susan Raetzman and Susan Joseph. This issue brief reviews the programs New York has established to improve the delivery and effectiveness of care to New Yorkers with long-term care needs.

#264 *The Commonwealth Fund Survey of Health Care in New York City* (March 1998). David R. Sandman, Cathy Schoen, Catherine DesRoches, and Meron Makonnen. This survey of more than 4,000 New York City residents, conducted by Louis Harris and Associates, Inc., found that a New Yorker was 50 percent more likely to be uninsured than the average American, that the vast majority of the City’s uninsured live in working families and have low incomes, and that the City’s public hospitals, emergency rooms, and clinics provide an important safety net for the uninsured.

