



NEWS RELEASE

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Survey: Majority of Health Care Opinion Leaders Say Medicare Part D Helps Beneficiaries, But Changes Are Needed

*Respondents Agree with Policies to Reduce Complexity,
Change Benefit Structure, Improve Low-Income Benefit*

New York City, July 14, 2006—Two-thirds of respondents to the latest Commonwealth Fund Health Care Opinion Leaders Survey agree (strongly agree or agree) that enactment of Part D was on balance good for beneficiaries, but majorities also support basic changes to the law. Opinion leaders in the business/insurance/other health care industry sector were most supportive of the law, with 95% agreeing it was good for beneficiaries, while 56% to 67% of respondents in academic/research institutions, health care delivery, or other sectors said it was good for beneficiaries.

Fewer than one-third (30%) of respondents agreed that making Medicare drug coverage available only through private plans was, on balance, good for beneficiaries. About one-third (36%) agree that the current benefit structure—including a “coverage gap” during which most enrollees are responsible for all of their covered costs—will, on balance, help beneficiaries who are most vulnerable to high drug costs.

Respondents were asked about approaches to address problems with the structure and complexity of the benefit, with majorities voicing support for several proposed changes. Just 8 percent of all respondents favored leaving the deadline and penalty for late enrollment in place, although 22 percent of the business/insurance/other health care industry sector respondents favored this option. Fifty-one percent of all respondents favor extending the enrollment deadline and removing the penalty, while 39 percent favor leaving the deadline in place, but allowing people to enroll in the program next year without penalty (39%).

Three-fourths (77%) of respondents agreed that benefits should be more standardized to reduce variation among plans, and 69 percent said better information on cost-sharing and formulary structure should be provided to beneficiaries. Only 2 percent said the system should be left as it is.

In a commentary on the survey findings, “[The Medicare Modernization Act at Midyear](#),” John Rother, Group Executive Officer of Policy and Strategy for AARP says “Part D is really helping millions of people afford prescription drugs,” but also notes that to date, Part D has fallen short in providing generous coverage to people with limited incomes, and recommends changes such as eliminating the asset test and simplifying the application

process for the low-income subsidy.

In another commentary, "[Medicare Part D: A Successful Public-Private Partnership](#)," Karen Ignagni, President and CEO of America's Health Insurance Plans (AHIP), says the drug benefit is "one of this country's most remarkable success stories," adding that "there is more to be done, for example: Ensuring that the asset test does not arbitrarily exclude low-income beneficiaries from participating in the Part D subsidy; ensuring that every beneficiary has the coverage most appropriate for his or her needs; repealing the "lock-in" requirement to allow beneficiaries to enroll in a Medicare Advantage plan secure in the knowledge that they can change their mind if it is not the right delivery system for them."

Majorities of the 180 survey respondents favor (strongly favor or favor) additional policy changes in the Medicare drug benefit:

- 79 percent favor allowing plans to offer coverage through the coverage gap as an option to the enrollee, with an additional premium, without pushing back the catastrophic threshold.
- 71 percent favor filling in the donut hole by some combination of increased co-payments and additional government funding.
- 62 percent favor raising the income level needed to qualify for a low-income subsidy.
- 57 percent favor eliminating the asset test needed to qualify for a low-income subsidy.
- 78 percent favor offering a comprehensive benefits option that combines all Medicare benefits in one package as an alternative to having to supplement basic Medicare coverage with both private drug plan coverage and Medigap insurance.
- 64 percent favor offering an alternative option for prescription drug coverage through the traditional Medicare program, in addition to private plans under Part D.
- 82 percent favor giving Medicare the authority to negotiate drug prices.

The online survey of experts, representing a range of health care sectors and diverse perspectives, is the eighth in a bimonthly series conducted by Harris Interactive for the Commonwealth Fund, designed to highlight health care opinion leaders' perspectives on the most important and timely health policy issues facing the nation. This survey focused on an assessment of the Medicare Part D prescription drug benefit.

Methodology: The online survey was conducted by Harris Interactive between June 1, 2006 and June 19, 2006. The survey was delivered via e-mail to a panel of 1246 opinion leaders in health policy and innovators in health care delivery and finance; 180 responded. The sample was developed jointly by The Commonwealth Fund and Harris Interactive by identifying experts across different health care industries and professional sectors with a range of perspectives, and then asking them to nominate others within and outside their own fields whom they would consider to be leaders and innovators in the health care industry. The data were not weighted and are representative of the opinion leaders and innovators surveyed. The overall results have a sampling error of plus or minus 3 percentage points at the 95 percent confidence level. This online sample is not a probability sample.

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