



## **The Public On Prescription Drugs For Seniors**

### *Historical Support for A Medicare Prescription Drug Benefit*

Historically, Medicare has not provided coverage for outpatient prescription drugs. Given the important role prescription drugs play in health care, and the rising costs associated with them, different proposals to add a drug benefit to Medicare have been proposed in the past. The most recent - the Medicare Modernization Act – passed in 2003 and created Medicare Part D, an outpatient prescription drug benefit set to go into effect in January 2006.

In the period leading up to passage of this law, there was overwhelming support for the addition of a prescription drug benefit to Medicare ([http://www.kff.org/healthpollreport/apr\\_2005/1.cfm](http://www.kff.org/healthpollreport/apr_2005/1.cfm)), and this support was consistent despite the cost of adding such coverage ([http://www.kff.org/healthpollreport/apr\\_2005/2.cfm](http://www.kff.org/healthpollreport/apr_2005/2.cfm)).

### *Seniors' Views on the New Prescription Drug Benefit*

Seniors' views of the new prescription drug benefit are mixed. Between February 2004 and December 2004, around four to five in ten seniors have said they have an unfavorable impression of the new law, compared with about two to three in ten who said they have a favorable impression. In April 2005, more seniors still say they have an unfavorable impression (34%) than a favorable impression (21%) of the new prescription drug benefit, but nearly half have a neutral impression or don't know (45%) ([http://www.kff.org/healthpollreport/apr\\_2005/3.cfm](http://www.kff.org/healthpollreport/apr_2005/3.cfm))

Seniors are also more likely than their younger counterparts to have an unfavorable impression (34% versus 24% of adults 18-64) of the benefit. Despite their somewhat negative view, in November 2004, seniors overwhelmingly said that lawmakers in Washington should fix the problems with the law (70%) as opposed to repealing it (12%) ([http://www.kff.org/healthpollreport/apr\\_2005/6.cfm](http://www.kff.org/healthpollreport/apr_2005/6.cfm)).

Overall, seniors expect the new benefit will be at least somewhat helpful for people on Medicare. More than half (57%) say it will be helpful for a typical person on Medicare, and larger shares say the benefit will be helpful for people on Medicare with no drug coverage (71%) and low-income people (70%). On the other hand, seniors are less sure the drug benefit will help them personally: 37% say it will be helpful and 44% say it will not be helpful to them personally ([http://www.kff.org/healthpollreport/apr\\_2005/7.cfm](http://www.kff.org/healthpollreport/apr_2005/7.cfm)).

With 7 months to go before seniors begin deciding whether to enroll in a Medicare drug plan, there are gaps in seniors' understanding of the benefit. About two-thirds (68%) say that they do not have a good understanding of the new benefit ([http://www.kff.org/healthpollreport/apr\\_2005/9.cfm](http://www.kff.org/healthpollreport/apr_2005/9.cfm)) and that they do not have enough information to understand how the benefit will impact them personally (66%) ([http://www.kff.org/healthpollreport/apr\\_2005/8.cfm](http://www.kff.org/healthpollreport/apr_2005/8.cfm))

For help in making this decision, seniors are more likely to say they would turn to their doctor (49%) or pharmacist (33%) than to Medicare information sources (23%) ([http://www.kff.org/healthpollreport/apr\\_2005/10.cfm](http://www.kff.org/healthpollreport/apr_2005/10.cfm)). However, more than half of seniors (53%) are aware of Medicare's information hotline 1-800-MEDICARE and more than one-third

(36%) of seniors have heard of the Medicare website - Medicare.gov  
([http://www.kff.org/healthpollreport/apr\\_2005/11.cfm](http://www.kff.org/healthpollreport/apr_2005/11.cfm))

At this point, few seniors say they are planning to enroll in a new drug plan: less than one in ten (9%) say they will enroll, while nearly four in ten (37%) say they will not. The majority of seniors say they either haven't heard enough to decide (47%) or don't know (7%) whether they will enroll in 2006 ([http://www.kff.org/healthpollreport/apr\\_2005/12.cfm](http://www.kff.org/healthpollreport/apr_2005/12.cfm))

### ***Other Government Policies To Reduce Prescription Drug Costs***

Besides the new prescription drug benefit, there continues to be strong support for other government policies that aim to lower prescription drug prices. A majority (77%) of the public supports the ideas of Congress allowing Americans to buy prescription drugs imported from Canada, and allowing the federal government to negotiate with drug companies for lower prices on prescription drugs for people on Medicare ([http://www.kff.org/healthpollreport/apr\\_2005/13.cfm](http://www.kff.org/healthpollreport/apr_2005/13.cfm)). Behind such strong support is the belief that these policies would lower drug costs – nearly eight in ten (79%) adults believe each policy would reduce drugs costs in the U.S. “a lot” or “some” ([http://www.kff.org/healthpollreport/apr\\_2005/15.cfm](http://www.kff.org/healthpollreport/apr_2005/15.cfm))

The argument that these policies will lead drug companies to do less research and development does not resonate with most Americans: seven in ten (70%) do not believe importing drugs from Canada would impact research and 57% don't think government price negotiation would lead to less research and development of drugs ([http://www.kff.org/healthpollreport/apr\\_2005/13.cfm](http://www.kff.org/healthpollreport/apr_2005/13.cfm)).

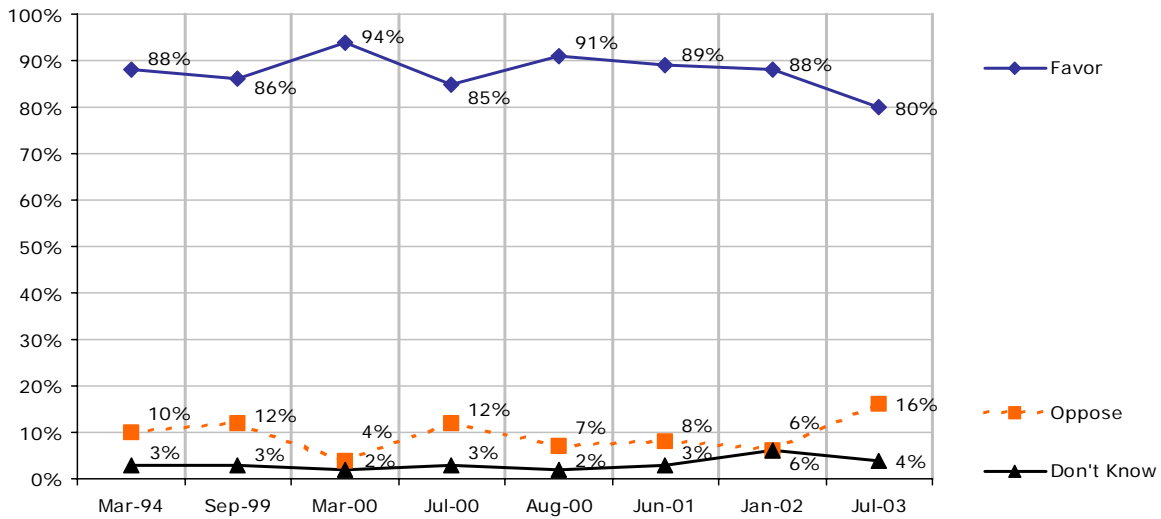
For more information about the Medicare Prescription Drug Benefit, please visit:  
<http://www.kff.org/medicare/rxdrugdebate.cfm>

**1. Historical Support For Addition of Prescription Drug Benefit to Medicare**

Historically, Medicare has not included coverage for outpatient prescription drugs. Given the important role of prescription drugs in health care, and the rising costs of these drugs, several proposals to add a drug benefit to Medicare have been proposed in the past. The most recent - the Medicare Modernization Act - passed in 2003 and created Medicare Part D – an outpatient prescription drug benefit.

In the period leading up to passage of the Medicare Modernization Act, there was overwhelming support for the addition of a prescription drug benefit to Medicare. Between eight and nine in ten Americans supported providing prescription drug coverage for seniors through Medicare, and this support was very consistent over time.

**Historical Support for Addition of Prescription Drug Benefit to Medicare**

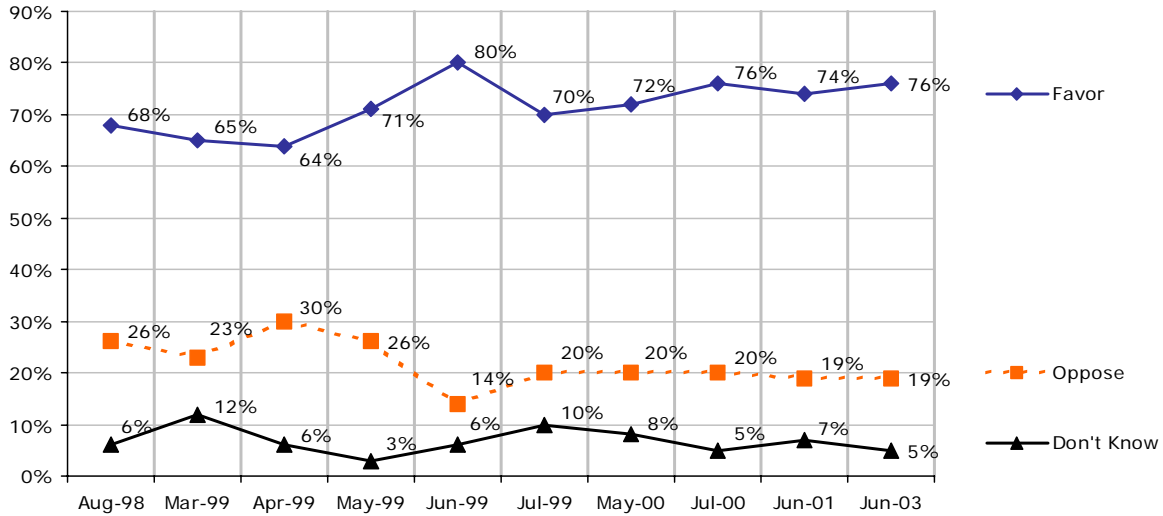


Source: Kaiser Family Foundation *Health Poll Report*

## 2. Historical Support For Drug Benefit Even if Costs Increase

Support for adding a prescription drug benefit to Medicare remained high despite the cost of adding such coverage. Between 1998 and 2003, roughly 7 in 10 Americans supported expanding coverage even when the cost of adding such a benefit was mentioned. In June 2003, 6 months before the law was passed, more than three-quarters of Americans supported expanding Medicare to provide coverage for seniors, even when the cost to government of \$400 billion was mentioned.

### Historical Support for Drug Benefit Even If Costs Increase



Source: Kaiser Family Foundation *Health Poll Report*

### 3. Current Views Of Medicare Prescription Drug Law

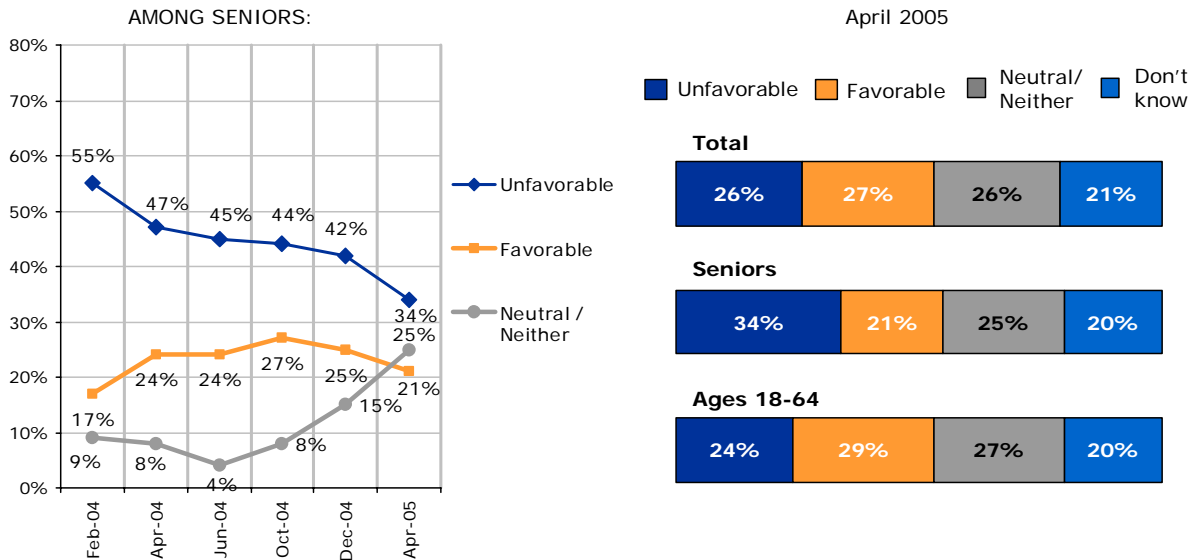
Seniors' views of the new prescription drug benefit are mixed. Between February 2004 and December 2004, around four to five in ten seniors have said they have an unfavorable impression of the new law, compared with around two to three in ten seniors who said they have a favorable impression.

In April 2005, since the law has passed, the question changed from asking impressions of the "new Medicare law" to asking about the "new Medicare prescription drug benefit". More seniors still say they have an unfavorable impression (34%) than a favorable impression (21%) of the new prescription drug benefit, but nearly half either have a neutral impression (25%) or don't know about the benefit (20% - data not shown).

Seniors are more likely than their younger counterparts to have an unfavorable impression: in April 2005, about one-third (34%) of adults age 65 and over say they have a unfavorable impression of the new benefit, compared with about one-quarter (24%) of adults under 65.

#### Current Views of the Medicare Prescription Drug Benefit

Given what you know about it, in general, do you have a favorable or unfavorable impression of this new Medicare prescription drug benefit?\*



\*Note: Feb-04 to Dec-04 responses based on the question "Given what you know about it, in general, do you have a favorable or unfavorable impression of this new Medicare law"; Don't know responses not shown

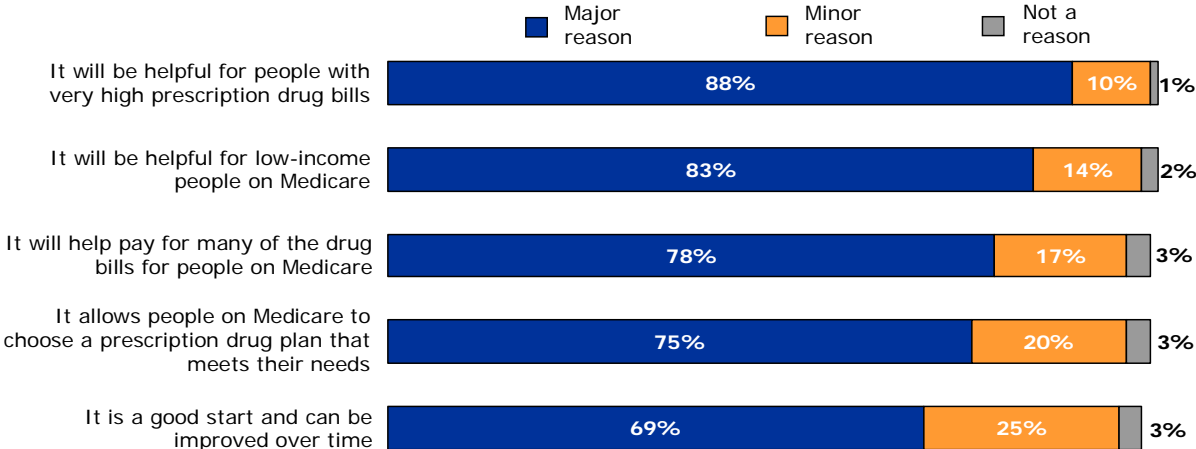
Source: Kaiser Health Poll Report

### 4. Reasons For Favorable Impression

Among the 27% of the public who said they have a favorable impression of the new Medicare drug benefit, large majorities said a major reason for their favorable impression is that the benefit would be helpful to people on Medicare.

#### Reasons For Favorable Impression

Among the 27% of the public who say they have a favorable impression of the new Medicare prescription drug benefit: Percent who say each of the following is a major, minor or not a reason for their impression..



\* Don't know responses not shown

Source: Kaiser Family Foundation *Health Poll Report Survey* (conducted Mar. 31-April 3, 2005)

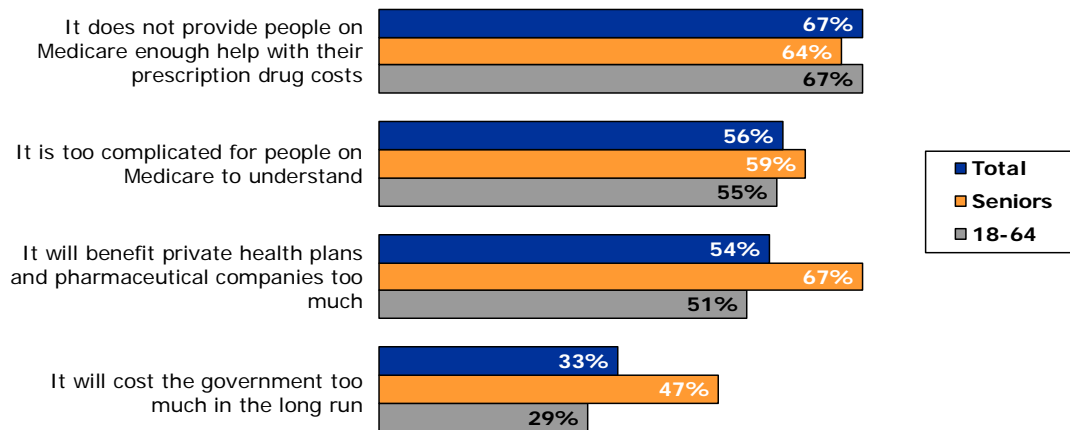
## 5. Reasons For Unfavorable Impression

Among the 26% of the public who said they have an unfavorable impression, the most commonly cited complaint is that the benefit doesn't do enough to help seniors with drug costs (67%). Fewer people cite the costs of the program to the government as a reason for their unfavorable impression (33%).

Seniors cite slightly different reasons for having an unfavorable impression of the new law. Seniors are more likely than younger adults to say that the new plan will benefit private health plans and pharmaceutical companies (67% versus 51%), and that the benefit will cost the government too much in the long run (47% versus 29%).

### Reasons For Unfavorable Impression

Among the 26% of the public who say they have a unfavorable impression of the new Medicare prescription drug benefit: Percent who say each of the following is a **major** reason for their impression..



\* Don't know responses not shown

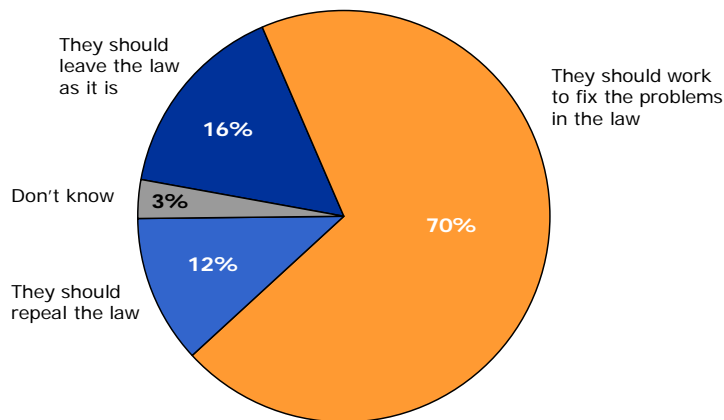
Source: Kaiser Family Foundation *Health Poll Report Survey* (conducted Mar. 31-April 3, 2005)

## **6. Seniors Think Law Should Be Fixed, Not Repealed**

Despite seniors somewhat negative view of the Medicare prescription drug benefit, in November 2004, seniors overwhelmingly said that lawmakers in Washington should work to fix the problems with the law (70%) as opposed to repealing it (12%). About one in six (16%) said lawmakers should leave the law as it is.

### **Seniors Think Law Should Be Fixed, Not Repealed**

Which of the following comes closest to your view of what lawmakers in Washington should do with the new Medicare law?



Source: Kaiser/Harvard *Health Care Agenda for the New Congress* (conducted November 4 – 28, 2004)

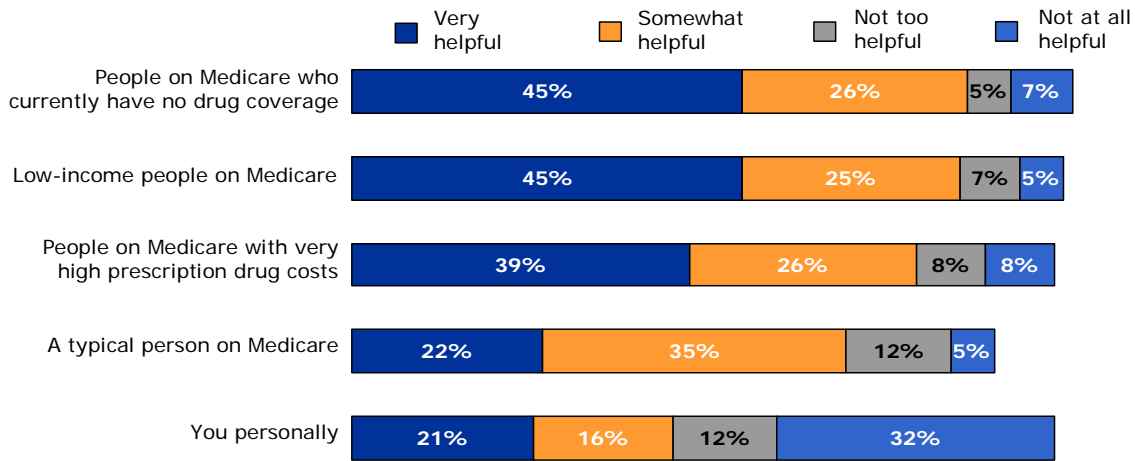
**7. Seniors’ Perceived Helpfulness Of New Medicare Drug Benefit**

Thinking about the prescription drug benefit that will go into effect in January 2006, majorities of seniors expect the new benefit will be at least somewhat helpful for people on Medicare. Over half (57%) say it will be “somewhat” or “very” helpful for a typical person on Medicare, and even more so think the benefit will be helpful for people on Medicare with no drug coverage (71%) and low-income people (70%)

Seniors are less sure the benefit will help them personally; just over two in ten (21%) say the benefit will be “very” helpful, while over three in ten (32%) say it will not be helpful at all to them personally.

**Seniors’ Perceived Helpfulness Of New Medicare Drug Benefit**

AMONG SENIORS: How helpful do you think the new Medicare benefit will be for the following people?



Don't know responses not shown

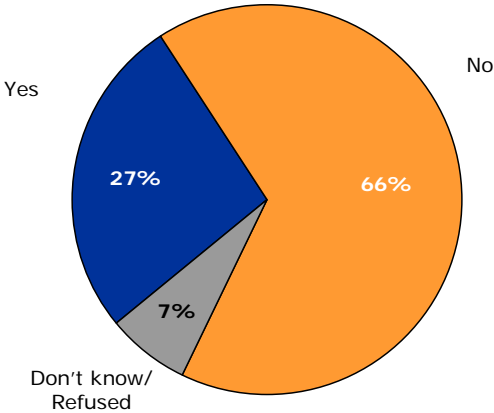
Source: Kaiser Family Foundation *Health Poll Report Survey* (conducted Mar. 31-April 3, 2005)

**8. Seniors' Understanding Of Personal Impact**

In April 2005, with 7 months to go before seniors begin deciding whether to enroll in a Medicare drug plan, nearly two-thirds of seniors (66%) say they do not have enough information to understand how the new benefit will impact them personally. Just over one-quarter (27%) feel they have enough information about the new prescription drug benefit.

**Seniors' Understanding Of Personal Impact**

AMONG SENIORS: Do you feel you have enough information about the benefit to understand how it will impact you personally, or not?\*



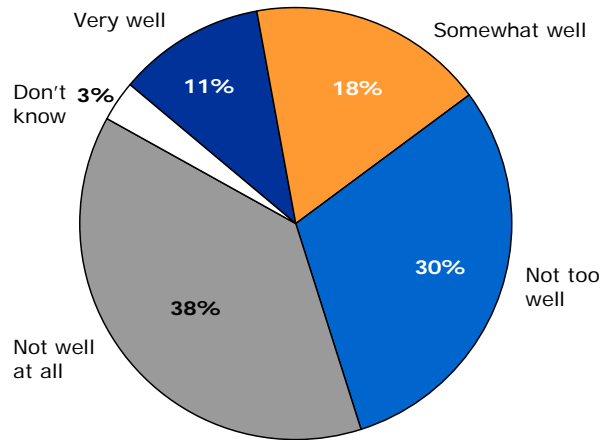
Source: Kaiser Family Foundation *Health Poll Report Survey* (conducted Mar. 31-April 3, 2005)

**9. Seniors' Understanding Of New Medicare Prescription Drug Benefit**

Currently, with the new Medicare prescription drug benefit set to go into effect in January 2006, nearly seven in ten (68%) seniors say they do not have a good understanding of the new benefit. About three in ten (29%) adults over 65 say they understand the new benefit at least "somewhat" well.

**Seniors' Understanding Of New Medicare Prescription Drug Benefit**

As you may know, beginning in 2006 there will be a new prescription drug benefit that will give all people on Medicare the option of enrolling in a Medicare drug plan. How well would you say you understand this new benefit?



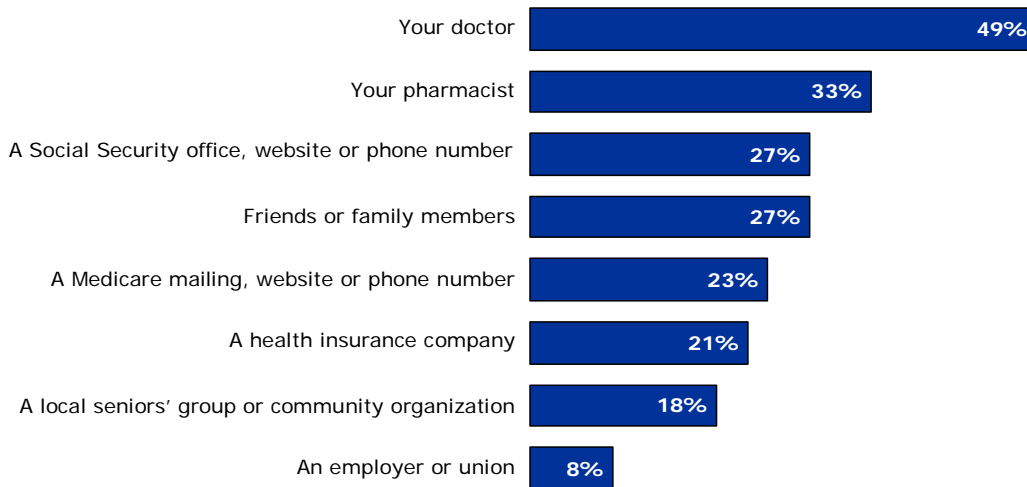
Source: Kaiser Family Foundation *Health Poll Report Survey* (conducted Mar. 31-April 3, 2005)

## **10. Seniors' Sources Of Information About New Medicare Drug Benefit**

Beginning in November 2005, seniors will face the task of deciding whether or not to enroll in a Medicare drug plan with coverage beginning in January 2006. For help in making this decision, seniors say they are more likely to turn to their doctor or pharmacist than to Medicare information sources. Nearly half of seniors (49%) say they would be "very" likely to turn to their doctor for information. More seniors say they would be very likely to turn to their doctor, pharmacist (33%), a Social Security resource (27%) or friends and family (27%) than to Medicare (23%) for help in deciding whether to enroll in a Medicare drug plan.

### **Seniors' Sources Of Information About New Medicare Drug Benefit**

AMONG SENIORS: Percent who say they would be very likely to turn to each of the following for help in deciding whether to enroll in a Medicare drug plan...



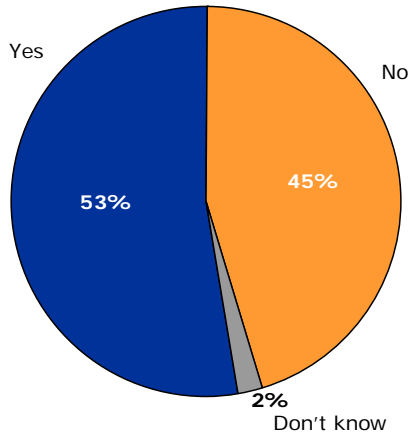
Source: Kaiser Family Foundation *Health Poll Report Survey* (conducted Mar. 31-April 3, 2005)

### **11. Seniors' Reported Awareness Of Medicare Information Sources**

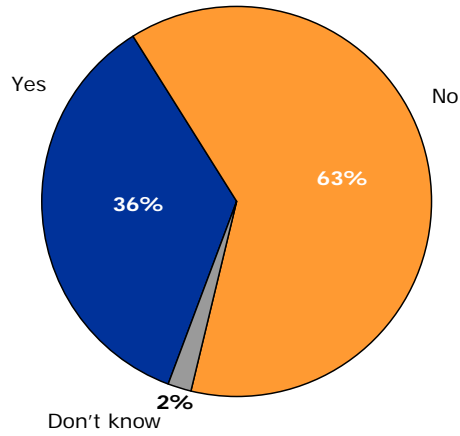
More than half (53%) of seniors have heard of Medicare's toll-free phone number, 1-800-MEDICARE, while 45% are not familiar with the information hotline. Just over a third (36%) of seniors have heard the Medicare's website, Medicare.gov, while more than six in ten (63%) have not.

#### **Seniors' Reported Awareness Of Medicare Information Sources**

AMONG SENIORS: Have you heard of a toll-free phone number set up by the government, 1-800-MEDICARE, that you can call to get information about Medicare?



AMONG SENIORS: Have you heard of the website Medicare.gov?



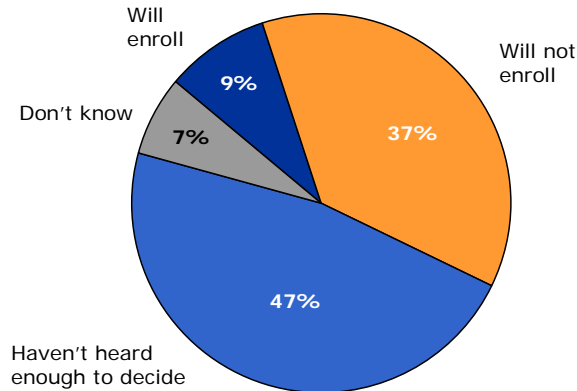
Source: Kaiser Family Foundation *Health Poll Report Survey* (conducted March 31 – April 3, 2005)

## **12. Seniors' Plans For Enrollment in 2006**

In April 2005, with 9 months to go before the new benefit goes into effect and 7 months before enrollment begins, half of seniors have not decided whether to enroll in the new prescription drug benefit. Fewer than one in ten (9%) of seniors say they plan to enroll in a Medicare drug plan, while nearly four in ten (37%) say they will not. The majority of seniors say they either haven't heard enough to decide (47%) or don't know (7%) whether they will enroll in 2006.

### **Seniors' Plans For Enrollment in 2006**

AMONG SENIORS: Thinking ahead to 2006--when the new Medicare drug benefit becomes available--do you think you will enroll in a Medicare drug plan, you will not enroll in a Medicare drug plan, or have you not yet heard enough to decide?



Source: Kaiser Family Foundation *Health Poll Report Survey* (conducted Mar. 31-April 3, 2005)

### 13. Support For Government Policies - Importation

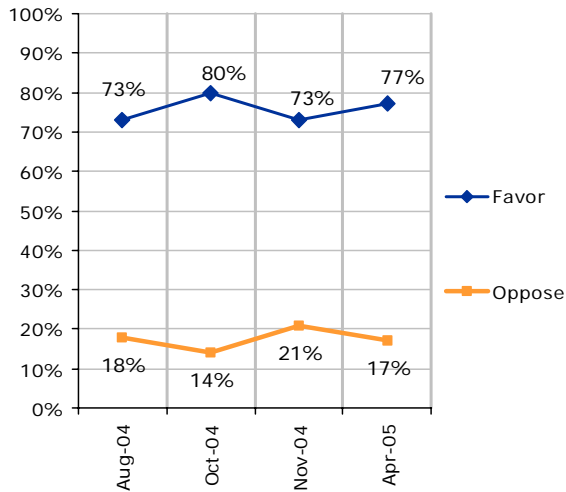
There is strong support for other government policies that aim to lower prescription drug prices. A majority (77%) of the public supports the idea of Congress allowing Americans to buy prescription drugs from pharmacies in Canada; fewer than two in ten (17%) oppose this proposal. These findings have been consistent since August 2004.

Seven in ten (70%) adults view importation as a way to make medicines more affordable without sacrificing safety and quality; one-quarter (24%) disagree with this view. Nearly two-thirds (65%) do not think importing drugs from Canada will expose Americans to unsafe medications, though three in ten (30%) believe imported drugs may pose a safety risk.

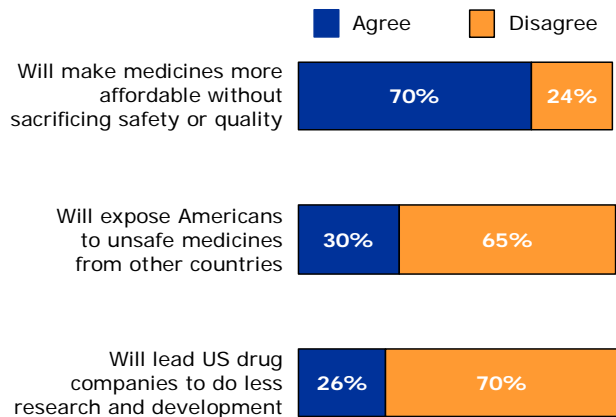
The argument that importing drugs from Canada will lead drug companies to do less research and development does not resonate with most Americans (70% disagree with this argument; just over one-quarter (26%) agree).

#### Support For Government Policies - Importation

Do you favor or oppose Congress changing the law to allow Americans to buy prescription drugs imported from Canada if they think they can get a lower price?



Percent saying they agree/disagree that allowing Americans to buy prescription drugs imported from Canada... (Apr 2005)



Source: Kaiser Family Foundation *Health Poll Report*

**14. Support For Government Policies – Negotiation**

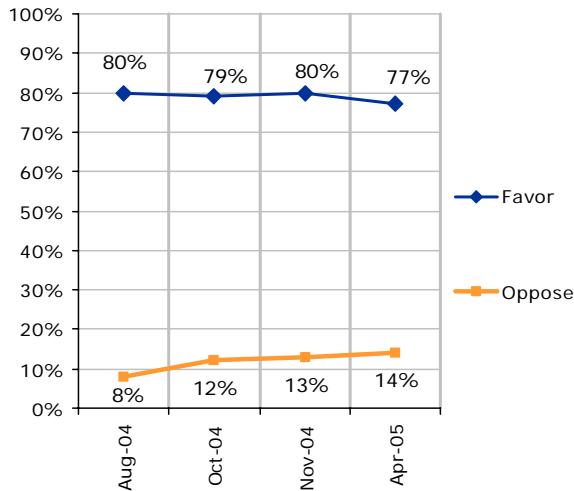
Nearly eight in ten (77%) adults support the idea of Congress allowing the federal government to use its buying power to negotiate with drug companies for lower prices on prescription drugs for people on Medicare. One in seven (14%) adults oppose this idea. Support for this policy has been consistently strong since August 2004.

Nearly eight in ten (78%) adults view government negotiation of prices as a way to make medicines more affordable for people on Medicare and almost seven in ten (68%) say this plan makes sense because the government already negotiates prices for other groups such as the Defense Department and Veteran’s Administration.

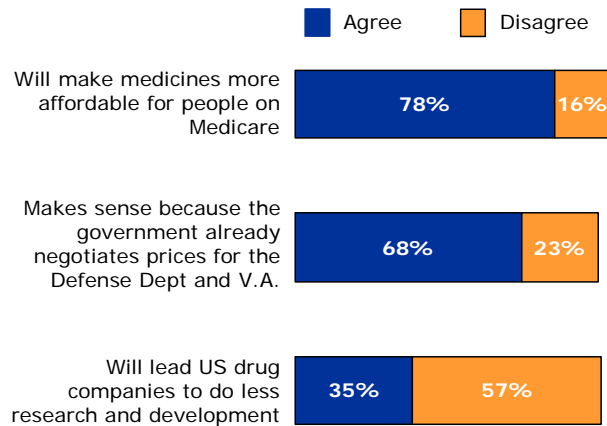
Views are somewhat mixed on the argument that allowing the government to negotiate drug prices will lead drug companies to do less research and development: nearly six in ten (57%) adults disagree with this argument, while fewer than four in ten (35%) agree.

**Support For Government Policies - Negotiation**

Do you favor or oppose Congress changing the law to allow the federal government to use its buying power to negotiate with drug companies to try to get a lower price for prescription drugs for people on Medicare?



Percent saying they agree/disagree that allowing the federal government to negotiate with drug companies for lower prices... (Apr 2005)



Source: Kaiser Family Foundation *Health Poll Report*

### 15. Perceived Impact of Government Policies On Prices

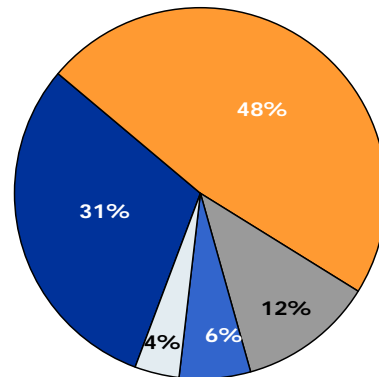
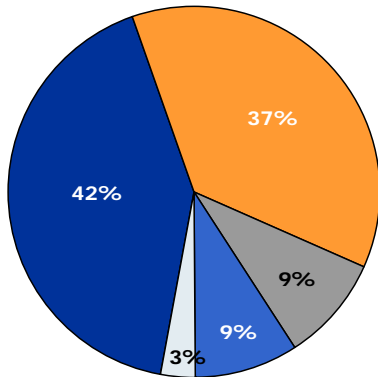
Behind the strong support for measures such as prescription drug importation and government price negotiation is the belief that these policies would lower drug costs in the U.S. Around eight in ten say that importing prescription drugs from Canada (79%) and allowing the federal government to negotiate prices with drug companies (79%) would help to reduce prescription drug costs “a lot” or “some”. Fewer than two in ten disagree with these views, saying importation (18%) and negotiation (18%) would reduce costs “not much” or “not at all”.

#### Perceived Impact of Government Policies On Prices

If Congress changed the law to allow Americans to buy prescription drugs imported from Canada, how much do you think this would help in reducing prescription drug costs in the U.S.?

If Congress changed the law to allow the federal government to negotiate with drug companies, how much do you think this would help in reducing prescription drug costs in the U.S.?

■ A lot      ■ Some      ■ Not much      ■ Not at all      ■ Don't know



Source: Kaiser Family Foundation *Health Poll Report Survey* (conducted March 31 – April 3, 2005)