
Summary and Chartpack



**HARVARD
SCHOOL OF
PUBLIC HEALTH**

The Kaiser Family Foundation/Harvard School of Public Health

Views of the New Medicare Drug Law: A Survey of People on Medicare

August 2004

Methodology

The Kaiser Family Foundation/Harvard School of Public Health *Views of the New Medicare Drug Law: A Survey of People on Medicare* was designed and analyzed by researchers at the Kaiser Family Foundation and Harvard School of Public Health. The Kaiser/Harvard survey research team included Mollyann Brodie, Ph.D., Tricia Neuman, Ph.D., Elizabeth Hamel, and Michelle Kitchman from the Kaiser Family Foundation; and Professor Robert Blendon, Sc.D., and John Benson, M.A. of the Harvard School of Public Health.

Fieldwork was conducted by telephone by ICR/International Communications Research between June 16 and July 21, 2004, among a sample of 1,223 total respondents. The survey included a nationally representative random sample of 973 respondents 65 years of age and older, including an oversample of African American respondents in this age group (a total of 203 African American respondents ages 65 and older were interviewed). A separate sample of 250 respondents ages 18-64 with physical and/or mental disabilities who receive Medicare was also interviewed. The disabled sample was drawn from a nationally representative survey of households contacted between June 2002 and January 2003 that was screened to identify households with an adult, aged 18-64, who receives disability payments through the SSI or SSDI program and/or considers him or herself disabled. This sample was then re-screened to include those people with disabilities who are covered by Medicare. Results for all groups have been weighted to reflect the actual distribution in the nation.

The margin of sampling error for the survey is plus or minus 4 percentage points for total respondents; for respondents age 65 and older it is plus or minus 4 percentage points; and for non-elderly respondents with disabilities it is plus or minus 10 percentage points. For results based on subsets of respondents the margin of error is higher. Note that sampling error is only one of many potential sources of error in this or any other public opinion poll.

“Vol.” indicates that a response was volunteered by respondent, not an explicitly offered choice. Percentages may not always add up to 100% due to rounding.

Full question wording and results are available separately at www.kff.org

SECTION I. REACTIONS TO THE NEW LAW AND IMPLICATIONS FOR IMPLEMENTATION

More people on Medicare have an unfavorable than a favorable impression of the new Medicare law, with the main reason for their unfavorable impression being that the law does not provide people on Medicare enough help with their drug costs.

- Nearly half (47%) of seniors and non-elderly people with disabilities on Medicare say they have an unfavorable impression of the new Medicare law, while just over a quarter (26%) say they have a favorable impression, and another quarter (26%) say they don't know enough to offer an opinion. Men (33%) are somewhat more likely to have a favorable impression of the new law than women (22%), and Republicans (38%) are more likely to have a favorable impression than Democrats (21%) or Independents (23%) (Chart 1). People on Medicare who are most likely to benefit from the new law (i.e. those with low incomes and those who currently lack prescription drug coverage) report impressions that are similar to those of all people on Medicare.
- The negative views toward the new Medicare law are in sharp contrast to how people on Medicare view the Medicare program itself. While just over a quarter (26%) say they have a favorable impression of the law, nearly three-quarters (73%) say they have a favorable opinion of Medicare.
- The 26% of people on Medicare who say they have a favorable impression of the new Medicare law cite many reasons, including that the law will help pay many of the prescription drug bills for people on Medicare (78% of those with a favorable impression, or 20% of people on Medicare overall, say this is a major reason), it will be helpful for people with high drug bills (78% of those with a favorable impression, or 20% overall), it will help low-income people on Medicare (77% of those with a favorable impression, or 20% overall), it allows people on Medicare to choose a drug plan that best meets their needs (64% of those with a favorable impression, or 17% overall), and it is a good start and can be improved over time (58% of those with a favorable impression, or 15% overall) (Chart 2).
- Among the 47% who have an unfavorable impression of the law, the most frequently cited reason is that it does not provide enough help with drug costs for people on Medicare (81% of those with an unfavorable impression, or 39% of people on Medicare overall, say this is a major reason). Other reasons include that the law is too complicated for people on Medicare to understand (72% of those with an unfavorable impression, or 34% overall), and it will benefit private health plans and pharmaceutical companies too much (69% of those with an unfavorable impression, or 33% overall). The long-term cost of the law to government ranked lower as a reason for unfavorable impressions (34% of those with an unfavorable impression, or 16% overall say this is a major reason) (Chart 3).
- Nearly half of people on Medicare (47%) say they think the new law will do more to benefit prescription drug companies, while a third (32%) say it will do more to benefit people on Medicare.

While a majority thinks the law will be helpful for most people on Medicare, they don't think the law will be very helpful for them personally. Low-income people on Medicare and those who currently have no drug coverage are the groups most likely to be helped by the new law, yet these groups are no more likely than others to feel that the law will help them personally. Despite their unfavorable impressions, few people on Medicare say they are angry or enthusiastic about the new law.

- While a majority says the new Medicare law will be very or somewhat helpful for people on Medicare with very high prescription drug costs (53%), and for “a typical person on Medicare” (53%), about three in ten (29%) say the new law will be very or somewhat helpful for them personally (Chart 4).
- While nearly two-thirds (64%) of people on Medicare overall say that the new law will be very or somewhat helpful for low-income people on Medicare, those with annual incomes of less than \$20,000 (59%) are less likely than those earning \$40,000 or more (72%) to say so. In addition, while six in ten (60%) people on Medicare overall say the law will be very or somewhat helpful for people on Medicare who currently have no drug coverage, those who have no drug coverage (56%) are just about as likely as those who currently have coverage (62%) to say the law will be helpful for this group.
- Low-income people on Medicare (33%) and those with no current drug coverage (31%) are just about as likely as people on Medicare overall to say the law will be helpful for them personally. Disabled people under age 65 on Medicare are more likely than seniors to say the law will be very or somewhat helpful for them personally (40% vs. 27%) (Chart 4).
- When asked which comes closest to how they feel about the new law, 2% of seniors and people under age 65 with disabilities on Medicare say they are enthusiastic, three in ten (31%) say they are satisfied but not enthusiastic, four in ten (41%) say they are dissatisfied but not angry, and one in ten (10%) say they are angry about the new law (Chart 5).

Like we've seen on past surveys, people on Medicare are not terribly knowledgeable about the new Medicare law, and they don't feel they understand it well. While nearly a quarter say they are confused by the new law, most say that they haven't heard enough to say whether it's confusing.

- About one in five (21%) say they have heard or read “a lot” about the new Medicare law, more than a third (35%) say they have heard or read “some,” and more than four in ten (43%) say they have heard or read “not much” or “nothing at all” about the new law (Chart 6).
- Six in ten people on Medicare (60%) say they don't have enough information about the new law to understand how it will impact them personally, and more than half (56%) say they understand the new law “not too well” or “not well at all.” (Chart 6)
- While nearly a quarter (23%) say they are confused by the new law, a similar share (21%) say they are not confused, and a majority (54%) say they haven't heard enough to say whether it's confusing.
- Lack of awareness also exists when it comes to some specific aspects of the new law. Among those people on Medicare who currently have drug coverage through Medicaid, the vast majority (90%) say they were not aware that in 2006, people who are on both Medicare and Medicaid will get their prescription drug benefits from Medicare instead of Medicaid (Chart 7).

Four in ten people on Medicare say they have seen television advertisements about the new Medicare law in the previous month, and the same share have seen news coverage of the law. Most of those who saw ads say that they were mixed or positive towards the law, and most of those who saw coverage say it was mixed.

- Four in ten (42%) people on Medicare say they saw any television advertisements about the Medicare law in the previous month. Among those who say they saw ads, about half (47%) say the ads were mixed, while a third (34%) say they were generally positive towards the law, and nine percent say they were generally negative towards the law (Chart 8).
- Similarly, four in ten (41%) say they saw any news coverage about the new Medicare law in the previous month. About six in ten of those who saw they saw coverage (59%) say the coverage was mixed, while 18% of this group say coverage was generally positive towards the law, and 17% say it was generally negative (Chart 9).

People on Medicare have mixed views of the discount card program. Most say the discount cards aren't worth the trouble, though a majority thinks they will be at least somewhat helpful for people on Medicare. A quarter of people on Medicare report that they have either already signed up for a Medicare-approved drug discount card, or they plan to sign up for a card this year. Among those who don't plan to sign up, most say the reasons are that they already have other discount cards or coverage for prescription drugs, or that they don't think the cards will save them money.

- When asked their opinion of the new Medicare-approved discount cards, more than half (53%) agree that they “aren’t worth the trouble because they don’t do enough to help people with their drug costs and are too confusing to use,” while about a third (34%) say they are “worthwhile because they give people on Medicare immediate help before the full drug benefit is available, and provide another way to cut their drug costs.” Non-elderly people with disabilities on Medicare (41%) and Republicans (39%) are less likely to say that the cards aren’t worth the trouble (Chart 10).
- Nine percent of people on Medicare say they currently have or have signed up for a Medicare-approved discount card¹, and another 17% say they plan to sign up for a card this year (Chart 11).
- Among the 60% who don’t have a card and don’t plan to sign up for one, the main reasons cited were already having other drug discount cards or coverage (63%), and not thinking the card will save them money (41%). Fewer people say they didn’t sign up because they were worried about how the cards would affect other prescription drug coverage they have (21%) and because it was too difficult to choose among the variety of cards offered (14%). About one in eight who do not plan to sign up (13%) say the reason is that they did not know about the cards (Chart 11).
- Among those seniors and non-elderly people with disabilities on Medicare who report having signed up for a discount card, about four in ten (41%) say they were automatically enrolled through another plan, and eight in ten (82%) say they got their card for free. Seven in ten (70%) say it was very or somewhat easy for them to choose among the different cards offered.
- Thirteen percent of people on Medicare say the Medicare-approved drug discount cards will be “very helpful,” and more than half (53%) say they will be “somewhat helpful” for people on Medicare in general. Among the 9% who report having already signed up for a discount card, about half (48%) expect the card to save them “a lot” or “some” money, while a similar share (47%) expect to save “not much” or “nothing at all” using their card.
- Six in ten people on Medicare (60%) say they have gotten information in the mail about the new Medicare-Approved Drug Discount Card program. They report that this information came from a variety of sources, including the government (30% of those who received information), private companies selling discount cards (27%), and other sources (12%). Twelve percent say they got information in the mail from multiple sources.
- Most people on Medicare (82%) say they did not talk to anyone or look for any information to help them decide whether to sign up for a Medicare-approved drug discount card. Among those who did seek out help, the most common sources were their pharmacist (7% of people on Medicare overall), and family and friends (6%). Fewer people overall say they got it from a Medicare or Social Security office, website, or phone number (5%), a health insurance company (3%), a seniors’ group or community organization (3%), their doctor (2%), or an employer or union (1%).

¹The Centers for Medicare and Medicaid Services reported that 4 million beneficiaries (about 10%), had enrolled in the discount card program as of July 19, 2004.

People on Medicare get their information about Medicare and prescription drugs from various sources. Most have heard of 1-800-MEDICARE, though just one in ten have called the number; most are not online and have not visited Medicare.gov. Disabled people under age 65 who receive Medicare are more likely to use these resources than are seniors.

- Six in ten people on Medicare (60%) say they have heard of 1-800-MEDICARE, and one in ten (10%) say they have called the toll-free number. Disabled people under age 65 on Medicare (16%) are more likely than seniors (9%) to say they have called (Chart 12).
- A quarter (25%) of people on Medicare say they have ever been online to use the Internet or e-mail. About one in eight (13%) say they have heard of the Medicare.gov website, and four percent say they have ever visited the site. The non-elderly disabled on Medicare are more likely than seniors to say they have ever been online (33% vs. 24%), heard of Medicare.gov (22% vs. 13%), and visited the site (10% vs. 4%) (Chart 13).

With the full Medicare drug benefit set to take effect in January 2006, most people on Medicare say they haven't decided whether they will enroll in a Medicare drug plan when the benefit becomes available. Those who currently have no prescription drug coverage are not significantly more likely than those who now have drug coverage to say they'll enroll in the benefit.

- Most people on Medicare (62%) say they haven't yet heard enough to decide whether they will enroll in a Medicare drug plan when the benefit becomes available in 2006, while 16% say they will enroll, and 21% say they will not enroll. Among those who currently have no prescription drug coverage, 23% say they will enroll in the benefit in 2006, 11% say they will not enroll, and two-thirds (65%) say they haven't yet heard enough to decide (Chart 14).
- More than half (57%) of those who currently have prescription drug coverage through an employer or union think that the employer will continue offering this coverage after the new Medicare drug benefit goes into effect, while 18% think their employer will stop offering coverage, and a quarter (25%) say they don't know.

Despite the apparent unfavorability towards the law and uncertainty about enrollment, people on Medicare overwhelmingly prefer that lawmakers work to fix problems in the law, rather than repealing it.

- Two-thirds of people on Medicare (66%) say that lawmakers in Washington should work to fix problems in the law, while much smaller shares say they should leave the law as is (13%) or repeal it (10%) (Chart 15).

SECTION II. POLITICS AND POLICY IMPLICATIONS

Nearly three in ten seniors and people with disabilities on Medicare say the passage of the new law will have an effect on their vote for president, and an even higher share – nearly four in ten – say it will have an effect on their vote for Congress in November. More people say that the law will make them more likely to vote for John Kerry and the Democrats than for President George W. Bush and the Republicans.

- Nearly three in ten people on Medicare (28%) say that the passage of the Medicare law will have an effect on their vote for president (Chart 16). More than four in ten of those who say the new law will affect their vote (44%, or 12% of people on Medicare overall) say it will make them more likely to vote for John Kerry, while 18% of this group (5% of people on Medicare overall) say it will make them more likely to vote for George Bush (Chart 17).
- Nearly four in ten (38%) say the passage of the law will have an effect on their vote for Congress (Chart 18). About half of those who say the law will affect their vote (53%, or 20% of people on Medicare overall) say it will make them more likely to vote for a Democrat, while 21% of this group (8% of people on Medicare overall) say it will make them more likely to vote for a Republican (Chart 19).
- When it comes to handling Medicare prescription drug benefits, people on Medicare are nearly evenly divided on whether they trust John Kerry (39%) or President Bush (34%) more, while about one in ten (11%) say they trust neither or trust both equally. Not surprisingly, Republicans (76%) are more likely to say they trust President Bush more on the issue, while Democrats (67%) are more likely to say they trust John Kerry (Chart 20).

Large majorities favor changing the law to allow Americans to purchase prescription drugs from Canada, and to allow the federal government to negotiate with drug companies. More people on Medicare agree with arguments in favor of these proposals than agree with arguments against them.

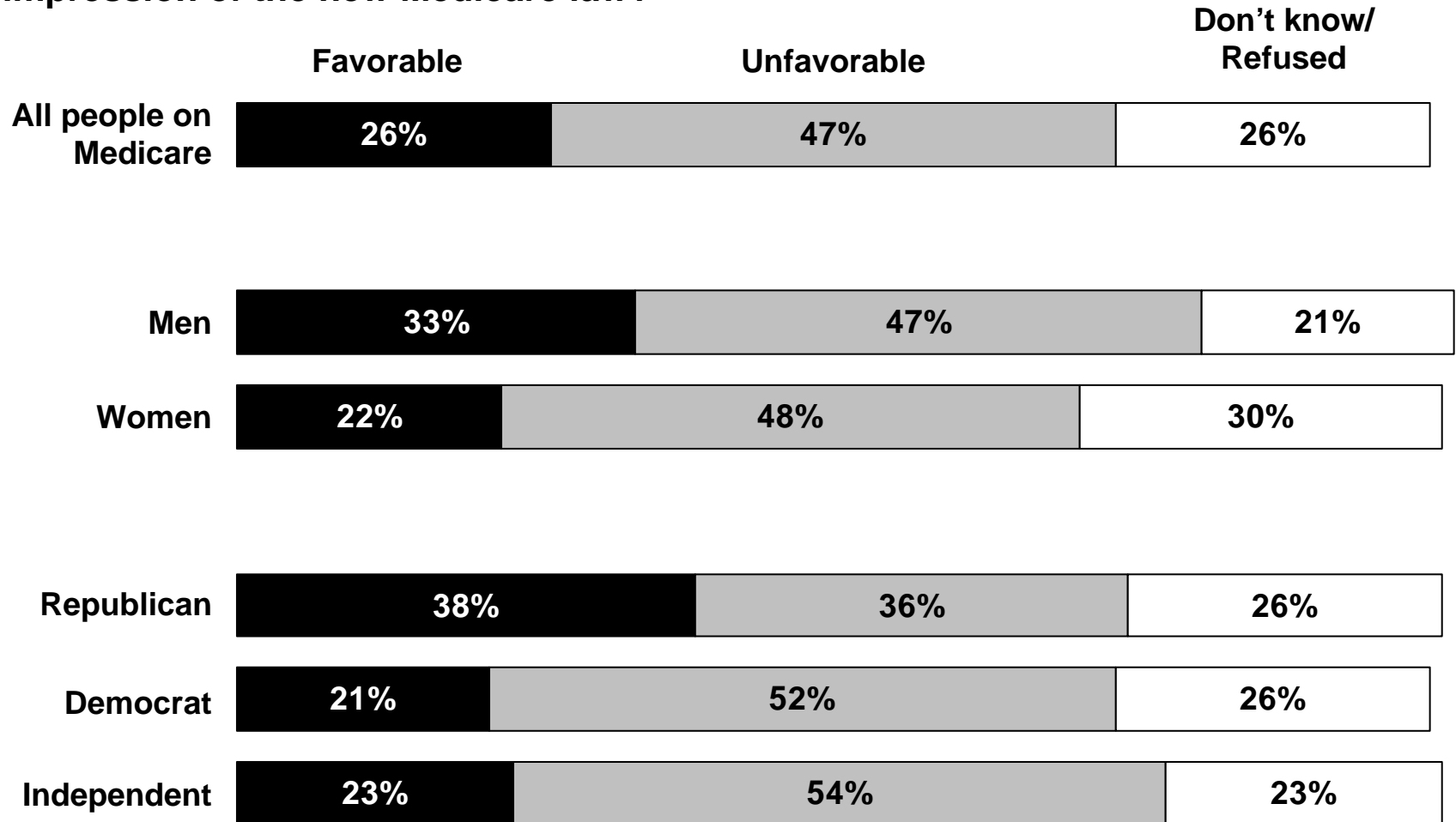
- About eight in ten people on Medicare (79%) say they favor changing the law to allow Americans to buy prescription drugs from Canada if they think they can get a lower price. While nearly two-thirds agree that this will make medicines more affordable without sacrificing safety or quality (66% agree), large majorities disagree that this will lead U.S. drug companies to do less research and development (71% disagree) and that it will expose Americans to unsafe medicines from other countries (62% disagree) (Chart 21).
- Eight in ten (80%) also say they favor 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. Large majorities agree with arguments for government negotiation, including that it makes sense because other governments currently negotiate drug prices (80% agree), it will make medicines more affordable for people on Medicare (76% agree), and it makes sense because the government already negotiates lower prices for the Defense Department and Veterans Administration (69% agree). When it comes to arguments against government negotiation, six in ten (61%) disagree that it will lead U.S. drug companies to do less research and development, while a majority (53%) agrees that it will mean government price controls on prescription drugs (Chart 22).

CHARTS SECTION I:

**REACTIONS TO THE NEW LAW AND
IMPLICATIONS FOR IMPLEMENTATION**

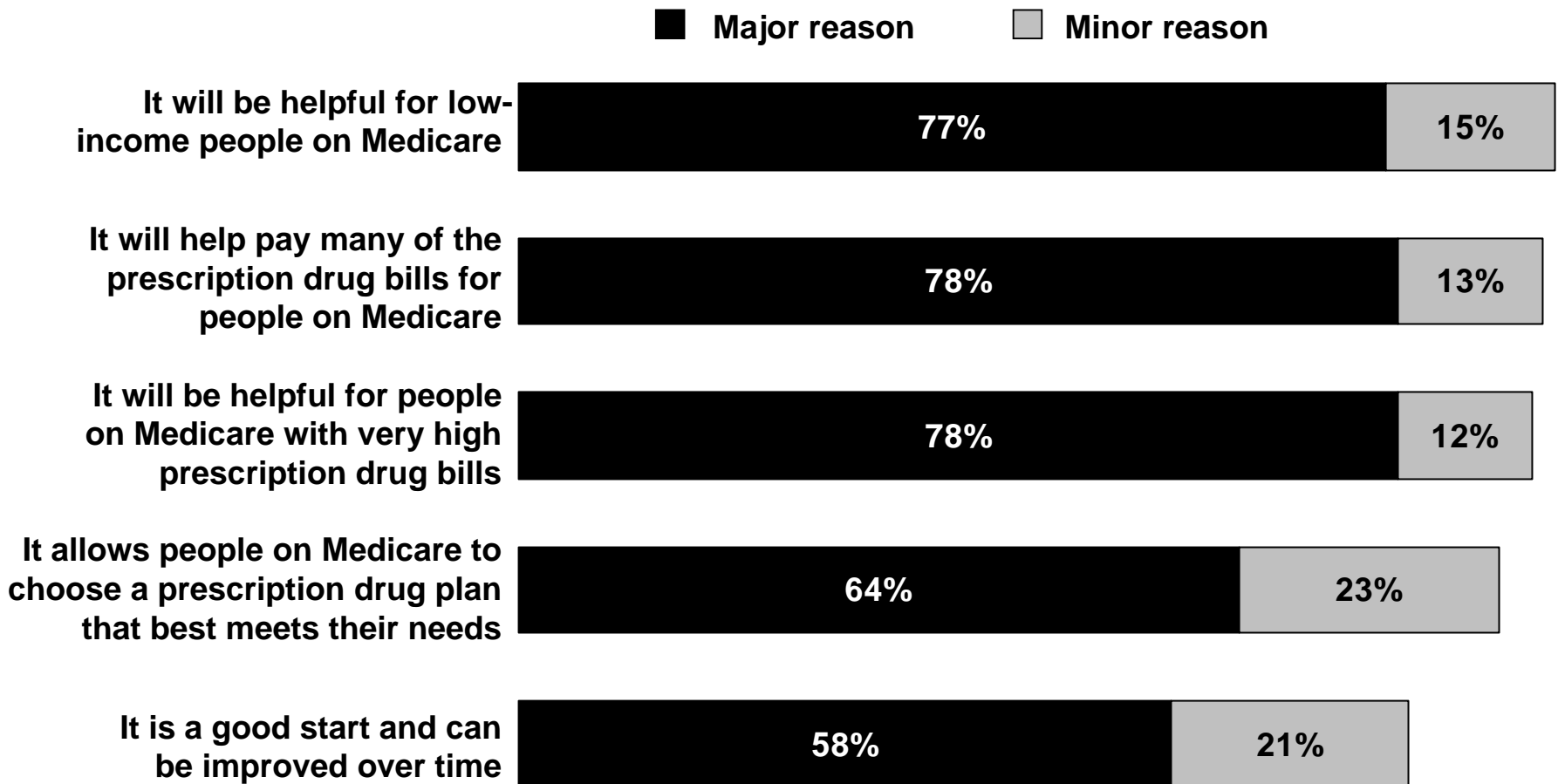
Impressions of New Medicare Law

Given what you know about it, in general, do you have a favorable or unfavorable impression of the new Medicare law?



Reasons for Favorable Impressions

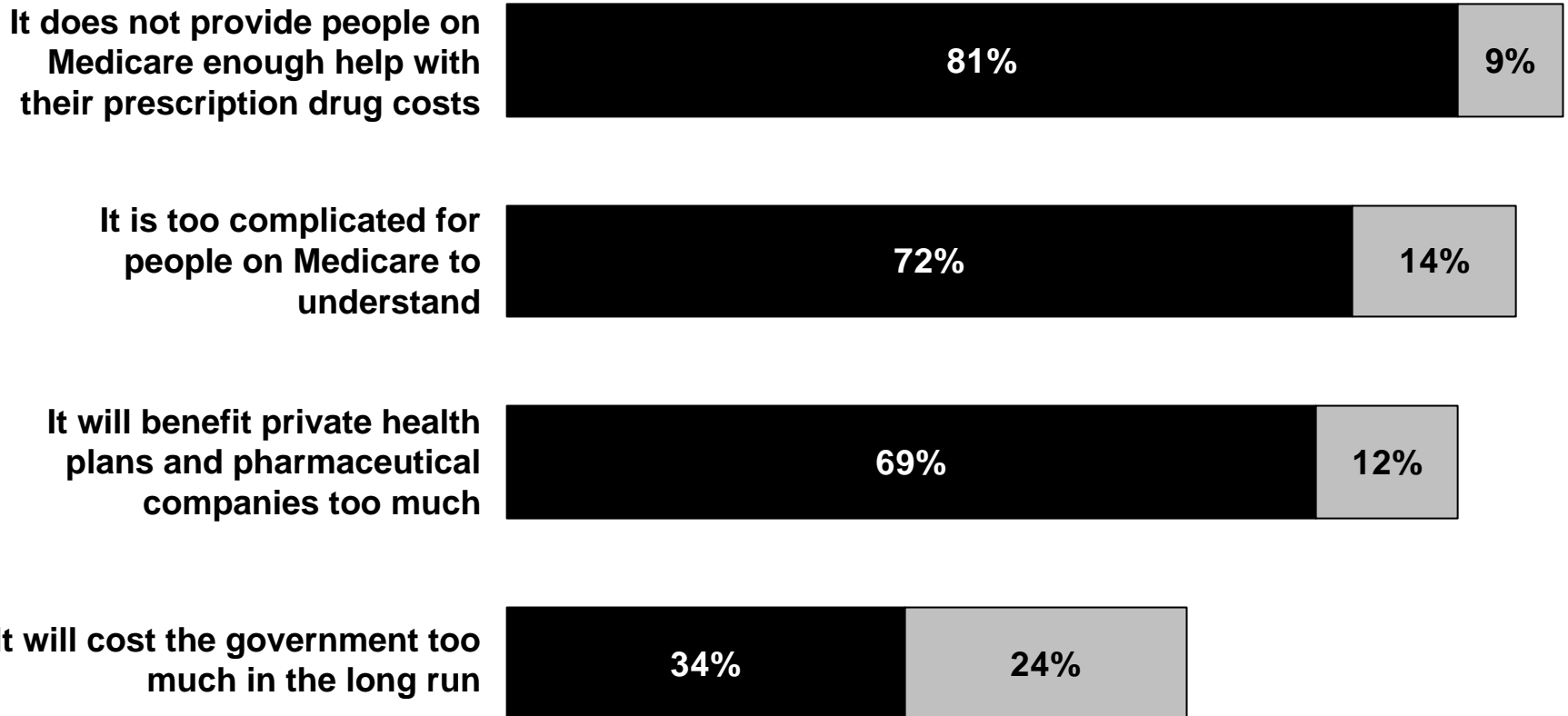
Among the 26% of people on Medicare who say they have a favorable impression of the law, percent reporting that each of the following is a major/minor reason...



Reasons for Unfavorable Impressions

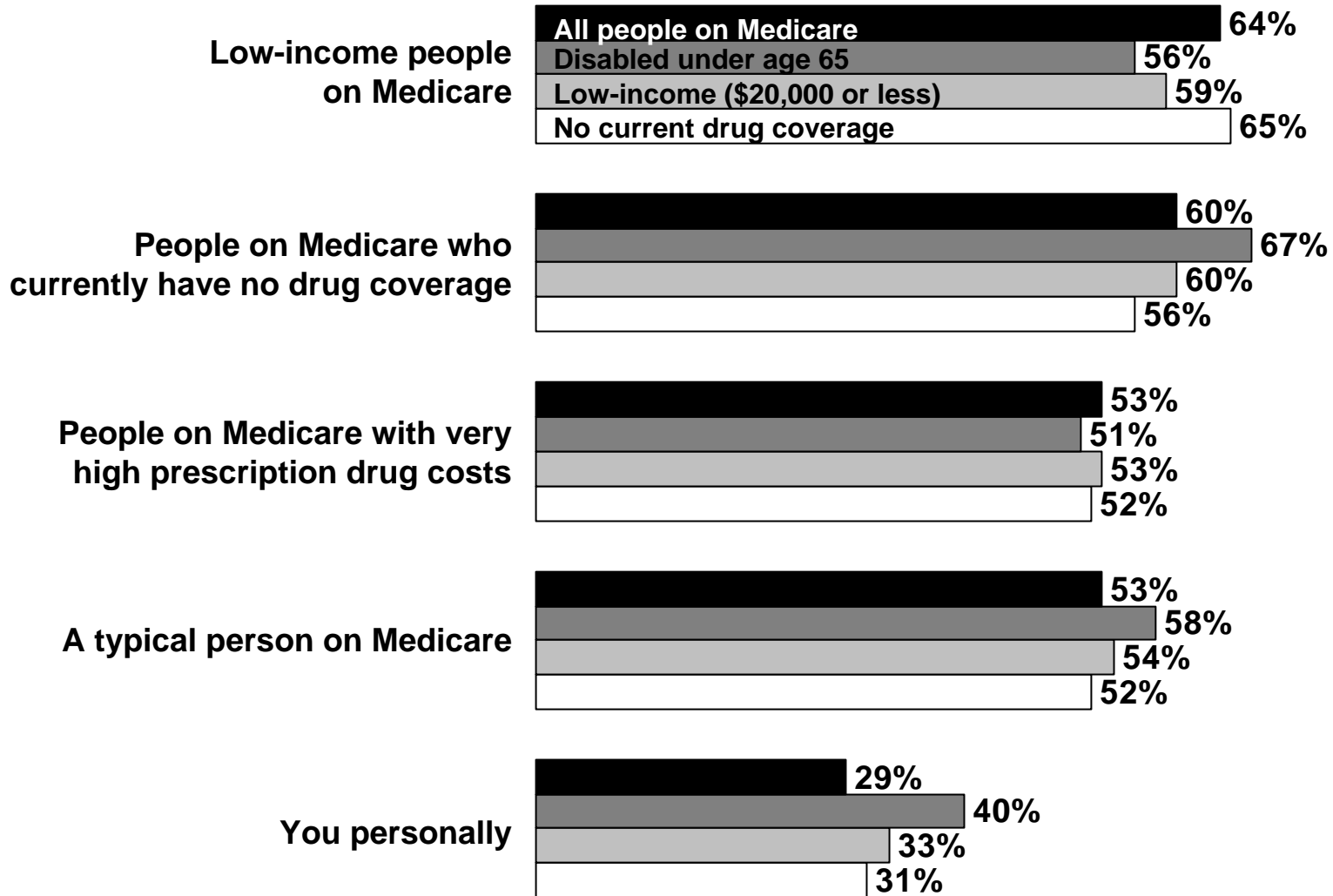
Among the 47% of people on Medicare who say they have an unfavorable impression of the law, percent reporting that each of the following is a major/minor reason...

■ Major reason □ Minor reason



Perceived Helpfulness of New Medicare Law

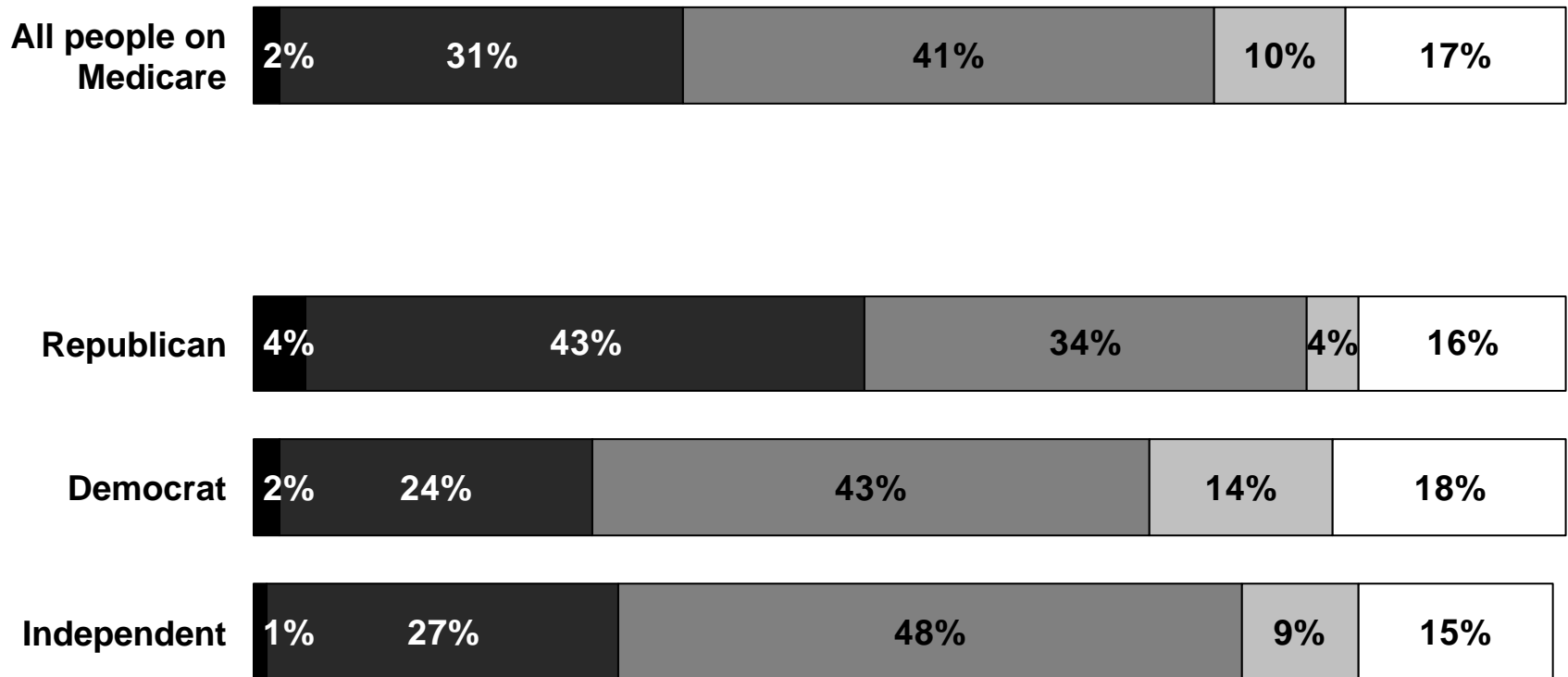
Percent who say the new Medicare law will be very or somewhat helpful for...



Strength of Feelings About New Medicare Law

Which of the following comes closest to how you personally feel about the new Medicare law?

Enthusiastic
 Satisfied, but not enthusiastic
 Dissatisfied, but not angry
 Angry
 Don't know/Refused



Familiarity With and Understanding of New Law

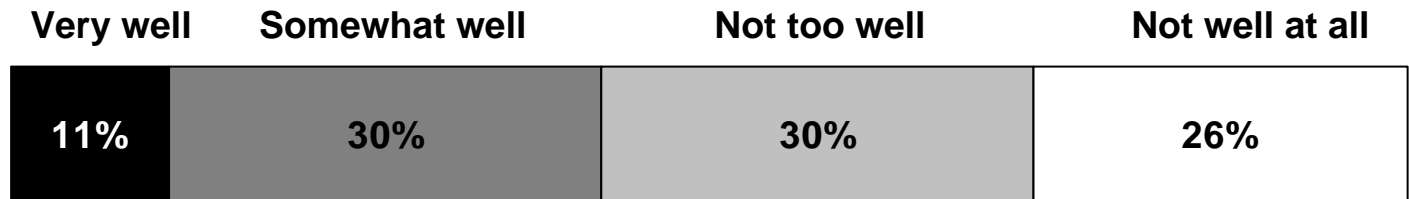
How much have you heard or read about the recently enacted Medicare law?



Do you feel you have enough information about the law to understand how it will impact you personally, or not?



How well would you say you understand this new law?

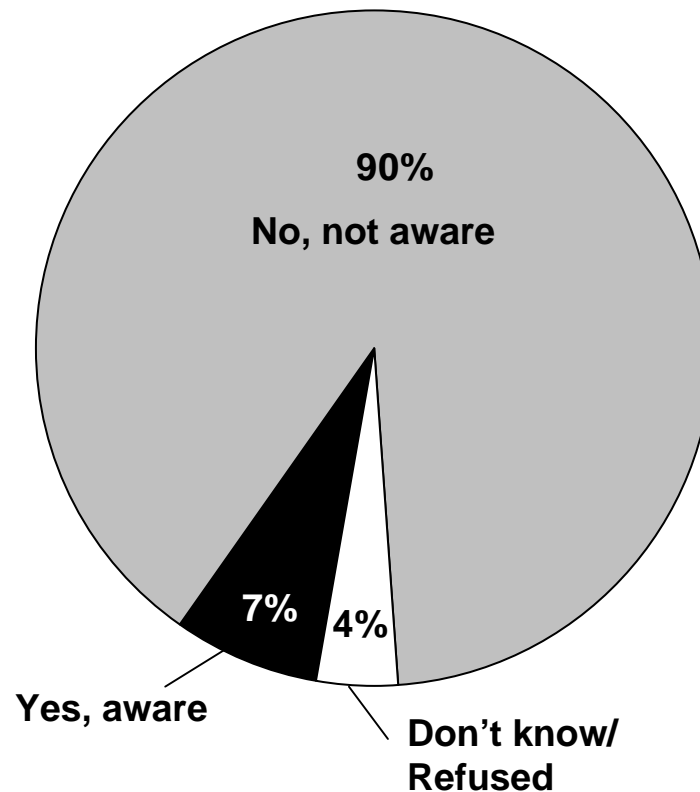


Note: Don't know responses not shown

Source: Kaiser Family Foundation/Harvard School of Public Health *Views of the New Medicare Drug Law: A Survey of People on Medicare (6/16-7/21/2004)*

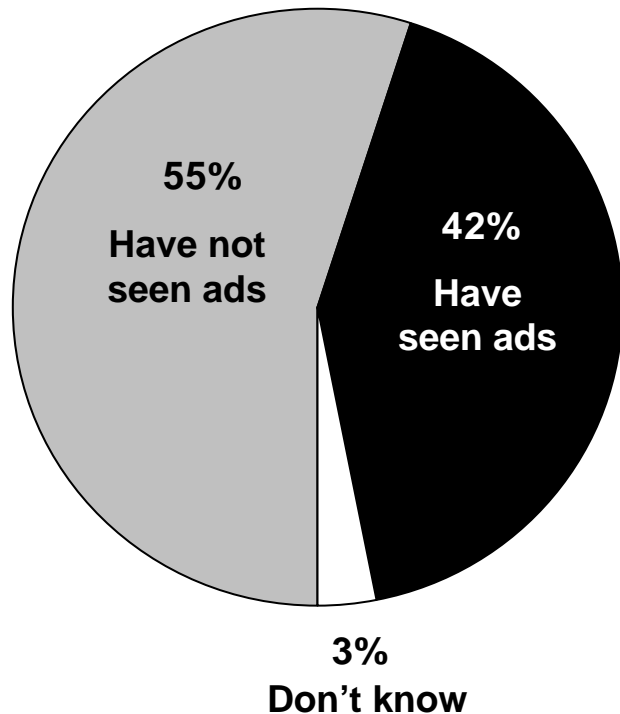
Awareness of Change in Medicaid Drug Coverage

**[Among the 15% who currently have prescription drug benefits through Medicaid]
Were you aware that in 2006, people who are on both Medicare and Medicaid will get their prescription drug benefits from Medicare instead of from Medicaid, or is this not something you were aware of?**

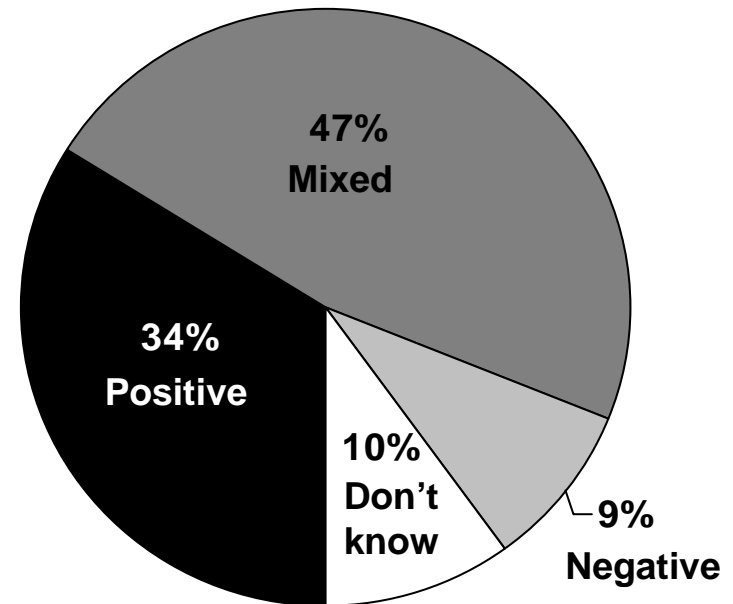


Attention to and Perceptions of TV Ads About Law

In the past month, have you seen any television advertisements about the new Medicare law, or not?

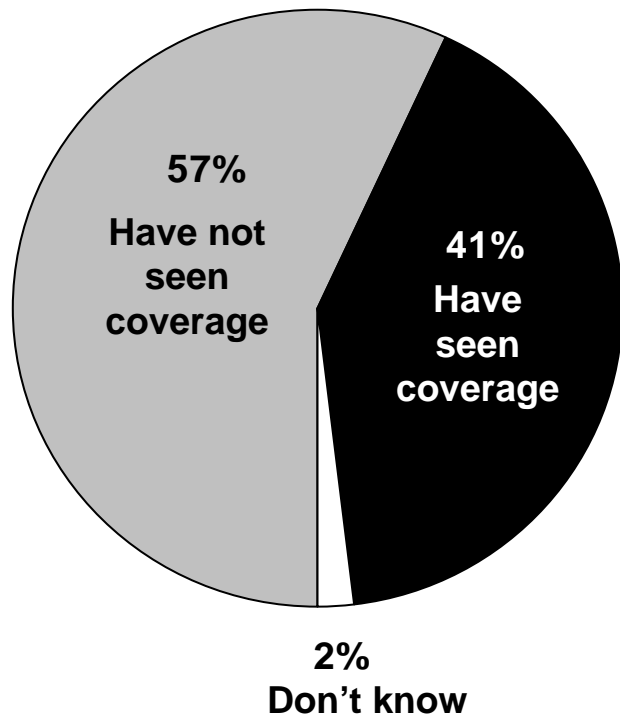


AMONG THOSE WHO HAVE SEEN ADS:
Overall would you say these ads were generally positive or negative towards the law, or were they mixed?

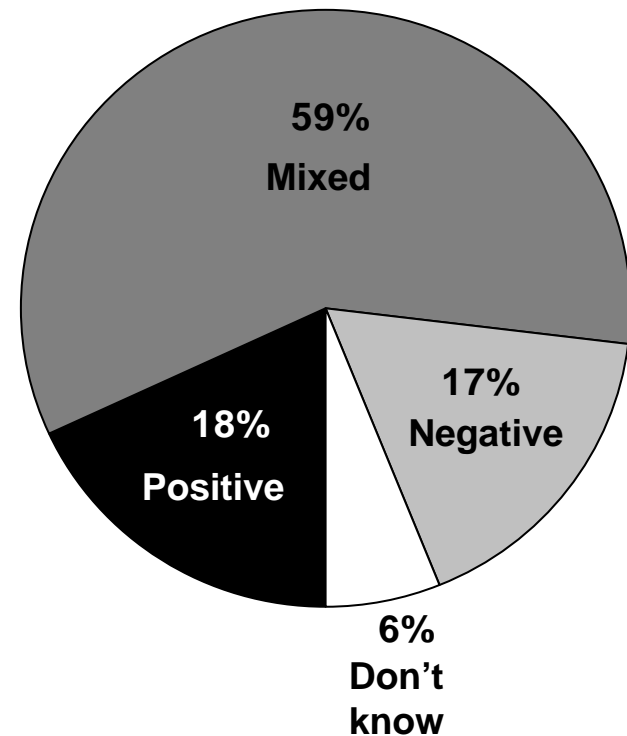


Attention to and Perceptions of News Coverage of Law

In the past month, have you seen, heard, or read any news coverage about the new Medicare law, or not?

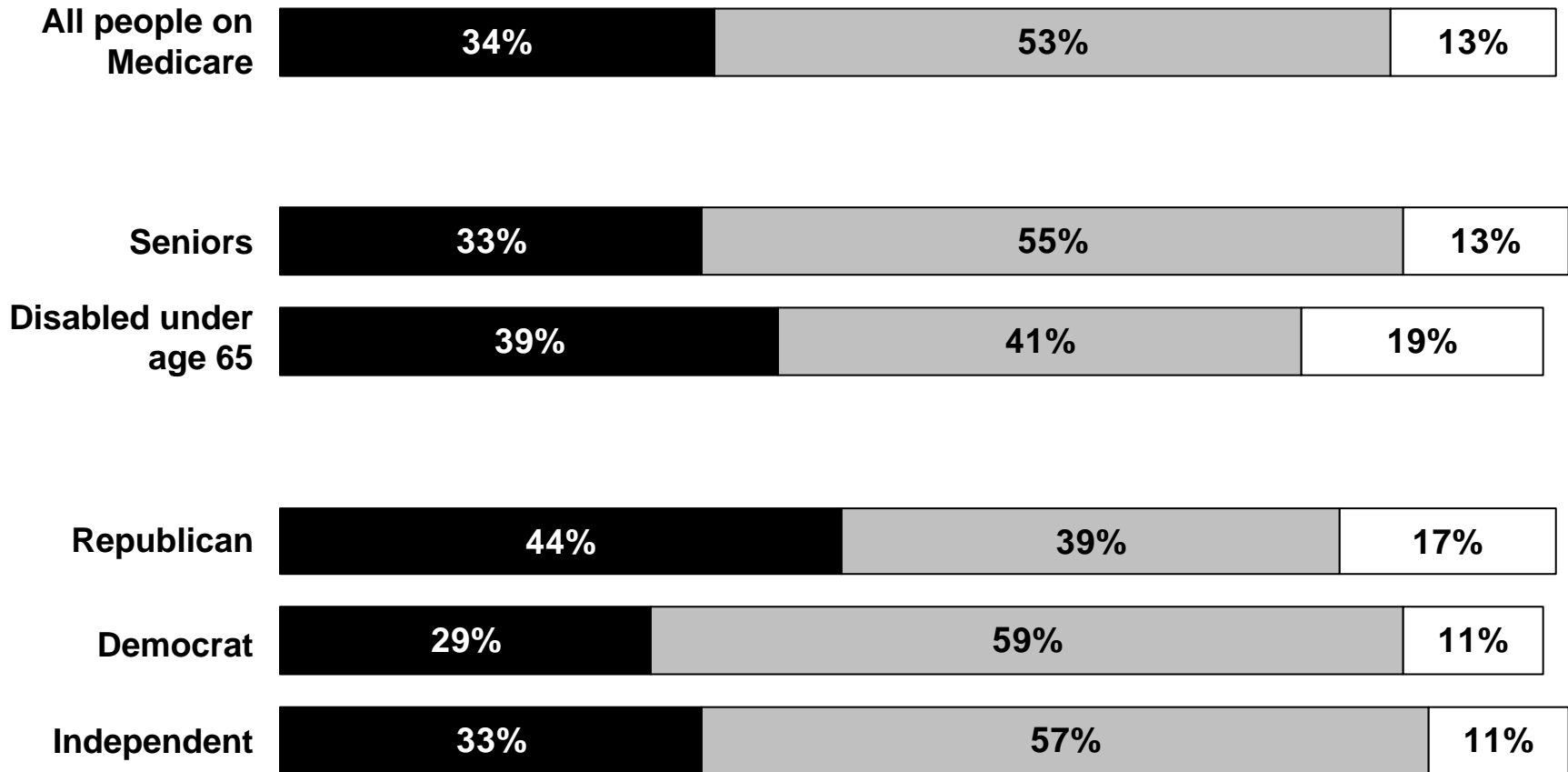


AMONG THOSE WHO HAVE SEEN COVERAGE: Overall would you say this coverage was generally positive or negative towards the law, or was it mixed?



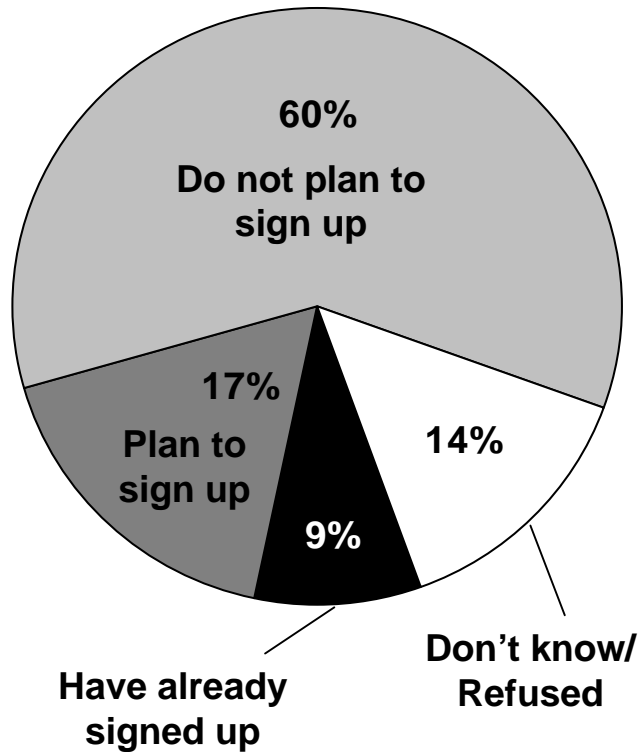
Impressions of Medicare-Approved Discount Cards

- The new cards are WORTHWHILE** because they give people on Medicare immediate help before the full prescription drug benefit is available in 2006, and they provide another way to cut their drug costs
- The new cards AREN'T WORTH THE TROUBLE** because they don't do enough to help people with their drug costs, and they are too confusing to use
- Don't know/Refused**

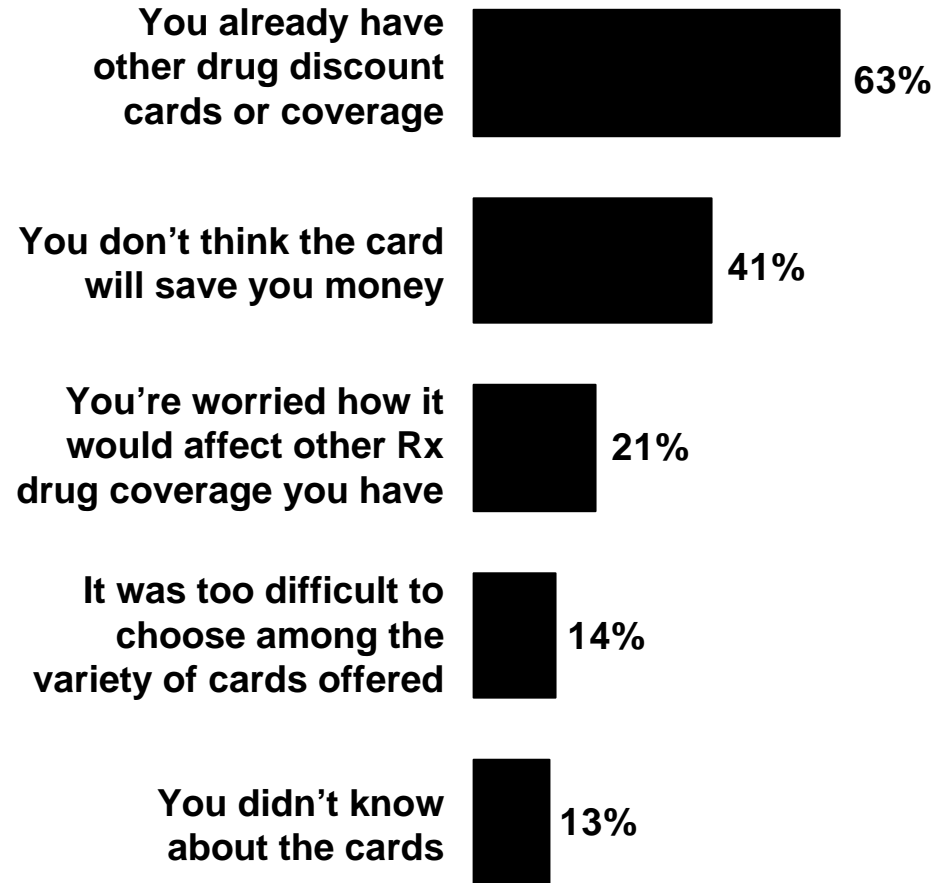


Signing Up For Discount Cards

Percent of people on Medicare saying they already have or plan to sign up for a Medicare-approved drug discount card



Among the 60% who say they don't plan to sign up, percent citing the following reasons...



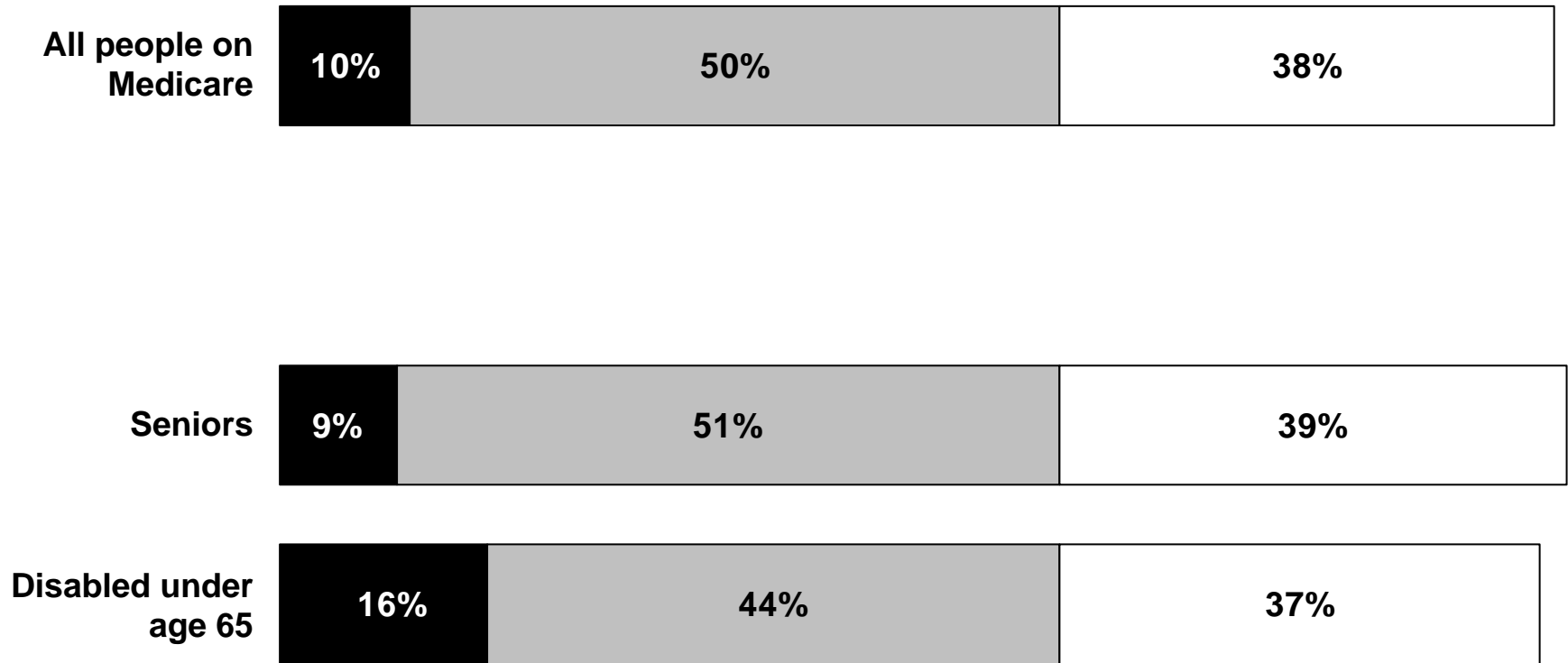
Reported Awareness and Use of 1-800-MEDICARE

Percent who say they have heard of/called 1-800-MEDICARE...

■ Have called
1-800-MEDICARE

■ Have heard of 1-800-MEDICARE,
but have not called

□ Have not heard of
1-800-MEDICARE



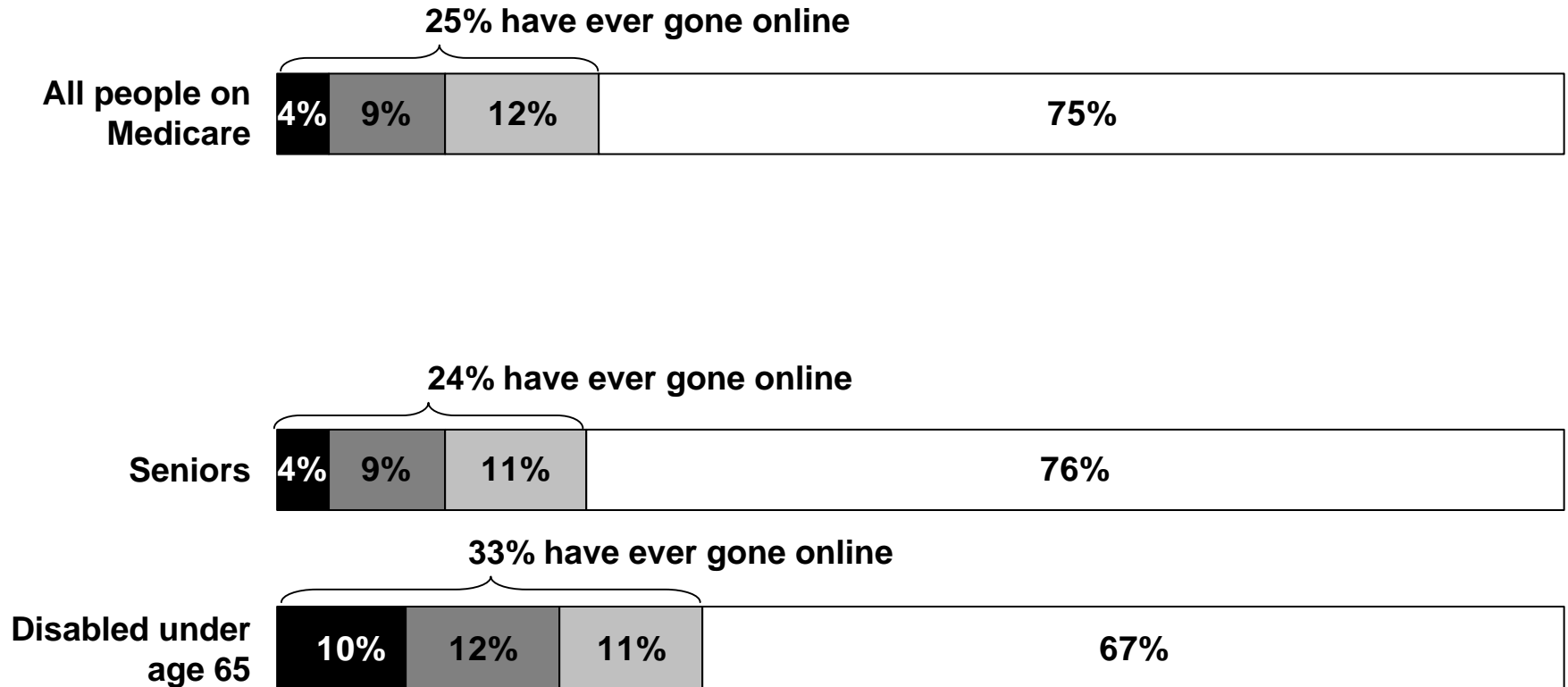
Note: Don't know responses not shown

Source: Kaiser Family Foundation/Harvard School of Public Health *Views of the New Medicare Drug Law: A Survey of People on Medicare* (6/16-7/21/2004)

Reported Awareness and Use of Medicare.gov

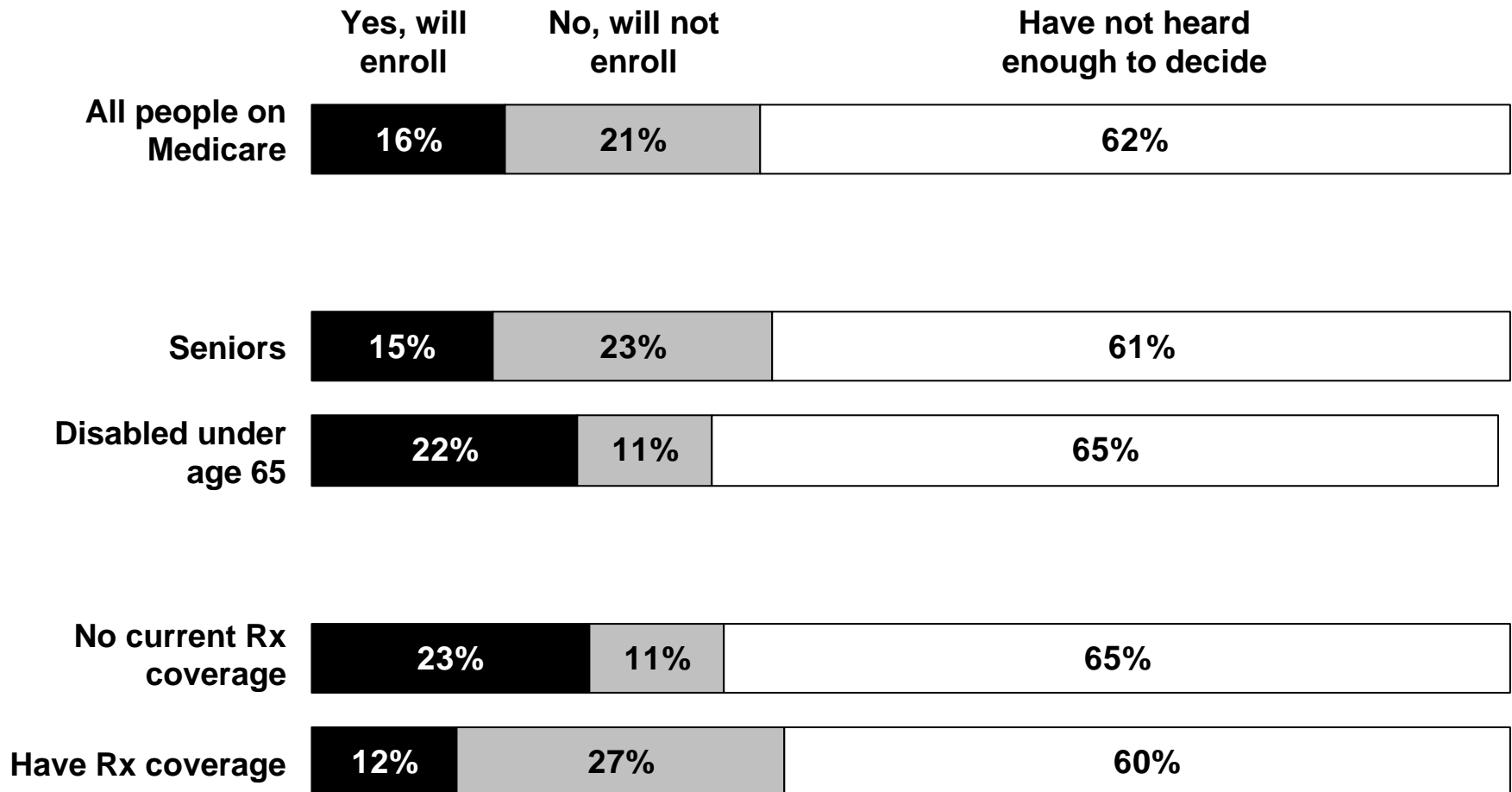
Percent who say they have gone online/heard of/visited Medicare.gov...

- Have visited Medicare.gov
- Have heard of Medicare.gov, but have not visited
- Have not heard of Medicare.gov
- Have never gone online



Reported Plans for Enrollment in 2006 Benefit

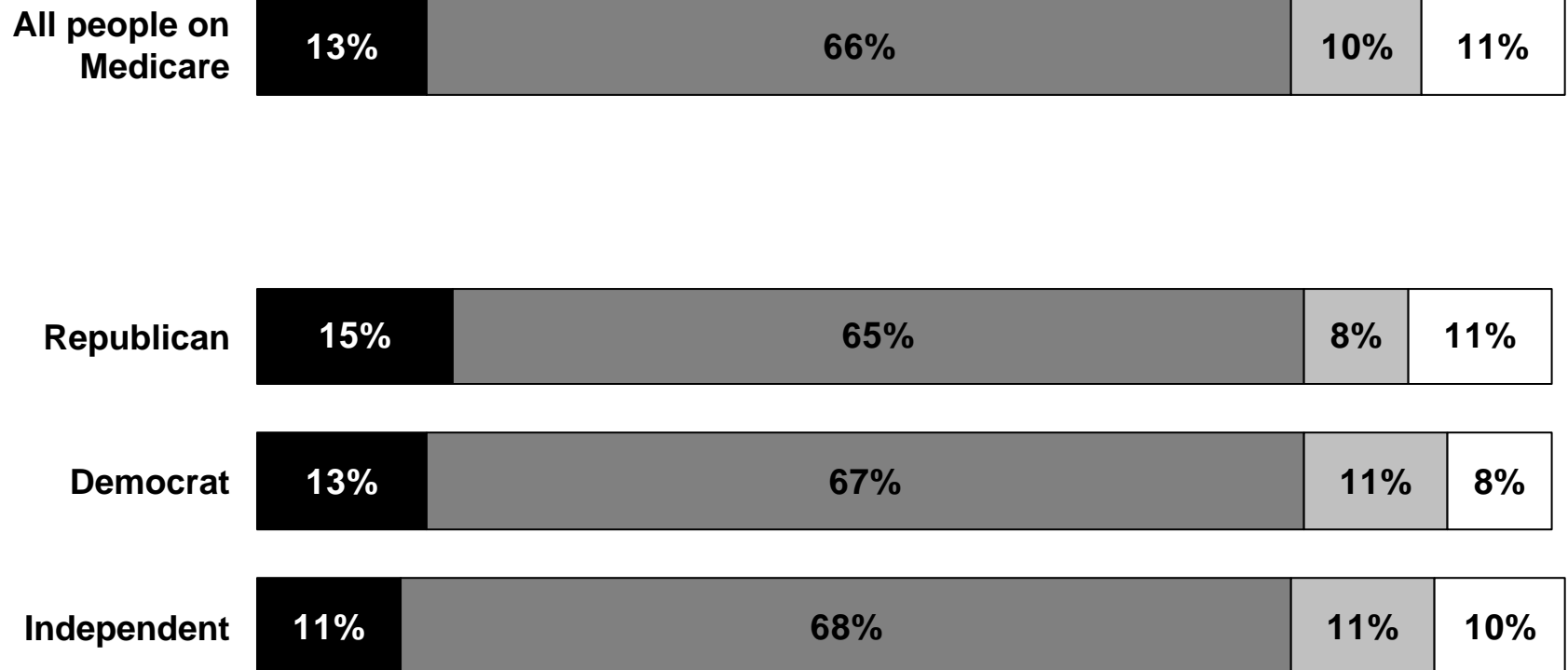
Thinking ahead to 2006 – when the new Medicare drug benefit becomes available – do you think you will enroll in a Medicare drug plan, you will not enroll in a Medicare drug plan, or have you not yet heard enough to decide?



What Should Lawmakers Do?

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

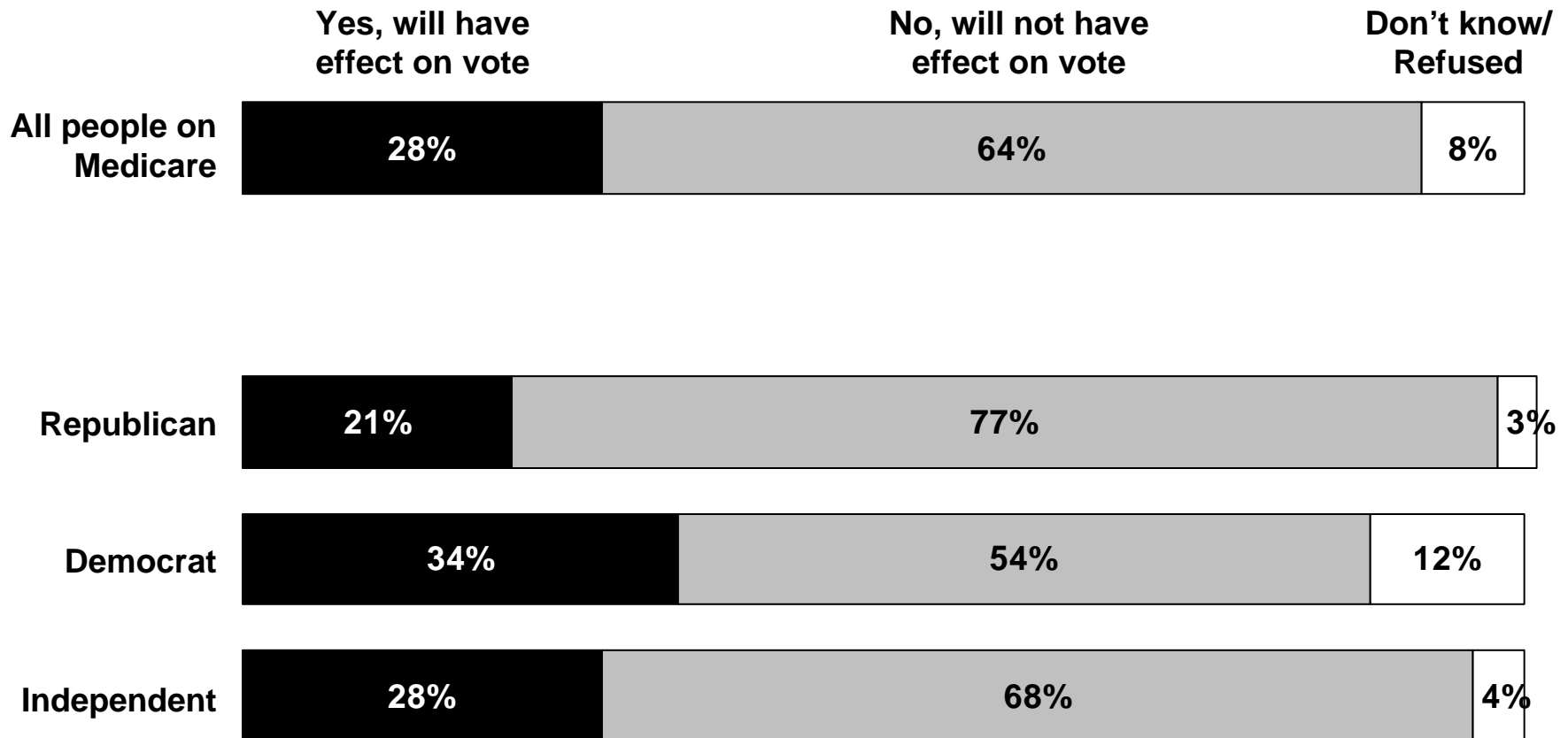
- They should leave the law as it is
 They should work to fix problems in the law
 They should repeal the law
 Don't know/Refused



**CHARTS SECTION II:
POLITICS AND POLICY IMPLICATIONS**

Impact of Medicare Law on Vote for President

Thinking ahead to the presidential election in November, will the recent passage of the new Medicare law have an effect on your vote for president, or will it not have an effect on who you choose to vote for?



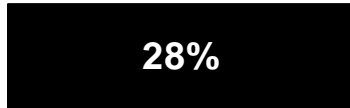
Impact of Medicare Law on Vote for President

Percent who say law will affect their vote for president...

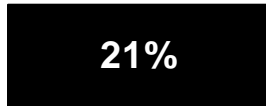
Percent who say law will make them more likely to vote for...

Bush
 Kerry
 Other candidate
 Don't know

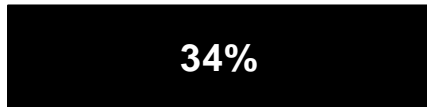
All people on Medicare



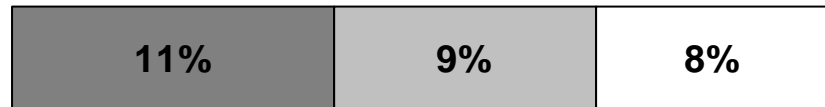
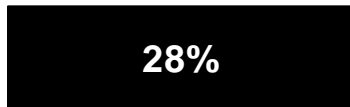
Republican



Democrat

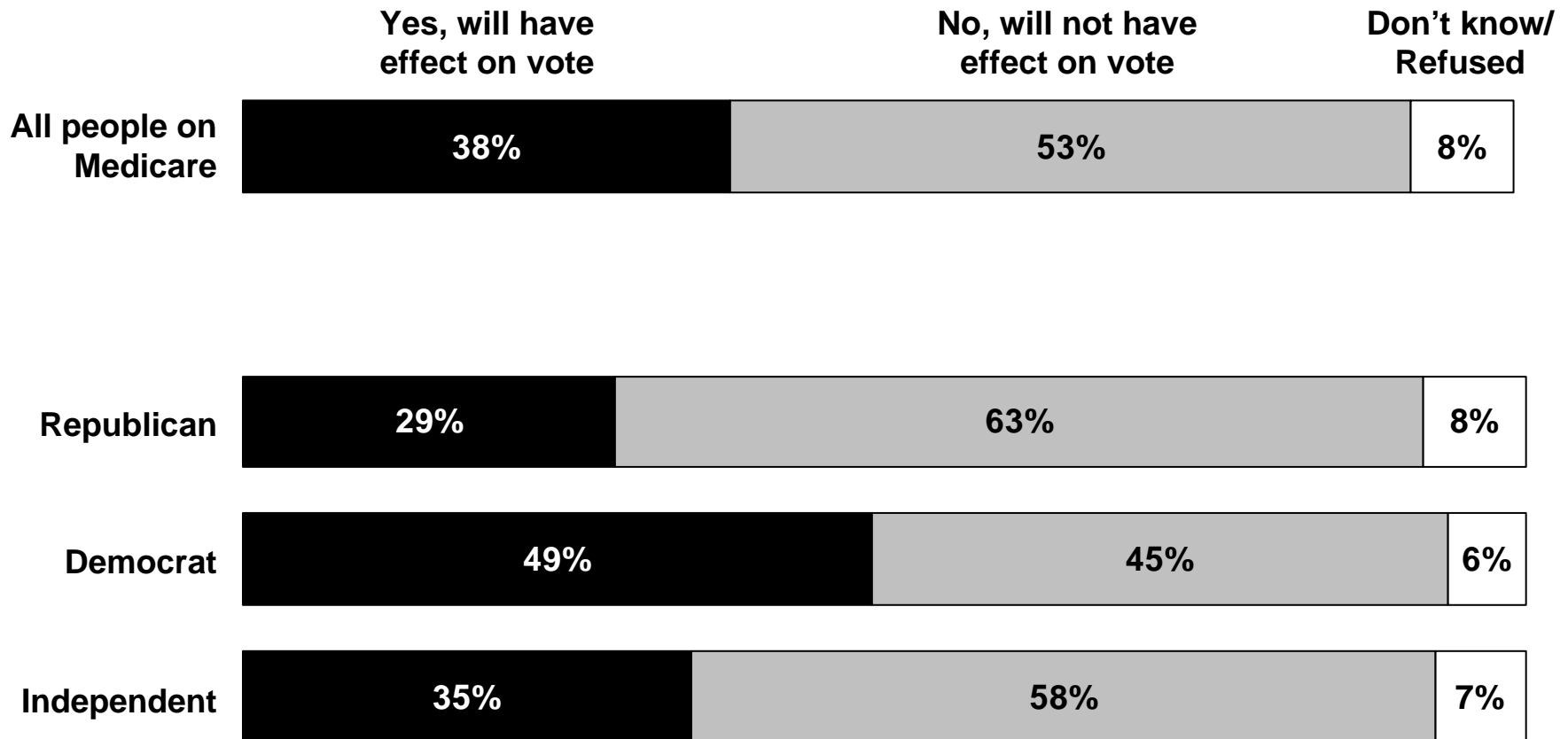


Independent



Impact of Medicare Law on Vote for Congress

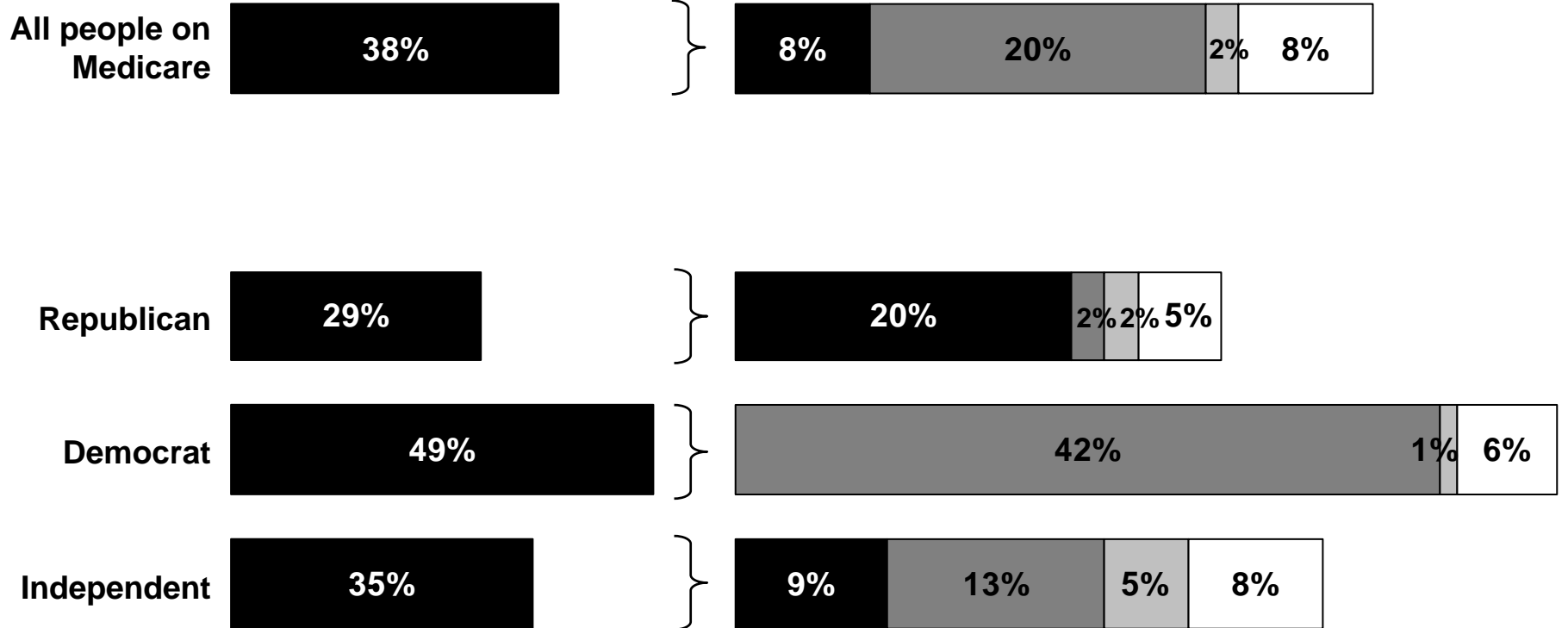
Thinking ahead to the election for U.S. representative from your district, will the recent passage of the new Medicare law have an effect on your vote for representative, or will it not have an effect on who you choose to vote for?



Impact of Medicare Law on Vote for Congress

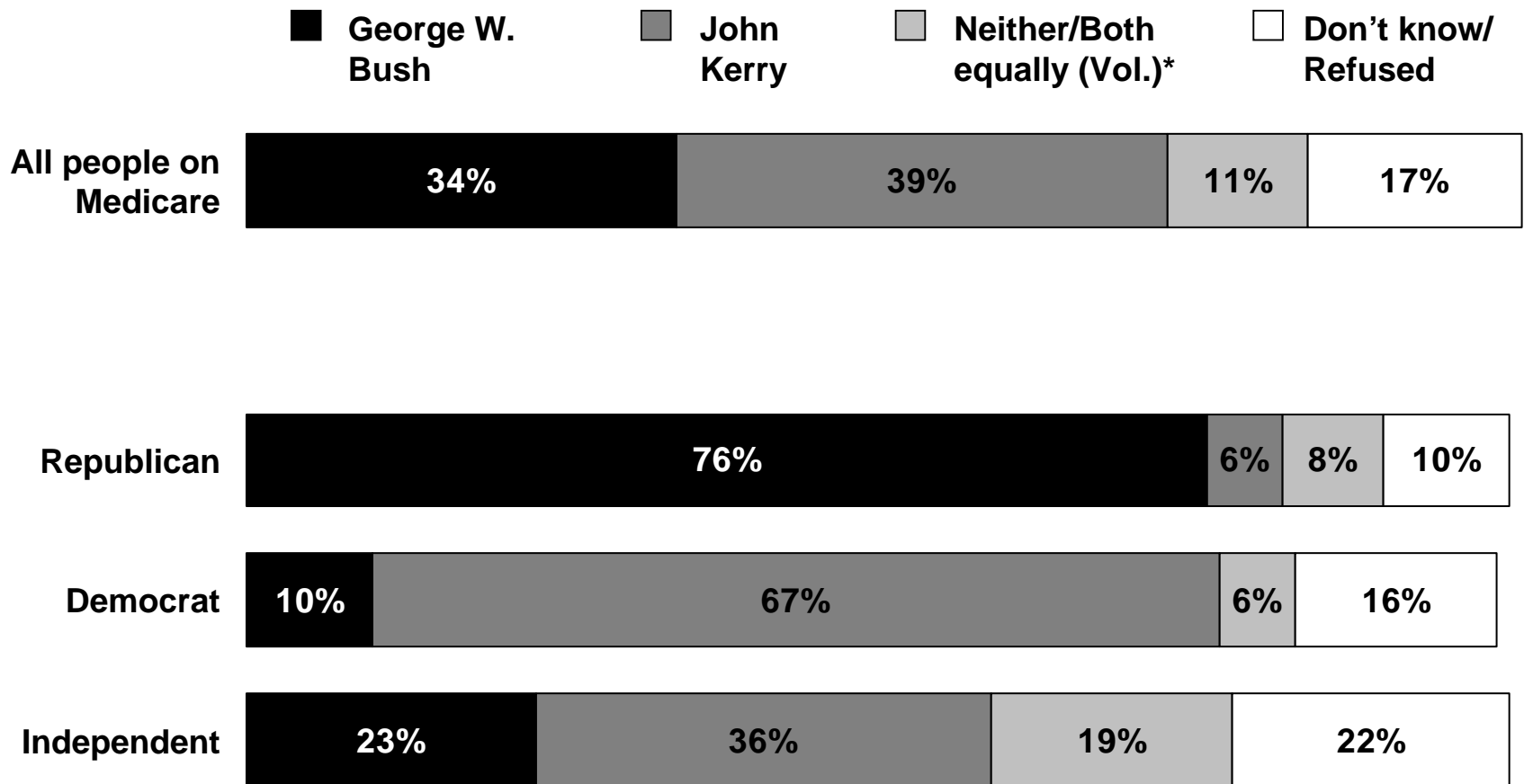
Percent who say law will affect their vote for representative...

Percent who say law will make them more likely to vote for...



Trust in Candidates on the Issue

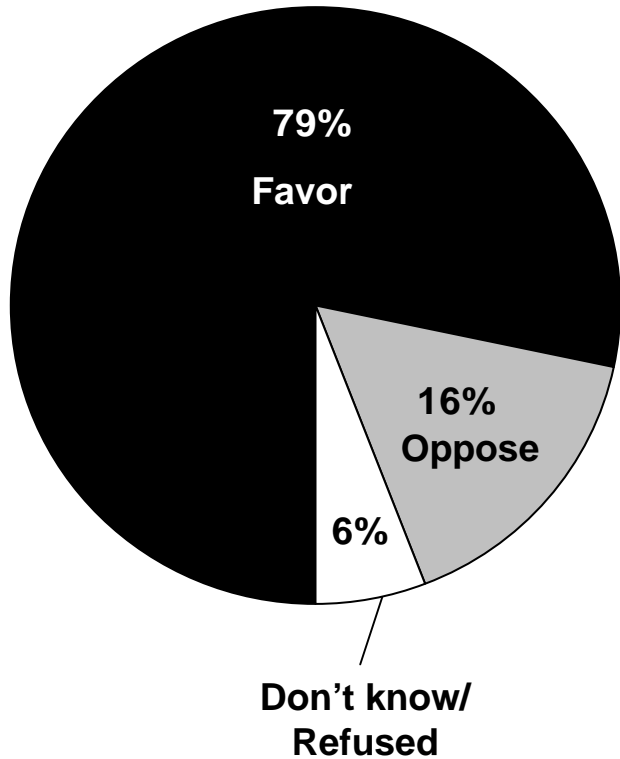
Who do you trust to do a better job of handling prescription drug benefits for people on Medicare?



*Note: "Vol." indicates a volunteered response.

Buying Prescription Drugs From Canada

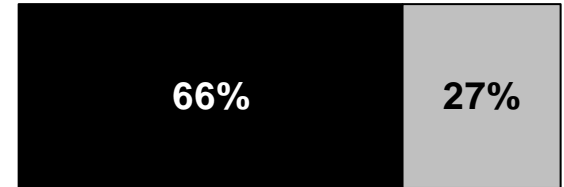
Do you favor or oppose changing the law to allow Americans to buy prescription drugs from pharmacies in Canada if they think they can get a lower price?



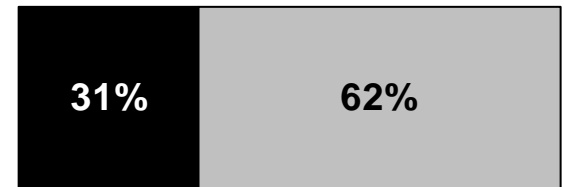
Percent saying they agree/disagree that allowing Americans to buy prescription drugs from Canada...*

■ Agree □ Disagree

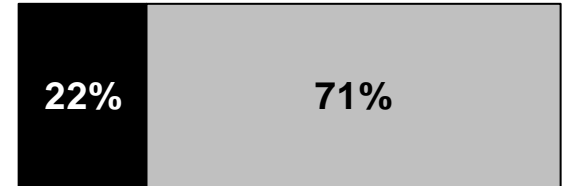
Will make medicines more affordable without sacrificing safety or quality



Will expose Americans to unsafe medicines from other countries



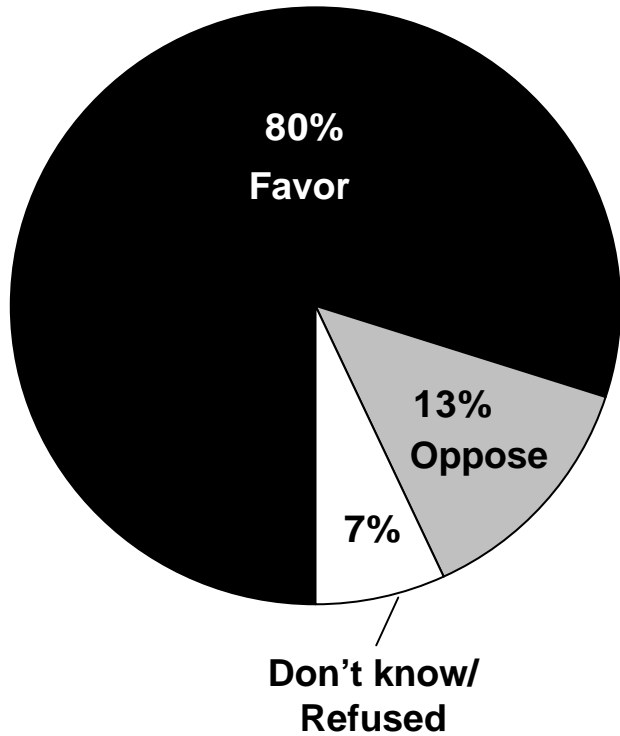
Will lead US drug companies to do less research and development



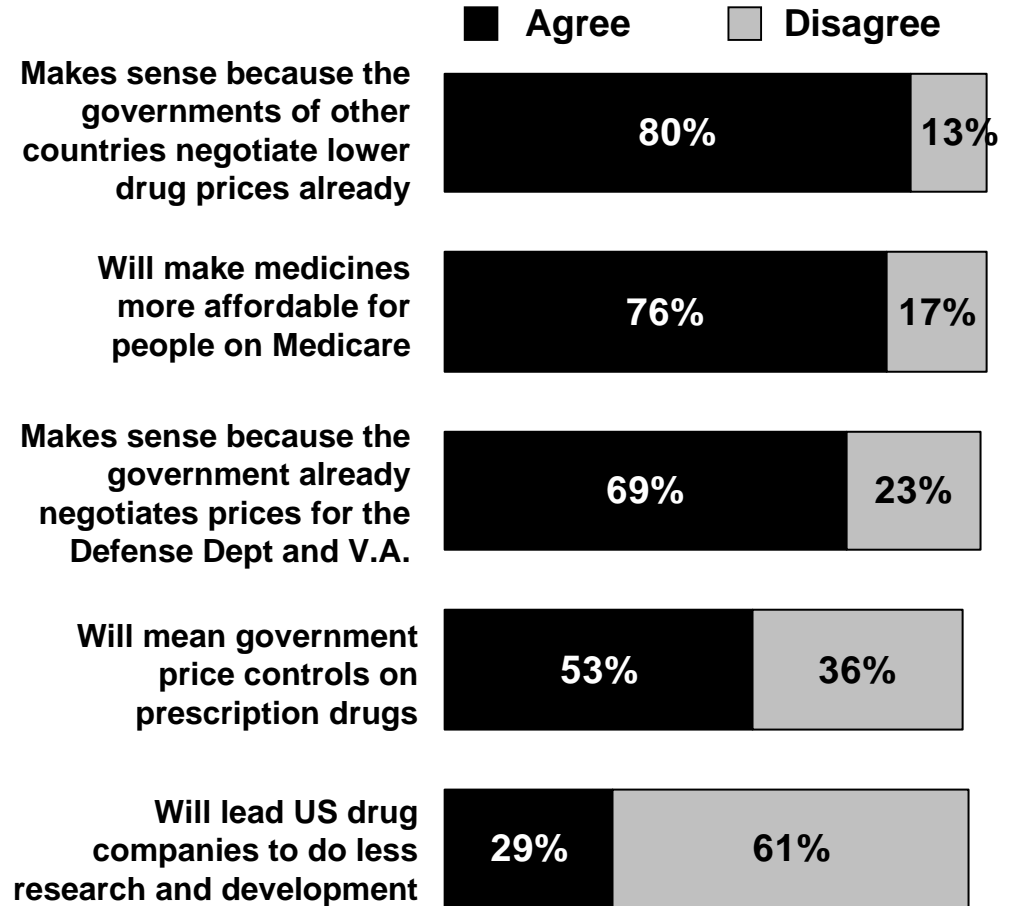
*Note: Don't know responses not shown

Government Negotiating with Drug Companies

Do you favor or oppose 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...*



*Note: Don't know responses not shown



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