

Medicare Health Plan Options

Prepared for the Lupus Foundation of America

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Prepared by Roper Public Affairs for The Lupus Foundation of America



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I. Introduction and Methodology

The findings presented in this report are based on telephone interviews with 500 adults age 65 and older, and 75 adults under 65 who are covered by Medicare.

The survey questions were included in Roper's national weekly telephone omnibus, supplemented by interviews among adults 65 and older from Roper's national database, to have a total of 500 respondents in the 65 plus age group.

The sampling error for the 65 plus population is +/- four percentage points and is higher among other populations and subgroups.

The survey was commissioned by the Lupus Foundation of America and its purpose is to obtain this public's reaction to proposed regulations for implementing the Medicare prescription drug plan and possible options if a beneficiary is denied drug coverage.

II. Sample Characteristics

Both groups are similar in their attitudes toward the Medicare health plan and recent changes.

Sample Characteristics

% of adults say describes themselves

	Adults age 65+	Adults under age 65 covered by Medicare *
Age		
Under 65	--	100%
65 - 74	51%	--
75 +	47%	--
Sex		
Men	43%	59%
Women	58%	40%
Region		
Northeast	21%	26%
Midwest	22%	14%
South	36%	38%
West	20%	23%
Covered by Medicare?		
Yes	93%	100%
No	7%	--
Education		
High school grad or less	66%	65%
Some college	14%	25%
College grad or higher	17%	8%
Mean Income (\$)	30,470	42,270

(* Caution: small base – 75)

III. Executive Summary

Most (85%) Americans 65 and older want to be able to have a variety of different prescription medicines covered in their medical plan. However, nearly half of those wanting to have this choice are not favorable of paying a higher co-payment to have the medication prescribed by their doctor. About one-third express a willingness to pay more and about one in five do not know what they would do. The reaction to paying a higher co-pay is dependent on what the actual increase would be.

When decisions are being made as to what medications are to be covered by the Medicare prescription drug plan, Americans 65 and older would trust healthcare professionals such as doctors and pharmacists much more than any other group, followed by consumer advocacy groups like the American Heart Association. The significantly lower levels of trust in government Medicare officials and insurance companies, indicates that consumers are aware of the likely trade offs that are made between cost of medicines to businesses and the Medicare plan versus patient preferences and needs.

The importance of having coverage for what their doctor prescribes is reflected by the great majority (85%) of older Americans wanting the Medicare program provide written instructions on how to appeal a decision that denies them coverage for the medicine prescribed by their doctor. This indicates that significant numbers of older Americans likely would appeal decisions that deny them such coverage, since the majority (57%) of older Americans believe a doctor's recommendation for a particular medicine should have the most influence during the appeal process.

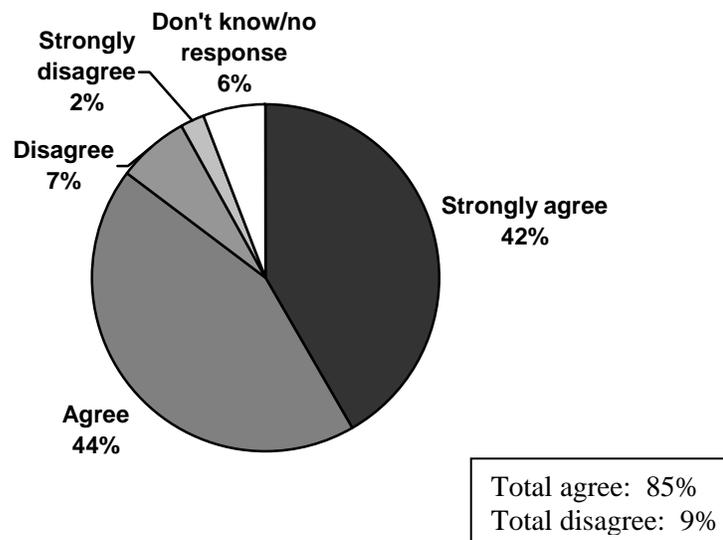
Among three possible options that could be offered in a new Medicare plan when a medication is dropped from a particular drug plan, the least attractive to seniors (27% saying it is an excellent or good option) is just having coverage for the 30 days after notification, leaving an adult with the choice of subsequently having to pay more or switch to another medicine. Older Americans (four in ten) favor having coverage during an appeal or until they are able to switch to another plan. Switching to another plan may be not be a more attractive option if they are not aware of other plans or if other plans are known to be more expensive.

IV. Detailed Findings

Most Americans 65 and older say drug plans should give doctors and patients the ability to choose from a variety of different medicines available to best treat a patient’s illness

Older Americans Want Drug Plans Covering a Variety of Different Medicines

% of adults 65 or older agree or disagree this much that “Drug plans should give doctors and patients the ability to choose from a variety of different medicines available to best treat a patient’s illness”

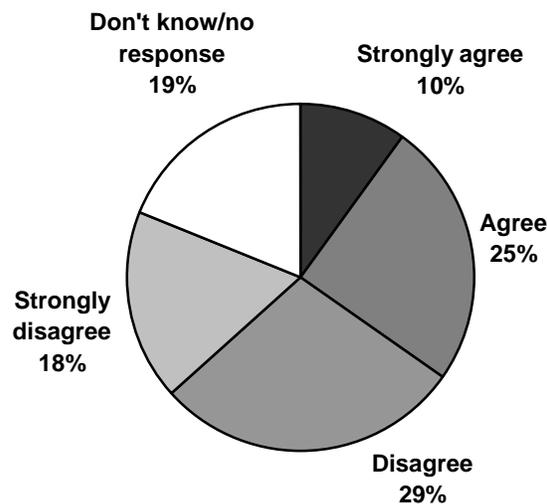


Q2. Generally prescription drug plans do not cover every medication prescribed for a specific medical condition. How much do you agree or disagree with the following statement?... “Drug plans should give doctors and patients the ability to choose from a variety of different medicines available to best treat a patient’s illness”

Almost half who believe they should have a wider choice are not willing to pay a higher co-payment to have more medications covered by their prescription drug plan. However, almost as many do not express a negative reaction to the concept (those agreeing or don't know what they would do).

Willingness To Pay a Higher Co-Payment for More Coverage is Low

*% of adults 65 or older who agree that doctors and patients should have the ability to choose from a variety of medicines agree or disagree this much that “Depending on the amount, you would be willing to pay a higher co-pay to have more medications covered by your prescription drug plan.”**



Total agree: 35%
Total disagree: 47%

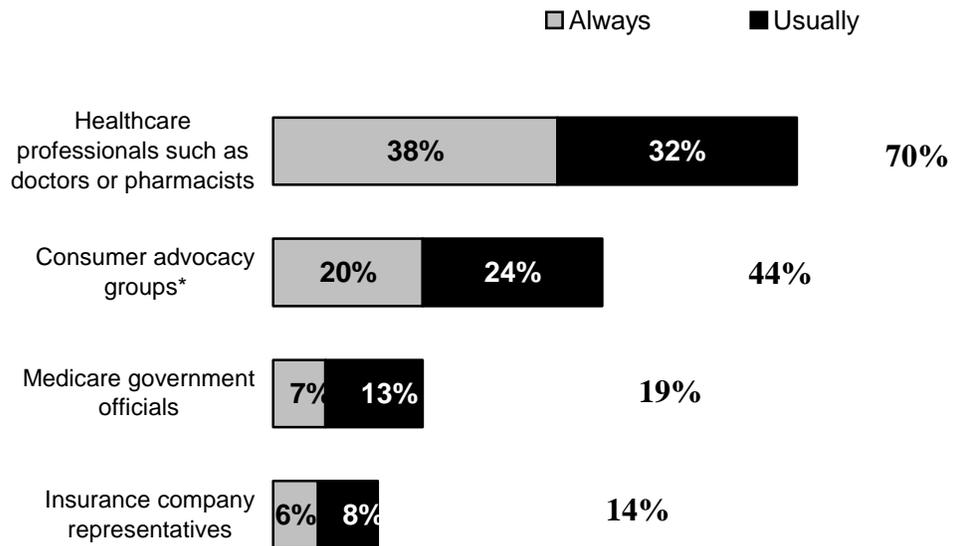
Q2. Generally prescription drug plans do not cover every medication prescribed for a specific medical condition. How much do you agree or disagree with the following statement?... “Depending on the amount, you would be willing to pay a higher co-pay to have more medications covered by your prescription drug plan.”

* n = 431

Doctors and healthcare professionals are trusted the most to decide on what medications are to be covered in the Medicare health plan, followed by consumer advocacy organizations like the American Heart Association. Medicare government officials and the insurance companies are trusted much less.

Healthcare Professionals are Trusted the Most In Coverage Decisions

% of adults 65 or older trust the following sources to decide what medications are to be covered in a new Medicare health plan always or usually



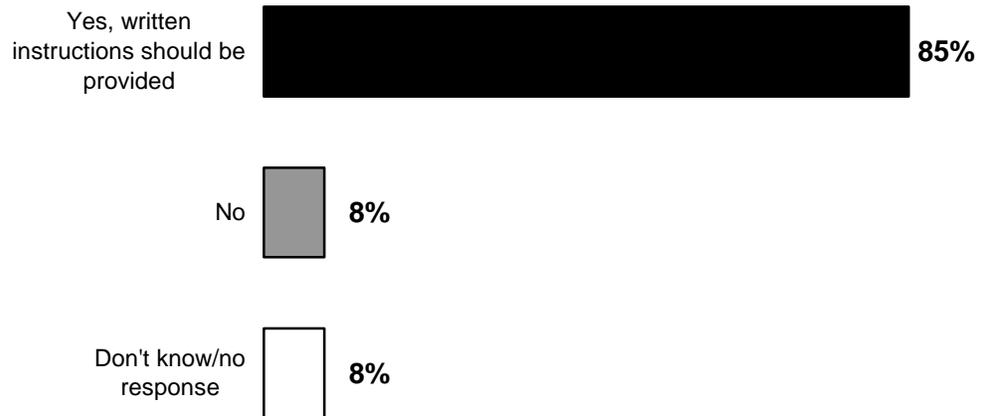
Q3. To what extent, if at all, would you trust each of the following groups to decide what medications are to be covered in a new Medicare health plan? Would you trust each group's judgment always, usually, sometimes, rarely, or never? Let's start with (read rotated list)

** such as the American Heart Association*

Most Americans age 65 or older say the Medicare program should provide written instructions on how to appeal when denied coverage for a medicine their doctor has prescribed.

Americans Want Instructions on the Appeal Process

% of adults 65 or older who say they feel this way about Medicare providing written instructions about how to appeal when denied coverage for a medicine prescribed by their doctor at the time coverage is denied

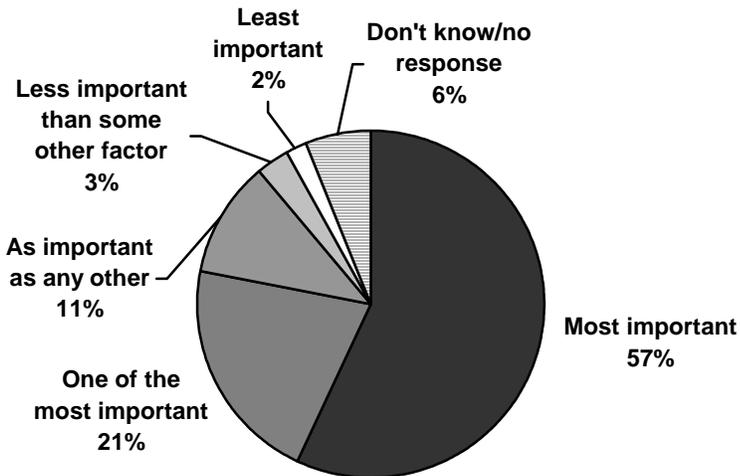


Q4. Under the new Medicare Prescription Drug Program people have the right to appeal whenever they are denied coverage for a medicine their doctor has prescribed. Do you believe this program should provide written instructions on how to appeal such a decision at the time coverage is denied, or not?

Nearly six in ten adults age 65 and older think a doctor's drug recommendation is the most important consideration in a new Medicare health plan's review of a denial appeal.

A Doctor's Recommendation is Important

% of adults 65 or older who think the recommendation of a particular drug by a doctor should be an important consideration in appeal review by Medicare health plans.



Q5. Given all the factors a plan considers when reviewing an appeal, how much influence do you believe the doctor's recommendation for a particular medicine should have? Would you say it should be the most important consideration, one of the most important considerations, as important as any other factor, less important than some other factor or of least importance?

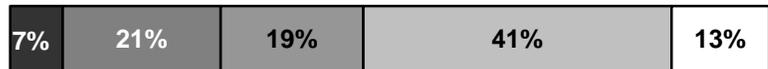
Adults age 65 and older are most resistant to the option of being covered only for 30 days from the time they are notified that their medication is being dropped from the plan.

Reaction to Possible Coverage Options Is Not Enthusiastic

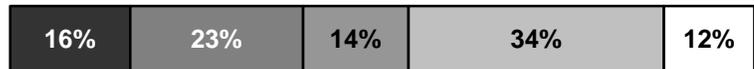
% of adults 65 or older say each item is excellent, good, fair or poor if their Medicare plan no longer covered their medication but was willing to cover it for this amount of time

■ **Excellent** ■ **Good** ■ **Fair** ■ **Poor** □ **Don't know/no response**

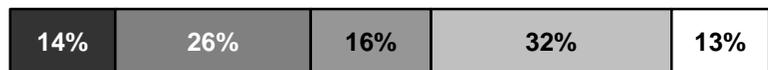
...during the 30 days and then you would pay more for the medication or switch to another one



...until an appeal is resolved



...until you are able to switch to another plan



Q6. Under the new Medicare Prescription Drug Plan a medicine you are using can be dropped from the plan with 30 days notice to you, potentially leaving you without this medication for several months. We would like your opinion on the following options that could be offered. Do you believe this would be an excellent, good, fair or poor option if the plan covered your medication...(read rotated list)

V. Appendix A – Questionnaire

Lupus Foundation – Medicare Option Questionnaire

1. Are you currently covered by Medicare, or not?

Yes, covered	1
No	2

2. Generally, prescription drug plans do not cover every medication prescribed for a specific medical condition. How much do you agree or disagree with the following statements. Do you strongly agree, agree, disagree or strongly disagree that...

	Strongly Agree	Agree	Disagree	Strongly Disagree
Drug plans should give doctors and patients the ability to choose from a variety of different medicines available to best treat a patient’s illness.	4	3	2	1
Depending in the amount, you would be willing to pay a higher co-pay to have more medications covered by your prescription drug plan.	4	3	2	1

3. To what extent, if at all, would you trust each of the following groups to decide what medications are to be covered in a new Medicare health plan? Would you trust each group’s judgment always, usually, sometimes, rarely or never? Let’s start with...

	Always	Usually	Sometimes	Rarely	Never
Insurance company representatives	5	4	3	2	1
Medicare government officials	5	4	3	2	1
Healthcare providers such as doctors or pharmacists	5	4	3	2	1
Consumer advocacy groups like the American Heart Association	5	4	3	2	1

4. Under the new Medicare Prescription Drug Program, people have the right to appeal whenever they are denied coverage for a medicine their doctor has prescribed. Do you believe this program should provide written instructions on how to appeal such a decisions at the time coverage is denied, or not?

Yes, should provide	1
No	2

5. Given all the factors a plan considers when reviewing an appeal, how much influence do you believe the doctor’s recommendation for a particular medicine should have? Would you say it should be the most important consideration, one of the most important considerations, as important as any other factor, less important than some other factor or of least importance?

Most important	5
One of the most important	4
As important as any other	3
Less important than some other factor	2
Least importance	1

6. Under the new Medicare Prescription Drug Plan a medicine you are using can be dropped from the plan with 30 days notice to you, potentially leaving you without this medication for several months. We would like your opinion on the following options that could be offered. Do you believe this would be an excellent, good, fair or poor option if the plan covered your medication...

	Excellent	Good	Fair	Poor
Until you are able to switch to another plan	4	3	2	1
Until an appeal is resolved	4	3	2	1
During the 30 days and then you would pay more for the medication or switch to another one	4	3	2	1