



Nebraska AARP Prescription Drug Survey

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Data Collected by Woelful Research International

Report Prepared
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AARP is a nonprofit, nonpartisan membership organization for people 50 and over. We provide information and resources; advocate on legislative, consumer, and legal issues; assist members to serve their communities; and offer a wide range of unique benefits, special products, and services for our members. These benefits include AARP Webplace at www.aarp.org, *AARP Modern Maturity*, and *My Generation* magazines, the monthly *AARP Bulletin*, and a Spanish-language newspaper, *Segunda Juventud*. Active in every state, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, AARP celebrates the attitude that age is just a number and life is what you make it.

Acknowledgements

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Background

In Nebraska, a high proportion of the age 65+ population is over age 85. A relatively small proportion of Nebraska retirees have health care coverage through their former employer. Medicare+ Choice is available in only one of the 93 counties in the state. Private coverage of prescription drug costs is becoming more difficult to obtain for persons over the age of 65. In 1996, twenty-one companies offered a Medicare supplement policy that included prescription drug coverage in Nebraska. By 2001, six companies were offering such policies for sale in Nebraska. Four of the six companies offering Medigap prescription drug coverage in 2001 also provided coverage in 1996. The cost of premiums for those four policies increased by a range of 48% to 99%.¹ This increase in premiums and removal of products from the market indicates that prescription drug coverage for persons over the age of 65 is becoming an uninsurable risk.

The 2002 Nebraska Prescription Drug Survey was conducted to gain Nebraska-specific information about the experiences of persons age 50 and over with prescription drugs and about their opinions regarding the development of a state Prescription Drug Assistance Program.

Specifically, this telephone survey of 804 randomly selected Nebraskan adults age 50 and over explores:

- Problems experienced with paying for prescription drugs
- Insurance coverage for prescription drugs
- Support for a state-funded Prescription Drug Assistance Program
- Options for financing the Prescription Drug Assistance Program

Highlights

- The median amount respondents say they pay per month for out-of-pocket prescription drugs is \$75. Nearly half of them report that they experience a major (22%) or minor (26%) problem paying for these drugs.
- Nearly four in five (78%) respondents support Nebraska offering a state-funded Prescription Drug Assistance Program for persons who need help with their prescription drug costs even if they might not be eligible for benefits under the program.

¹ Nebraska Department of Insurance, 1996 Comparison Guide for Medicare Supplement Insurance in Nebraska, 1996. Nebraska Department of Insurance, 2001 Comparison Guide for Medicare Supplement Insurance in Nebraska, 2001.

- More than half of respondents report that it should be a top (28%) or high priority (35%) for the Nebraska Legislature to create a Prescription Drug Assistance Program to assist persons who have problems paying for their prescription drugs.
- Four in five (79%) respondents support financing the cost of a Prescription Drug Assistance Program through resources available in the Health Care Trust Fund. Two-thirds (64%) indicate they support financing the program through a \$0.05 a pack increase in the cigarette tax. Notably, only slightly more than one in three (35%) indicate they support increasing the state income tax rate to finance the program.
- More than half (51%) of respondents report that they would be more likely to vote for a candidate who supported legislation that would establish a prescription drug program for those who needed help with their prescription drug costs.

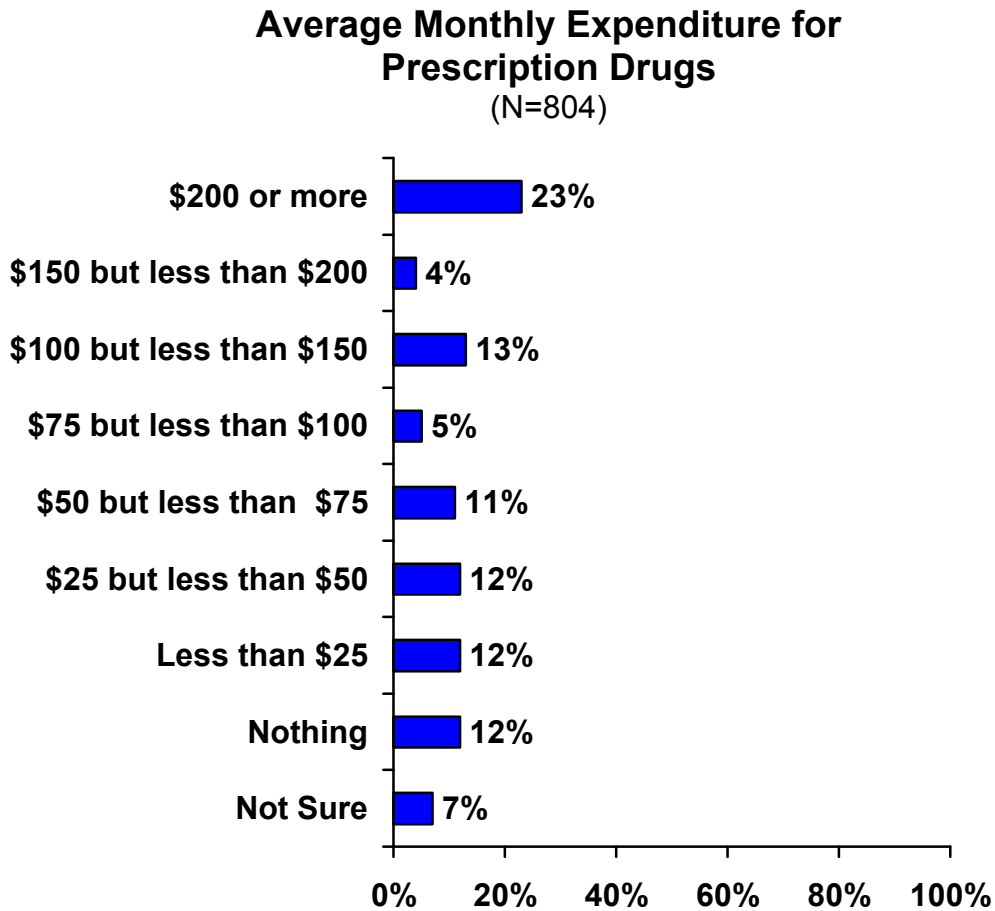
Findings

Nearly half of Nebraskans age 50+ experiences some problems paying for prescription drugs.

Nearly half of them report that they experience a major (22%) or minor (26%) problem paying for these drugs.

About one-quarter of Nebraskans pay more than \$200 per month on out of pocket prescription drug costs.

The median amount that respondents' pay per month is \$75; however, one in four Nebraskans pays \$200 or more per month on out-of-pocket prescription drug costs.



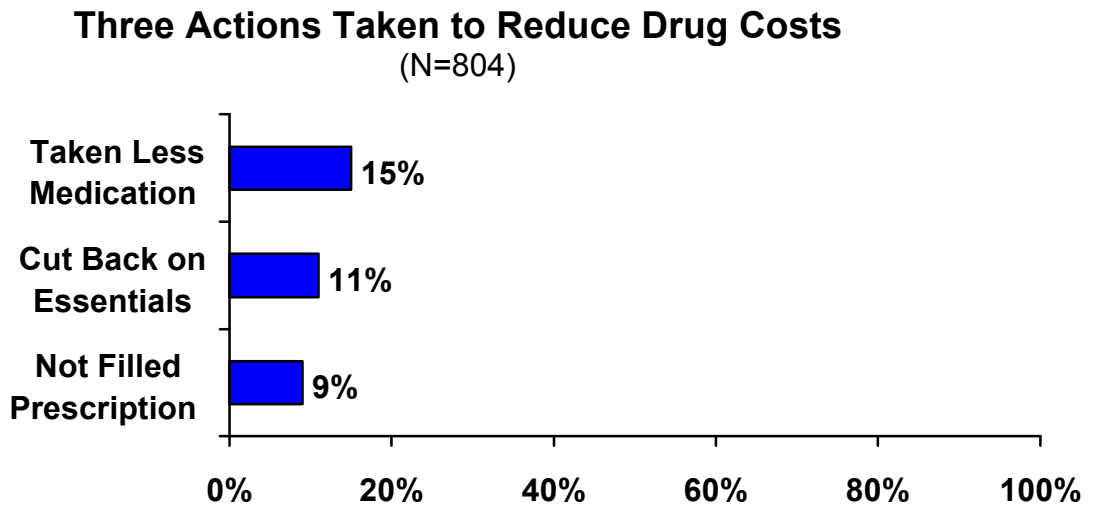
About two in five respondents have no prescription drug insurance coverage.

Three in five (61%) respondents say they have prescription drug coverage. One in four (25%) report that their coverage is through Blue Cross and Blue Shield. Slightly more than quarter (27%) indicate that they have some other carrier such as Principal Mutual, Caremark, Mutual of Omaha, Aetna, or other non-specified plan. About one in five (19%) report that their coverage is through their employer.

However, nearly two in five (38%) Nebraskans age 50 and over have no prescription drug coverage.

About three in ten Nebraskans age 50 and over has cut back on prescriptions or other necessities to contain the costs of their prescription drugs.

Respondents were presented with three actions persons have used to reduce the cost of prescription drugs: not getting a prescription filled; taken less medication than prescribed; and cut back on such items as food, fuel, or electricity.

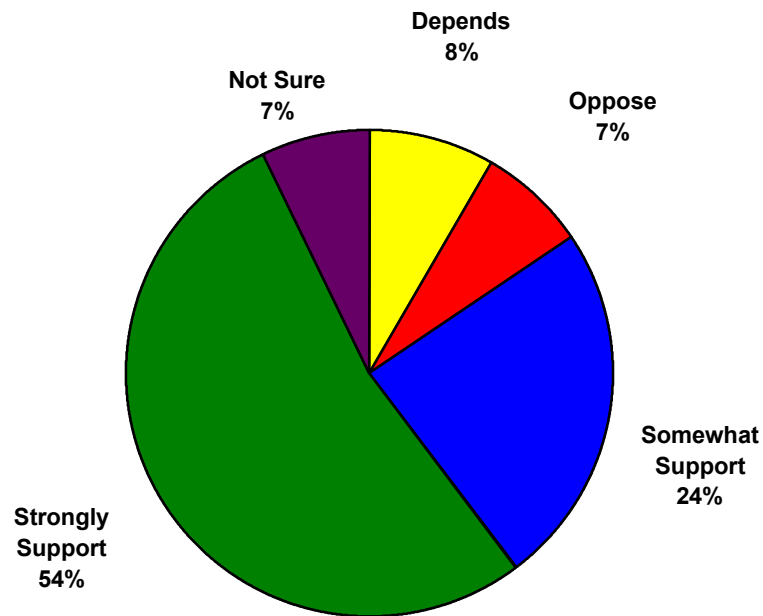


About three in ten (28%) of respondents have taken one or more of the three actions to reduce the costs of their prescription drugs. (Five percent have taken two actions, and an additional four percent have taken all three actions.)

Nearly four in five Nebraskans age 50 and over support a state-funded Prescription Drug Assistance Program.

Nearly four in five respondents strongly or somewhat support Nebraska offering a state-funded Prescription Drug Assistance Program for persons who need help with their prescription drug costs even if they might not be eligible for benefits under the program.

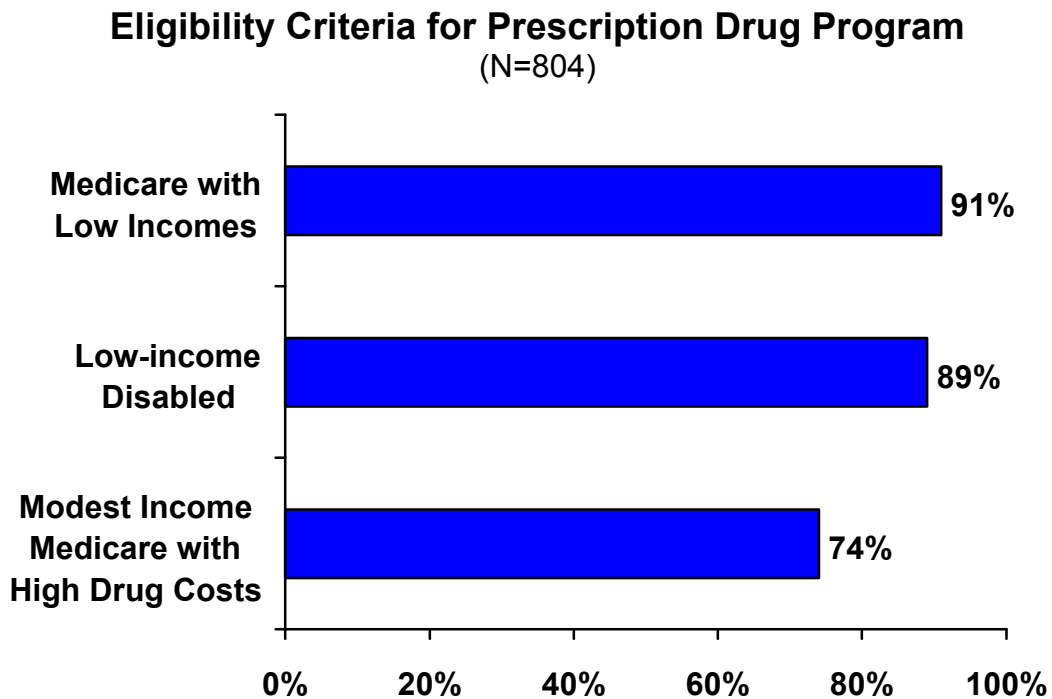
Support For State-Funded Prescription Drug Program (N=804)



Respondents broadly define who should be eligible for coverage under a Prescription Drug Assistance Program.

Respondents were presented with three criteria options for eligibility for the Prescription Drug Assistance Program: Medicare beneficiaries with low incomes; low-income persons with disabilities regardless of age; and modest-income Medicare beneficiaries with high drug costs.

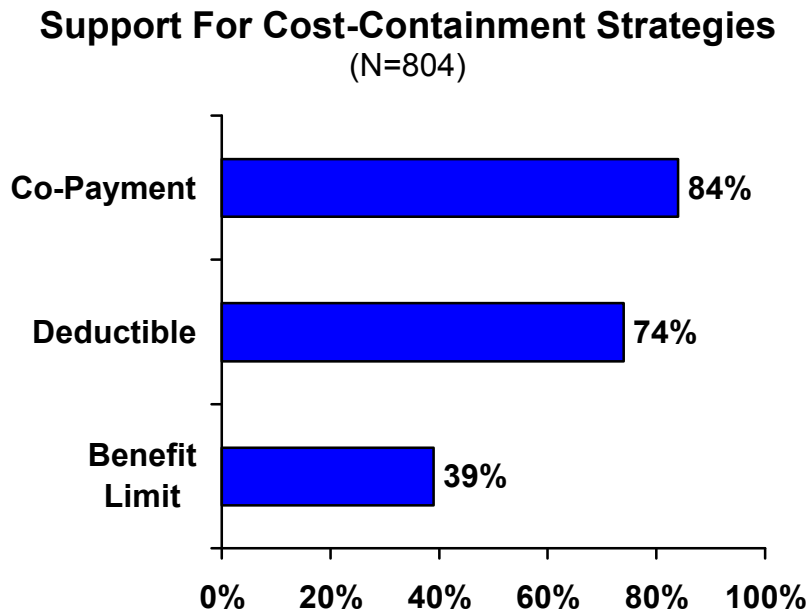
Nine in ten respondents say that Medicare beneficiaries with low incomes and low-income persons with disabilities regardless of age should be eligible for the program. And three-quarters of respondents indicate that modest-income Medicare beneficiaries with high drug costs should be eligible for the program.



Three in four or more Nebraskans age 50 and over support either a co-payment or deductible to help contain the cost of a Prescription Drug Assistance Program.

Respondents were presented with three options to control the costs associated with a Prescription Drug Assistance Program: individual deductibles, co-payments, and dollar limits on coverage.

While three-quarters or more of respondents support either a co-payment or deductible, half as many support limiting the benefit to a specific dollar amount.

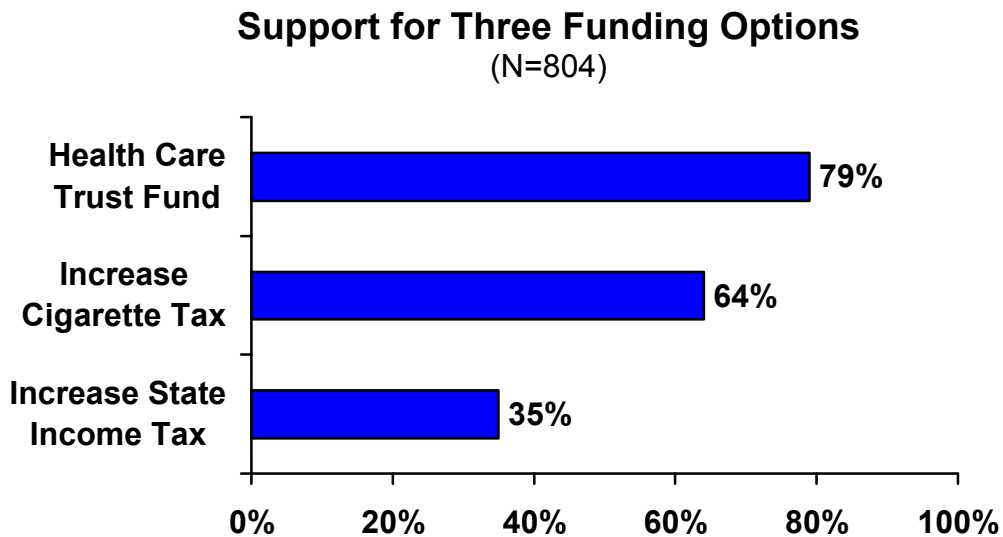


When asked to estimate a reasonable co-payment, deductible, or benefit ceiling, more than half of respondents were either unsure or refused to answer.

The most popular proposal for financing a prescription drug benefit is using Health Care Trust Fund resources.

Respondents were presented with three proposals for funding the Prescription Drug Assistance Program: use of Health Care Trust Fund resources; increase state income tax rate by a small amount; and increase the cigarette tax by \$0.05 a pack.

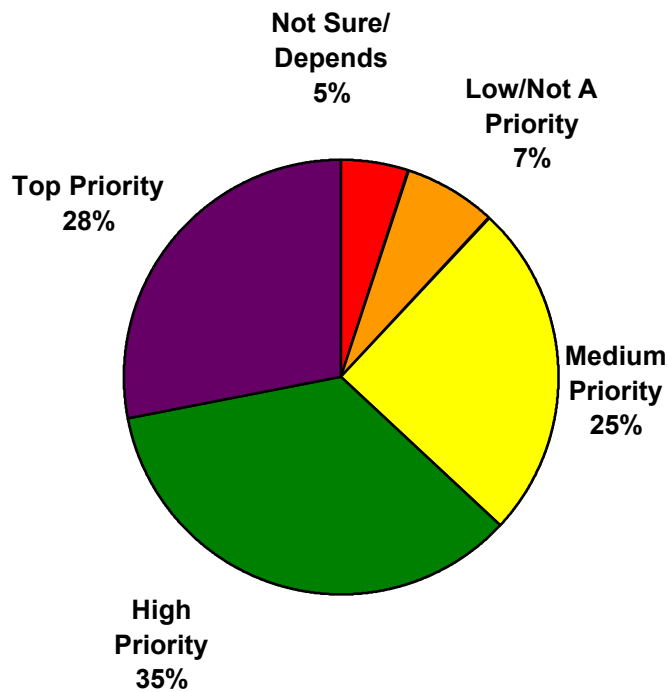
Four in five respondents support financing the cost of a Prescription Drug Assistance Program through resources available in the Health Care Trust Fund. Two-thirds indicate they support financing the program through a \$0.05 a pack increase in the cigarette tax. Notably, only about one in three indicate they support increasing the state income tax rate to finance the program.



About two-thirds of respondents indicate that creating a Prescription Drug Assistance Program should be a top or high priority for the Nebraska Legislature.

About two-thirds of respondents report that it should be a top or high priority for the Nebraska Legislature to create a Prescription Drug Assistance Program to assist persons who have problems paying for their prescription drugs.

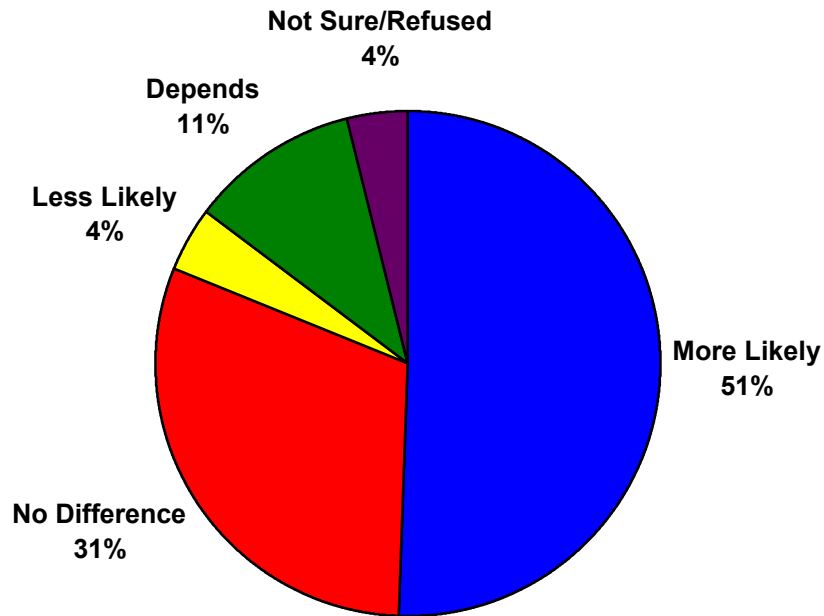
Priority For Creating a Prescription Drug Program
(N=804)



Nebraskans age 50 and over are more likely to vote for a candidate who supported legislation establishing a Prescription Drug Assistance Program.

More than half of respondents report that they would be more likely to vote for a candidate who supported legislation that would establish a Prescription Drug Assistance Program for those who needed help with their prescription drug costs. In contrast, only four percent would be less likely to vote for a candidate who supports a prescription drug proposal. This translates to a ratio 12:1 of those who would be more likely to vote for a candidate compared to those would be less likely.

**Likelihood of Voting for A Candidate
Who Supports Prescription Drug Proposal**
(N=804)



Two thirds (64%) of respondents report that they have always voted in state elections for Nebraska Governor and Legislators during the past ten years.

Respondents are civically active in other ways as well. Two in five (39%) say they have phoned, faxed, or written a public official during the past five years, and nearly three in ten (28%) say they have contributed money to a candidate or political party.

Conclusions

The majority of Nebraskans age 50 and over considers establishing a state-funded Prescription Drug Assistance Program a priority. The most popular proposal for financing the program is to use resources available through the Health Care Trust Fund. Further, a majority of Nebraskans age 50 and over would favor including a minimal co-payment and deductible to help contain the cost of the program. Moreover, more than half of respondents state they would be more likely to vote for a candidate who supports establishing a Prescription Drug Assistance Program.

Methodology

AARP contracted with Woelful Research, Inc. to conduct a random digit dial (RDD) telephone survey of 804 Nebraskans age 50 and over. From a random sample of 11,664 a total of 804 interviews were completed from May 31 to June 12, 2002, yielding a 20% response rate and a 91% cooperation rate.² Survey responses were weighted to reflect the actual distribution of age and gender of the adult population age 50 and older in Nebraska. Responses to all survey questions are in the attached annotated questionnaire.

For more information about this study, contact Anita Stowell-Ritter, AARP Knowledge Management, (202) 434-6205.

² The response rate is Response Rate 3 and the cooperation rate is Cooperation Rate 3 from the following publication: The American Association for Public Opinion Research. 2000. *Standard Definitions: Final Dispositions of Case Codes and Outcome Rates for Surveys*. Ann Arbor, Michigan: AAPOR.

Appendix I
Annotated Questionnaire

AARP Nebraska Prescription Drug Survey

N = 804, Response Rate = 20%, Cooperation Rate = 91%

(Percentages may not add to 100 percent due to rounding or multiple responses.)

Quota: 800 50+ YEARS OLD

Introduction

Hello, this is _____ from Woelfel Research, a national opinion research company. We're conducting a study among Nebraska residents about prescription drug issues. This is not a sales call and you will not be asked to buy anything either now or later. We would really like to include your opinions in our study and assure you that all of your answers will remain completely confidential. The survey should take only about 10 minutes to complete.

Screening

1. RECORD GENDER OF PERSON WHO ANSWERED PHONE:
 - 2 Male
 - 1 Female

2. To make our study more representative, I need to speak with the youngest male who is at home right now and is at least 50 years old.
 - 1 Person on phone is youngest male → [SKIP TO Q.5]
 - 2 Other person is youngest male and is coming to phone → [SKIP TO Q.4]
 - 3 Person is not available
 - 4 Refused → [SKIP TO Q.REFUSAL]

3. Then may I speak to the oldest female who is at home right now and is at least 50 years old?
 - 1 Person on phone is oldest female → [SKIP TO Q.5]
 - 2 Other person on phone is oldest female and is coming to the phone → [SKIP TO Q.4]
 - 3 Person is not available → [SCHEDULE CALLBACK]
 - 4 Refused → [SKIP TO Q.REFUSAL]

4. Hello, this is _____ from Woelful Research, a national opinion research company. We're conducting a study among Nebraska residents about prescription drug issues. This is not a sales call and you will not be asked to buy anything either now or later. We would really like to include your opinions in our study and assure you that all of your answers will remain completely confidential. The survey should take only about 10 minutes to complete.

- 1 CONTINUE
- 2 REFUSED → [SKIP TO Q.REFUSAL]

5. During the past 12 months, how much – on average -- have you spent out of your own pocket each month on prescription medications? **(NOTE TO INTERVIEWER: PLEASE RECORD A SPECIFIC DOLLAR AMOUNT.)**

Median=\$75 per month

- %
- 12 Nothing
- 12 Less than \$25
- 12 \$25 but less than \$50
- 11 \$50 but less than \$75
- 5 \$75 but less than \$100
- 13 \$100 but less than \$150
- 4 \$150 but less than \$200
- 7 \$200 but less than \$250
- 8 \$250 but less than \$500
- 5 \$500 but less than \$1,000
- 3 More than \$1000
- 7 DON'T KNOW / NOT SURE
- 1 REFUSED

6. In the past 12 months, would you say that paying for these prescription medications has been a major problem, a minor problem, or not a problem for you?

- %
- 22 Major problem
- 26 Minor problem
- 50 Not a problem
- 2 DON'T KNOW / NOT SURE
- * REFUSED

7. Do you currently have prescription drug coverage?

%

61 Yes

38 No

1 DON'T KNOW / NOT SURE Skip to Question 9

* REFUSED Skip to Question 9

8. What is the source of your prescription drug coverage? (n= 491 respondents with current prescription drug coverage)

%

25 Blue Cross/Blue Shield

20 Health insurance

19 Employer/Company/Work

4 Medicare

4 Veteran's Administration

2 Principal Mutual

2 Military

2 United Healthcare

2 Co-pay

2 Medicaid

1 Caremark

1 Mutual of Omaha

1 Supplemental insurance

1 Private insurance

1 HMO

1 Retiree benefits

1 AARP

1 Aetna

7 Other

0 DON'T KNOW / NOT SURE

5 REFUSED

9. Many people face difficult decisions when buying prescription drugs. In the past six months, have you done any of the following?

a. Not gotten a prescription filled because you didn't have enough money to pay for it?

%

9 Yes

90 No

* DON'T KNOW / NOT SURE

0 REFUSED

b. Taken less medicine than your doctor prescribed to make it last longer?

%
15 Yes
85 No
1 DON'T KNOW / NOT SURE
0 REFUSED

c. Cut back on items such as food, fuel, or electricity to be able to afford a prescription drug?

%
11 Yes
88 No
1 DON'T KNOW / NOT SURE
0 REFUSED

10. Do you **support** or **oppose** Nebraska offering a state-funded prescription drug program for persons who need help with their prescription drug costs even if you might not be eligible for benefits under the program?

%		
78	Support	Skip to question 12
7	Oppose	
8	Depends _____	Skip to question 13
7	DON'T KNOW / NOT SURE	Skip to question 13
*	REFUSED	Skip to question 13

11. And would you strongly oppose or somewhat oppose this program? (n=54, respondents who oppose program)

%		
46	Strongly Oppose	Skip to question 13
45	Somewhat Oppose	Skip to question 13
4	Depends _____	Skip to question 13
5	DON'T KNOW / NOT SURE	Skip to question 13
0	REFUSED	Skip to question 13

12. And would you strongly support or somewhat support this program? (n=630, respondents who support the program)

%	
66	Strongly Support
30	Somewhat Support
3	Depends _____
2	DON'T KNOW / NOT SURE
*	REFUSED

13. I am going to read you a list of persons who might receive benefits if the state of Nebraska were to establish a prescription drug assistance program. For each, I'd like to know whether you would support including them in the program. Would you support including:

a. Medicare beneficiaries with low incomes

%

91 Yes

4 No

3 Depends _____

3 DON'T KNOW / NOT SURE

* REFUSED

b. Low-income persons with disabilities regardless of age

%

89 Yes

5 No

3 Depends _____

3 DON'T KNOW / NOT SURE

* REFUSED

c. Modest-income Medicare beneficiaries with high drug costs

%

74 Yes

12 No

7 Depends _____

7 DON'T KNOW / NOT SURE

* REFUSED

If the state of Nebraska were to create a prescription drug assistance program it is likely that it would include features to control the states' costs. I am going to read you a list of cost saving options, and I would like to know if you would support including them in the program.

14. Do you **support** Nebraska requiring the individual to pay part of the initial drug costs before they receive any benefits? This is commonly referred to as a deductible.

%

74 Yes

14 No

12 DON'T KNOW / NOT SURE

* REFUSED

Skip to question 16

Skip to question 16

Skip to question 16

15. How much should the individual be required to pay before they receive any benefits?
(NOTE TO INTERVIEWER: PLEASE DIRECT THE RESPONDENT TO GIVE A SPECIFIC DOLLAR AMOUNT.)

(n= 596, respondents who support a deductible)

- %
- 1 Nothing
- 3 Less than \$25
- 2 \$25 but less than \$50
- 3 \$50 but less than \$75
- * \$75 but less than \$100
- 11 \$100 but less than \$150
- 2 \$150 but less than \$200
- 4 \$200 but less than \$250
- 5 \$250 but less than \$500
- 4 \$500 but less than \$1,000
- 4 More than \$1000
- 46 DON'T KNOW / NOT SURE
- 18 REFUSED

16. Do you **support** Nebraska setting a limit on the amount of benefits that would be paid in a year, after which the individual would be responsible for additional costs?

- %
 - 39 Yes
 - 42 No
 - 19 DON'T KNOW / NOT SURE
 - * REFUSED
- Skip to question 18
Skip to question 18
Skip to question 18

17. How much should the annual limit be?

(NOTE TO INTERVIEWER: PLEASE DIRECT THE RESPONDENT TO GIVE A SPECIFIC DOLLAR AMOUNT.)

(n = 313, respondents who support limiting benefits)

- %
- * Nothing
- 1 Less than \$100
- 3 \$100 but less than \$500
- 5 \$500 but less than \$1,000
- 13 \$1,000 but less than \$2,500
- 11 More than \$2,500
- 57 DON'T KNOW / NOT SURE
- 9 REFUSED

18. Do you **support** Nebraska require the individual to pay a portion of the cost for each prescription? This is commonly called a co-payment.

%	
84	Yes
10	No
7	DON'T KNOW / NOT SURE
*	REFUSED

Skip to question 20
Skip to question 20
Skip to question 20

19. How much should the co-payment be for each prescription?

(NOTE TO INTERVIEWER: PLEASE INSTRUCT THE RESPONDENT TO PROVIDE A SPECIFIC DOLLAR AMOUNT.)

(n = 671, respondents who support a co-payment)

%	
*	Nothing
2	Less than \$5
10	\$5 but less than \$10
18	\$10 but less than \$15
6	\$15 but less than \$20
5	\$20 but less than \$25
4	More than \$25
28	DON'T KNOW / NOT SURE
27	REFUSED

We have discussed several different considerations for a prescription drug assistance program including both benefit eligibility and coverage options. All the options are costly and additional state funds would be necessary to help defray the costs of the program. Several proposals exist for financing a prescription drug benefit. I am going to describe three proposals, please tell me if you support each proposal.

20. One proposal for financing a prescription drug benefit is to use dollars from the Health Care Trust Fund. This fund is financed through 2020 from a settlement between the state and tobacco companies, and it is used for public health projects in the state.

Would you **support** using the earnings from the Health Care Trust Fund to finance a prescription drug benefit?

%	
79	Yes
10	No
10	DON'T KNOW / NOT SURE
*	REFUSED

21. A second proposal is to increase the state income tax rate by a small amount. Would you **support** increasing the state income tax rate by a small amount to finance a prescription drug benefit?

%

35 Yes

57 No

8 DON'T KNOW / NOT SURE

* REFUSED

22. In 2002, the Legislature increased the cigarette tax by \$0.30 a pack. A third proposal is to increase the state cigarette tax rate by a small amount. Would you **support** increasing the state cigarette tax rate by an additional \$0.05 per pack to finance a prescription drug benefit?

%

64 Yes

31 No

4 DON'T KNOW / NOT SURE

* REFUSED

23. How much of a **priority** is it for the Nebraska State Legislature to create a prescription drug assistance program to assist persons who have problems paying for their prescriptions? Is it a top priority, high priority, medium priority, low priority, or not a priority?

%

28 Top priority

35 High priority

25 Medium priority

4 Low priority

3 Not a priority

2 IT DEPENDS [VOLUNTEERED]

3 DON'T KNOW / NOT SURE

* REFUSED

24. If a candidate for state office in Nebraska supported legislation that would establish a prescription drug program for those who need help with their prescription drug costs, would you be more likely to vote for that candidate, less likely to vote for them, or would it not make any difference?

%

51 More likely

4 Less likely

31 Would Not Make a Difference

11 IT DEPENDS [VOLUNTEERED]

3 DON'T KNOW / NOT SURE

1 REFUSED

AARP Demographics

D1. Thinking about your state elections for Nebraska Governor and Legislators in the last ten years, which of the following best describes your voting behavior? Would you say you always vote, sometimes miss one, rarely vote, or never vote?

%
64 Always vote
25 Sometimes miss one
6 Rarely vote
4 Never vote
1 Depends
1 DON'T KNOW / NOT SURE
1 REFUSED

D2. In the last five years, have you...

a. Phoned, faxed, or written a public official to make your views known on an issue of concern to you?

%
39 Yes
60 No
1 DON'T KNOW / NOT SURE
* REFUSED

b. Contributed money to a candidate or political party?

%
28 Yes
71 No
1 DON'T KNOW / NOT SURE
* REFUSED

D3. My last few questions are for classification purposes only. What is your age as of your last birthday? **[PROGRAMMERS: RECORD IN YEARS]**

Mean age = 65

%
38 50-59
38 60-74
22 75+
3 REFUSED

D4. Which of the following best describes your marital status? **(READ)**

- %
- 64 Married
- 6 Single, never married
- 12 Divorced/separated
- * Not married, living together
- 17 Widowed
- 0 DON'T KNOW / NOT SURE
- 1 REFUSED

D5. Are you Hispanic, Spanish, or Latino?

- %
- 2 Yes
- 97 No
- * DON'T KNOW / NOT SURE
- 1 REFUSED

D6. What is your race?

- %
- 94 White
- 2 African American
- * Asian
- 0 Hawaiian or Pacific Islander
- 1 Native American or Alaskan Native
- 0 Some other race [SPECIFY: _____]
- * DON'T KNOW / NOT SURE
- 3 REFUSED

D7. Which of the following best describes your highest level of education?

- %
- 9 Some high school or less
- 34 High school graduate
- 31 Some college or technical school
- 13 College graduate
- 12 Post graduate studies or degree
- * DON'T KNOW / NOT SURE
- 1 REFUSED

D8. Are you currently.... [READ LIST]

- %
- 35 Employed full-time
- 9 Employed part-time
- 44 Retired and not working
- 4 Homemaker
- 1 Unemployed and looking for work
- 6 Something else (Specify: _____)
- * DON'T KNOW / NOT SURE
- 1 REFUSED

D9. Which of the following best represents your household income in the year 2001 before taxes?

- %
- 9 Less than \$10,000
- 17 \$10,000 to \$19,999
- 16 \$20,000 to \$29,999
- 13 \$30,000 to \$39,999
- 10 \$40,000 to \$49,999
- 13 \$50,000 to \$74,999
- 8 \$75,000 or more
- 3 DON'T KNOW / NOT SURE
- 13 REFUSED → [SKIP TO D9]

D10. We realize that income is a private matter and that many people do not feel comfortable sharing that information with others. Rather than identifying a particular income range, would you mind telling me simply whether your household income is below \$40,000? (n=130, respondents who did not know or refused to answer previous question about 2001 annual income)

- %
- 26 Yes, Below
- 23 No, \$40,000 or more
- 8 DON'T KNOW / NOT SURE
- 44 REFUSED

D11. Do you currently smoke cigarettes on a regular basis?

- %
- 13 Yes
- 86 No
- * DON'T KNOW / NOT SURE
- 1 REFUSED

Vendor Demographics

D12. In the past seven days, have you accessed the Internet either to check email or visit a web site?

- %
- 36 Yes
- 64 No → [SKIP TO D14]
- * DON'T KNOW / NOT SURE → [SKIP TO D14]
- 1 REFUSED → [SKIP TO D14]

D13. Did you access the Internet from home, from work, from a school or public library, or from someplace else? [ALLOW FOR MULTIPLE ANSWERS] (n=286 respondents who have accessed the Internet to check e-mail or visit a web site)

- %
- 85 Home
- 35 Work
- 4 School
- 2 Library
- * Other [Specify: _____]
- 1 DON'T KNOW / REFUSED

D14. What is your zip code?

D15. And may I verify that I reached you at:

(____) _____

Thank you for participating! Your Opinion Counts.

D16. Respondent gender:

- %
- 46 Male
- 54 Female

[SKIP TO INTERVIEWER NAME]

Interviewer Name: _____

Date: _____

Time end: _____

Length of interview: _____

Interviewer ID # _____

AARP
Knowledge Management
For more information contact Anita Stowell-Ritter (202) 434-6205