

M E M O R A N D U M

**TO: Karen Ignagni, President and CEO
America's Health Insurance Plans**

**FROM: Whit Ayres and Jon McHenry
Ayres, McHenry & Associates, Inc.**

DATE: December 20, 2005

**RE: Survey of Seniors Who Have Signed Up for the
New Medicare Prescription Drug Benefit**

AHIP's new survey of seniors who have signed up for the new Medicare prescription drug benefit reveals that those who have completed the enrollment process and signed up have very positive views of the benefit.

The survey was conducted by Ayres, McHenry & Associates from December 15-19, 2005. The sample was drawn from a list targeting all adults age 65 or older. Respondents confirmed their age and were asked if they had enrolled in the new benefit. Results are based on the views of 401 seniors who said they have signed up for the benefit, with a margin of error of plus or minus 4.89 percent.

- 1. By greater than a three-to-one margin, seniors who have signed up say the time and effort they put into evaluating the many drug plans was worth it, given the benefits they will receive.** By a 57 to 16 percent margin, seniors say that the time and effort they spent evaluating the various drug plans offering the new benefit was worth it.
- 2. By a six-to one margin, these seniors would recommend that other seniors sign up for the new benefit.** By a 56 to 9 percent margin, seniors who have completed the enrollment process say they would recommend that other seniors sign up for the program. An additional 24 percent say it depends on the prospective enrollees' particular circumstances.
- 3. By nearly a two-to-one margin, these seniors say that the new drug benefit will save them money compared to what they currently pay for prescription drugs.** Fifty-one percent of seniors say that the new plan will save them money compared to what they currently pay, while 28 percent believe that it will not save them money.
- 4. Among those who currently spend over \$100 per month on prescription drugs, the margin who say it will save them money compared to what they currently spend on prescription drugs is greater than four-to-one.** Among seniors who currently pay more than \$100 a month for prescription drugs (nearly four out of ten of these seniors), 68 percent think the new plan will save them money, and 15 percent do not.
- 5. Over four-fifths of seniors say that their new Medicare drug plan covers the drugs they need.** Eighty-two percent of seniors say that their chosen plan covers the drugs they need, while only 7 percent say that it does not.