

AMERICAN VIEWPOINT

Public Opinion Regarding the New Medicare Benefits

A National Survey Commissioned By
The Healthcare Leadership Council

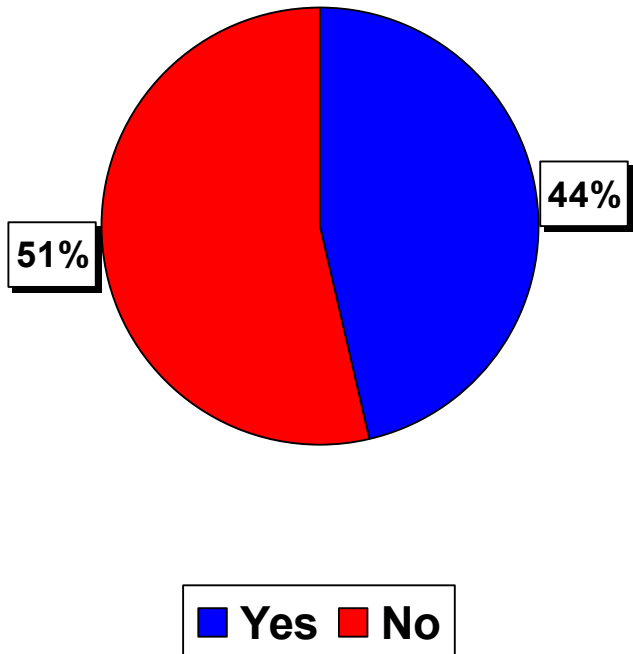
Prepared by
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Senior Vice President

N=1200 Age 55 and Older
Field Dates 10/04-10/10/2004



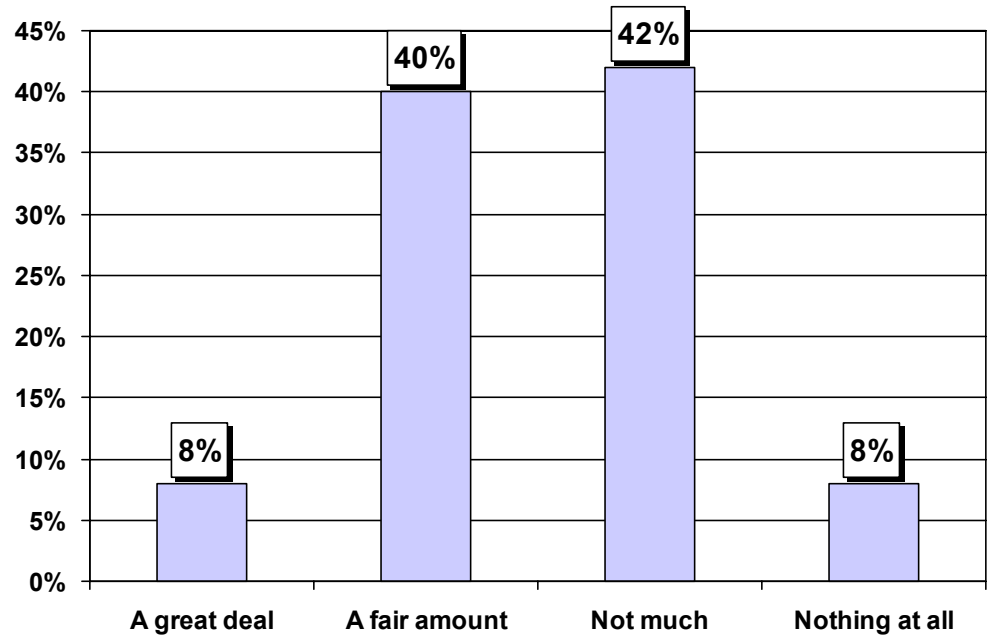
51% of those age 55 and older have not seen, read, or heard anything about the Medicare Modernization Act of 2003

Have you seen, read or heard anything about the Medicare Modernization Act of 2003, passed by Congress last year?



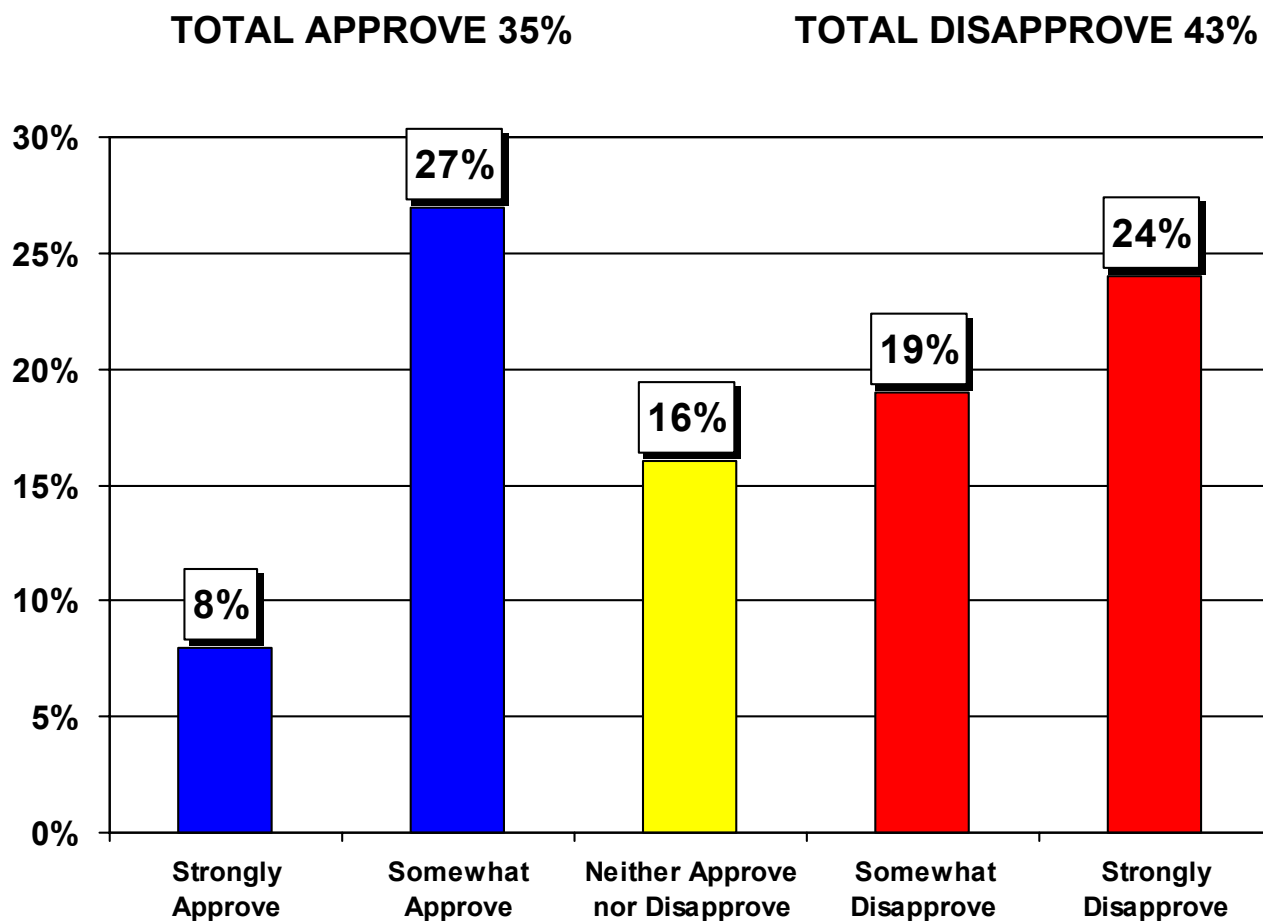
How much would you say you know about the new benefits covered by Medicare under this new law?

Base=532 who have seen, read or heard about MMA



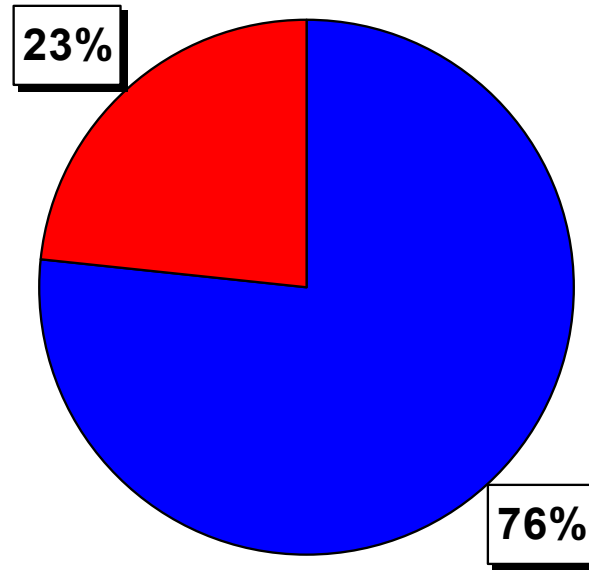
Among those who have some knowledge about Medicare coverage under the Medicare Modernization Act, a small plurality disapproves.

Base=482 with some knowledge about MMA



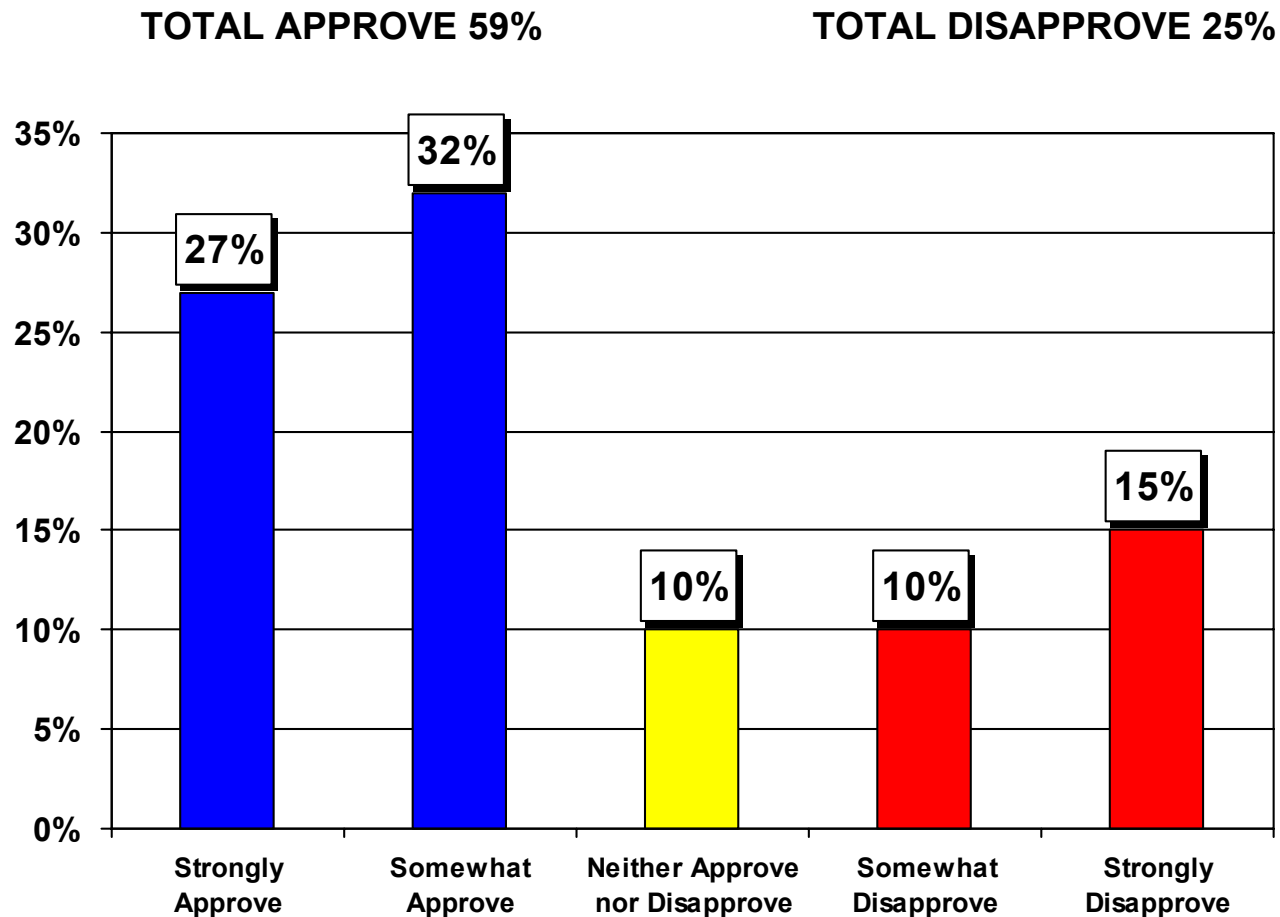
Three out of four are aware of the prescription drug discount card benefit.

As you may know, under the new Medicare benefits, you can voluntarily enroll and receive a Medicare-approved prescription drug discount card that will save 10% to 25% off the cost of prescription drugs purchased in 2004 and 2005. Also, low-income seniors can qualify for a \$600 annual credit to be used toward the purchase of medications. Were you aware of this benefit?



■ Yes ■ No

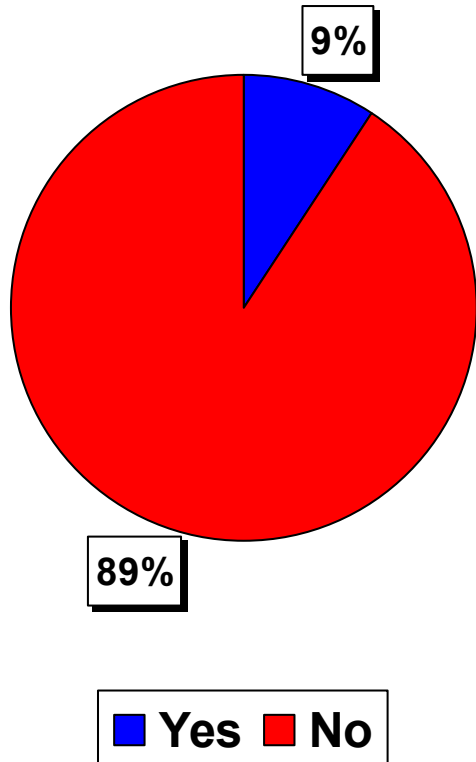
59% Majority Approves of Prescription Drug Discount Card Benefit



Discount Card Program Enrollment

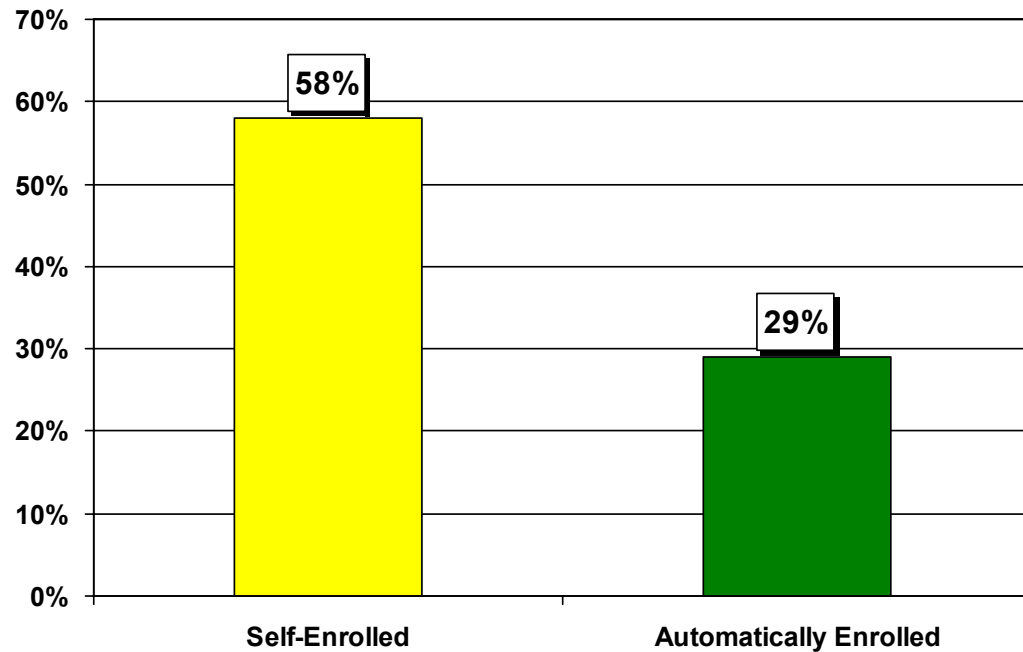
Have you, or has anyone in your household, enrolled in the discount card program?

BASE=916 Aware of Program



Did you enroll yourself, or were you automatically enrolled through the Medicare Advantage program?

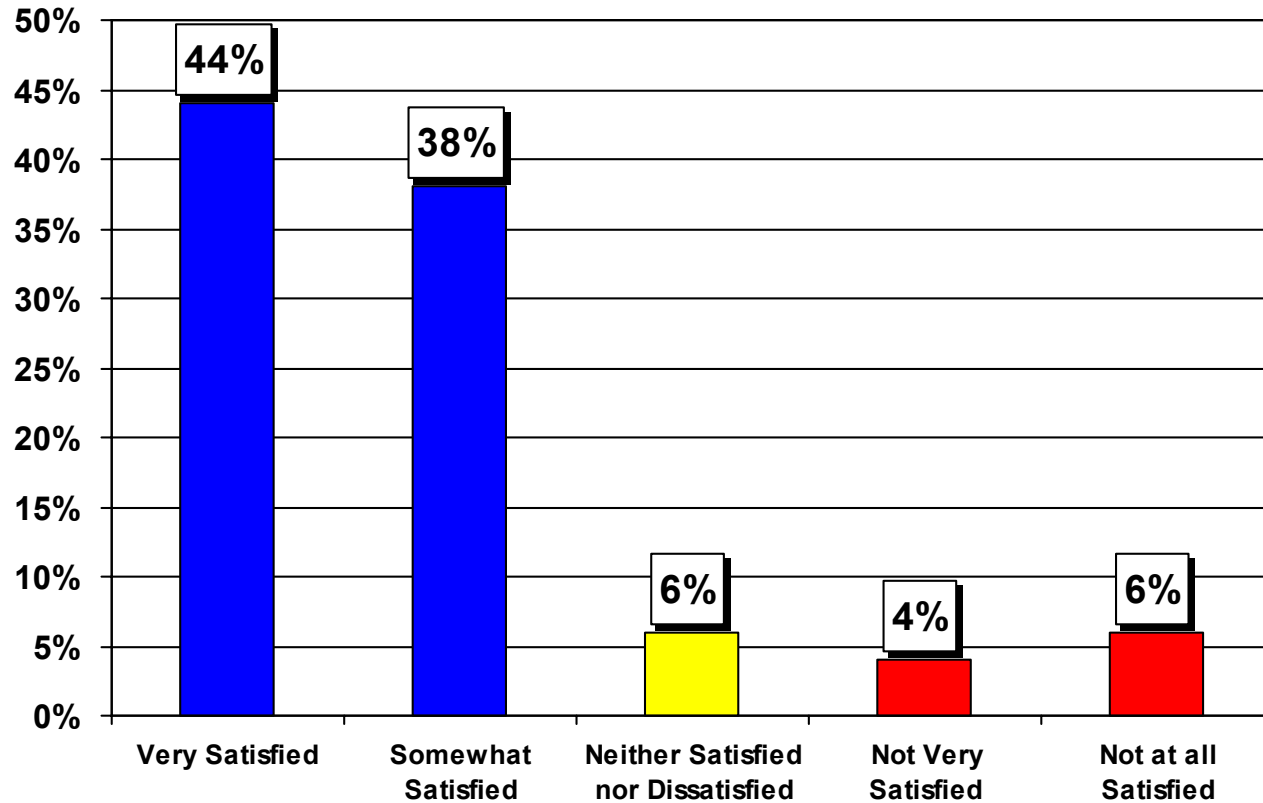
BASE=86 Enrolled



Satisfaction with the ease of enrolling in the discount card program?
Base=50 saying “Self-enrolled”

TOTAL SATISFIED 82%

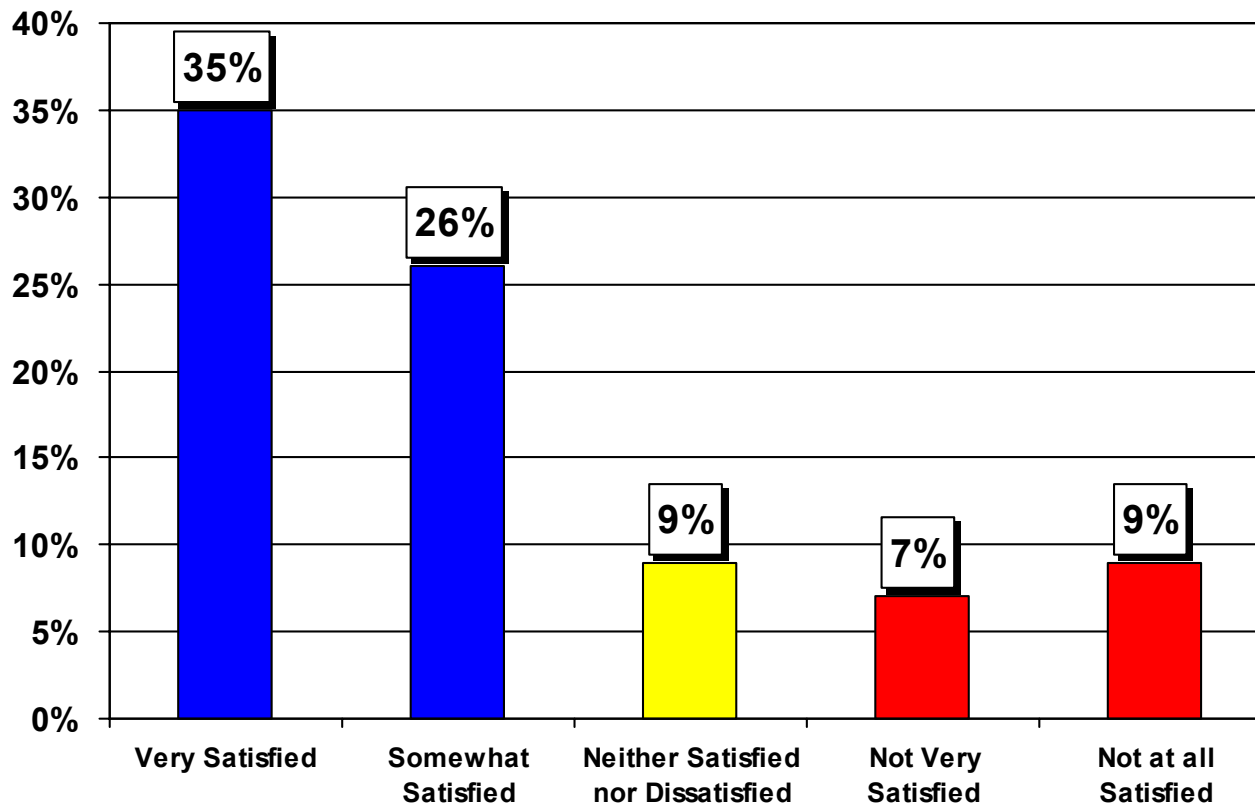
TOTAL DISSATISFIED 10%



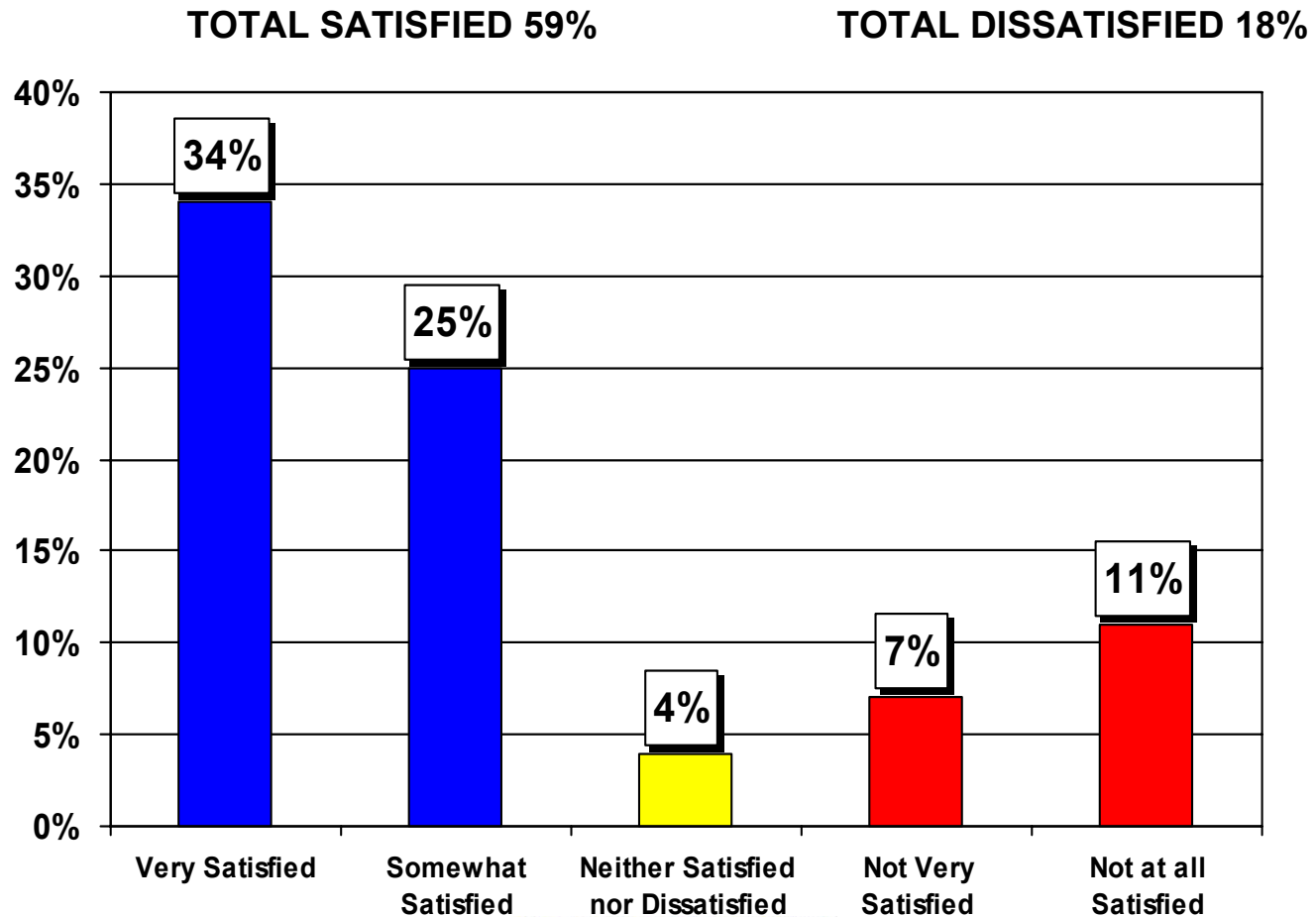
**61% of those enrolled in the discount card program (n=86)
are satisfied with the card.**

TOTAL SATISFIED 61%

TOTAL DISSATISFIED 16%

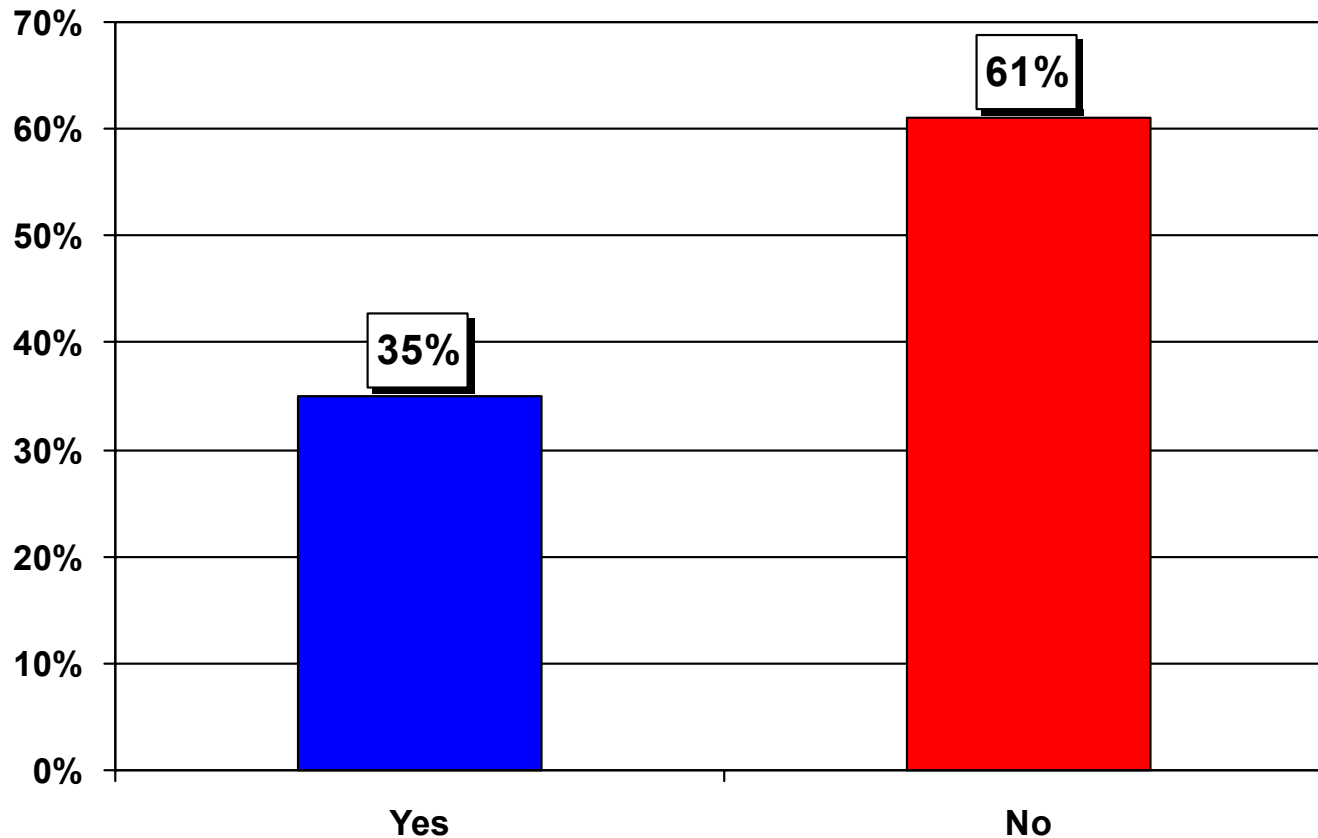


59% of those enrolled in the discount card program (n=86) are satisfied with the savings they have been able to achieve by using the card.



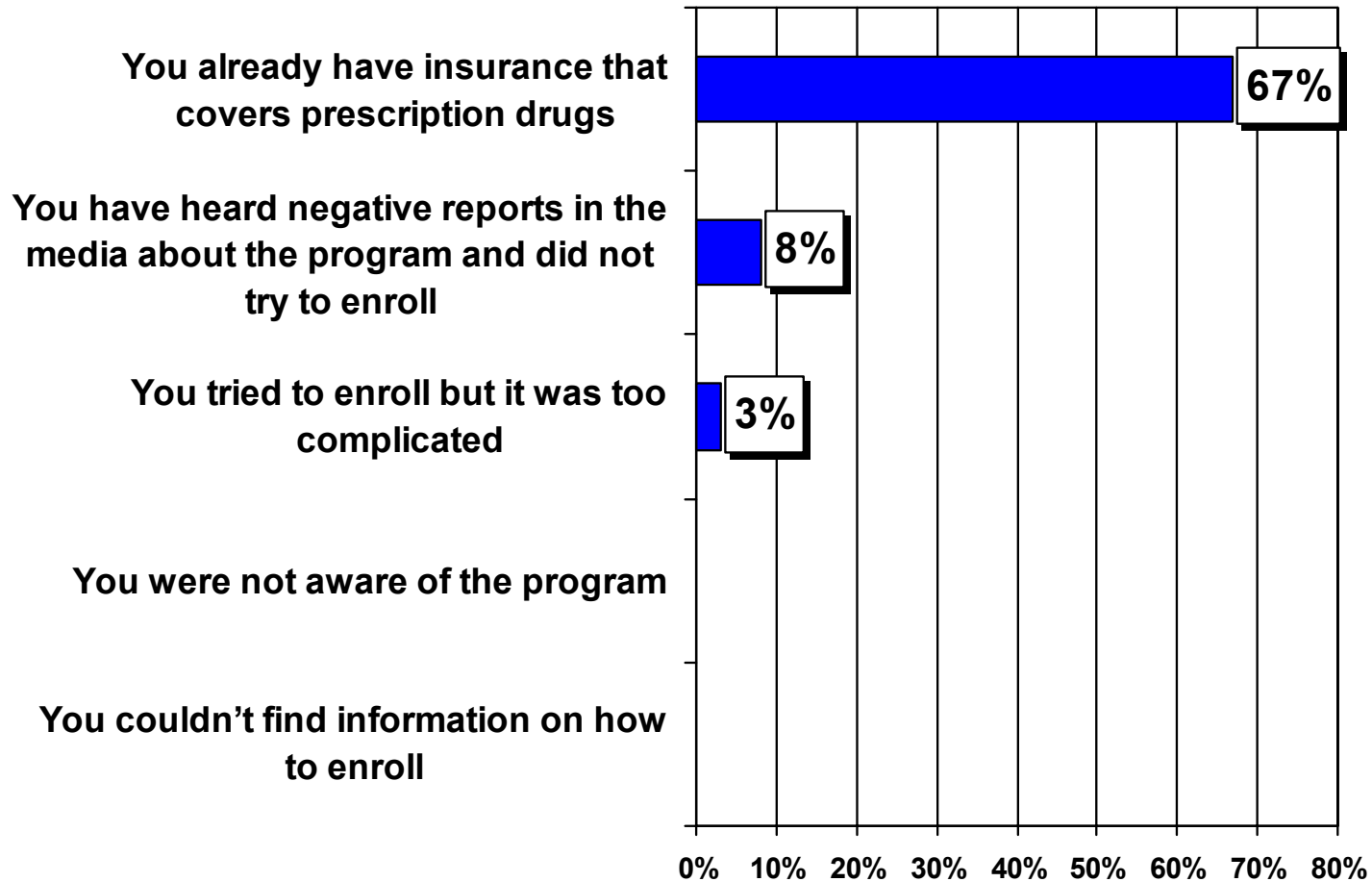
A little more than one-third said “yes” to the question, “Have you, or anyone in your household, made a decision not to enroll in the discount card program?” Most of those who have made such a decision already have other prescription drug coverage.

BASE=819 Not Enrolled



Which of the following statements best describes your reason for not enrolling in the discount card program:

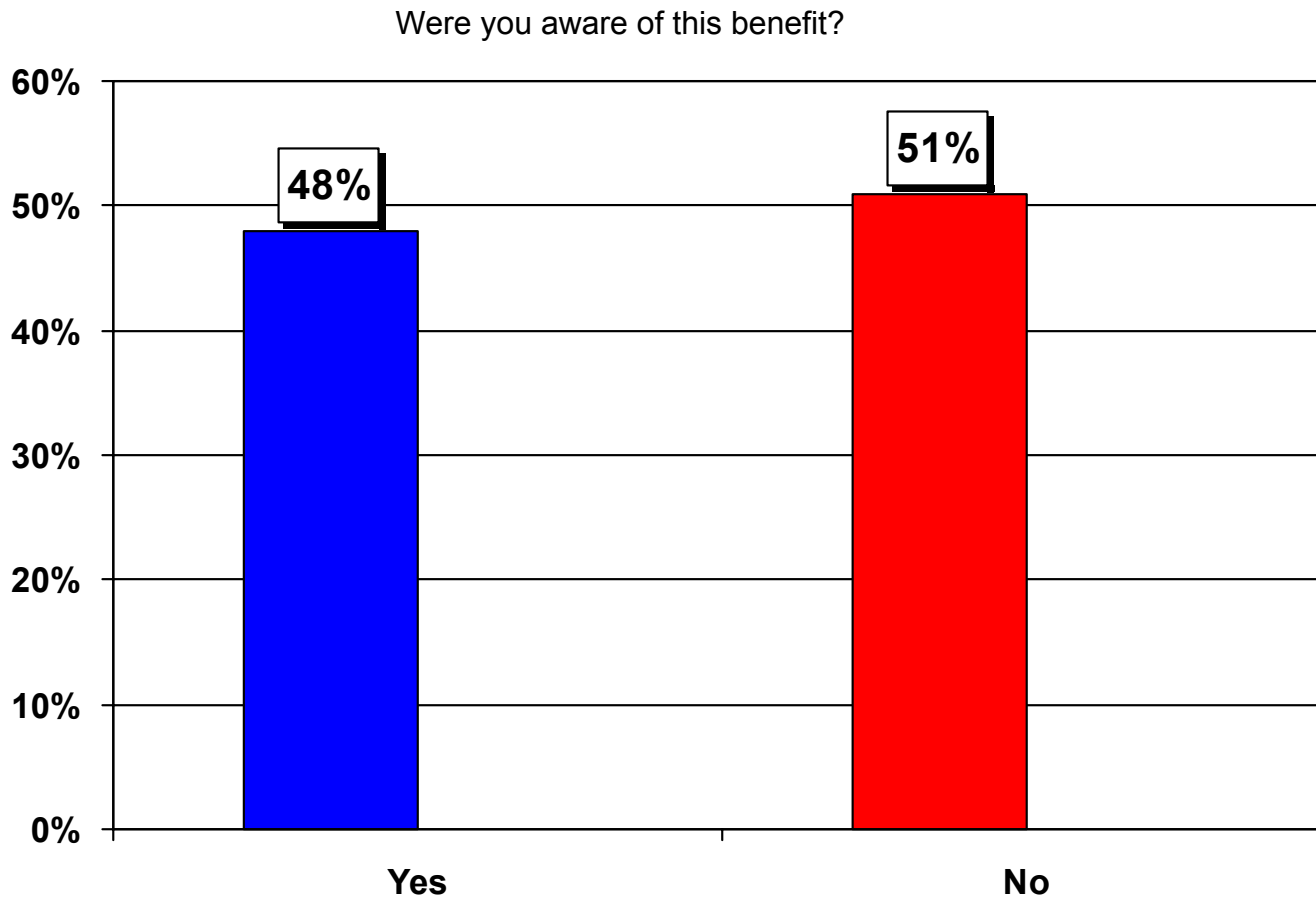
(Base=286 who say they or household member have made a decision not to enroll in the discount card program)



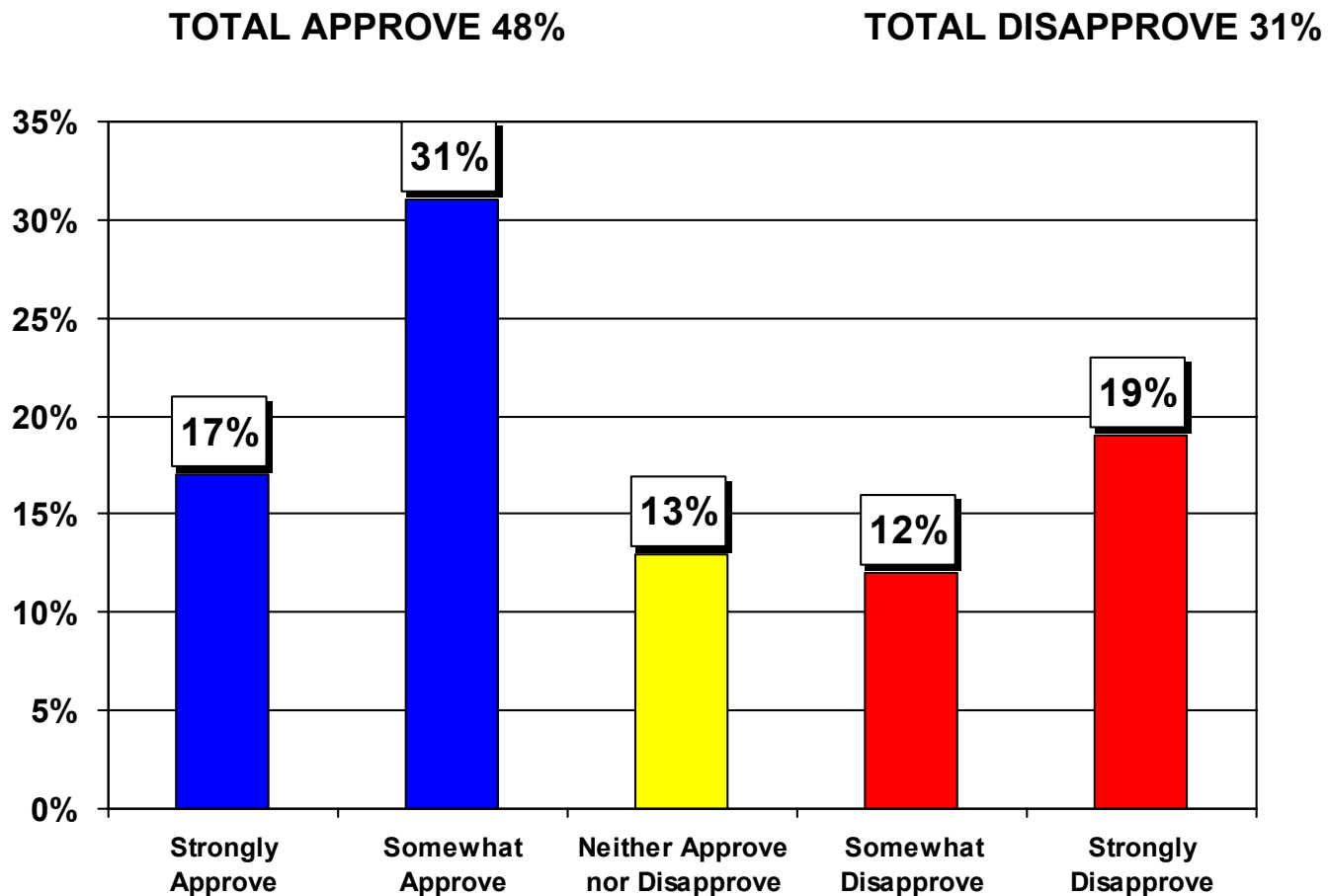
In all, 48% are aware of the new prescription drug benefit that starts in 2006.

Starting in 2006, Medicare beneficiaries will be able to voluntarily enroll in a new prescription drug benefit that works as follows:

In addition to their normal Medicare premiums, enrollees will pay a monthly premium of about \$35 and an annual deductible of \$250. After that, the plan will offer 75% savings on their drug costs up to \$2250 and 95% savings on drug costs after they reach \$3600 in out of pocket costs.



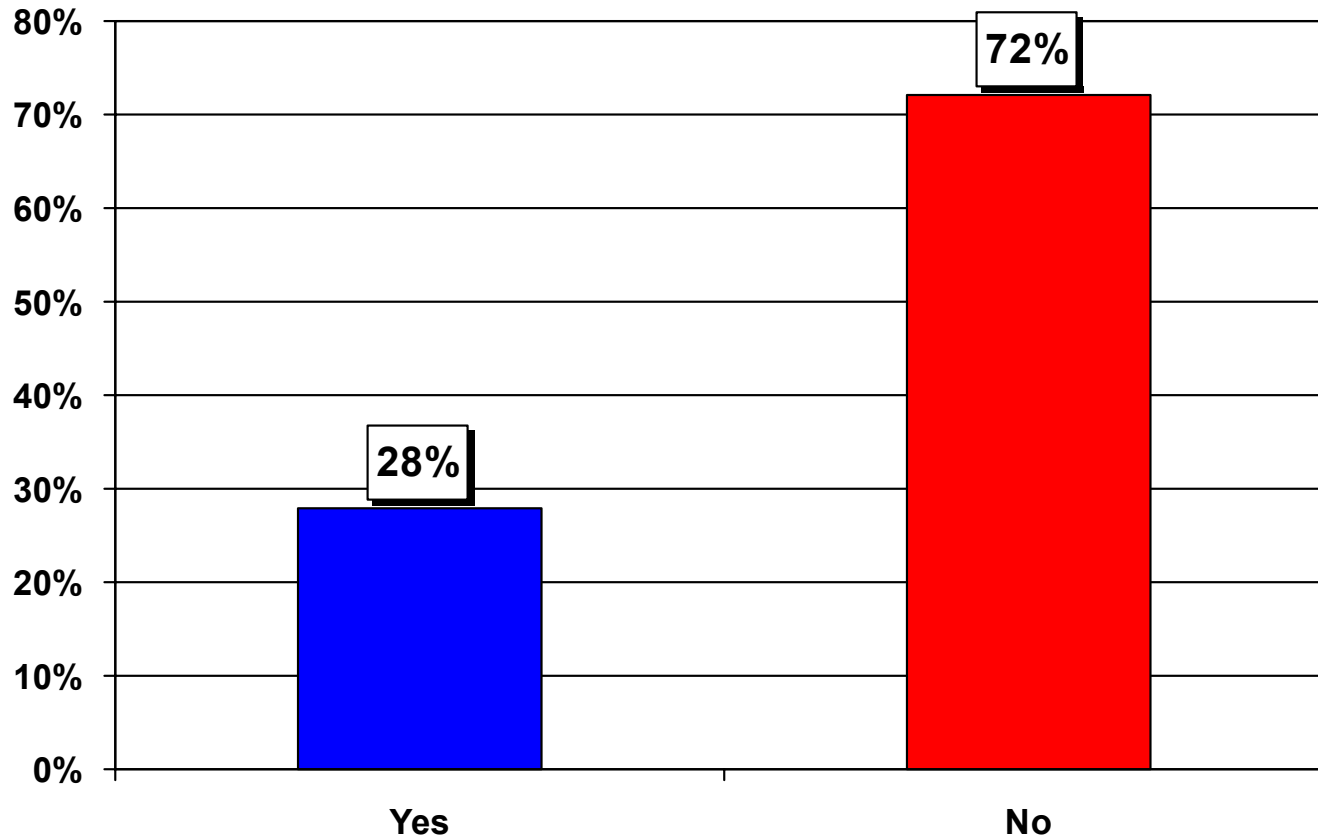
48% approve and 31% disapprove of the new prescription drug benefit.



Another provision of the new law is that starting in 2005, Medicare will offer new preventive care benefits. In addition to existing cancer screening services, bone density measurements and vaccinations already offered by Medicare, the program will add:

- A one-time initial wellness exam within six months of enrolling in Medicare Part B
- Screening blood tests for early detection of cardiovascular disease
- Diabetes screening tests for people with Medicare at risk of getting diabetes

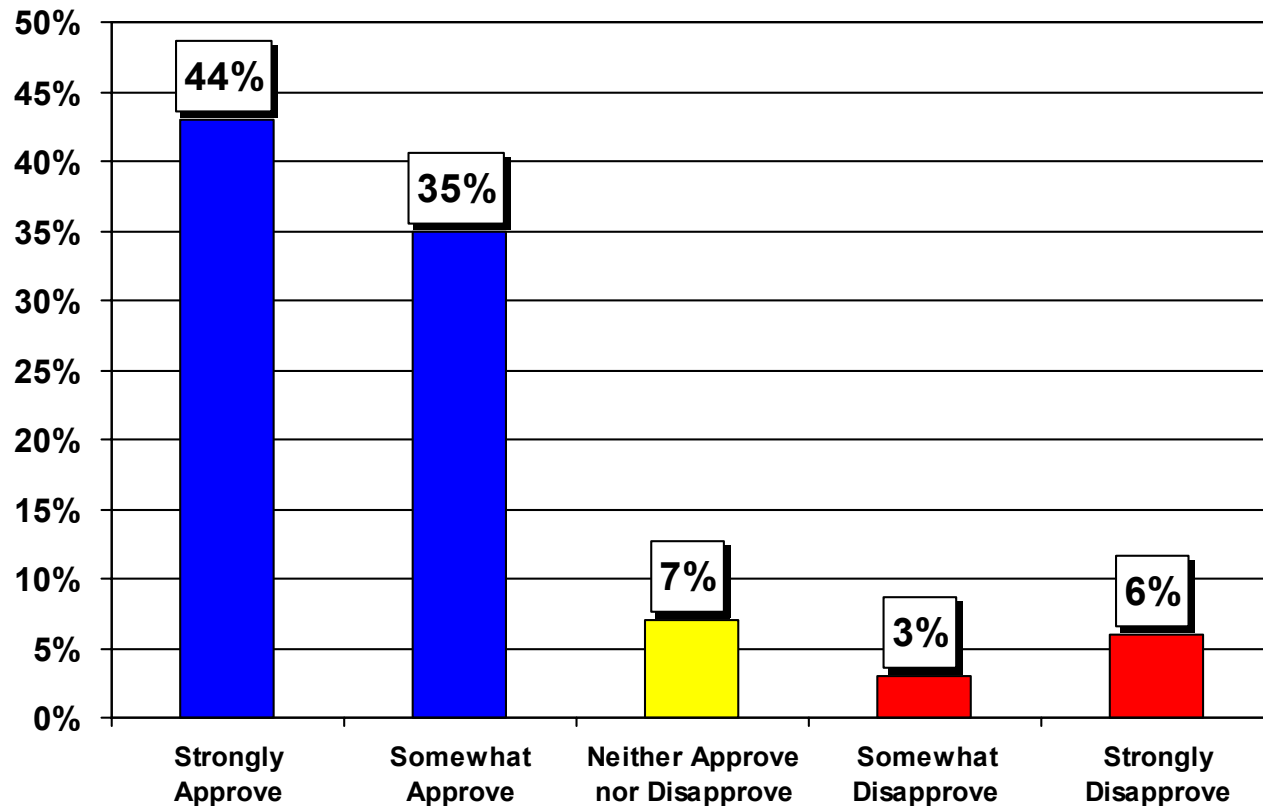
Were you aware of these benefits?



79% Approve of the Preventive Care Benefits

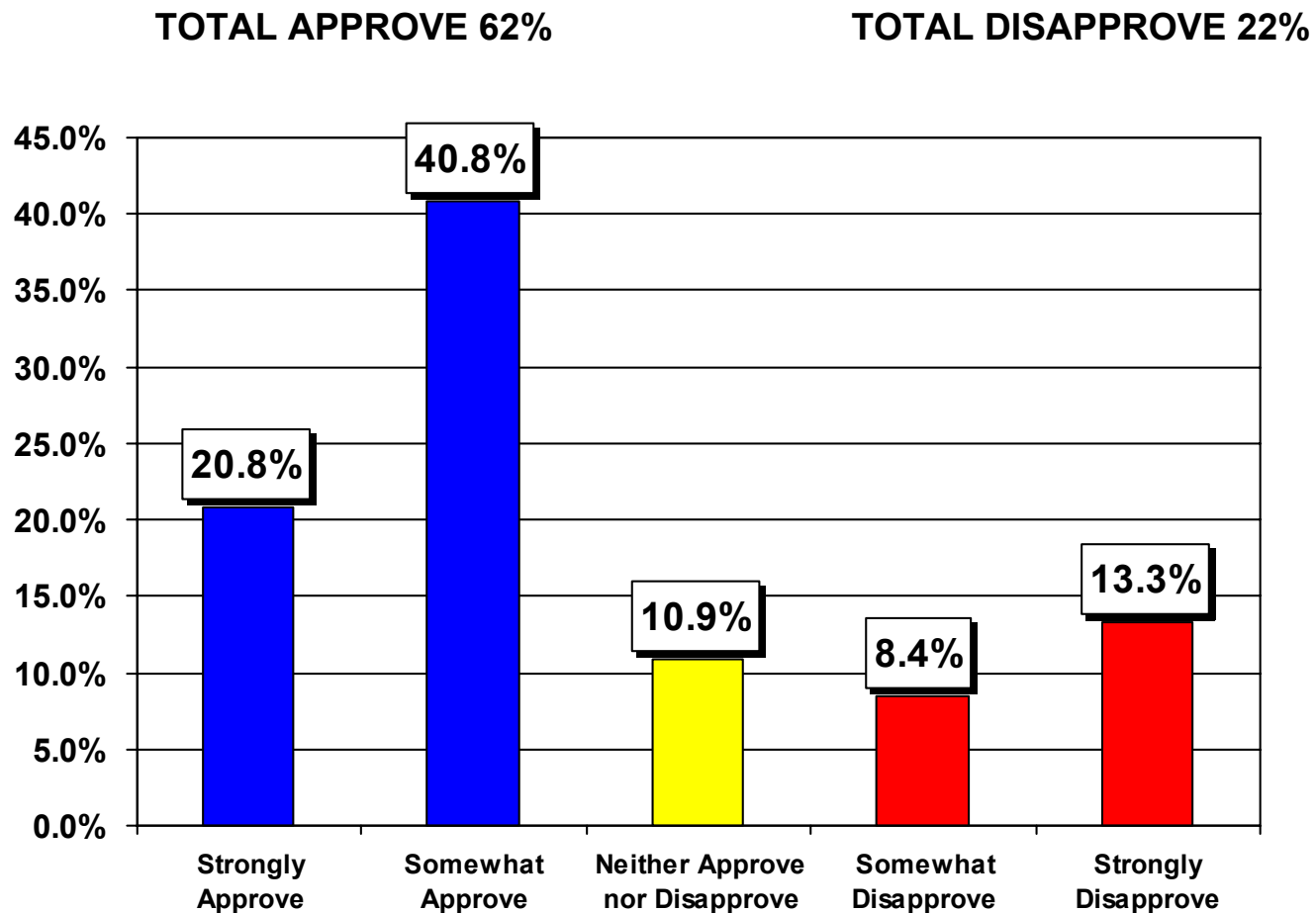
TOTAL APPROVE 79%

TOTAL DISAPPROVE 9%



Informed Approval Jumps to 62%

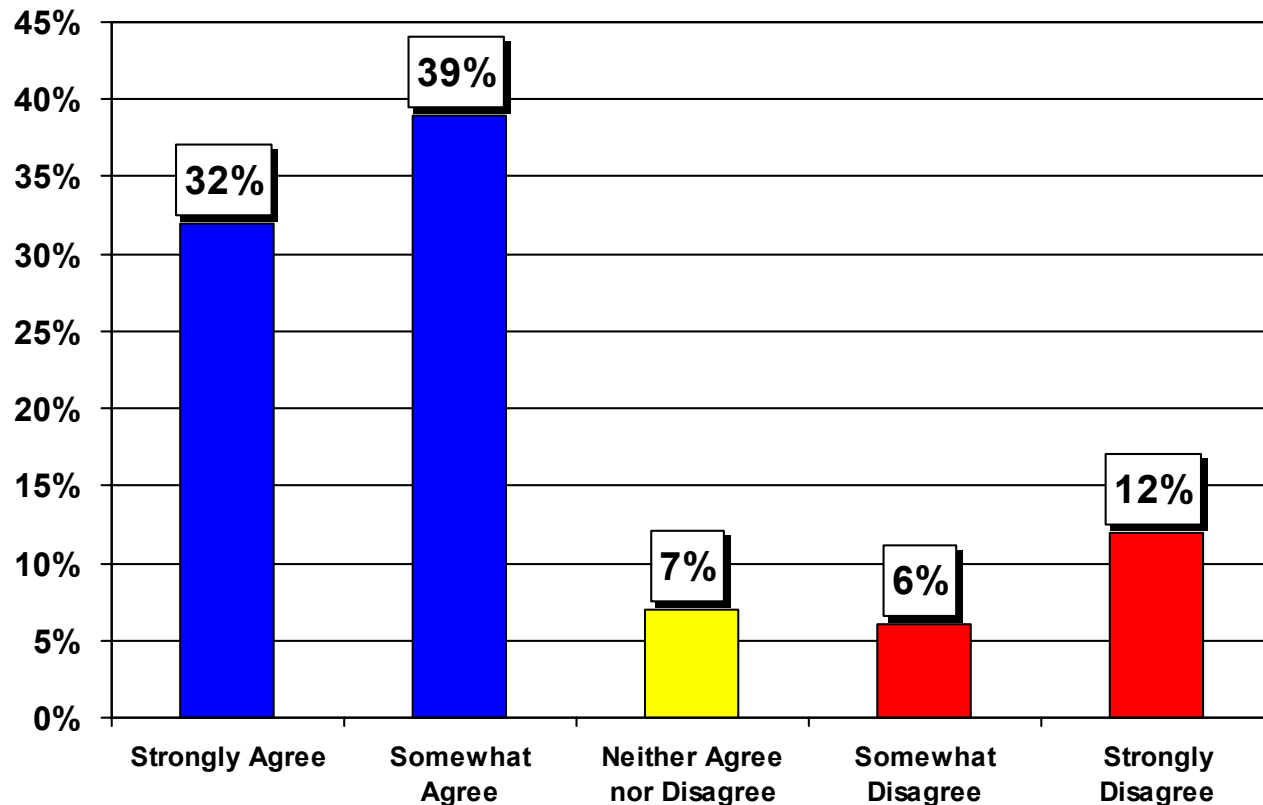
Now that you've heard more about the new Medicare benefits, would you say you approve or disapprove of the new Medicare law?



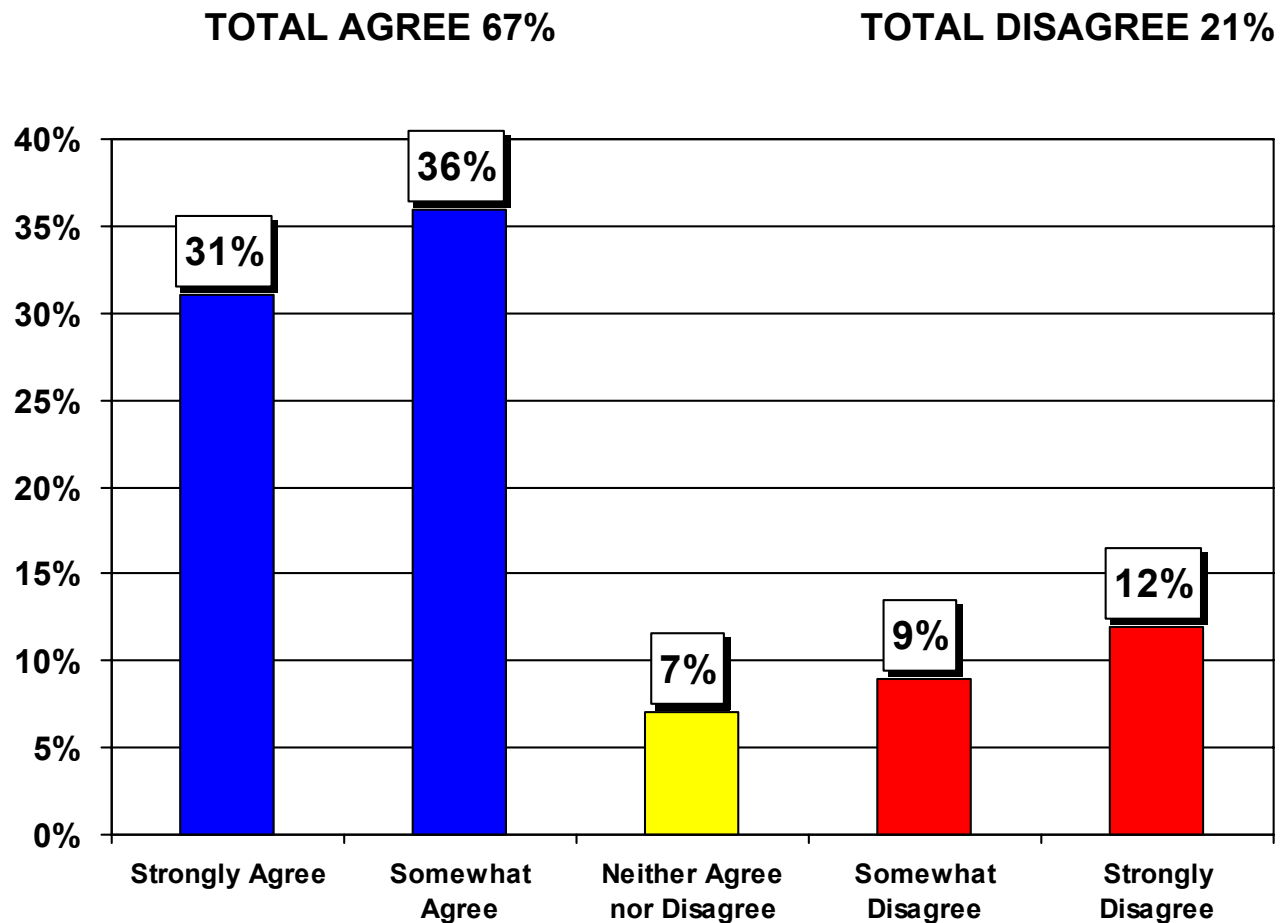
The Medicare Modernization Act is a good start toward providing Senior Citizens with access to affordable medications.

TOTAL AGREE 71%

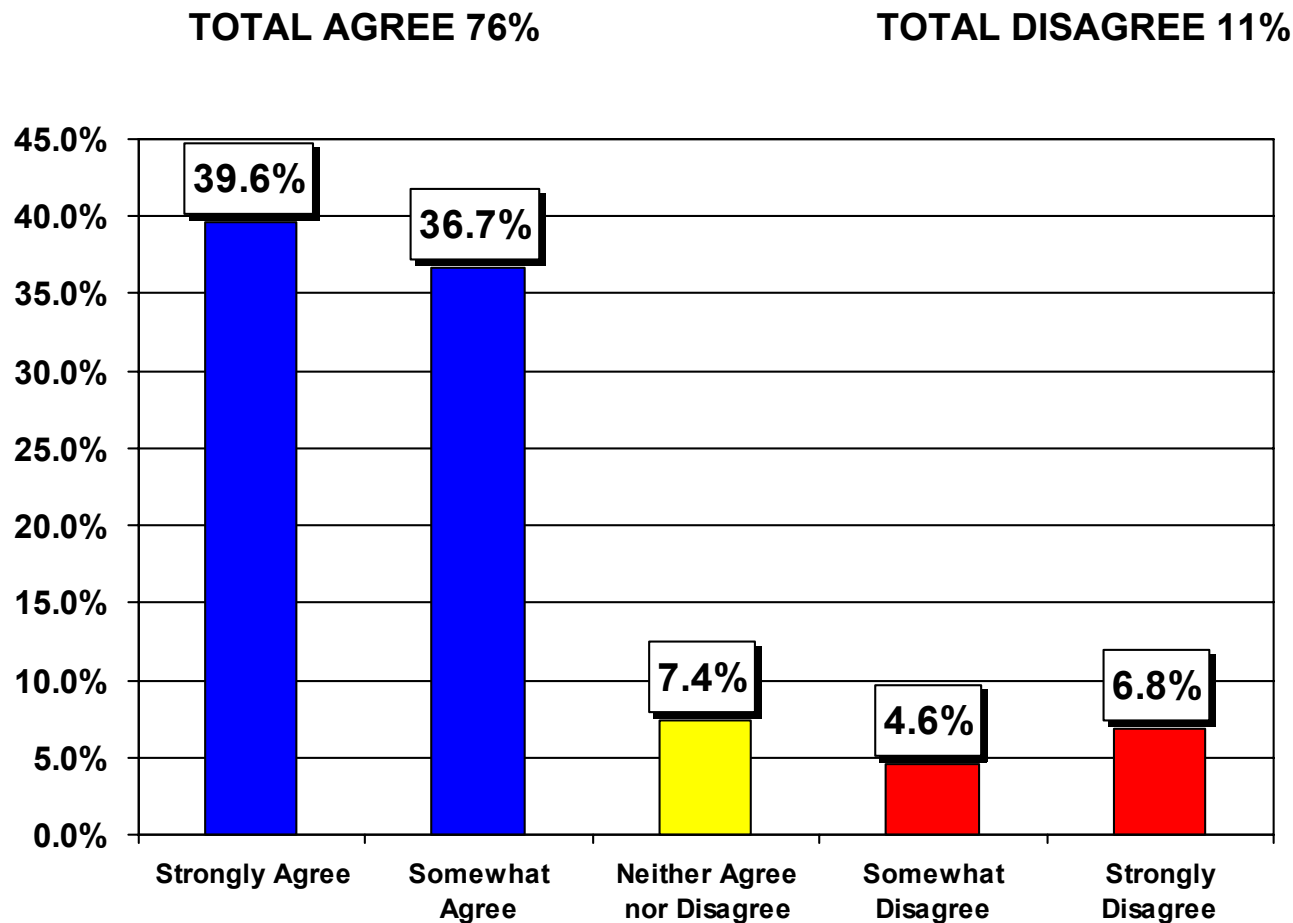
TOTAL DISAGREE 18%



The Medicare-approved drug discount card program can help seniors, especially low-income seniors, realize significant savings on prescription drug purchases.



Seniors will stay healthier through greater access to health screenings and preventive care under the Medicare Modernization Act.



Summary and Conclusions

- Less than half have seen, read, or heard anything about the Medicare Modernization Act – only one in five has at least a fair amount of knowledge about the benefits covered under the new law.
- Increasing awareness and knowledge is a critical step in increasing approval and participation.

Summary (continued)

- Clearly, an information campaign is needed – and can succeed.
- After the benefits are described through the questions in this survey, approval of the Medicare Modernization Act jumps 27% -- from 35% to 62%.
- A small core of 13% approves consistently throughout the survey while a core group of 10% disapproves.

Summary (continued)

- A near majority (49%) is part of a persuadable group – those who approve of the new law only after the benefits are explained to them.
- Although this persuadable group looks much like the total population, it is more female (60%), slightly lower income, and slightly more concentrated in suburbs and medium-sized towns.
- The most substantial difference, perhaps, is that only 24% have seen, read, or heard anything about the Medicare Modernization Act as compared to 44% sample-wide. Of those who have, only 4% say they know a great deal and 27% a fair amount about benefits under the new law.

Summary (continued)

- An education campaign should emphasize the benefits under the Act; stressing the preventive care benefits and seeking to clarify and simplify the description of the way the prescription drug benefit works.