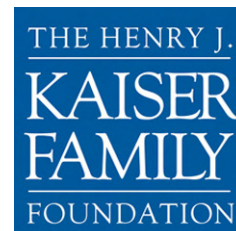

Chartpack



***Examining Sources of Coverage Among
Medicare Beneficiaries:
Supplemental Insurance, Medicare
Advantage, and Prescription Drug Coverage***
Findings from the Medicare Current Beneficiary Survey, 2006

August 2008

*This chartpack was prepared by Juliette Cubanski, Tricia Neuman,
Michelle Kitchman Strollo, Anthony Damico, and Richard Gonzales.*

CONTENTS

Overview **Page 1**

Section 1: Supplemental Coverage **Page 2**

- Exhibit 1.1: Sources of Supplemental Coverage Among Medicare Beneficiaries, 2006
- Exhibit 1.2: Supplemental Coverage Among Medicare Beneficiaries, by Income, 2006
- Exhibit 1.3: Supplemental Coverage Among Medicare Beneficiaries, by Race/Ethnicity, 2006
- Exhibit 1.4: Supplemental Coverage Among Medicare Beneficiaries, by Age, 2006
- Exhibit 1.5: Supplemental Coverage Among Medicare Beneficiaries, by Health Status, 2006
- Exhibit 1.6: Supplemental Coverage Among Medicare Beneficiaries, by Gender and Metro Status, 2006
- Exhibit 1.7: Supplemental Coverage Among Medicare Beneficiaries, by Region, 2006
- Exhibit 1.8: Supplemental Coverage Among Medicare Beneficiaries, by Type of Residence and Cognitive/Mental Impairment, 2006

Section 2: Medicare Advantage **Page 8**

- Exhibit 2.1: Characteristics of Beneficiaries in Medicare Advantage vs. Traditional Fee-for-Service, by Income and Metro Status, 2006
- Exhibit 2.2: Characteristics of Beneficiaries in Medicare Advantage vs. Traditional Fee-for-Service, by Race/Ethnicity and Age, 2006
- Exhibit 2.3: Characteristics of Beneficiaries in Medicare Advantage vs. Traditional Fee-for-Service, by Health Status and Cognitive/Mental Impairment, 2006
- Exhibit 2.4: Characteristics of Beneficiaries in Medicare Advantage vs. Traditional Fee-for-Service, by Region and Type of Residence, 2006

Section 3: Prescription Drug Coverage **Page 11**

- Exhibit 3.1: Sources of Prescription Drug Coverage Among Medicare Beneficiaries, 2006
- Exhibit 3.2: Prescription Drug Coverage Among Medicare Beneficiaries, by Income, 2006
- Exhibit 3.3: Prescription Drug Coverage Among Medicare Beneficiaries, by Race/Ethnicity, 2006
- Exhibit 3.4: Prescription Drug Coverage Among Medicare Beneficiaries, by Age, 2006
- Exhibit 3.5: Prescription Drug Coverage Among Medicare Beneficiaries, by Health Status, 2006
- Exhibit 3.6: Prescription Drug Coverage Among Medicare Beneficiaries, by Gender and Metro Status, 2006
- Exhibit 3.7: Prescription Drug Coverage Among Medicare Beneficiaries, by Region, 2006
- Exhibit 3.8: Prescription Drug Coverage Among Medicare Beneficiaries, by Type of Residence and Cognitive/Mental Impairment, 2006
- Exhibit 3.9: Multiple Sources of Supplemental Coverage Among Medicare Private Plan Enrollees, 2006

Section 4: Prescription Drug Coverage and Subsidies Among Low-Income Beneficiaries **Page 18**

- Exhibit 4.1: Sources of Prescription Drug Coverage Among Low-Income Medicare Beneficiaries, 2006
- Exhibit 4.2: Enrollment in the Low-Income Subsidy Program by Low-Income Medicare Beneficiaries, 2006
- Exhibit 4.3: Sources of Prescription Drug Coverage Among Low-Income Medicare Beneficiaries Not Receiving Low-Income Subsidies, 2006
- Exhibit 4.4: Percent of Low-Income Medicare Beneficiaries Without Low-Income Subsidies, by Selected Characteristics, 2006

Methodology

Data Tables and Statistical Tests

Table 1: Sources of Supplemental Coverage Among Medicare Beneficiaries, by Characteristic, 2006

Table 2: Sources of Prescription Drug Coverage Among Medicare Beneficiaries, by Characteristic, 2006

Table 3: Characteristics of Medicare Beneficiaries, by Source of Supplemental Coverage, 2006

Table 4: Characteristics of Medicare Beneficiaries, by Source of Prescription Drug Coverage, 2006

OVERVIEW

In addition to the basic benefits provided under Medicare, most beneficiaries have some source of supplemental coverage, such as employer plans or Medigap, to help pay cost-sharing requirements and pay for some services that are not covered by the program. In addition, a majority of beneficiaries have prescription drug coverage from various sources, including Medicare Part D plans that became available in 2006. Sources of supplemental coverage and drug coverage vary widely by income, race/ethnicity, urban/rural area, health status, and other characteristics.

This chartpack presents new information on the sources of supplemental and prescription drug coverage among Medicare beneficiaries in 2006, the most recent year for which national data are available. It provides the first detailed look at the characteristics of beneficiaries with various sources of drug coverage in the first year of the Medicare Part D drug benefit. The chartpack also compares the characteristics of Medicare beneficiaries enrolled in Medicare Advantage plans to beneficiaries in traditional fee-for-service Medicare, and examines prescription drug coverage and low-income drug subsidy status among beneficiaries with low incomes.

The chartpack is organized in four sections:

- **Section 1—Supplemental Coverage.** This section examines the share of Medicare beneficiaries relying on various sources of supplemental coverage in 2006, and the characteristics of beneficiaries with different types of supplemental coverage.
- **Section 2—Medicare Advantage.** This section compares the characteristics of beneficiaries in traditional fee-for-service Medicare and those enrolled in Medicare Advantage plans (19% of all Medicare beneficiaries in 2006).
- **Section 3—Prescription Drug Coverage.** This section describes the primary sources of prescription drug coverage among Medicare beneficiaries in 2006, and which groups of beneficiaries were more likely than others to lack drug coverage.
- **Section 4—Prescription Drug Coverage and Subsidies Among Low-Income Beneficiaries.** This section examines sources of drug coverage in 2006 among low-income beneficiaries (defined as beneficiaries having annual income of \$15,000 or less for individuals/\$20,000 or less for couples), their enrollment in the Part D low-income subsidy (LIS) program, and sources of drug coverage for low-income beneficiaries who were not receiving low-income subsidy assistance. This section also identifies characteristics of those individuals who were—and were not—receiving LIS in 2006, which could be helpful in guiding future LIS outreach efforts to certain target populations.

This chartpack is based on Kaiser Family Foundation analysis of data from the Centers for Medicare and Medicaid Services (CMS) Medicare Current Beneficiary Survey (MCBS) Access to Care file, 2006. The Access to Care file contains demographic and health insurance data for a nationally representative sample of 15,770 Medicare beneficiaries, along with information on health and functional status, access to care, and satisfaction with care. More information about the MCBS Access to Care file and methods used in analyzing the data is provided in the Appendix.

SECTION 1: SUPPLEMENTAL COVERAGE

Sources of Supplemental Coverage: Most Medicare beneficiaries (89%) had some form of supplemental health insurance coverage in 2006. More than a third of all beneficiaries (35%) had coverage from an employer-sponsored plan, 19% were in Medicare Advantage plans, 18% purchased supplemental insurance (Medigap) policies, and 16% were covered by Medicaid (generally those with very low incomes and modest assets). Eleven percent had no supplemental coverage. **(Exhibit 1.1)**

Income: Medicaid provided supplemental assistance to just half (52%) of all Medicare beneficiaries in the lowest income group (\$10,000 or less), decreasing to 19% of those with incomes between \$10,000 and \$20,000. By contrast, the share of beneficiaries with employer-sponsored supplemental coverage increased with income, increasing from 8% of beneficiaries with incomes below \$10,000 to more than half (59%) of those with incomes of \$40,000 or more. Roughly one in five beneficiaries with incomes above \$10,000 had a self-purchased Medigap policy to supplement Medicare. The near poor with incomes between \$10,000 and \$20,000 were more likely than all others to lack supplemental coverage from any source. **(Exhibit 1.2)**

Race/Ethnicity: Nearly one-third of African American beneficiaries and more than a quarter of all Hispanic beneficiaries relied on Medicaid to supplement Medicare in 2006. African American and Hispanic beneficiaries were less likely than white beneficiaries to have employer-sponsored supplemental coverage. Nearly one in five African American beneficiaries (18%) lacked supplemental coverage in 2006 – a substantially higher share than among all other beneficiaries. **(Exhibit 1.3)**

Age: More than one in five (22%) of Medicare beneficiaries under age 65 with permanent disabilities lacked supplemental coverage from any source in 2006, more than twice the rate reported among beneficiaries age 65 and older. More than four in ten of those under age 65 relied on Medicaid to supplement Medicare. Employer plans were the leading source of supplemental coverage among beneficiaries age 65 and older. **(Exhibit 1.4)**

Health Status: Medicaid played a key role for those in fair or poor health, covering 27% of all Medicare beneficiaries in fair health and 35% of beneficiaries in poor health. The share of beneficiaries with employer coverage was higher among those in better health, and lower for those in relatively poor health. More than 41% of beneficiaries reporting excellent/very good health had supplemental coverage from an employer, but just 24% of those in poor health. Medicare Advantage plans covered roughly 20% of all beneficiaries in excellent to fair health, but just 13% of those in poor health. **(Exhibit 1.5)**

Gender: Women relied more heavily than men on Medicaid (18% vs. 13%) and were less likely to have employer-sponsored coverage (33% vs. 37%). **(Exhibit 1.6)**

Metro Status: A larger share of beneficiaries living in rural than urban areas had no supplemental coverage from any source in 2006 (15% vs. 10%). A larger share of rural than urban beneficiaries relied on Medicaid (21% vs. 14%) or had supplemental coverage (24% vs. 16%), but a substantially smaller share were in Medicare Advantage plans in 2006 (5% vs. 23%). **(Exhibit 1.6)**

Region: Beneficiaries in the Midwest are more likely to have employer-sponsored coverage than those in other regions (40%), while one-third of beneficiaries in the West were enrolled in a Medicare Advantage plan in 2006, reflecting the high penetration rates of Medicare Advantage in the western states. Beneficiaries living in the South were more likely than others to be without any source of coverage to supplement traditional fee-for-service Medicare. **(Exhibit 1.7)**

Section 1: Supplemental Coverage

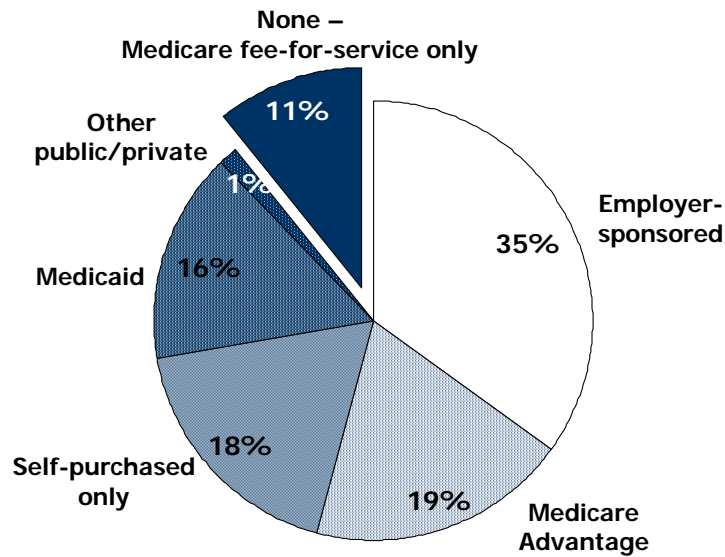
Type of Residence: Because Medicare does not pay for long-term care in nursing homes and other institutions, a large share of Medicare beneficiaries living in institutions rely on Medicaid to help cover these expenses (58%). **(Exhibit 1.8)**

Cognitive/Mental Impairment¹: Compared to beneficiaries without a cognitive or mental impairment, those with such impairments are more likely to have Medicaid coverage (32% vs. 9%). Beneficiaries with a cognitive or mental impairment are also more likely to be without any source of supplemental coverage (13% vs. 10%). **(Exhibit 1.8)**

¹ Cognitive/mental impairment was defined to include any of the following: diagnosis with Alzheimer's Disease, depression, mental disorder, or mental retardation; memory loss that interferes with daily activity; or having problems making decisions that interferes with activities of daily living.

EXHIBIT 1.1

Sources of Supplemental Coverage Among Medicare Beneficiaries, 2006



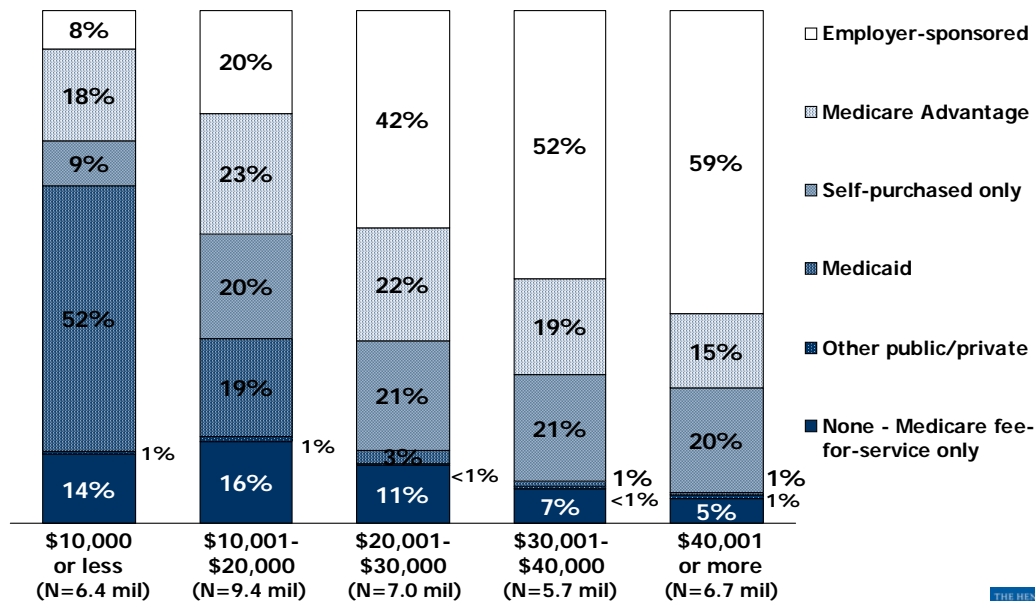
Total Number of Beneficiaries = 39.8 Million

NOTES: Percents rounded to the nearest whole number.
SOURCE: Kaiser Family Foundation analysis of the CMS Medicare Current Beneficiary Survey Access to Care File, 2006.



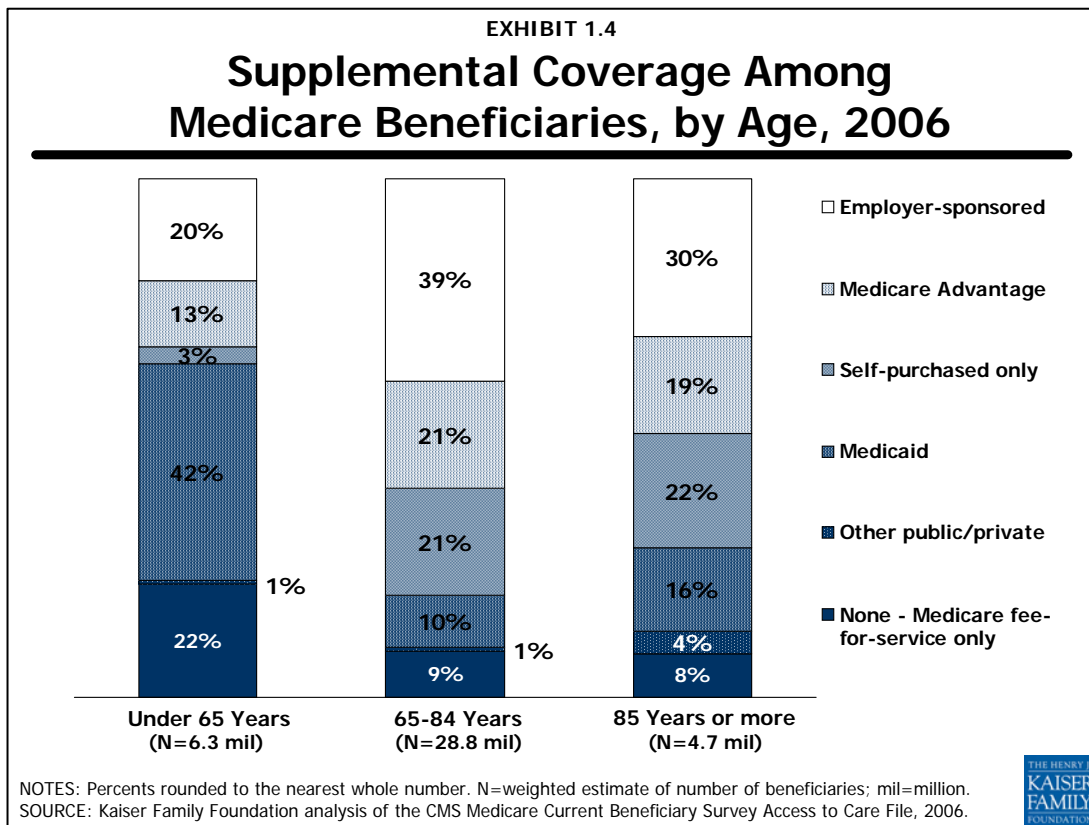
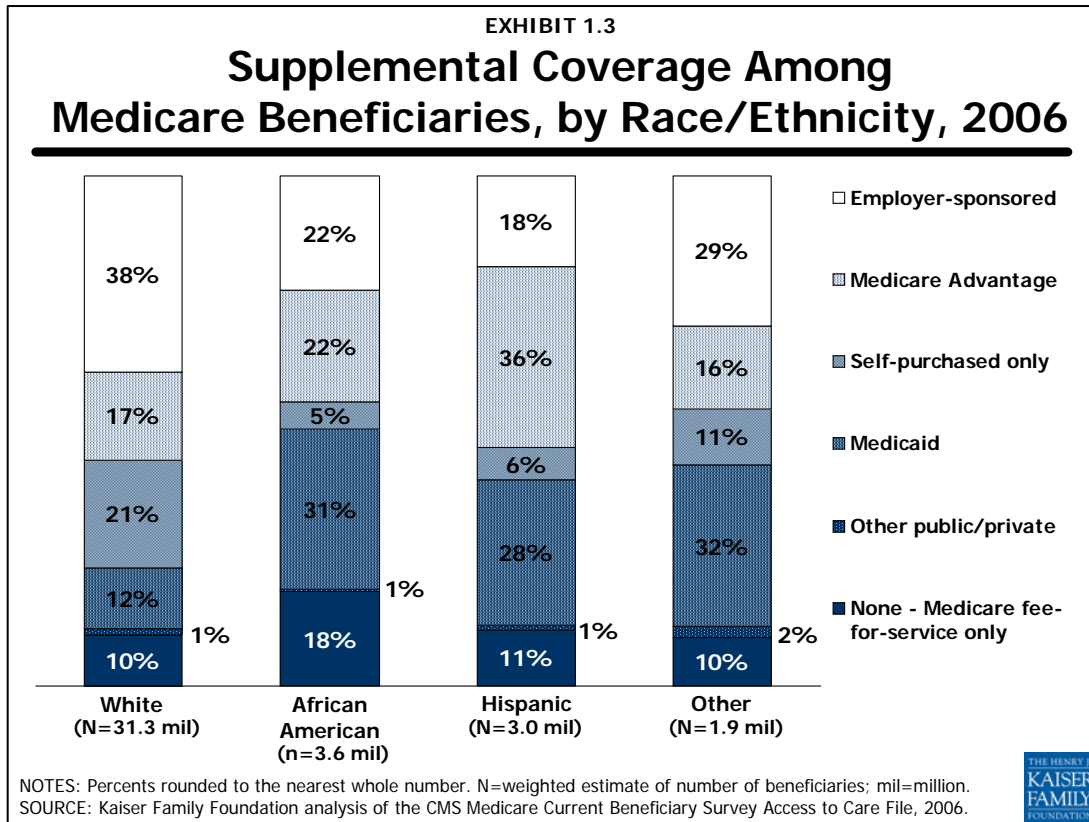
EXHIBIT 1.2

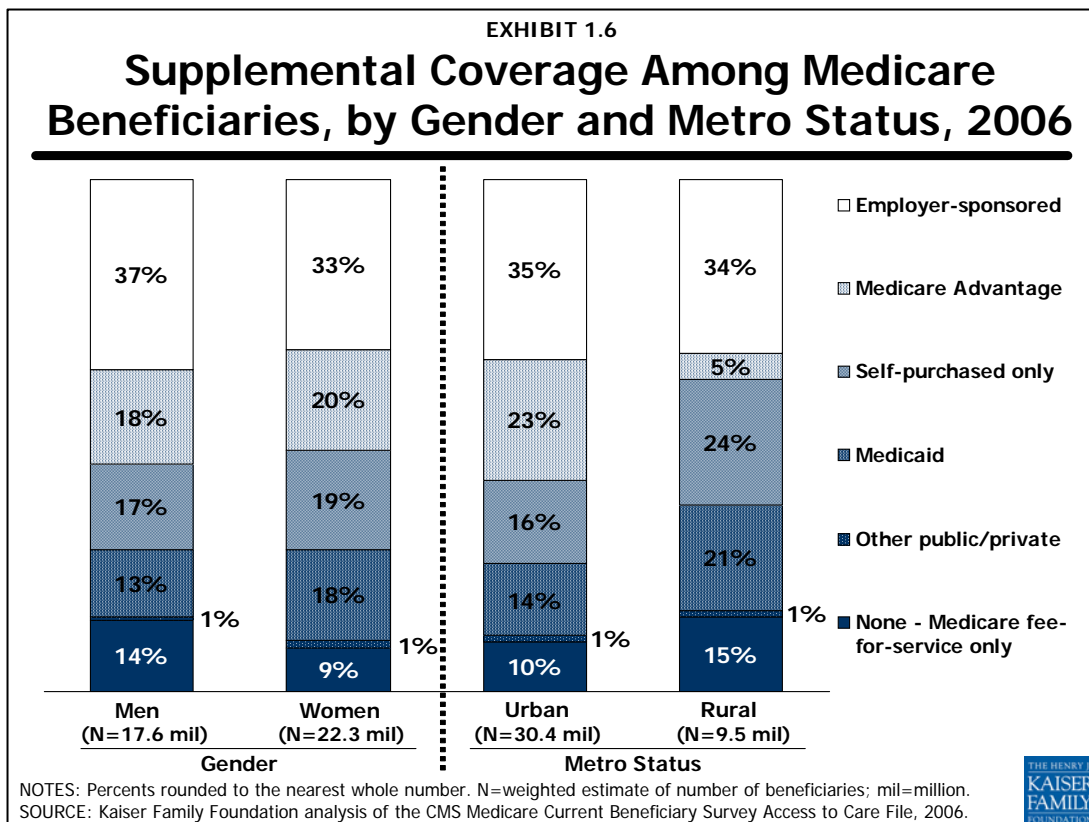
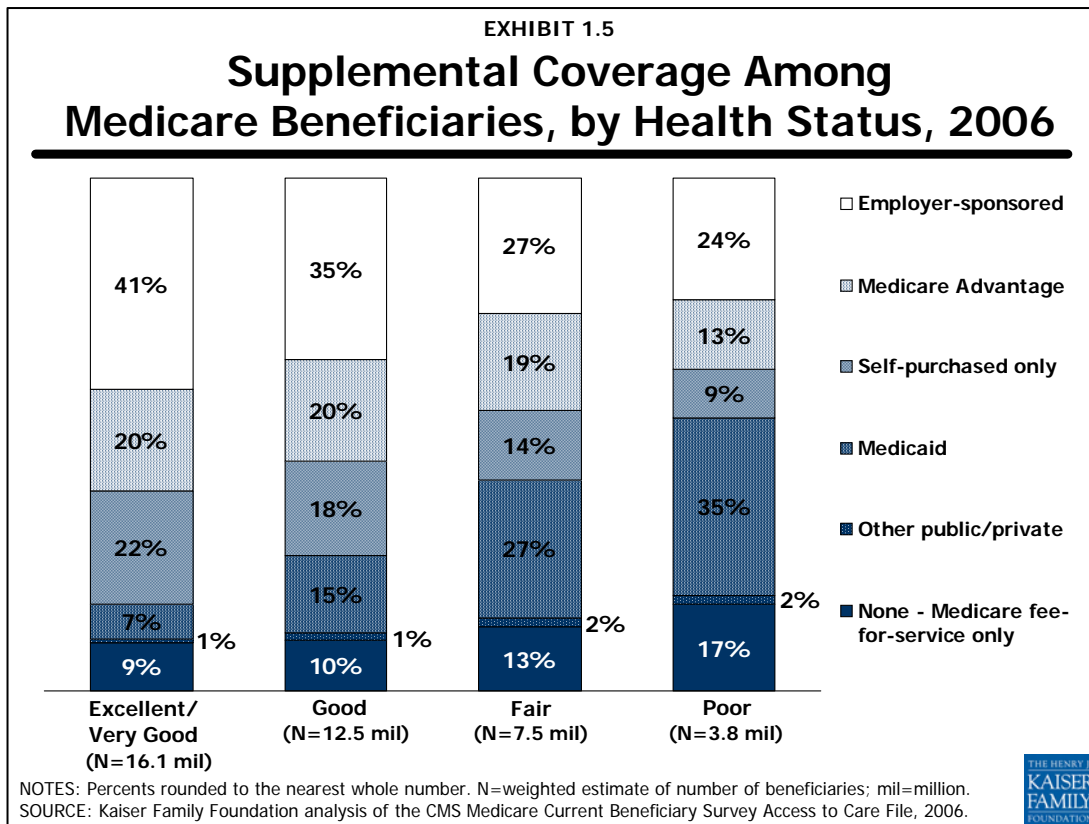
Supplemental Coverage Among Medicare Beneficiaries, by Income, 2006

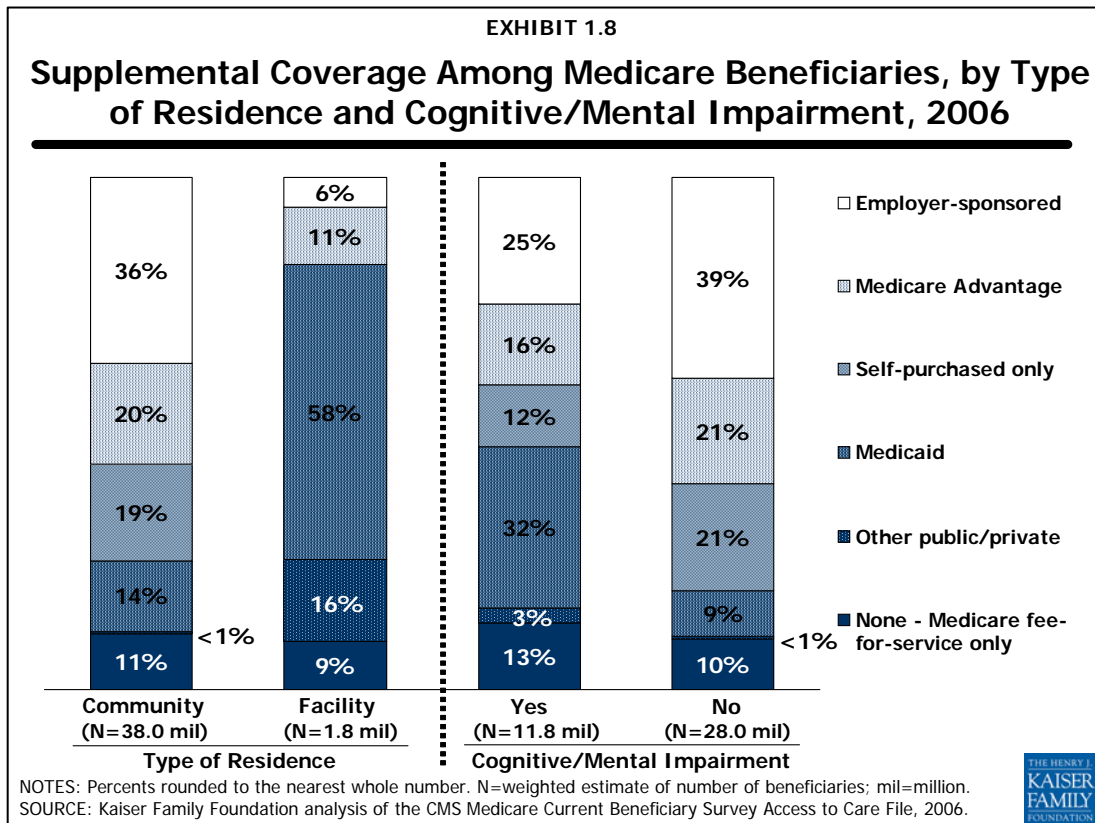
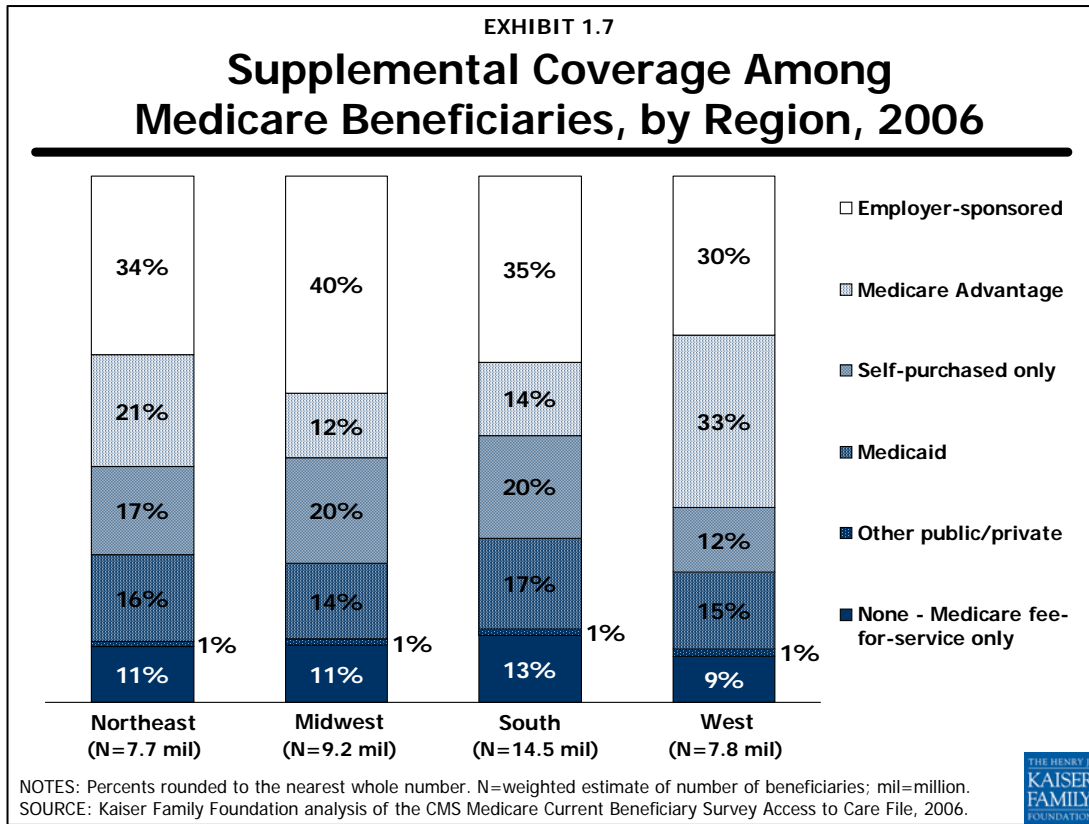


NOTES: Percents rounded to the nearest whole number. N=weighted estimate of number of beneficiaries; mil=million.
SOURCE: Kaiser Family Foundation analysis of the CMS Medicare Current Beneficiary Survey Access to Care File, 2006.









SECTION 2: MEDICARE ADVANTAGE

As shown in Exhibit 1.1, the majority of all beneficiaries were in the traditional fee-for-service (FFS) Medicare program, and 19% were enrolled in Medicare Advantage (MA) plans. The characteristics of those enrolled in Medicare FFS differed from those enrolled in Medicare Advantage plans along several dimensions.

Income: Beneficiaries with very low incomes (less than \$10,000) accounted for a smaller share of Medicare Advantage plan enrollees than of those covered in the traditional Medicare program (17% vs. 19%). However, those with incomes between \$10,000 and \$30,000 accounted for a larger share of beneficiaries in Medicare Advantage plans than in traditional Medicare (54% vs. 45%). **(Exhibit 2.1)**

Metro Status: Beneficiaries living in rural areas accounted for a substantially smaller share of the Medicare Advantage population than they did of the traditional Medicare population (7% vs. 28%) **(Exhibit 2.1)**

Race/Ethnicity: Hispanic beneficiaries accounted for a larger share of the Medicare Advantage population than they did of the traditional Medicare population (14% vs. 6%). No differences were observed among African American beneficiaries who account for about 10% of all beneficiaries in both traditional Medicare and in Medicare Advantage plans, proportionate to their share of the overall Medicare population. **(Exhibit 2.2)**

Age: The share of beneficiaries ages 65 to 84 was slightly higher among Medicare Advantage enrollees than among beneficiaries in the traditional Medicare program (78% vs. 71%). However, beneficiaries with disabilities under age 65 accounted for a smaller share of all Medicare Advantage enrollees than they did of those in traditional Medicare (11% vs. 17%). No differences were observed in the share of beneficiaries ages 85 and older enrolled in Medicare Advantage compared to traditional Medicare. **(Exhibit 2.2)**

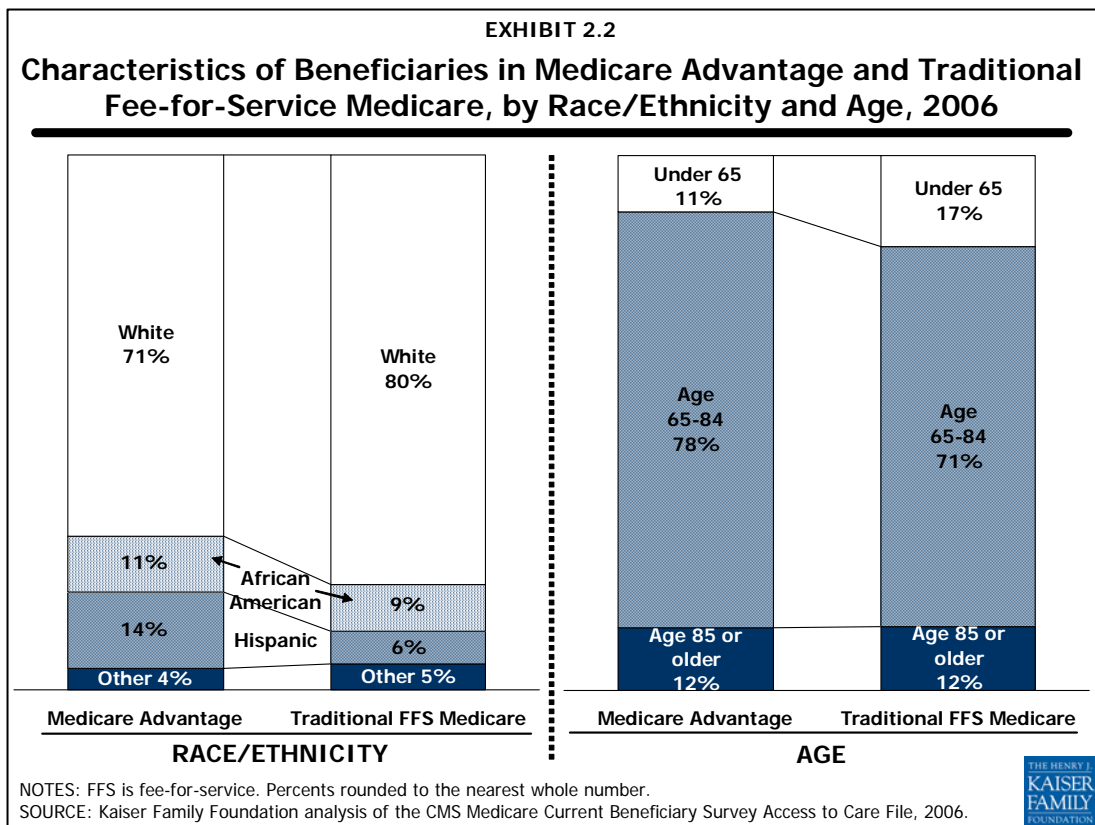
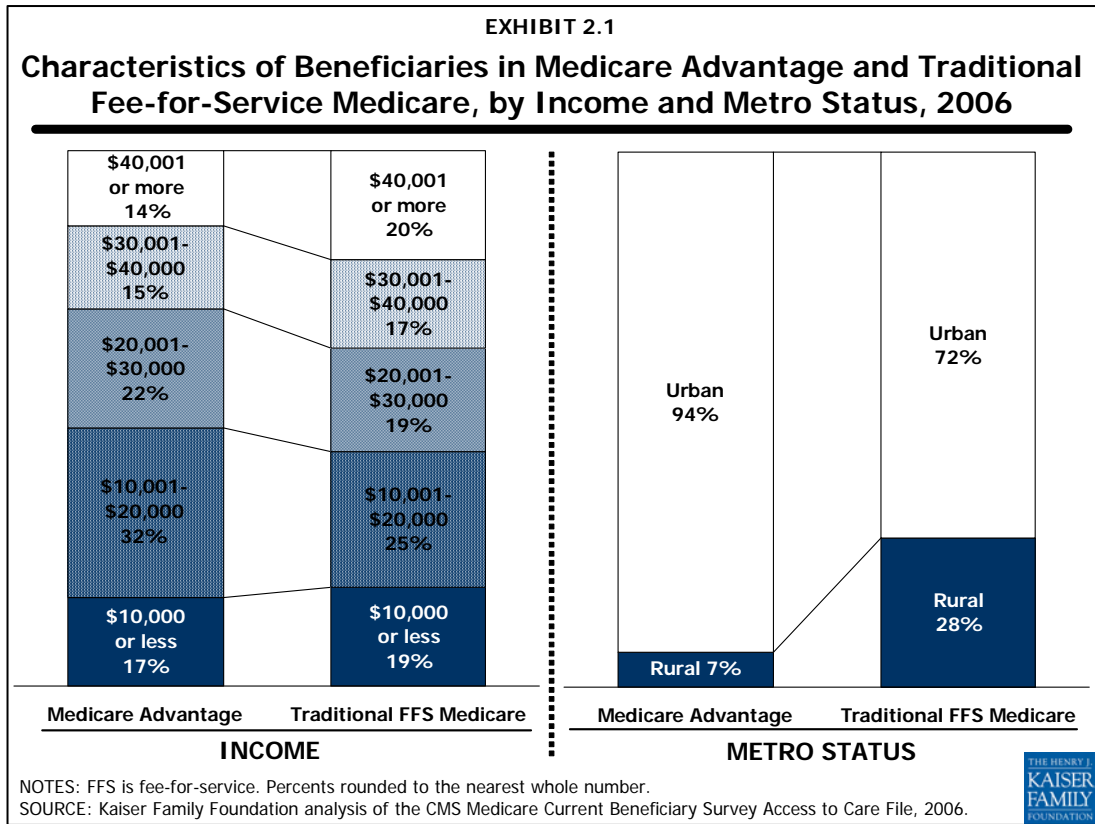
Health Status: Enrollees in Medicare Advantage plans were more likely to report being in good health and less likely to report being in poor health than beneficiaries in traditional Medicare (33% vs. 31%, and 6% vs. 10%, respectively). No differences were observed between the two groups in the share who reported being in excellent/very good health or fair health. **(Exhibit 2.3)**

Cognitive/Mental Impairment: Thirty percent of all Medicare beneficiaries had some form of cognitive or mental impairment; however, the share with such impairments was lower among Medicare Advantage enrollees than among those in traditional Medicare (25% vs. 31%). **(Exhibit 2.3)**

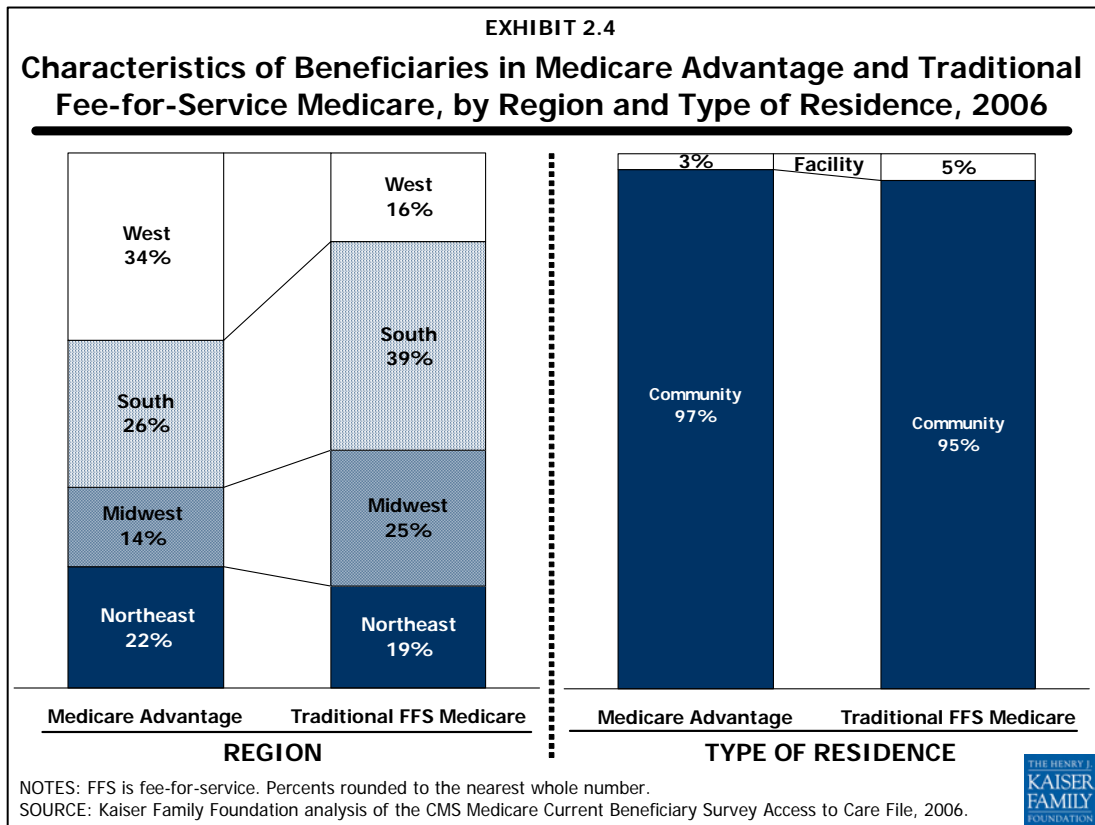
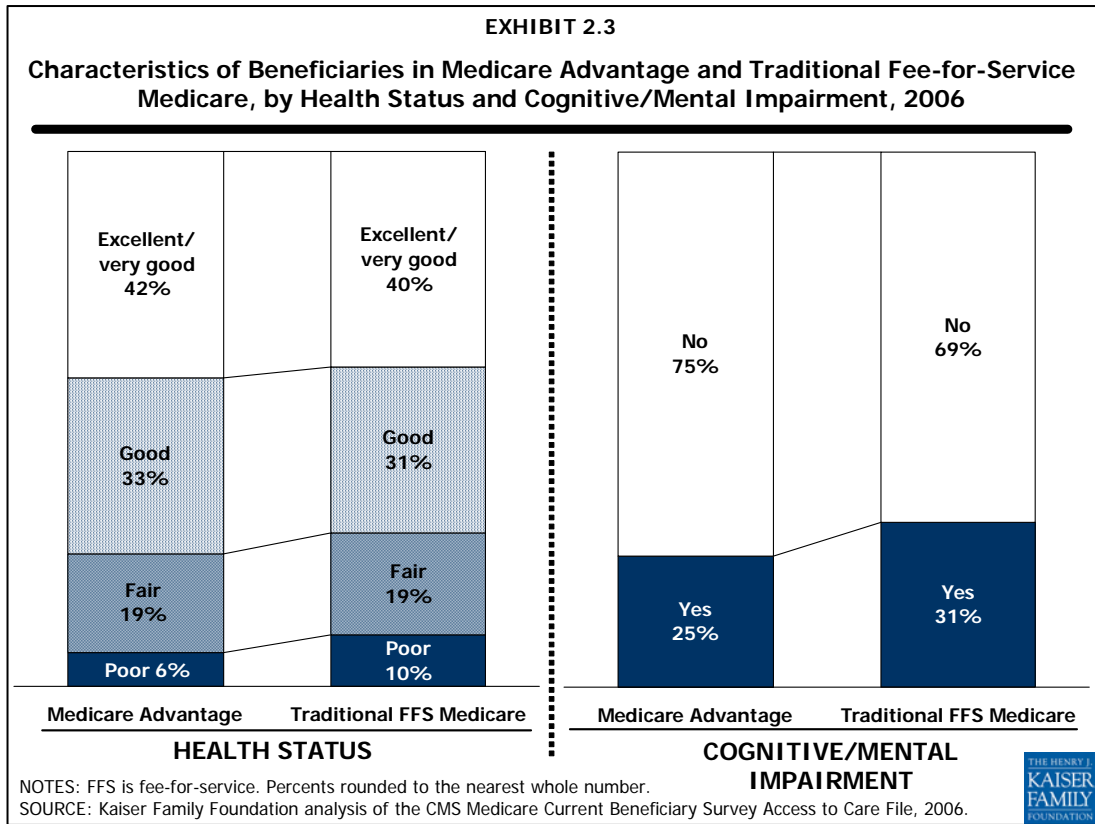
Region: Beneficiaries living in the West accounted for a substantially larger share of all Medicare Advantage enrollees, more than twice their share in the traditional Medicare program (34% vs. 16%). By contrast, beneficiaries living in the South accounted for 26% of all Medicare Advantage enrollees, but 39% of all beneficiaries in traditional Medicare. **(Exhibit 2.4)**

Type of Residence: While 5% of all Medicare beneficiaries live in a nursing home or other institutional setting in 2006, the rate was lower among Medicare Advantage enrollees than among beneficiaries in traditional Medicare (3% vs. 5%). **(Exhibit 2.4)**

Section 2: Medicare Advantage



Section 2: Medicare Advantage



SECTION 3: PRESCRIPTION DRUG COVERAGE

Sources of Prescription Drug Coverage: The vast majority (88%) of all beneficiaries had some source of prescription drug coverage in 2006, including stand-alone Part D prescription drug plans (PDPs), Medicare Advantage plans with Part D coverage, and employer-sponsored drug coverage. In 2006, more than half of all Medicare beneficiaries (55%) received prescription drug coverage through a Part D plan, either a stand-alone PDP (39%) or a Medicare Advantage plan with drug coverage (16%). An additional 31% of beneficiaries had drug coverage through an employer-sponsored plan, while 11% lacked any prescription drug coverage at all. **(Exhibit 3.1)**

Income: A larger share of beneficiaries with lower incomes than higher incomes received prescription drug coverage through Part D plans, mainly PDPs. This is partly a result of many low-income beneficiaries being automatically enrolled in Part D plans because they were dually eligible for Medicare and Medicaid or because they received low-income subsidies. Beneficiaries with incomes of \$40,000 or more were more likely than those with lower incomes to receive prescription drug coverage through an employer-sponsored plan. In 2006, 53% of beneficiaries with incomes above \$40,000 received drug coverage through their employer, compared to 7% of those with incomes of \$10,000 or less. A larger share of beneficiaries with lower incomes (\$10,001 to \$20,000 and \$20,001 to \$30,000) had no source of drug coverage in 2006, compared to those with incomes of \$40,001 or more (13%, 13%, and 9%, respectively). **(Exhibit 3.2)**

Race/Ethnicity: Compared to whites, African Americans were more likely to receive drug coverage from a stand-alone PDP in 2006 (49% vs. 37%), while Hispanics were more likely than whites to receive drug coverage from a Medicare Advantage drug plan (34% vs. 15%). African Americans, Hispanics, and other racial and ethnic minorities were less likely than non-Hispanic whites to receive prescription drug coverage through an employer-sponsored plan in 2006. **(Exhibit 3.3)**

Age: Medicare beneficiaries under age 65 with disabilities were less likely to have prescription drug coverage than beneficiaries age 65 and older, with 15% of all beneficiaries under 65 lacking any drug coverage in 2006. Across all three age groups, stand-alone PDPs were the leading source of prescription drug coverage. A larger share of beneficiaries age 65-84 had employer-sponsored drug coverage than those under age 65 or age 85 or older (34%, 18% and 26%, respectively). Beneficiaries under age 65 with disabilities were less likely to have Medicare Advantage drug coverage than seniors on Medicare. **(Exhibit 3.4)**

Health Status: Medicare beneficiaries in fair or poor health were more likely to have prescription drug coverage through a stand-alone PDP (46% and 55%, respectively, in 2006) than those in very good or excellent health (31%). A smaller share of beneficiaries in poor health were enrolled in Medicare Advantage drug plans than those in very good or excellent health (12% vs. 17%). Beneficiaries in very good or excellent health were also more likely to receive drug coverage through an employer-sponsored plan (36%) and slightly more likely to forgo drug coverage altogether compared to those in poor health (12% vs. 10%). **(Exhibit 3.5)**

Gender: Among Medicare beneficiaries, men were more likely than women to go without prescription drug coverage in 2006, with 16% of male beneficiaries lacking any source of drug coverage compared to 8% of women. A greater share of women than men on Medicare received drug coverage through a stand-alone PDP (43% vs. 33%), while a greater share of men had employer-sponsored coverage (33% vs. 29% for women). **(Exhibit 3.6)**

Metro Status: A larger share of beneficiaries residing in rural areas than in urban areas went without drug coverage in 2006 (14% vs. 11%). Beneficiaries in urban areas were more likely than rural residents

Section 3: Prescription Drug Coverage

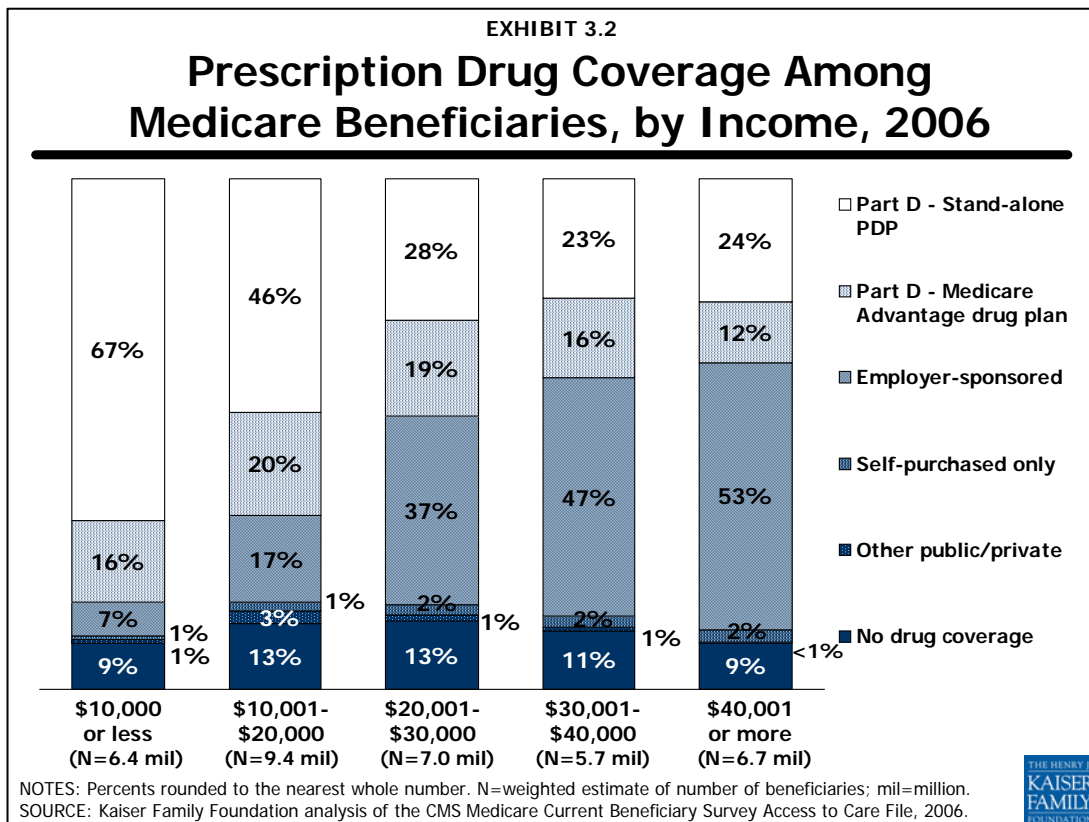
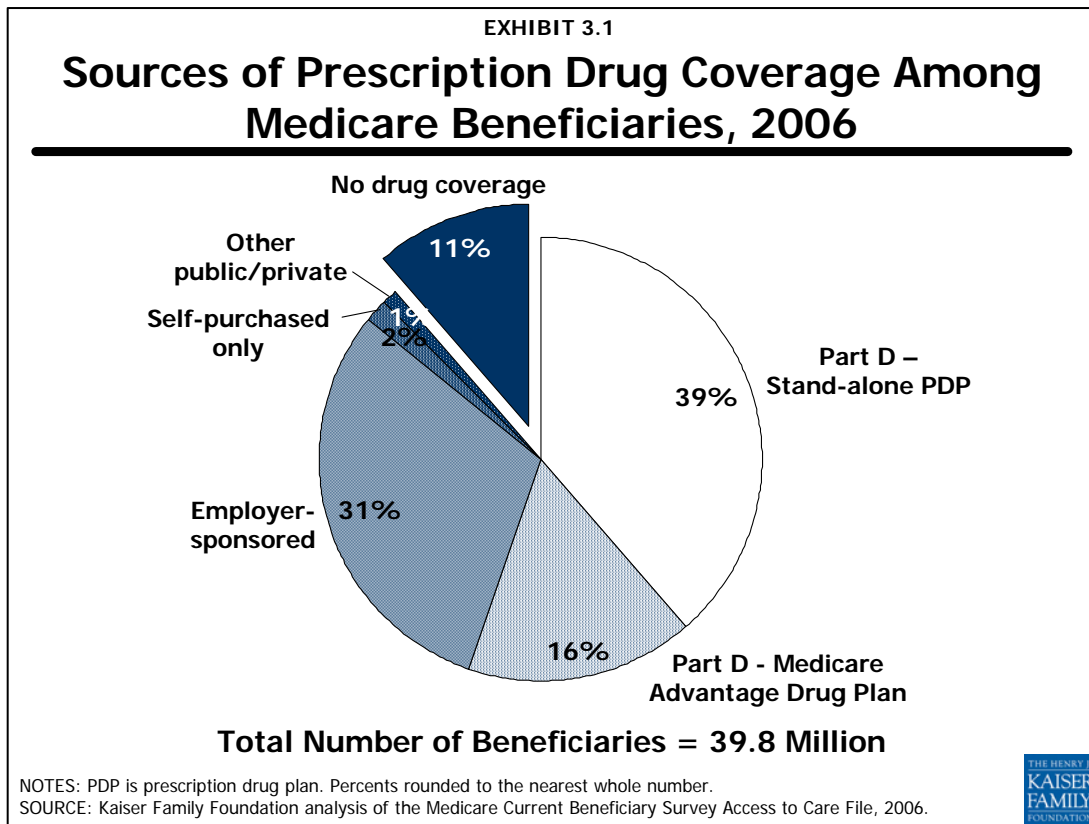
to be enrolled in Medicare Advantage drug plans (21% vs. 3%) and less likely to be enrolled in stand-alone PDPs (35% vs. 52%). **(Exhibit 3.6)**

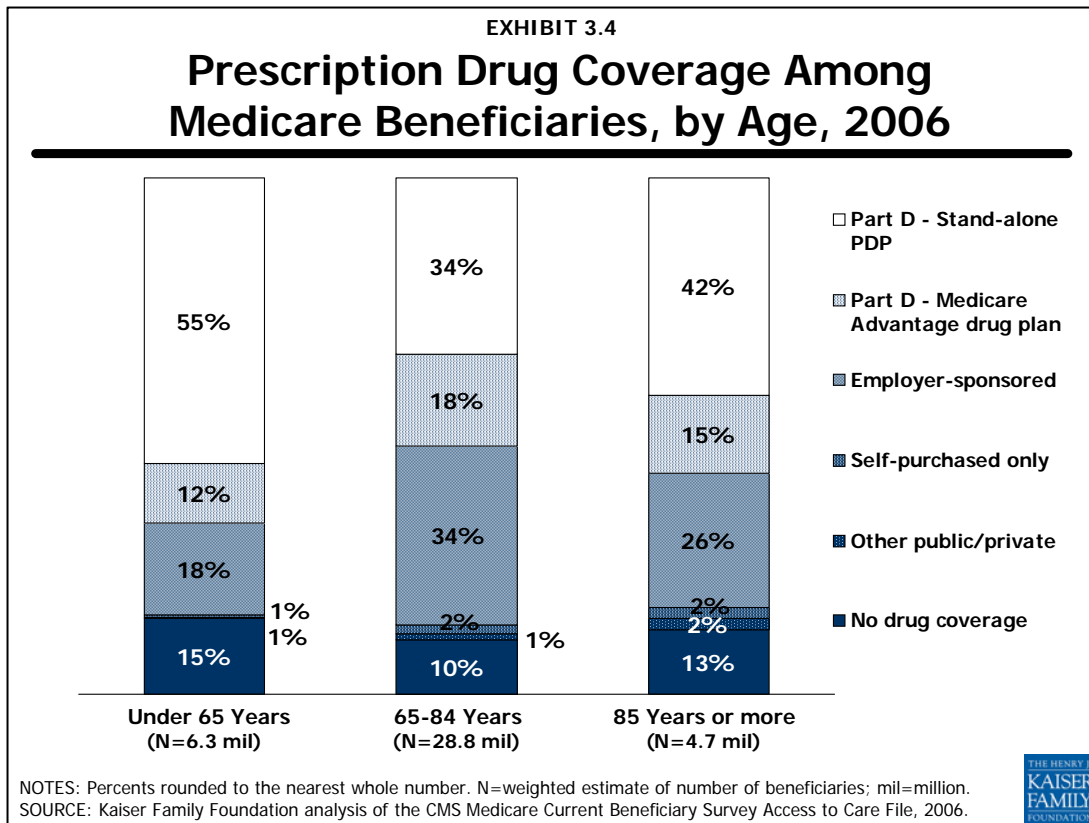
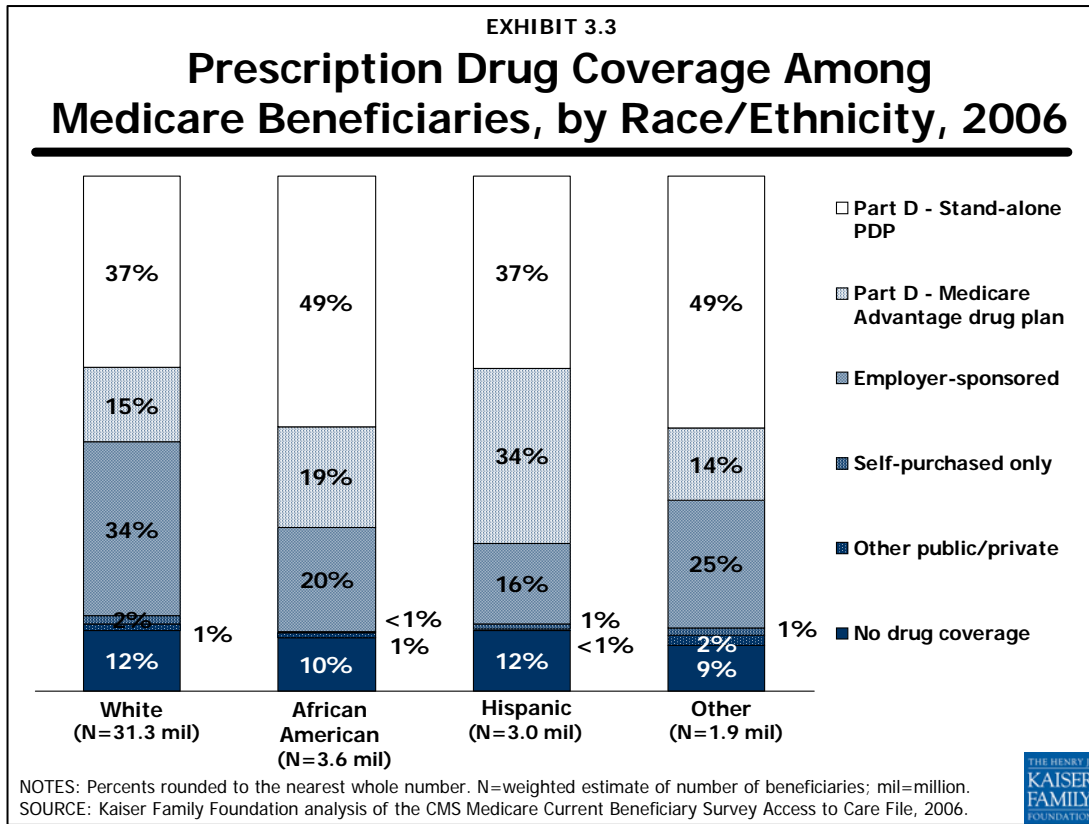
Region: Beneficiaries living in the West were less likely than those in other regions to have drug coverage through a stand-alone Part D plan (30%) and more likely to be enrolled in a Medicare Advantage drug plan (30%). A larger share of beneficiaries in the Midwest had employer-sponsored drug coverage than those in other regions (34%). More than four in ten beneficiaries in both the South and the Midwest were enrolled in stand-alone PDPs, while only roughly one in ten beneficiaries in these two regions were enrolled in Medicare Advantage drug plans. A somewhat smaller share of beneficiaries in the Northeast lacked drug coverage in 2006, compared to those in all other regions. **(Exhibit 3.7)**

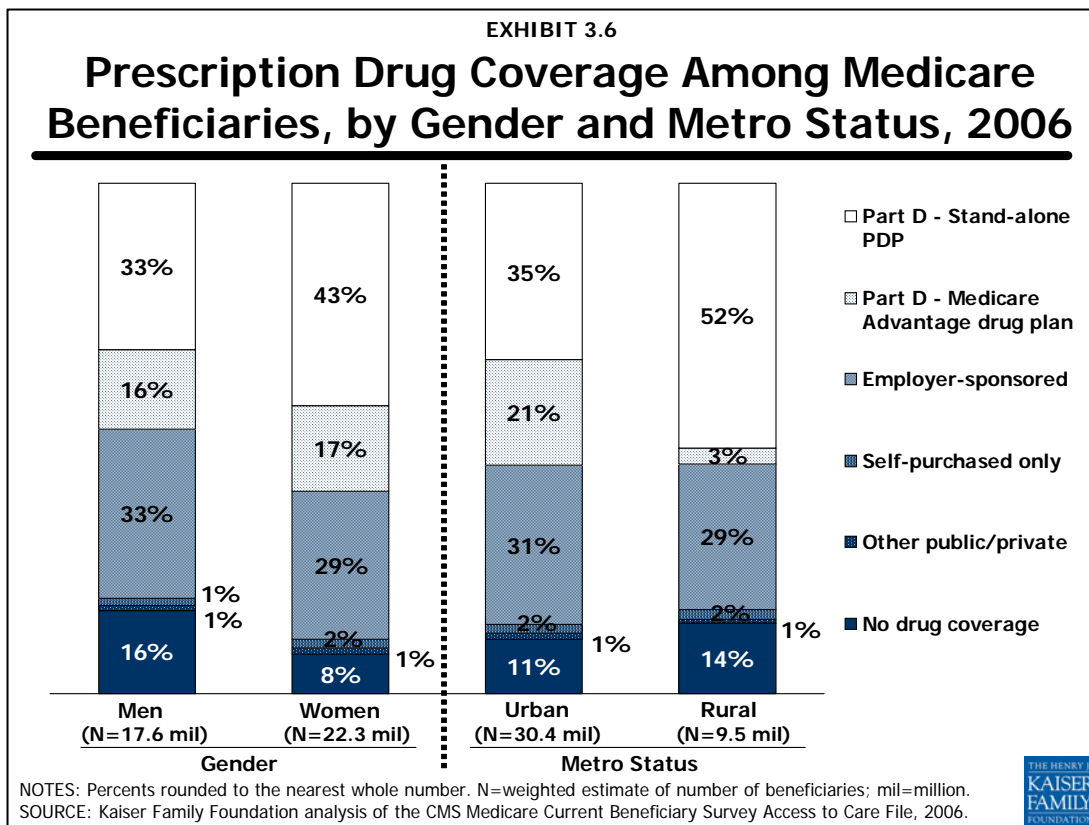
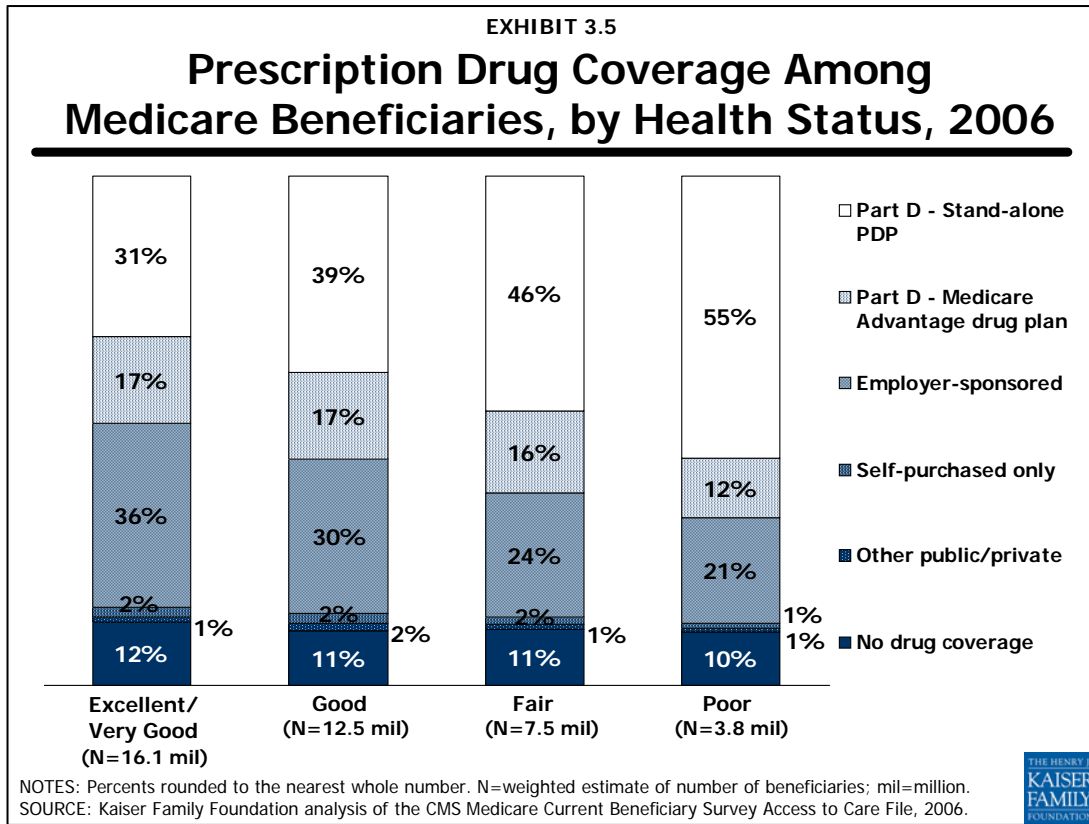
Type of Residence: In 2006, 74% of all beneficiaries residing in a long-term care facility received drug coverage through a stand-alone PDP – twice the rate among beneficiaries living in the community (37%). Facility residents were less likely than those in the community to have drug coverage through a Medicare Advantage plan (9% vs. 17%). **(Exhibit 3.8)**

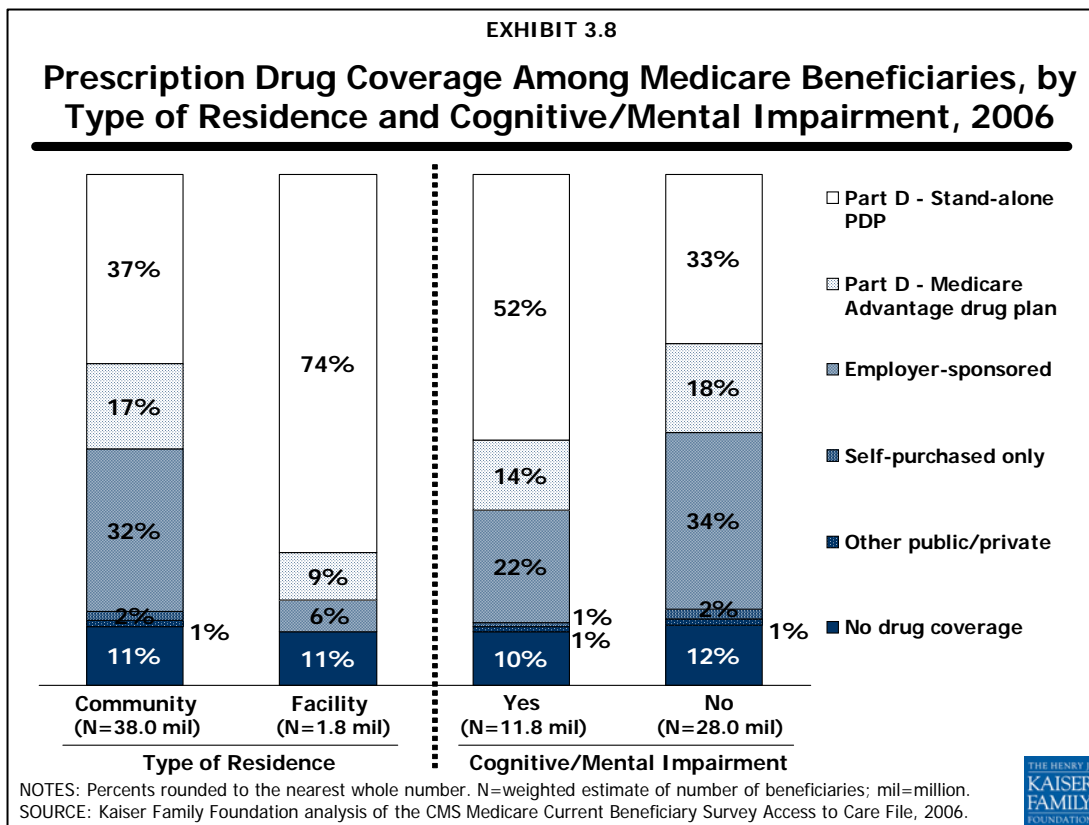
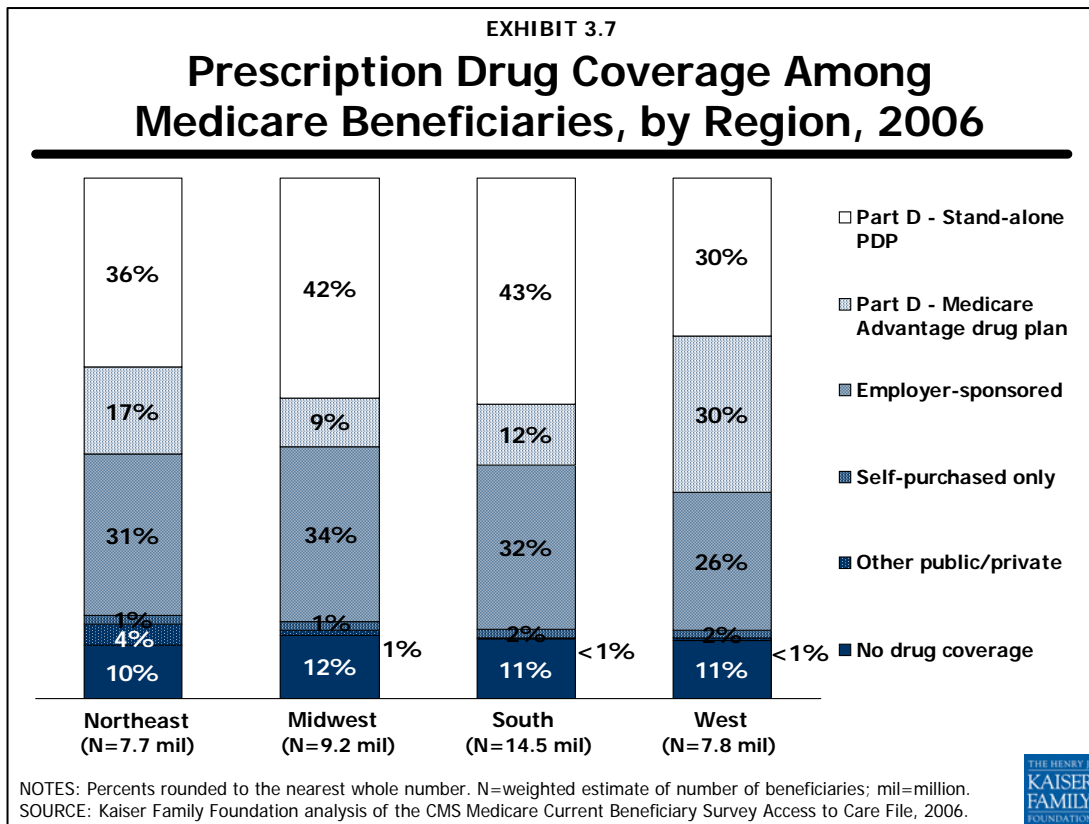
Cognitive/Mental Impairment: Just over half (52%) of beneficiaries with cognitive or mental impairments had drug coverage through a stand-alone PDP in 2006, as compared to one-third of those without such impairments. Compared to those without cognitive or mental impairments, a smaller share of those with such impairments had drug coverage through a Medicare Advantage plan (18% vs. 14%), and a smaller share were without any source of drug coverage in 2006 (12% vs. 10%). **(Exhibit 3.8)**

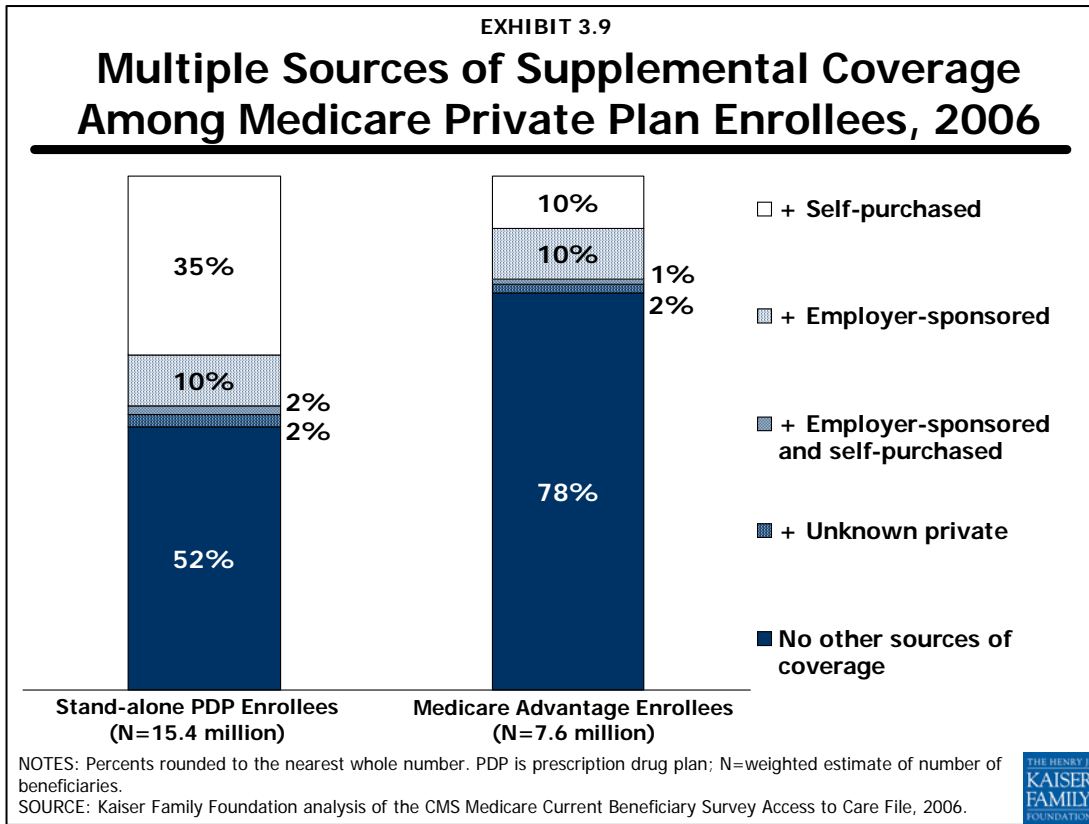
Multiple Sources of Supplemental Coverage Among Medicare Private Plan Enrollees: Many beneficiaries have multiple sources of supplemental coverage, piecing plans together to cover benefit gaps and cost-sharing amounts or possibly duplicating coverage inadvertently. In 2006, one-third of Medicare Part D enrollees in stand-alone PDPs and one in ten Medicare Advantage enrollees also had a self-purchased Medigap policy. Another one in ten enrollees in each group also had employer-sponsored coverage, while only a small share had both employer-sponsored and self-purchased coverage in addition to their Medicare private plan. A majority of enrollees in both stand-alone PDPs and Medicare Advantage plans had no source of supplemental coverage other than their private Medicare plan in 2006 (52% and 78%, respectively). **(Exhibit 3.9)**











SECTION 4: PRESCRIPTION DRUG COVERAGE AND SUBSIDIES AMONG LOW-INCOME BENEFICIARIES

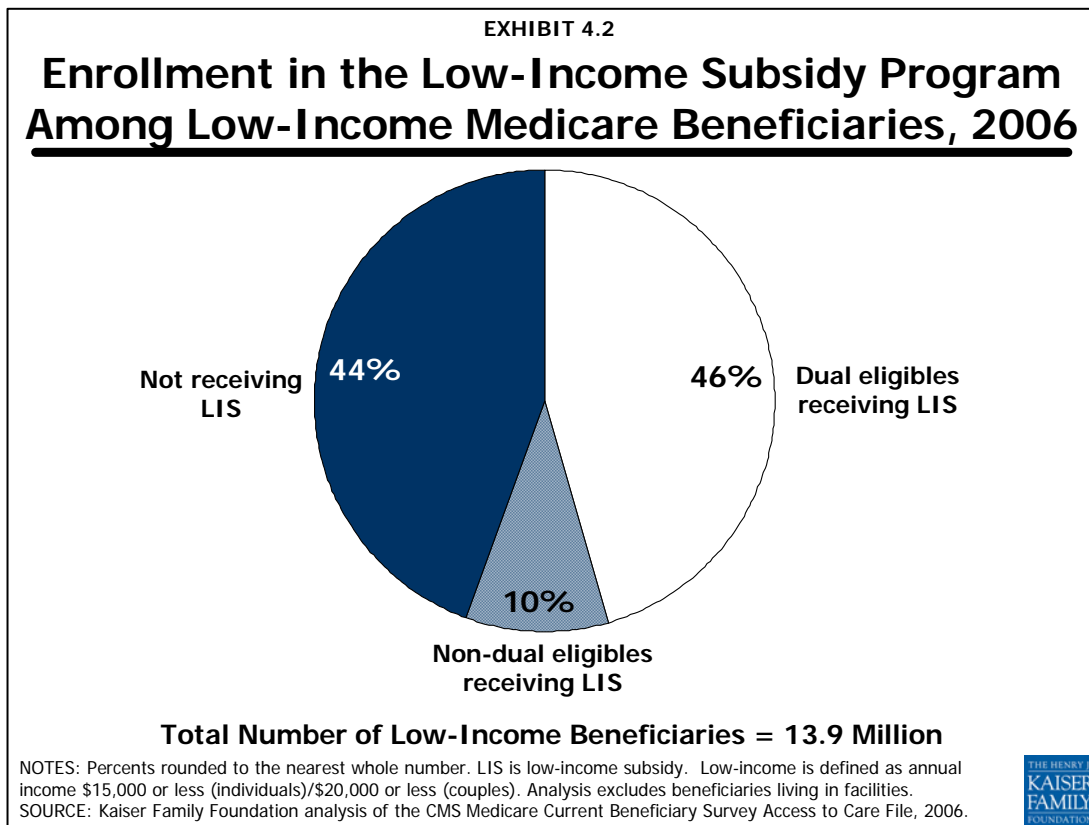
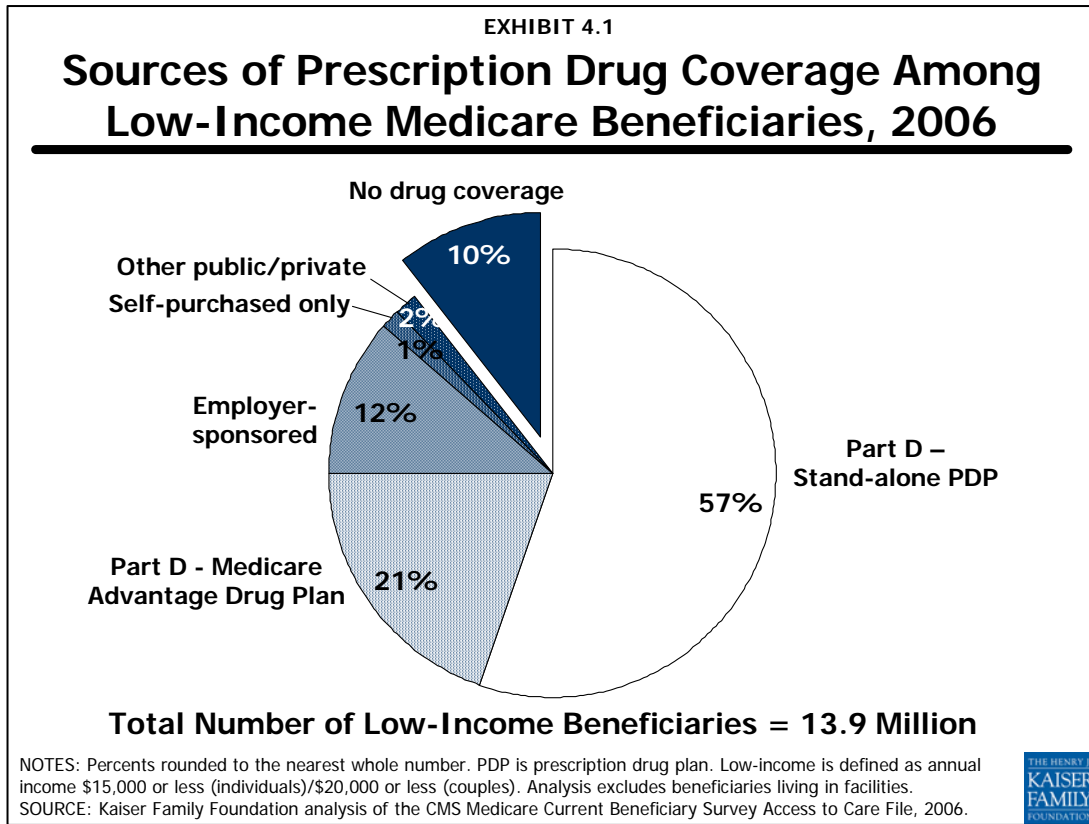
Sources of Prescription Drug Coverage for Low-Income Medicare Beneficiaries: Nearly 14 million Medicare beneficiaries had low incomes in 2006, defined as beneficiaries having annual income of \$15,000 or less for individuals/\$20,000 or less for couples. The majority (78%) were enrolled in either a Part D stand-alone drug plan (57%) or a Medicare Advantage drug plan (21%). A small share of low-income beneficiaries had drug coverage from an employer plan (12%), and only a fraction received drug coverage through a self-purchased plan like Medigap or another source of private or public drug coverage. While most low-income beneficiaries had drug coverage in 2006, following the implementation of the Part D drug benefit and the automatic transition of dual eligibles from Medicaid to Medicare Part D plans, 10% remained without any drug coverage. **(Exhibit 4.1)**

Low-Income Subsidy (LIS) Enrollment: Just over half (56%) of all Medicare beneficiaries with low incomes received the Part D low-income subsidy in 2006; the vast majority (80%) were dual eligibles who were automatically enrolled in Part D plans and the low-income subsidy. Only 10% of low-income beneficiaries, excluding those dually eligible for Medicaid, signed up for low-income subsidy assistance. More than four in ten low-income Medicare beneficiaries (6.2 million) did not receive the Part D low-income subsidy in 2006. **(Exhibit 4.2)**

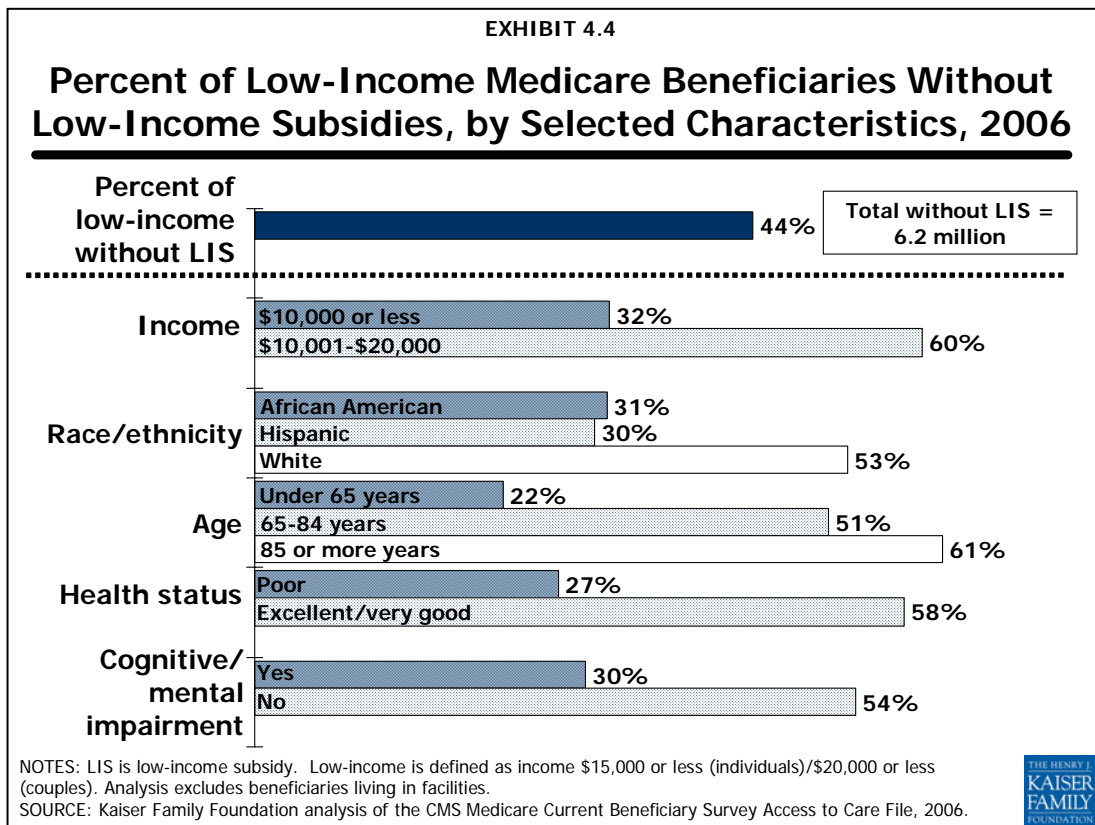
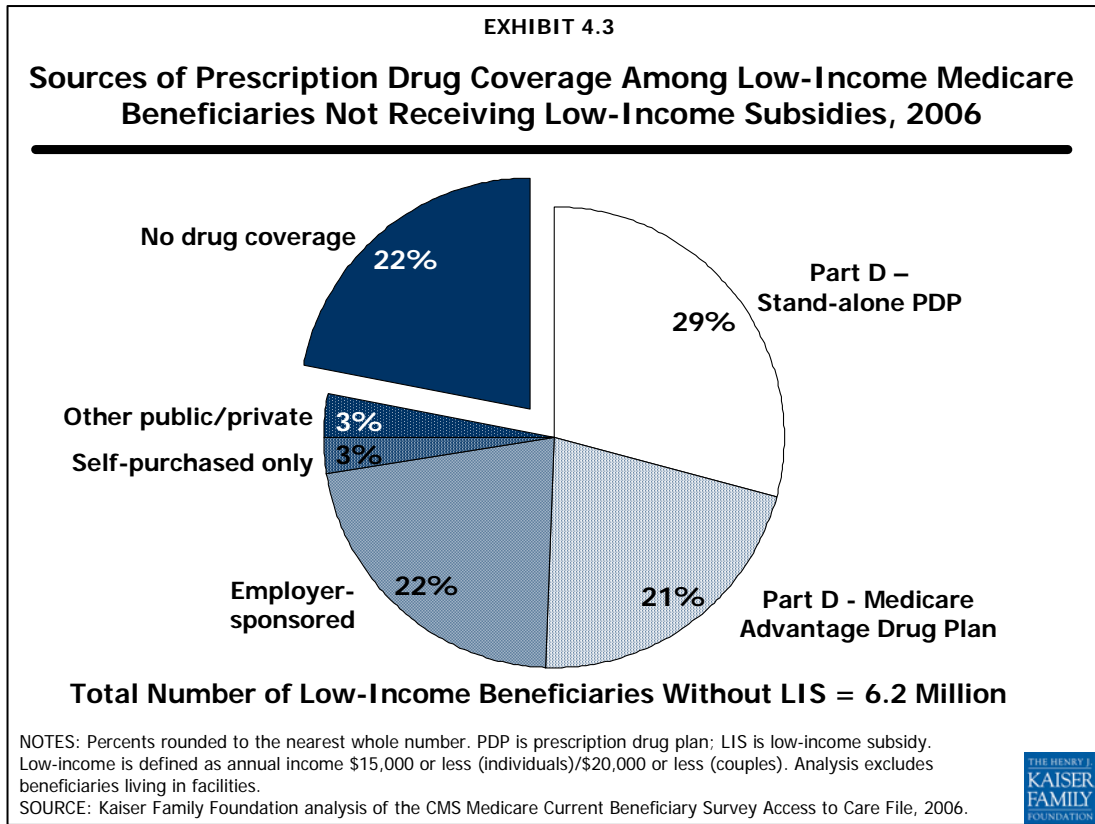
Sources of Prescription Drug Coverage Among Low-Income Medicare Beneficiaries Who Did Not Receive the Low-Income Subsidy: Of the 6.2 million low-income Medicare beneficiaries who did not have low-income subsidy assistance in 2006, half were enrolled in a Part D plan (29% in a PDP; 21% in a MA-PD). Twenty-two percent of low-income Medicare beneficiaries who lacked low-income subsidy assistance in 2006 were in employer plans. More than one in five (22%) low-income Medicare beneficiaries without low-income subsidy assistance in 2006 lacked drug coverage altogether. **(Exhibit 4.3)**

Characteristics of Low-Income Beneficiaries Who Received LIS: A number of low-income beneficiaries who are generally considered vulnerable due to their socio-demographic characteristics and health status were helped by Part D low-income assistance in 2006. More than two-thirds of low-income African American (69%) and Hispanic beneficiaries (70%) received low-income subsidy benefits in 2006, either because they were dual eligibles or because they applied on their own – a significantly larger share than low-income whites. Likewise, those with health or physical conditions such as a permanent disability, cognitive or mental impairment, or fair or poor health status were also more likely than healthier low-income beneficiaries to have received low-income subsidies. **(Table 2)**

Characteristics of Low-Income Beneficiaries Who Did Not Receive LIS: Among low-income Medicare beneficiaries, those with annual incomes between \$10,000 and \$20,000 are less likely than those with incomes \$10,000 or less to have received low-income subsidies in 2006. Similarly, beneficiaries age 85 and older were less likely than younger seniors to receive the low-income subsidy in 2006. A greater share of low-income beneficiaries without low-income subsidies in 2006 were living in the Midwest compared to those in other regions. **(Exhibit 4.4; Table 2 and Table 4)**



Section 4: Low-Income Drug Coverage and Subsidies



APPENDIX

Methodology

This chartpack is based on Kaiser Family Foundation analysis of data from the Centers for Medicare and Medicaid Services (CMS) Medicare Current Beneficiary Survey (MCBS) Access to Care file, 2006. The MCBS is a longitudinal, multi-purpose panel survey of a representative sample of the Medicare population, including both aged and disabled enrollees living in the community and in facility settings. Sample persons are interviewed three times a year for a maximum of four years to form a continuous profile of each individual's personal health care experience. The 2006 Access to Care file includes responses from 15,770 Medicare beneficiaries (weighted n=39.8 million). The beneficiaries included in the 2006 Access to Care File consist of a random cross-section of all beneficiaries who were enrolled in Medicare Part A and/or Part B as of January 1, 2006 and were alive and enrolled at the time of interview during the 2006 fall round (September-December) (the "always-enrolled" population). These beneficiaries include those in four separate MCBS panels (the 2003, 2004, 2005, and 2006 panels) and were drawn through the use of a stratified, unequal-probability, multi-stage sample design.

The Access to Care file provides early release of MCBS data related to Medicare beneficiaries' access to care by omitting survey-reported utilization and expenditure data (which are subsequently released in the Cost and Use file). The Access to Care file contains demographic and health insurance data and data on health status and functioning, along with questions concerning access to care, satisfaction with care, and usual source of care. The information collected in the survey is augmented with data on respondents' use and program cost of Medicare services from Medicare claims data.

For this analysis, supplemental insurance coverage and prescription drug coverage were coded in a mutually exclusive, hierarchical fashion using MCBS insurance coverage variables from CMS administrative records and beneficiary self-reports. The hierarchy for assignment of supplemental coverage is: (1) Medicare Advantage, (2) Medicaid, (3) Employer, (4) Self-purchased only, (5) Other public/private coverage, and (6) No supplemental coverage (Medicare fee-for-service only). The hierarchy for assignment of prescription drug coverage is: (1) Part D – stand-alone prescription drug plan, (2) Part D – Medicare Advantage, (3) Employer, (4) Self-purchased only, (5) Other public/private coverage, and (6) No prescription drug coverage. Beneficiaries with multiple sources of coverage were assigned to the coverage type that appears higher up in the hierarchy. For example, Medicare beneficiaries enrolled in both Medicaid ("dual eligibles") and a Medicare Advantage plan would be assigned to Medicare Advantage. Using a different hierarchy would affect the resulting estimates to the extent that beneficiaries with multiple sources of coverage might be assigned to a different coverage type depending on the order of assignment.

For the analysis of prescription drug coverage and subsidies among low-income beneficiaries, "low-income" is defined as having annual income of \$15,000 or less for individuals and \$20,000 or less for couples. This definition corresponds roughly to income eligibility levels for the low-income drug subsidy (LIS). LIS recipients also include dual eligibles, a small share of whom have somewhat higher incomes. LIS eligibility for non-dual eligibles is also determined by asset levels but the MCBS does not report respondents' assets, thus we were unable to factor this additional eligibility requirement into the analysis of low-income subsidy status. The low-income analysis was limited to community-dwelling residents only because valid income information was missing for a large share of beneficiaries living in facilities.

Statistical analysis was conducted in SAS[®] to account for the complex sampling design of the MCBS. Simple t-tests were performed and p-values calculated for each demographic group and coverage type. No tests were performed for unweighted cell counts of less than 50. Detailed statistical results are presented in the Appendix Tables that follow. All differences between groups mentioned in the text below are statistically significant; refer to Appendix Tables for p-values.

Data Tables and Statistical Tests

The following four tables present estimates and statistical test results comparing supplemental coverage and prescription drug coverage rates within and across both demographic groups and coverage types. These estimates are derived from crosstabulations of weighted, stratified frequencies of variables in the 2006 MCBS Access to Care file. Standard errors are presented in parentheses beside the estimates in each cell. Estimates are not shown for unweighted cell counts less than 50.

Table 1 (Sources of Supplemental Coverage Among Medicare Beneficiaries, by Characteristics, 2006) and **Table 2** (Sources of Prescription Drug Coverage Among Medicare Beneficiaries, by Characteristics, 2006) contain percentages that sum to 100% by row. These tables compare differences in beneficiary demographic characteristics within each source of coverage.

Table 3 (Characteristics of Medicare Beneficiaries, by Source of Supplemental Coverage, 2006) and **Table 4** (Characteristics of Medicare Beneficiaries, by Source of Prescription Drug Coverage, 2006) contain percentages that sum to 100% by column. These tables compare differences in sources of coverage within each beneficiary demographic category.

Two statistical tests were conducted on the estimates in Table 1 and Table 2.

1. T-test of each demographic stratum against all others within a source of coverage—noted in Tables 1 and 2 by * ($p < 0.05$) and ** ($p < 0.01$)

This test answers the question: Does the percentage of a demographic stratum with a particular source of coverage differ from the percentage of everyone not in that demographic stratum with that same source of coverage? For example, in Table 1, one can compare the percent of whites enrolled in Medicare Advantage to that of non-whites, or the percent of beneficiaries under age 65 enrolled in Medicaid to that of older beneficiaries. A statistically significant result in Tables 1 and 2 (indicated by * or **) can be interpreted as:

A larger (or smaller) share of Group A is enrolled in Coverage Type X than those not in Group A.

2. T-test of each demographic stratum against a reference group within a source of coverage—noted in Tables 1 and 2 by ^ ($p < 0.05$) and ^^ ($p < 0.01$)

This test answers the question: Does the percentage of a demographic stratum with a particular source of coverage differ from the percentage of the reference group with that same source of coverage? (Reference groups are noted in the label headings for each demographic category.) For example, in Table 1, one can compare the percent of Hispanics enrolled in Medicare Advantage to that of whites (the reference group), or the percent of beneficiaries with incomes of \$10,000 or less enrolled in Medicaid to that of beneficiaries with incomes of \$40,001 or more (the reference group). A statistically significant result in Tables 1 and 2 (indicated by ^ or ^^) can be interpreted as:

A larger (or smaller) share of Group A is enrolled in Coverage Type X than the Reference Group.

One statistical test was conducted on the estimates in Table 3 and Table 4.

3. T-Test of each source of coverage against all other sources within a demographic stratum—noted in Tables 3 and 4 by * ($p < 0.05$) and ** ($p < 0.01$)

This test answers the question: For each demographic stratum, does the percentage of beneficiaries with a particular source of coverage differ from the percentage of beneficiaries with all other coverage types combined? For example, in Table 3, one can compare the percent of Medicare Advantage enrollees who are Hispanic to the percent of other beneficiaries not enrolled in Medicare Advantage who are Hispanic. A statistically significant result in Tables 3 and 4 (indicated by * or **) can be interpreted as:

A larger (or smaller) share of beneficiaries with Coverage Type X are members of Group A compared to those with other Coverage Types.

Table 1: Sources of Supplemental Coverage Among Medicare Beneficiaries, by Characteristic, 2006

	Number of Beneficiaries (weighted)	SOURCE OF SUPPLEMENTAL COVERAGE						
		TOTAL	Medicare Advantage	Medicaid	Employer-sponsored	Self-purchased only	Other private/public insurance	None - Medicare Fee-for-service only
<i>N</i>		39,826,856	7,616,106	6,270,310	13,921,108	7,225,805	461,344	4,332,183
<i>% of total</i>		100.0%	19.1%	15.7%	35.0%	18.1%	1.2%	10.9%
Income								
\$10,000 or less	6,390,475	18.1%	17.9 (1.1) ^^	51.8 (1.3) ** †	7.6 (0.6) ** ^^	8.6 (0.6) ** ^^	---	13.6 (0.7) ** ^^
\$10,001-\$20,000	9,383,113	26.6%	23.4 (1.1) ** ^^	19.0 (0.9) ** †	20.2 (0.8) ** ^^	20.5 (1.0) **	---	16.0 (0.7) ** ^^
\$20,001-\$30,000	7,004,522	19.9%	21.9 (1.2) ** ^^	2.6 (0.3) ** †	42.4 (1.3) ** ^^	21.3 (1.2) **	---	11.3 (1.0) ^^
\$30,001-\$40,000	5,739,789	16.3%	18.6 (1.2) ^^	---	52.2 (1.4) ** ^^	20.9 (1.2) **	---	6.9 (0.7) ** ^
\$40,001 or more (Reference)	6,714,061	19.1%	14.6 (0.9) **	---	59.1 (1.2) **	20.2 (1.1) *	---	5.0 (0.5) **
Race								
White (Reference)	31,279,265	78.5%	17.4 (0.7) **	11.7 (0.5) **	38.4 (0.8) **	21.2 (0.7) **	1.2 (0.1) †	10.1 (0.4) **
African American	3,640,568	9.1%	22.0 (1.9) ^	31.4 (1.7) ** ^^	22.3 (1.4) ** ^^	5.3 (0.7) ** ^^	---	18.4 (1.1) ** ^^
Hispanic	3,030,479	7.6%	35.6 (2.1) ** ^^	28.3 (1.6) ** ^^	17.8 (1.8) ** ^^	6.3 (0.9) ** ^^	---	11.1 (1.1)
Other	1,876,544	4.7%	16.4 (1.9)	31.6 (2.3) ** ^^	29.4 (2.1) ** ^^	11.0 (1.4) ** ^^	---	9.6 (1.4)
Age								
Under 65 years (disabled)	6,269,277	15.7%	12.7 (1.0) ** ^^	41.8 (1.6) ** ^^	19.7 (1.3) ** ^^	3.4 (0.6) ** ^^	---	21.8 (1.1) ** ^^
65-84 years (Reference)	28,807,602	72.3%	20.6 (0.8) **	10.0 (0.4) **	39.0 (0.8) **	20.7 (0.7) **	0.7 (0.1) **	8.9 (0.4) **
85+ years	4,749,977	11.9%	18.8 (1.1)	16.0 (0.9) ^^	30.4 (1.1) ** ^^	22.2 (1.0) **	4.3 (0.4) ** ^^	8.4 (0.6) **
Health Status								
Excellent/very good (Reference)	16,088,234	40.6%	19.9 (0.9)	6.8 (0.4) **	41.2 (1.0) **	22.0 (0.9) **	---	9.4 (0.6) **
Good	12,470,949	31.5%	20.0 (0.9)	15.0 (0.7) ^^	35.3 (1.0) ^^	18.4 (0.8) ^^	1.4 (0.2) * †	10.0 (0.6) *
Fair	7,482,129	18.9%	18.7 (1.0)	27.0 (1.0) ** ^^	26.5 (1.0) ** ^^	13.6 (0.9) ** ^^	1.6 (0.2) * †	12.6 (0.7) ** ^^
Poor	3,577,156	9.0%	13.4 (1.1) ** ^^	34.7 (1.9) ** ^^	23.8 (1.7) ** ^^	9.4 (0.9) ** ^^	---	17.0 (1.2) ** ^^
Gender								
Male (Reference)	17,568,748	44.1%	18.5 (0.8)	13.2 (0.6) **	37.2 (0.9) **	16.6 (0.7) **	0.8 (0.1) **	13.8 (0.6) **
Female	22,258,108	55.9%	19.6 (0.8)	17.8 (0.6) ** ^^	33.2 (0.8) ** ^^	19.4 (0.7) ** ^^	1.4 (0.1) ** ^^	8.6 (0.4) ** ^^
Metro Status								
Urban (Reference)	30,353,485	76.2%	23.5 (0.8) **	14.2 (0.6) **	35.3 (0.8)	16.2 (0.6) **	1.1 (0.1)	9.7 (0.4) **
Rural	9,473,371	23.8%	5.2 (1.0) ** ^^	20.7 (1.5) ** ^^	33.9 (1.6)	24.3 (1.7) ** ^^	1.3 (0.2)	14.5 (1.2) ** ^^
Type of Residence								
Community (Reference)	38,013,507	95.5%	19.5 (0.7) **	13.7 (0.5) **	36.3 (0.8) **	19.0 (0.6) † †	0.4 (0.1) **	10.9 (0.4)
Facility	1,813,349	4.6%	11.1 (1.1) ** ^^	57.6 (1.7) ** ^^	5.9 (0.8) ** ^^	---	16.0 (1.4) ** ^^	9.4 (1.0)
Cognitive/Mental Impairment								
No (Reference)	27,993,056	70.3%	20.5 (0.8) **	9.0 (0.4) **	39.3 (0.8) **	20.8 (0.8) **	0.5 (0.1) **	9.9 (0.4) **
Yes	11,833,800	29.7%	15.8 (0.8) ** ^^	31.6 (1.0) ** ^^	24.7 (1.0) ** ^^	12.0 (0.5) ** ^^	2.8 (0.3) ** ^^	13.1 (0.6) ** ^^
Region								
Northeast (Reference)	7,745,548	19.5%	21.3 (2.2)	16.4 (0.9)	33.9 (1.0)	16.8 (1.2)	---	10.6 (0.9)
Midwest	9,161,285	23.0%	11.9 (1.2) ** ^^	13.8 (1.2) * ^	40.1 (1.7) ** ^^	22.5 (1.5) ** ^^	1.2 (0.2) †	10.5 (1.0)
South	14,482,003	36.4%	13.8 (1.0) ** ^^	17.3 (1.0) *	35.5 (1.3)	19.6 (1.1) * ^	1.2 (0.1) †	12.7 (0.6) ** ^
West	7,840,351	19.7%	32.6 (2.2) ** ^^	14.6 (1.2)	30.3 (1.6) ** ^	12.4 (1.1) ** ^^	---	8.7 (0.7) **

NOTES: Standard Error percentages in parentheses. Cells with dashes have less than 50 valid responses and are therefore considered unreliable.

* Indicates statistical difference from all others at 0.05 level. ** Indicates statistical difference from all others at 0.01 level. † Indicates not performed due to a lack of comparison data.

^ Indicates statistical difference from the reference group at 0.05 level. ^^ Indicates statistical difference from the reference group at 0.01 level. ‡ Indicates not performed due to a lack of comparison data.

SOURCE: Kaiser Family Foundation analysis of the CMS Medicare Current Beneficiary Survey Access to Care File, 2006.

Table 2: Sources of Prescription Drug Coverage Among Medicare Beneficiaries, by Characteristic, 2006

	Number of Beneficiaries (weighted)	SOURCE OF PRESCRIPTION DRUG COVERAGE							LOW-INCOME SUBSIDY (LIS) STATUS AMONG DUAL ELIGIBLES AND BENEFICIARIES WITH LOW INCOMES ¹		
		TOTAL	Part D - Stand-alone PDP	Part D - Medicare Advantage Drug Plan	Employer-sponsored	Self-purchased only	Other private/public	None - Medicare Fee-for-service only	Has LIS (Dual eligible)	Has LIS (Non-dual eligible)	No LIS
<i>N</i>		39,826,856	15,397,495	6,541,885	12,214,360	654,571	457,764	4,560,781	5,897,704	1,384,706	6,188,325
<i>% of total</i>		100.0%	38.7%	16.4%	30.7%	1.6%	1.1%	11.5%	43.8%	10.3%	45.9%
Income											
\$10,000 or less	6,390,475	18.1%	66.9 (1.2) ** ^^	16.2 (1.0) ^^	6.6 (0.6) ** ^^	---	---	9.0 (0.6) **	59.4 (1.3) ** †	8.9 (0.7) * †	31.7 (1.3) ** †
\$10,001-\$20,000	9,383,113	26.6%	45.7 (1.2) ** ^^	20.3 (1.0) ** ^^	16.9 (0.7) ** ^^	1.7 (0.2)	2.6 (0.4) ** †	12.9 (0.7) ** ^^	28.6 (1.1) ** †	11.8 (0.7) ** †	59.6 (1.3) ** †
\$20,001-\$30,000	7,004,522	19.9%	27.8 (1.2) ** ^^	18.7 (1.0) ** ^^	36.9 (1.3) ** ^^	2.0 (0.3)	---	13.3 (0.9) ** ^^	100.0 (0.0) ** †	N/A	N/A
\$30,001-\$40,000	5,739,789	16.3%	23.4 (1.3) **	15.5 (1.1) ^^	46.6 (1.5) ** ^^	2.3 (0.3) **	---	11.5 (0.9) ^^	---	N/A	N/A
\$40,001 or more (Reference)	6,714,061	36.2%	24.2 (1.2) **	11.8 (0.8) **	52.8 (1.4) **	2.2 (0.4) *	---	8.8 (0.7) **	---	N/A	N/A
Race											
White (Reference)	31,279,265	78.5%	37.0 (0.8) **	14.5 (0.6) **	33.7 (0.8) **	1.9 (0.1) †	1.2 (0.2) †	11.7 (0.3) *	36.4 (1.2) **	10.6 (0.6) *	53.0 (1.2) **
African American	3,640,568	9.1%	48.7 (2.2) ** ^^	19.4 (1.8) * ^^	20.3 (1.4) ** ^^	---	---	10.4 (0.7)	55.6 (1.7) ** ^^	12.9 (1.2) ** ^	31.5 (1.7) ** ^^
Hispanic	3,030,479	7.6%	37.4 (1.7)	33.9 (2.0) ** ^^	15.7 (1.7) ** ^^	---	---	11.8 (1.2)	64.3 (2.4) ** ^^	---	30.4 (2.3) ** ^^
Other	1,876,544	4.7%	49.0 (2.4) ** ^^	14.0 (1.7)	24.8 (1.9) ** ^^	---	---	8.9 (1.2) * ^	69.1 (3.2) ** ^^	---	24.4 (2.9) ** ^^
Age											
Under 65 years (disabled)	6,269,277	15.7%	55.4 (1.6) ** ^^	11.5 (0.9) ** ^^	17.6 (1.1) ** ^^	---	---	14.6 (0.9) ** ^^	67.7 (1.5) ** ^^	10.2 (1.0)	22.2 (1.5) ** ^^
65-84 years (Reference)	28,807,602	72.3%	34.5 (0.7) **	17.7 (0.7) **	34.3 (0.9) **	1.8 (0.1) *	1.2 (0.2)	10.6 (0.3) **	38.8 (1.1) **	10.0 (0.7)	51.2 (1.2) **
85+ years	4,749,977	11.9%	42.1 (1.2) ** ^^	15.3 (0.8) ^	25.8 (1.1) ** ^^	2.3 (0.3) ** ^	---	12.5 (0.6) ^^	29.2 (1.9) ** ^^	9.4 (1.1)	61.4 (1.9) ** ^^
Health Status											
Excellent/very good (Reference)	16,088,234	40.6%	31.4 (0.9) **	17.2 (0.8)	36.1 (0.9) **	1.8 (0.2)	1.1 (0.2)	12.5 (0.5) **	31.7 (1.5) **	10.3 (0.8)	58.0 (1.5) **
Good	12,470,949	31.5%	38.6 (0.9) ^^	17.0 (0.8)	30.4 (1.0) ^^	1.8 (0.2)	1.5 (0.2) *	10.8 (0.5) ^^	43.2 (1.3) * ^^	9.5 (0.8)	47.2 (1.3) ** ^^
Fair	7,482,129	18.9%	46.2 (1.1) ** ^^	16.1 (0.9)	24.3 (1.0) ** ^^	---	---	10.9 (0.6) ^	54.8 (1.6) ** ^^	10.0 (0.9)	35.2 (1.4) ** ^^
Poor	3,577,156	9.0%	55.4 (1.6) ** ^^	11.7 (1.1) ** ^^	20.7 (1.6) ** ^^	---	---	10.5 (0.9) ^	62.6 (2.3) ** ^^	10.2 (1.4)	27.2 (2.3) ** ^^
Gender											
Male (Reference)	17,568,748	44.1%	32.6 (0.8) **	15.7 (0.6)	33.1 (0.9) **	1.5 (0.1)	0.9 (0.1)	16.2 (0.5) **	45.9 (1.3)	10.0 (0.7)	44.1 (1.4)
Female	22,258,108	55.9%	43.4 (0.8) ** ^^	17.0 (0.7)	28.8 (0.8) ** ^^	1.8 (0.2)	1.3 (0.2)	7.7 (0.4) ** ^^	45.3 (1.1)	9.9 (0.7)	44.7 (1.2)
Metro Status											
Urban (Reference)	30,353,485	76.2%	34.5 (0.8) **	20.6 (0.7) **	31.3 (0.8) *	1.6 (0.1)	1.3 (0.2) † †	10.7 (0.4) **	45.7 (1.0)	9.5 (0.6) *	44.8 (1.0)
Rural	9,473,371	23.8%	51.9 (1.6) ** ^^	3.0 (0.5) ** ^^	28.5 (1.3) * ^	1.9 (0.2)	---	13.9 (0.6) ** ^^	45.2 (2.4)	11.3 (0.8) * ^	43.6 (2.4)
Type of Residence											
Community (Reference)	38,013,507	95.5%	37.0 (0.7) **	16.8 (0.6) **	31.8 (0.7) **	1.7 (0.1) † †	1.2 (0.1) † †	11.5 (0.3)	45.6 (1.0) † †	10.0 (0.5) † †	44.5 (1.0) † †
Facility	1,813,349	4.6%	74.0 (1.5) ** ^^	9.2 (1.0) ** ^^	6.1 (0.8) ** ^^	---	---	10.7 (1.0)	---	---	---
Cognitive/Mental Impairment											
No (Reference)	27,993,056	70.3%	33.0 (0.7) **	17.6 (0.6) **	34.4 (0.8) **	1.9 (0.2) **	1.2 (0.2) † †	11.9 (0.4) *	36.3 (1.0) **	10.0 (0.6)	53.6 (1.1) **
Yes	11,833,800	29.7%	52.0 (1.0) ** ^^	13.7 (0.6) ** ^^	21.9 (0.9) ** ^^	0.9 (0.1) ** ^^	---	10.5 (0.5) * ^	60.6 (1.3) ** ^^	9.8 (0.8)	29.6 (1.2) ** ^^
Region											
Northeast (Reference)	7,745,548	19.5%	36.3 (1.6) *	16.8 (1.4)	31.0 (0.9)	---	4.1 (0.5) **	10.3 (0.6) *	45.1 (2.2)	9.9 (1.2)	45.0 (2.0)
Midwest	9,161,285	23.0%	42.1 (1.5) ** ^^	9.4 (0.9) ** ^^	33.6 (1.5) *	1.8 (0.3) †	---	12.2 (0.7) ^	37.9 (2.8) ** ^	10.4 (1.3)	51.7 (2.9) ** ^
South	14,482,003	36.4%	43.4 (1.3) ** ^^	11.9 (0.9) ** ^^	31.5 (1.3)	1.7 (0.2) †	---	11.4 (0.4)	44.3 (1.4)	11.5 (0.7) **	44.2 (1.4)
West	7,840,351	19.7%	30.4 (1.6) ** ^^	29.9 (2.2) ** ^^	26.5 (1.7) ** ^	---	---	11.2 (0.9)	56.3 (2.0) ** ^^	7.6 (1.2) *	36.1 (1.9) ** ^^

NOTES: ¹ Estimates exclude facility residents. For non-dual eligibles, low income defined as annual income less than \$15,000/individual and \$20,000/couple; N/A - Not Applicable by definition.

Standard Error percentages in parentheses. Cells with dashes have less than 50 respondents and are therefore considered unreliable.

* Indicates statistical difference from all others at 0.05 level. ** Indicates statistical difference from all others at 0.01 level. † Indicates not performed due to a lack of comparison data.

^ Indicates statistical difference from the reference group at 0.05 level. ^^ Indicates statistical difference from the reference group at 0.01 level. † † Indicates not performed due to a lack of comparison data.

SOURCE: Kaiser Family Foundation analysis of the CMS Medicare Current Beneficiary Survey Access to Care File, 2006.

Table 3: Characteristics of Medicare Beneficiaries, by Source of Supplemental Coverage, 2006

	Number of Beneficiaries (weighted)	SOURCE OF SUPPLEMENTAL COVERAGE							
		TOTAL	Medicare Advantage	Medicaid	Employer-sponsored	Self-purchased only	Other private/public insurance	None - Medicare Fee-for-service only	All Medicare Fee-for-service ¹
<i>N</i> <i>% of total</i>		39,826,856 100.0%	7,616,106 19.1%	6,270,310 15.7%	13,921,108 35.0%	7,225,805 18.1%	461,344 1.2%	4,332,183 10.9%	32,210,750 80.9%
Income									
\$10,000 or less	6,390,475	18.1%	16.5 (0.9) *	61.6 (1.3) **	3.9 (0.4) **	8.4 (0.6) **	---	22.3 (1.5) **	18.5 (0.9) *
\$10,001-\$20,000	9,383,113	26.6%	31.7 (1.1) **	33.2 (1.3) **	15.4 (0.7) **	29.5 (1.2) **	---	38.6 (1.3) **	25.4 (1.1) **
\$20,001-\$30,000	7,004,522	19.9%	22.2 (0.9) **	3.3 (0.4) **	24.1 (0.7) **	22.9 (1.2) **	---	20.3 (1.6)	19.3 (0.9) **
\$30,001-\$40,000	5,739,789	16.3%	15.4 (0.8)	---	24.3 (0.8) **	18.4 (0.9) **	---	10.2 (1.2) **	16.5 (0.8)
\$40,001 or more	6,714,061	19.1%	14.1 (1.0) **	---	32.2 (1.2) **	20.8 (1.1)	---	8.6 (0.9) **	20.3 (1.0) **
Race									
White	31,279,265	78.5%	71.3 (1.6) **	58.6 (1.9) **	86.3 (0.8) **	91.8 (0.7) **	81.2 (3.7)	72.6 (1.7) **	80.2 (1.6) **
African American	3,640,568	9.1%	10.5 (1.2)	18.2 (1.9) **	5.8 (0.5) **	2.7 (0.4) **	---	15.5 (1.6) **	8.8 (1.2)
Hispanic	3,030,479	7.6%	14.2 (1.3) **	13.7 (1.2) **	3.9 (0.5) **	2.6 (0.4) **	---	7.7 (0.9)	6.1 (1.3) **
Other	1,876,544	4.7%	4.0 (0.4)	9.5 (1.1) **	4.0 (0.3) *	2.9 (0.4) **	---	4.2 (0.7)	4.9 (0.4)
Age									
Under 65 years (disabled)	6,269,277	15.7%	10.5 (0.8) **	41.8 (1.1) **	8.9 (0.6) **	2.9 (0.5) **	---	31.5 (1.6) **	17.0 (0.8) **
65-84 years	28,807,602	72.3%	77.8 (0.9) **	46.1 (1.0) **	80.8 (0.7) **	82.5 (0.7) **	46.1 (3.8) **	59.4 (1.5) **	71.0 (0.9) **
85+ years	4,749,977	11.9%	11.7 (0.5)	12.1 (0.6)	10.4 (0.3) **	14.6 (0.5) **	44.8 (4.1) **	9.2 (0.7) **	12.0 (0.5)
Health Status									
Excellent/very good	16,088,234	40.6%	42.3 (1.2)	17.6 (0.8) **	47.8 (0.9) **	49.3 (1.2) **	---	35.2 (1.5) **	40.2 (1.2)
Good	12,470,949	31.5%	32.9 (0.9) *	30.0 (1.0)	31.7 (0.7)	31.9 (1.0)	39.4 (3.2) **	28.8 (1.4) *	31.1 (0.9) *
Fair	7,482,129	18.9%	18.5 (0.9)	32.5 (0.9) **	14.3 (0.5) **	14.1 (0.8) **	26.0 (3.1) *	21.9 (1.3) **	19.0 (0.9)
Poor	3,577,156	9.0%	6.3 (0.5) **	20.0 (1.0) **	6.1 (0.5) **	4.7 (0.4) **	---	14.1 (1.1) **	9.7 (0.5) **
Gender									
Male	17,568,748	44.1%	42.6 (1.1)	36.9 (1.1) **	46.9 (0.7) **	40.3 (1.0) **	30.8 (3.6) **	55.9 (1.3) **	44.5 (1.1)
Female	22,258,108	55.9%	57.4 (1.1)	63.1 (1.1) **	53.1 (0.7) **	59.7 (1.0) **	69.2 (3.6) **	44.1 (1.3) **	55.5 (1.1)
Metro Status									
Urban	30,353,485	76.2%	93.5 (1.2) **	68.7 (1.6) **	76.9 (1.2)	68.1 (1.7) **	73.7 (3.9)	68.2 (2.1) **	72.1 (1.2) **
Rural	9,473,371	23.8%	6.5 (1.2) **	31.3 (1.6) **	23.1 (1.2)	31.9 (1.7) **	26.3 (3.9)	31.8 (2.1) **	27.9 (1.2) **
Type of Residence									
Community	38,013,507	95.5%	97.4 (0.2) **	83.3 (0.8) **	99.2 (0.1) **	100.0 (0.0) **	37.0 (4.5) **	96.1 (0.5)	95.0 (0.2) **
Facility	1,813,349	4.6%	2.6 (0.2) **	16.7 (0.8) **	0.8 (0.1) **	---	63.0 (4.5) **	3.9 (0.5)	5.0 (0.2) **
Cognitive/Mental Impairment									
No	27,993,056	70.3%	75.4 (0.8) **	40.3 (1.3) **	79.0 (0.8) **	80.4 (0.8) **	28.2 (3.5) **	64.2 (1.5) **	69.1 (0.8) **
Yes	11,833,800	29.7%	24.6 (0.8) **	59.7 (1.3) **	21.0 (0.8) **	19.6 (0.8) **	71.8 (3.5) **	35.8 (1.5) **	30.9 (0.8) **
Region									
Northeast	7,745,548	19.5%	21.6 (2.0)	20.2 (1.1)	18.9 (0.6)	18.0 (1.2)	---	19.0 (1.5)	18.9 (2.0)
Midwest	9,161,285	23.0%	14.3 (1.3) **	20.2 (1.4) *	26.4 (1.3) **	28.6 (1.6) **	23.7 (4.0)	22.2 (1.9)	25.1 (1.3) **
South	14,482,003	36.4%	26.2 (1.6) **	40.0 (2.1) *	36.9 (1.5)	39.3 (2.0)	36.4 (4.0)	42.3 (2.4) **	38.8 (1.6) **
West	7,840,351	19.7%	33.6 (1.6) **	18.3 (1.7)	17.1 (1.5) *	13.5 (1.8) **	---	15.7 (1.9) *	16.4 (1.6) **

NOTES: ¹ Estimates exclude Medicare Advantage enrollees. Cells with dashes have less than 50 valid responses and are therefore considered unreliable.

* Indicates statistical difference from all others at 0.05 level. ** Indicates statistical difference from all others at 0.01 level.

SOURCE: Kaiser Family Foundation analysis of the CMS Medicare Current Beneficiary Survey Access to Care File, 2006.

Table 4: Characteristics of Medicare Beneficiaries, by Source of Prescription Drug Coverage, 2006

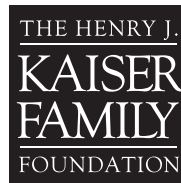
	Number of Beneficiaries (weighted)	SOURCE OF PRESCRIPTION DRUG COVERAGE							LOW-INCOME SUBSIDY (LIS) STATUS AMONG DUAL ELIGIBLES AND BENEFICIARIES WITH LOW INCOME ¹		
		TOTAL	Part D - Stand-alone PDP	Part D - Medicare Advantage Drug Plan	Employer-sponsored	Self-purchased only	Other private/public	None - Medicare Fee-for-service only	Has LIS (Dual eligible)	Has LIS (Non-dual eligible)	No LIS
<i>N</i>		39,826,856	15,397,495	6,541,885	12,214,360	654,571	457,764	4,560,781	5,897,704	1,384,706	6,188,325
<i>% of total</i>		100.0%	38.7%	16.4%	30.7%	1.6%	1.1%	11.5%	43.8%	10.3%	45.9%
Income											
\$10,000 or less	6,390,475	18.1%	31.7 (1.2) **	17.4 (1.0)	3.9 (0.4) **	---	---	14.6 (1.1) **	60.5 (1.2) **	38.6 (2.6) **	30.7 (1.3) **
\$10,001-\$20,000	9,383,113	26.6%	31.8 (0.8) **	32.1 (1.1) **	14.7 (0.7) **	25.8 (3.1)	56.5 (4.6) **	30.5 (1.4) **	35.0 (1.2) **	61.4 (2.6) **	69.3 (1.3) **
\$20,001-\$30,000	7,004,522	19.9%	14.5 (0.7) **	22.1 (1.0) **	23.9 (0.8) **	22.4 (2.6)	---	23.6 (1.4) **	3.3 (0.4) **	N/A	N/A
\$30,001-\$40,000	5,739,789	16.3%	10.0 (0.6) **	15.0 (0.9)	24.7 (0.9) **	21.3 (2.6) *	---	16.6 (1.2)	---	N/A	N/A
\$40,001 or more	6,714,061	36.2%	12.0 (0.7) **	13.4 (1.0) **	32.8 (1.4) **	23.4 (3.2)	---	14.8 (1.1) **	---	N/A	N/A
Race											
White	31,279,265	78.5%	75.2 (1.3) **	69.5 (1.6) **	86.3 (0.9) **	89.8 (2.4) **	83.4 (3.7)	80.2 (1.3)	50.7 (2.0) **	67.5 (2.8) **	75.5 (1.5) *
African American	3,640,568	9.1%	11.5 (1.2) **	10.8 (1.2)	6.0 (0.6) **	---	---	8.3 (1.0)	19.6 (1.9) **	20.7 (2.6) **	11.3 (1.3) *
Hispanic	3,030,479	7.6%	7.4 (0.6)	15.7 (1.5) **	3.9 (0.6) **	---	---	7.8 (0.8)	19.5 (1.5) **	---	9.4 (1.0) *
Other	1,876,544	4.7%	6.0 (0.6) **	4.0 (0.5)	3.8 (0.4) *	---	---	3.7 (0.6) *	10.2 (1.2) **	---	3.7 (0.5) *
Age											
Under 65 years (disabled)	6,269,277	15.7%	22.6 (0.9) **	11.1 (0.9) **	9.0 (0.6) **	---	---	20.1 (1.3) **	40.9 (1.3) **	28.1 (2.5) **	13.7 (0.9) **
65-84 years	28,807,602	72.3%	64.5 (0.8) **	77.9 (0.9) **	81.0 (0.7) **	77.3 (2.8) *	74.5 (2.8)	66.9 (1.2) **	51.0 (1.2) **	59.9 (2.6) **	68.8 (1.1) **
85+ years	4,749,977	11.9%	13.0 (0.4) **	11.1 (0.5) *	10.0 (0.4) **	17.0 (2.0) **	---	13.0 (0.7) *	8.1 (0.5) **	12.0 (1.2)	17.5 (0.8) **
Health Status											
Excellent/very good	16,088,234	40.6%	33.0 (0.8) **	42.5 (1.3) *	47.8 (1.0) **	44.2 (3.1)	37.1 (3.2)	44.1 (1.4) **	19.5 (0.9) **	28.8 (2.0) **	36.5 (1.1) **
Good	12,470,949	31.5%	31.5 (0.6)	32.5 (1.0)	31.2 (0.8)	33.8 (3.0)	41.2 (3.3) **	29.6 (1.1) *	31.3 (1.0)	31.6 (2.6)	35.0 (1.1) **
Fair	7,482,129	18.9%	22.6 (0.6) **	18.5 (1.0)	15.0 (0.6) **	---	---	18.0 (1.1)	30.7 (0.9) **	25.7 (2.2) **	20.3 (0.9)
Poor	3,577,156	9.0%	13.0 (0.5) **	6.4 (0.6) **	6.1 (0.5) **	---	---	8.2 (0.8)	18.6 (1.0) **	13.9 (1.8) **	8.2 (0.7)
Gender											
Male	17,568,748	44.1%	37.2 (0.8) **	42.1 (1.2) *	47.6 (0.7) **	38.9 (2.9) *	36.3 (3.1) **	62.5 (1.3) **	37.8 (1.1) **	37.6 (2.6) **	37.2 (1.1) **
Female	22,258,108	55.9%	62.8 (0.8) **	57.9 (1.2) *	52.4 (0.7) **	61.1 (2.9) *	63.7 (3.1) **	37.5 (1.3) **	62.2 (1.1) **	62.4 (2.6) **	62.8 (1.1) **
Metro Status											
Urban	30,353,485	76.2%	68.1 (0.7) **	95.7 (0.7) **	77.9 (1.2) *	72.1 (3.1)	85.2 (3.2) **	71.1 (1.4) **	73.6 (1.6) *	69.8 (2.0) **	73.9 (1.5) *
Rural	9,473,371	23.8%	31.9 (0.7) **	4.3 (0.7) **	22.1 (1.2) *	27.9 (3.1)	---	28.9 (1.4) **	26.4 (1.6) *	30.2 (2.0) **	26.1 (1.5) *
Type of Residence											
Community	38,013,507	95.5%	91.3 (0.4) **	97.5 (0.3) **	99.1 (0.1) **	100.0 (0.0) **	100.0 (0.0) **	95.8 (0.4)	100.0 (0.0) **	100.0 (0.0) **	100.0 (0.0) **
Facility	1,813,349	4.6%	8.7 (0.4) **	2.5 (0.3) **	0.9 (0.1) **	---	---	4.2 (0.4)	---	---	---
Cognitive/Mental Impairment											
No	27,993,056	70.3%	60.0 (1.0) **	75.2 (0.9) **	78.7 (0.8) **	82.9 (2.4) **	76.0 (2.8) *	72.8 (1.2) *	49.5 (1.4) **	62.5 (2.4) **	74.7 (1.1) **
Yes	11,833,800	29.7%	40.0 (1.0) **	24.8 (0.9) **	21.3 (0.8) **	17.1 (2.4) **	---	27.2 (1.2) *	50.5 (1.4) **	37.5 (2.4) **	25.3 (1.1) **
Region											
Northeast	7,745,548	19.5%	18.3 (0.7) *	19.9 (1.6)	19.7 (0.7)	---	69.9 (6.4) **	17.5 (1.0) *	20.7 (1.1)	20.8 (2.5)	21.1 (1.2)
Midwest	9,161,285	23.0%	25.1 (0.8) **	13.1 (1.2) **	25.2 (1.3) *	25.2 (3.3)	---	24.4 (1.3)	16.4 (1.4) **	20.6 (2.4)	22.9 (1.1)
South	14,482,003	36.4%	40.8 (1.6) **	26.2 (1.6) **	37.4 (1.7)	37.3 (3.9)	---	36.2 (1.8)	38.7 (2.1)	46.0 (3.0) **	39.4 (1.6) *
West	7,840,351	19.7%	15.5 (1.5) **	35.9 (1.6) **	17.0 (1.6) *	---	---	19.3 (2.0)	20.1 (1.6)	12.4 (2.2) **	13.2 (1.1) **

NOTES: ¹ Estimates exclude facility residents. For non-dual eligibles, low income defined as annual income less than \$15,000/individual and \$20,000/couple; N/A - Not Applicable by definition.

Cells with dashes have less than 50 valid responses and are therefore considered unreliable.

* Indicates statistical difference from all others at 0.05 level. ** Indicates statistical difference from all others at 0.01 level.

SOURCE: Kaiser Family Foundation analysis of the CMS Medicare Current Beneficiary Survey Access to Care File, 2006.



The Henry J. Kaiser Family Foundation

Headquarters

2400 Sand Hill Road
Menlo Park, CA 94025
(650) 854-9400 Fax: (650) 854-4800

Washington Offices and
Barbara Jordan Conference Center
1330 G Street, NW
Washington, DC 20005
Phone: (202) 347-5270 Fax: (202) 347-5274

www.kff.org

Additional copies of this publication (#7801) are available on
the Kaiser Family Foundation's website at www.kff.org.

The Kaiser Family Foundation is a non-profit private operating foundation dedicated to
producing and communicating the best possible information and policy analysis on health issues.