



# **Medicare Price Negotiation of Prescription Drugs- A National Poll**

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## Medicare Price Negotiation of Prescription Drugs- A National Poll February 12, 2007

In late January 2007, AARP conducted a national telephone poll to assess how people feel about allowing Medicare to negotiate prescription drug prices with pharmaceutical companies. A total of 1,000 adults age 18 and older were polled.

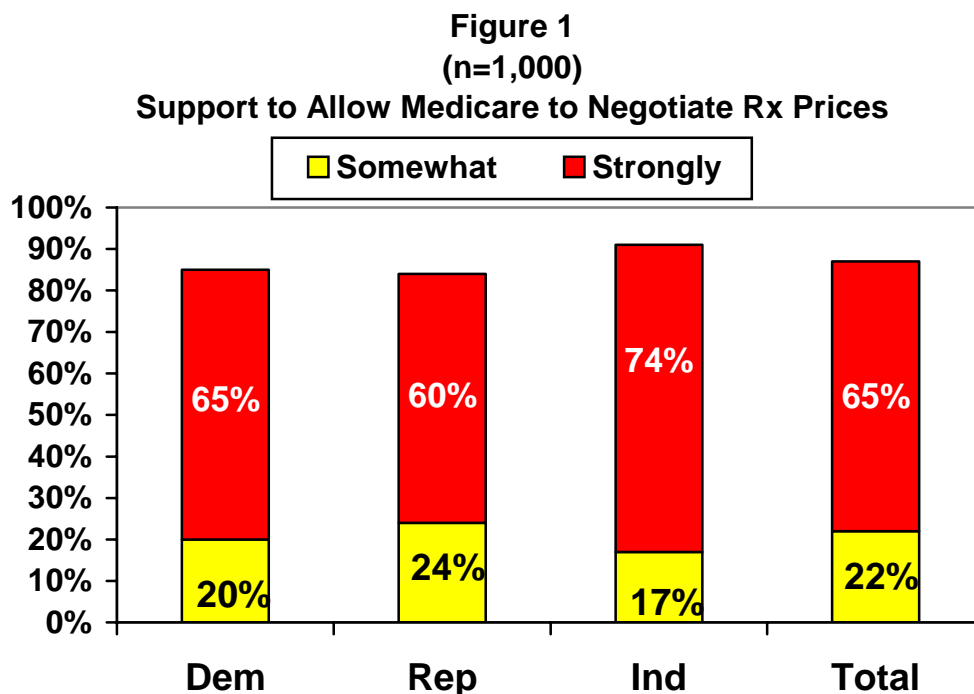
This report highlights findings from the national poll. The survey methodology is described at the end of this report and a tabulated questionnaire is appended.

AARP is a non-partisan organization. It does not contribute to political campaigns nor does it endorse or oppose any candidates for public office.

### Key Findings

A substantial majority of respondents (87%) support a proposal to allow Medicare to use its bargaining power to negotiate prescription drug prices with pharmaceutical companies (65% strongly support; 22% somewhat support) (see Figure 1). While there were no major differences in overall support between age groups, younger respondents ages 18-34 were less likely to report strong support than older age groups.

Support for allowing Medicare to negotiate prescription drug prices is strong across party lines. Eighty-five percent of Democrats, 84 percent of Republicans and 91 percent of Independents agree that Medicare should use its bargaining power to negotiate lower prices for prescription drugs (see Figure 1).

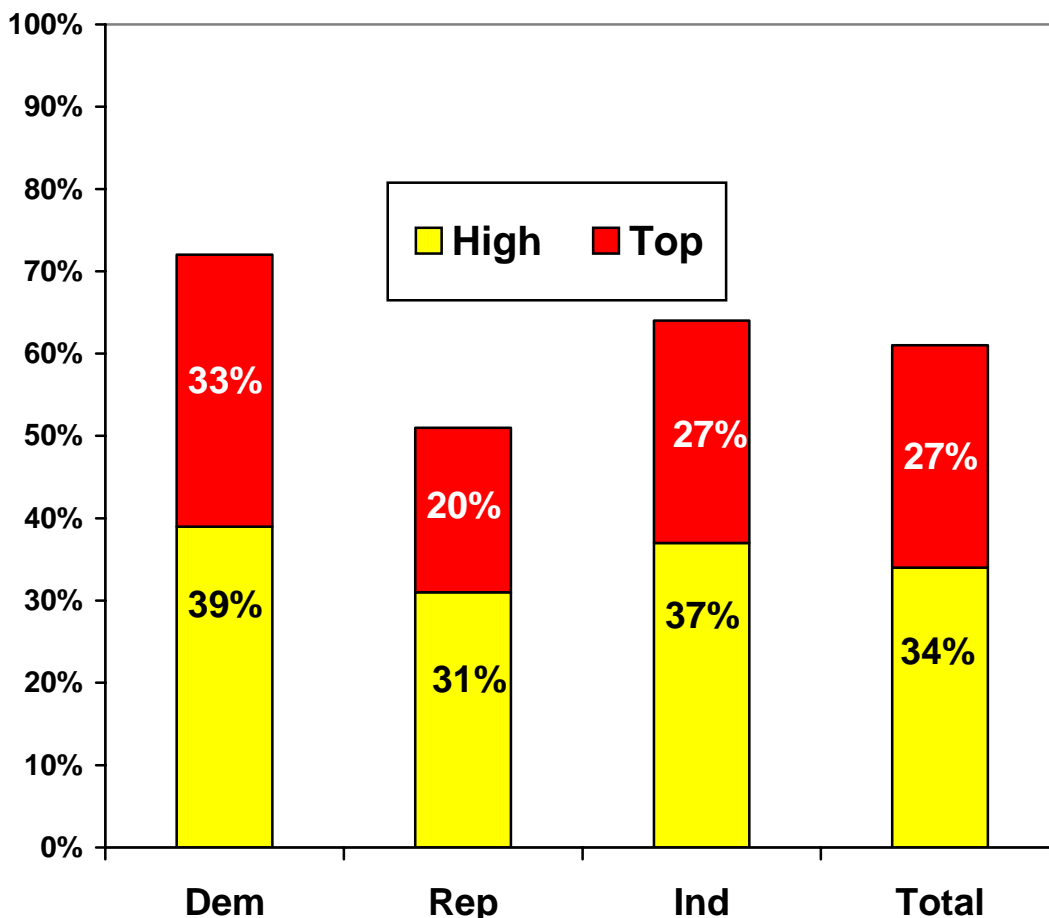


More than 6 in 10 respondents (61%) think Congress should make it a top or high priority this year to allow Medicare to use its bargaining power to negotiate lower prescription drug prices (see Figure 2). More than one-third (36%) think Congress should make this a medium or low priority.

Findings show that as age increases respondents are more likely to think Congress should make it a top or high priority this year to allow Medicare to use its bargaining power to negotiate lower prescription drug prices. While 50 percent of respondents ages 18-34 think Congress should make this a top or high priority this year, a greater percentage of respondents ages 35-49 (63%) and 50+ (69%) feel this way.

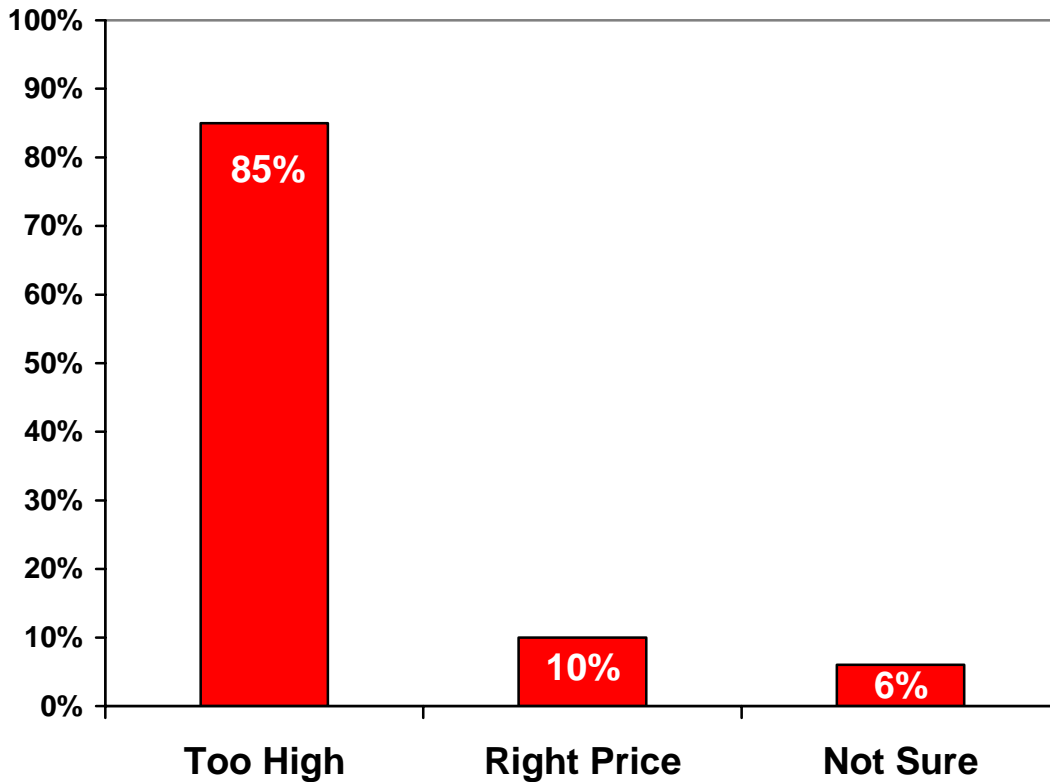
Nearly three-quarters of Democrats (72%), slightly more than half of Republicans (51%) and nearly two-thirds of Independents (64%) think Congress should make it a top or high priority this year to allow Medicare to use its bargaining power to negotiate lower prescription drug (see Figure 2).

**Figure 2**  
(n=1,000)  
**Allowing Medicare to Negotiate Rx Prices Should be a Top or High Priority for Congress This Year**



More than 8 in 10 respondents (85%) think the costs of prescription drugs are too high (see Figure 3). This finding is consistent across party lines (87% Democrats, 82% Republicans and 89% Independents). Exactly 1 in 10 respondents (10%) think these costs are about the right price. Six percent of respondents report they are not sure.

**Figure 3**  
**(n=1,000)**  
**Costs of Prescription Drugs Are...?**



## **Methodology**

The data for this study were collected by Woelfel Research Associates Inc., a national survey research firm. The data collected comes from a nationally representative sample of 1,000 adults ages 18 and older. This poll was fielded between January 26<sup>th</sup> and February 8<sup>th</sup>, 2007.

This national poll has a sampling error of plus or minus 3.1 percentage points. This means that in 95 out of 100 samples of this size, the results obtained in the sample would fall in a range of 3.1 percentage points of what would have been obtained if every adult in the United States had been polled.

For presentation purposes, percentage points have been rounded off to the nearest whole number. As a result, percentages in a given table column may total slightly higher or lower than 100%. For questions that permit multiple responses, columns may total to significantly more than 100%, depending on the number of different responses offered by each respondent. Similarly, when only selected responses are shown, percentages may total less than 100%.

**Medicare Rx Price Negotiation Survey  
National  
[Sample of 1,000 adults 18+ residing in US]  
ANNOTATED SURVEY  
DATA ARE WEIGHTED BY AGE AND SEX  
CONFIDENCE INTERVAL = +/-3.1%**

Hello, this is \_\_\_\_ calling from Woelfel Research, Inc., a national opinion research firm. We are not telemarketers and are not trying to sell you anything. We would like to find out your opinions on various topics of interest. Your views are important and we would greatly appreciate your participation. All your responses will be kept entirely confidential. This survey should take no more than 5 minutes of your time.

S1. I need to speak to the person in your household who is at least 18 years old. What was your age at your last birthday? \_\_\_\_\_ (record in years)

1. In your opinion, what is the most important problem facing the U.S. today?  
[DO NOT READ LIST-RECORD ONLY ONE ANSWER]

**Code List**

%		
33	1.	War with Iraq (any mentions about Iraq)
5	2.	Terrorism/Terrorist attacks/Homeland Security
0	3.	National Security/Other foreign affairs issues
7	4.	Health Care
0	5.	Medicare
1	6.	Social Security
4	7.	Immigration
0	8.	Energy prices (electricity, home heating fuel, etc.)
2	9.	Gas prices
0	10.	The Federal Deficit
1	11.	Taxes/Tax Cuts
4	12.	Economy (unspecified)
3	13.	Unemployment/Jobs/Outsourcing
2	14.	Education
0	15.	Environment
3	16.	Crime/Drugs
2	17.	Honesty/Corruption in Government/Morality
2	18.	Other domestic issues
23	19.	Other
1	20.	Nothing
7	21.	Not sure

2. Most brand name prescription drugs can be purchased in Canada and Europe for substantially lower prices. Currently, U.S. law bans people from buying prescription drugs from Canada or Europe.

Some people believe that the laws should be changed to allow Americans to order prescription drugs from Canada or some European countries because they believe the drugs are just as safe as those bought in the U.S., and the prices are lower in Canada and Europe.

Others believe that ordering prescription drugs from Canada and Europe should remain illegal because of concerns about safety and quality.

Do you, yourself, believe that it should be legal for people in the U.S. to order drugs from Canada and Europe or not?

%		
63	1.	Yes, should be legal
31	2.	No, should not be legal
6	3.	Don't know
0	4.	Refused

3. Currently Medicare is prohibited by law from negotiating prescription drug prices with pharmaceutical companies. There is now a proposal in Congress to allow Medicare to use its bargaining power to negotiate lower prices for prescription drugs. Do you support or oppose allowing Medicare to use its bargaining power to negotiate lower prices for prescription drugs? Is that strongly or somewhat?

%		
65	1.	Strongly support
22	2.	Somewhat support
3	3.	Somewhat oppose
4	4.	Strongly oppose
7	5.	Not sure [DO NOT READ]
0	6.	Refused [DO NOT READ]

4. Do you think Congress should make allowing Medicare to use its bargaining power to negotiate lower prices for prescription drugs a **[INSERT RESPONSES AND ROTATE]** this year?

%		
27	1.	Top priority
34	2.	High priority
28	3.	Medium priority
8	4	Low priority
3	5.	Not sure [DO NOT READ]
0	6.	Refused [DO NOT READ]

5. [Deleted prior to fielding]

6. Do you think the costs of prescription drugs are...?

%		
85	1.	Too high
10	2.	About the right price
0	3.	Too low
6	4.	Not sure [DO NOT READ]
0	5.	Refused [DO NOT READ]

**Demographic questions:**

D1. What is your age as of your last birthday? [RECORD IN YEARS]

\_\_\_\_\_

%		
32	1.	18-34
31	2.	35-49
20	3.	50-64
17	4.	65+
2	6.	Refused [DO NOT READ]

D2. What is your marital status? Are you currently....

%		
58	1	Married
11	2	Divorced
2	3	Separated
8	4	Widowed
20	5	Or have you never been married?
0	6	Living with partner [DO NOT READ]
0	7	Don't know [DO NOT READ]
1	8	Refused [DO NOT READ]

D3. What is the highest level of education you have completed? [READ LIST]

%		
6	1	Less than high school
28	2	High school graduate or equivalent
26	3	Some college or technical training beyond high school
24	4	College graduate
16	5	Or, Post-graduate or professional degree
0	6	Don't know [DO NOT READ]
1	7	Refused [DO NOT READ]

- D4. Which of the following best describes your current employment status?  
Are you currently....[READ LIST]

%		
40	1.	Employed full-time
8	2.	Employed part-time
10	3.	Self-employed
18	4.	Retired and not working
5	5.	Unemployed and looking for work
7	6.	Homemaker
5	7.	Disabled
2	8.	Student
3	9.	Or something else [Specify: _____]
0	10.	Don't Know [DO NOT READ]
0	11.	Refused [DO NOT READ]

- D5. Would you say that you always vote in presidential elections, usually vote, sometimes vote, rarely vote, or never vote?

%		
66	1.	Always
10	2.	Usually
8	3.	Sometimes
4	4.	Rarely
11	5.	Never
1	6.	Refused [DO NOT READ]

- D6. For statistical purposes only, please stop me when I get to the category That includes your household's income before taxes in 2006. Was it... [READ LIST]

%		
8	1.	Less than \$10,000
12	2.	\$10,000 but less than \$20,000
9	3.	\$20,000 but less than \$30,000
11	4.	\$30,000 but less than \$40,000
9	5.	\$40,000 but less than \$50,000
13	6.	\$50,000 but less than \$75,000
12	7.	\$75,000 but less than \$100,000
13	8.	\$100,000 or more
3	9.	Don't know [DO NOT READ]
12	10.	Refused [DO NOT READ]

D7. Are you Spanish, Latino, or Hispanic?

%		
6	1.	Yes
93	2.	No
0	3.	Don't Know
1	4.	Refused

D8. Which of the following groups best describes your race? [READ LIST]

%		
79	1.	White
11	2.	Black or African-American
2	3.	Asian
0	4.	Native Hawaiian or Pacific Islander
2	5.	American Indian or Alaska Native
4	6.	Other
0	7.	Don't know
1	8.	Refused

D9. Regardless of how you might have voted in the past, what do you usually consider yourself – a Democrat, a Republican, or some other party?

%		
31	1. A Republican	
37	2. A Democrat	
19	3. An Independent	
6	4. Other	(DO NOT READ)
4	5. Don't know	(DO NOT READ)
3	6. Refused	(DO NOT READ)

D10. Thinking politically and socially, how would you describe your own general outlook--as being very conservative, somewhat conservative, moderate, somewhat liberal, or very liberal?

%		
14	1.	Very conservative
29	2.	Somewhat conservative
33	3.	Moderate
13	4.	Somewhat liberal
6	5.	Very liberal
4	6.	Don't know (Do not read)
2	7.	Refused Do not read)

D11. Are you currently registered to vote in (STATE)?

%		
87	1.	Yes
12	2.	No
0	3.	Don't Know
1	4.	Refused

D12. What is your gender?

%		
48	1.	Male
52	2.	Female

D13. Finally, what is your 5-digit zip code?

\_\_\_\_\_