

Affordable Prescription Drugs: A Survey of South Dakota Members

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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

Prescription drugs are the fastest rising component of personal health expenditures. Spending on prescription drugs surged for the fourth consecutive year, climbing 17.1 percent in 2001. Contributing to the rise in spending was the increase in the average cost of a prescription that jumped 10.1 percent to \$49.84. Additionally, the number of prescriptions dispensed at pharmacies rose 6.8 percent to 3.1 billion.¹

In South Dakota, the average price of a retail prescription was \$43.72 in 2000². Moreover, the average number of prescriptions in South Dakota per capita is 11.4, above the national average of 10.3. Given that South Dakotans use more prescription drugs, it is not surprising that their annual per capita personal health care expenditures in 1998 were above the national average, \$3,998 compared to \$3,750 nationwide.

This survey of 1,434 South Dakota AARP members measures the opinion of South Dakota AARP members about the affordability of their prescription drugs, and their support of a state-funded prescription drug assistance program for low and moderate-income seniors. Specifically, this survey explores:

- Out-of-pocket costs and financial hardships associated with paying for prescriptions
- Support for a South Dakota program to cover prescription costs for older persons with low and moderate incomes
- Support for reallocating state funds to finance this program
- Likely voting behavior for a state candidate who supports reallocation of state monies to fund a prescription drug assistance program

AARP represents approximately 86,800 persons age 50 and over in South Dakota.

¹ “Prescription Drug Expenditures in 2001: Another Year of Escalating Costs.” National Institute for Health Care Management Research and Educational Foundation, May 2002.

² State Health Facts Online. The Henry J. Kaiser Family Foundation.

Highlights

- Almost eight in ten (78%) South Dakota AARP members think it is very important that the state do something to make prescription drugs more affordable for those in need. Translated to the full AARP South Dakota membership, approximately 67,700 AARP South Dakota AARP members age 50 and over think it is very important to take some action to make prescription drugs more affordable.
- Support is very high for funding a prescription drug assistance program for low and moderate-income seniors, even if the respondent was not personally eligible. Six in ten (60%) members strongly support passing such a bill.
- Over three-fourths of members (77%) support reallocating state funds to pass the prescription assistance program that was under consideration in 2002 (45% strongly support it); only three percent are opposed.
- Half of all members (51%) would be more likely to vote for a candidate for South Dakota office who supports reallocating state monies to fund a prescription drug assistance program. One in twenty (5%) say they would be less likely to vote for a candidate if he/she supported the program.

Findings

Four in ten South Dakota members did not get any help in paying for their prescription drugs during the past 12 months.

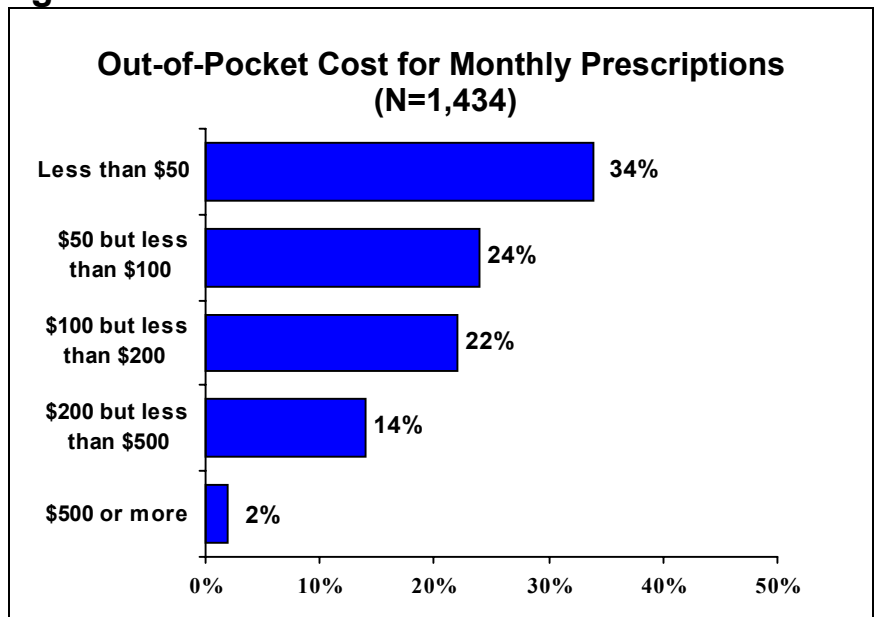
Within the 12 months prior to the survey, almost all South Dakota members (or one of their family members) have paid for a prescription drug (94%). Only five percent have not. While about four in ten members (39%) do not get any help paying for their prescription medications, a majority (58%) have some help paying for their prescriptions from insurance or other coverage.

Six in ten South Dakota members report having had a problem paying for prescription drugs in the last year.

Nearly one in five (19%) South Dakota members reports that paying for prescription drugs has been a major problem over the last 12 months, while another 41 percent say paying is a minor problem. About four in ten (39%) report no problem paying. Difficulty paying for prescriptions is, not surprisingly, more acute among those with lower incomes: Almost four in ten (38%) of those members with incomes under \$20,000 have a major problem affording prescription drugs; the percentage having a major problem falls steadily as income increases, to just six percent of those with incomes at \$75,000 or higher.

Four in ten South Dakota members pay \$100 or more per month out-of-pocket for prescription drugs.

The amount of out-of-pocket expense for prescriptions varies considerably among members. In the last year, one-third paid under \$50 per month; one in four paid between \$50 and \$100; but four in ten paid \$100 or more per month.



Three in four South Dakota members are concerned about being able to afford prescription drugs in the next two years.

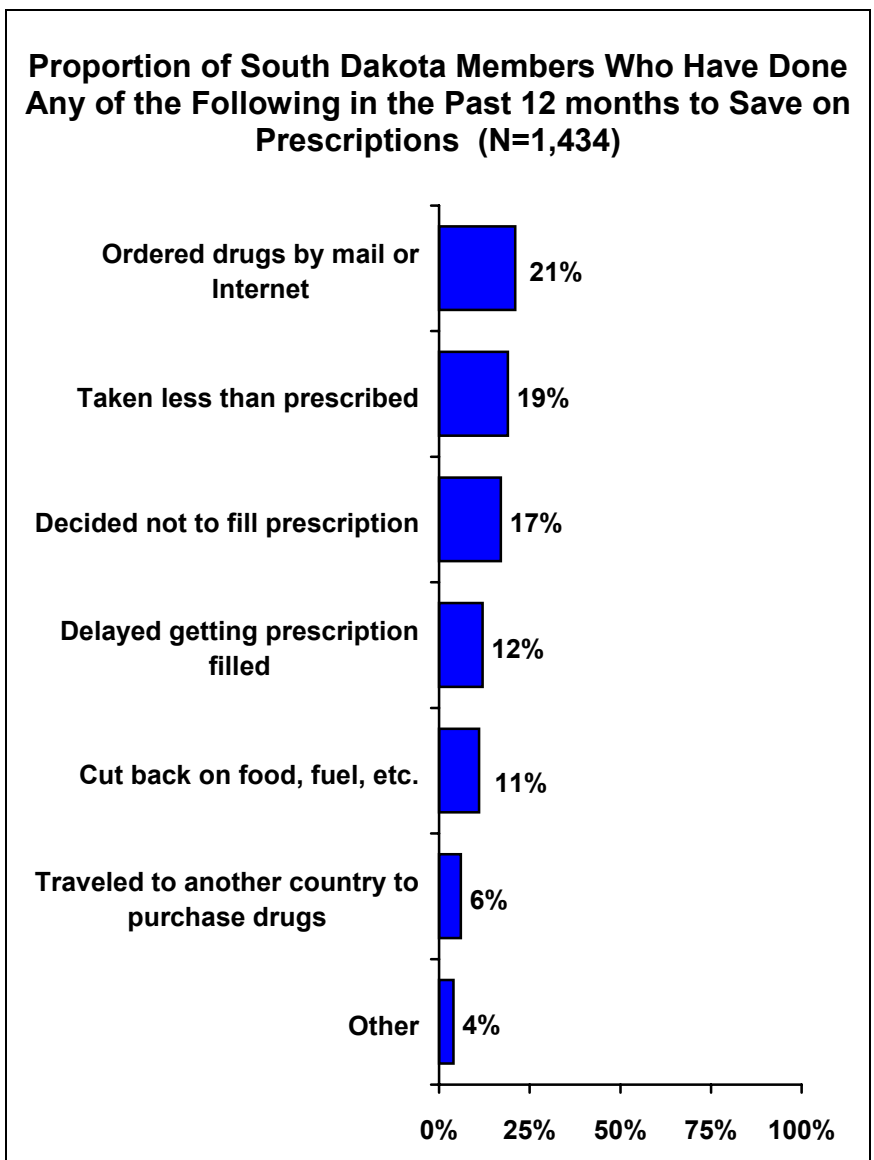
Concern among members about affording prescriptions in the coming years is high: Three-quarters are either very concerned (39%) or somewhat concerned (36%).

Many South Dakota members have taken significant measures to cut their prescription drug costs, although some actions may be detrimental to their health.

Two in ten members (21%) have ordered prescriptions by mail or Internet because it was cheaper, and a similar proportion (19%) has taken less medication than prescribed. Seventeen percent did not fill a prescription because they could not afford to.

Significant proportions of members have had to wait to fill a prescription (12%), cut back on necessities (11%), or buy their drugs in other countries (6%) in order to afford them.

Nearly half (49%) of respondents have taken one or more of these measures to reduce their prescription drug costs. Translated to the full AARP membership in South Dakota, approximately 42,500 AARP members have taken some action to reduce the cost of their prescription drugs.

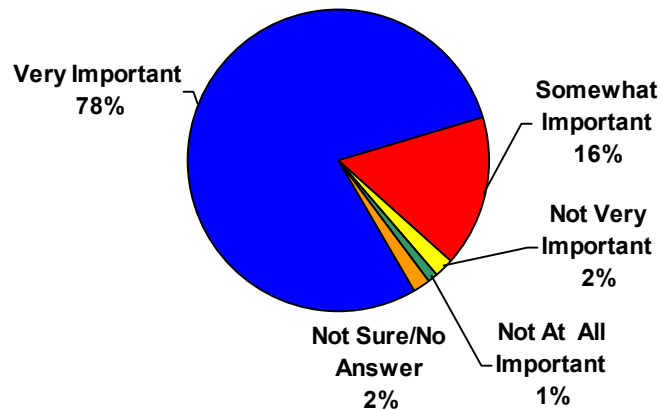


Nearly all South Dakota members think it is important that the state do something to make prescription drugs more affordable.

Almost eight in ten members in South Dakota believe it is very important that the state do something to make prescription drugs more affordable for those in need. Another 16 percent think it is somewhat important that the state act on prescription affordability.

Translated to the full AARP membership in South Dakota, approximately 67,700 AARP South Dakota AARP members age 50 and over think it is very important to take some action to make prescription drugs more affordable.

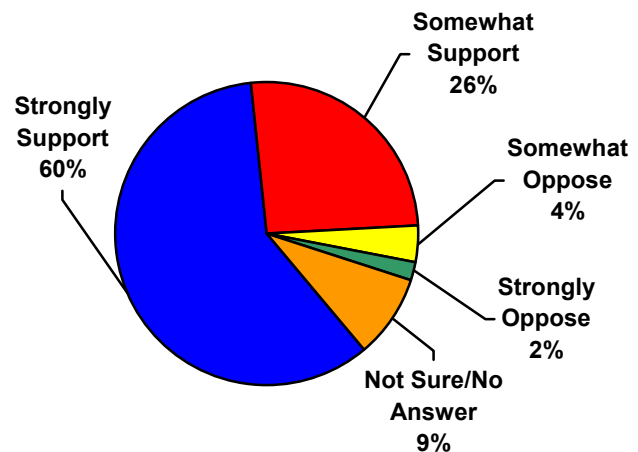
Importance of State of South Dakota Making Prescription Drug Costs More Affordable To Those in Need (N=1,434)



Over four in five South Dakota members support funding of a state prescription drug program, even if they themselves are ineligible.

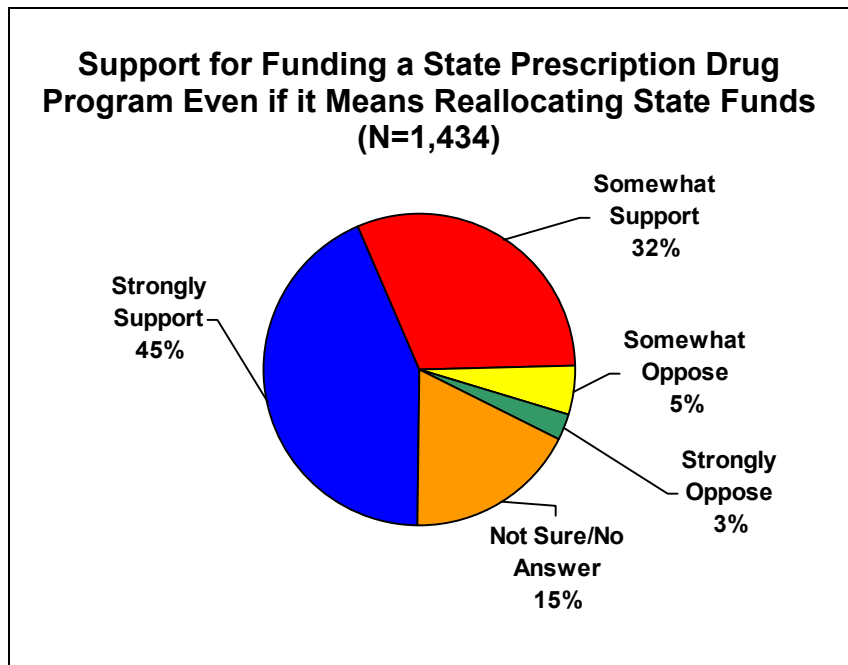
Though a bill was considered in South Dakota in 2002 to create a prescription drug assistance program for older persons with low and moderate incomes, the legislation was never passed. Even though they may not personally be eligible, AARP members are very supportive of a state program to help those in need pay for prescription drugs: Six in ten are strongly supportive, and another one in four are somewhat supportive of such legislation.

Support for Funding of a State Prescription Drug Program for Older persons with Low and Moderate Income (N=1,434)



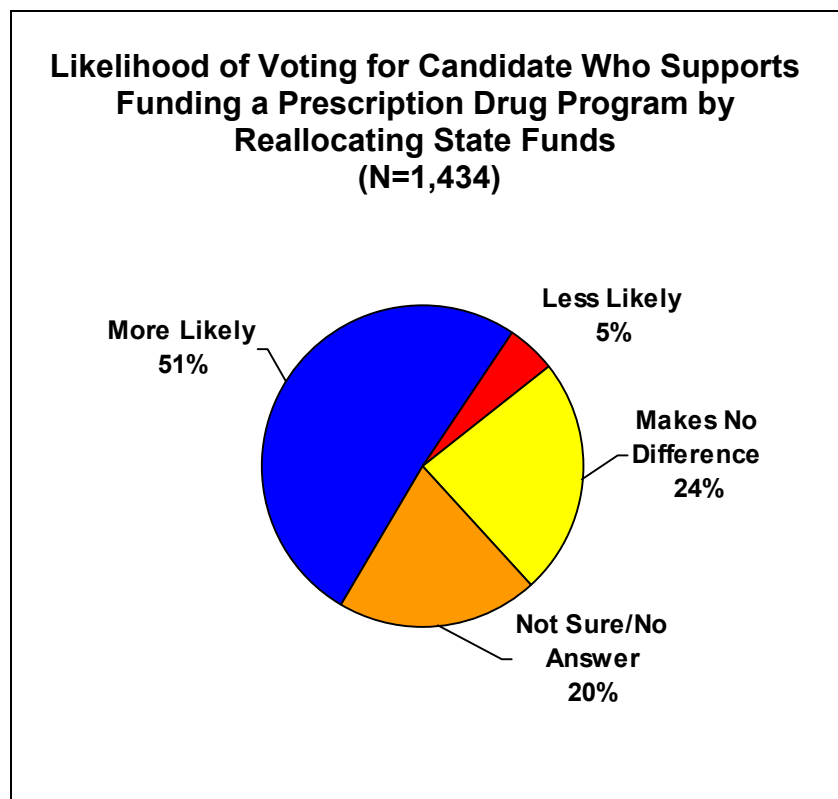
Over three-fourths of South Dakota members strongly or somewhat support a state prescription drug program even if funding it requires reallocation of state monies.

Almost half of South Dakota members strongly support state funding for a prescription drug program even if it means reallocating state funds. Another one-third of members say they somewhat support a state-funded program. Only eight percent voice any opposition to such a program.



Support for a South Dakota prescription drug assistance program may have a significant influence on member voting behavior.

Half of all South Dakota members say they would be more likely to vote for a candidate for office in South Dakota if the candidate were to support funding for a state prescription drug program by reallocating state funds. Only five percent would be less likely to vote for such a candidate, and for about one in four, a candidate's stance would make no difference to the voter.



Conclusions

Members in South Dakota express significant concern about the affordability of their prescriptions. Even those who would not personally qualify for a state prescription drug assistance program still support a targeted program for those with low and moderate incomes. When informed that a bill to assist low and moderate income older persons with prescription costs was considered, but not passed in the South Dakota legislature (due to lack of funding), a majority of members say they support reallocation of state funds to cover the costs of this program (45% strongly support it and 32% somewhat support it). Further, half of those surveyed say they would be more likely to vote for a candidate for state office if that candidate supported reallocation of state funds to finance a prescription drug program in South Dakota, compared to just five percent who would be less likely to vote for such a candidate.

Methodology

During July, 2002, AARP conducted a mail survey of AARP members in South Dakota. From a random sample of 2,000 selected from AARP's membership database, a total of 1,434 completed questionnaires were returned by the survey cut-off date of July 10, 2002, yielding a 72 percent response rate. Each respondent was contacted four times: a pre-notification postcard, the survey itself, a reminder postcard, and a second survey. One hundred sixty surveys were received after the cut-off date.

The survey has a sampling error of plus or minus 2.5 percent. This means that in 95 out of 100 samples of this size, the results obtained in the sample would fall in a range of ± 2.5 percentage points of what would have been obtained if every South Dakota member had been surveyed. Survey responses were weighted to reflect the distribution of age in the membership population of South Dakota. Weighted 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.

Annotated Questionnaire

2002 AARP South Dakota Prescription Drug Survey

Respondents = 1,434 AARP members, Response Rate = 72% Sampling Error = +/-2.5 %
(Responses were weighted by age)

DIRECTIONS: For each survey item below, check the box that best represents your opinion.

1. In the past 12 months, have you or a family member paid for a prescription drug?

<u>%</u>	
94	Yes
5	No
>1	Not sure
1	No answer

2. Do you get any help in paying for prescription drugs from insurance or other health coverage?

<u>%</u>	
58	Yes
39	No
1	Not sure
2	No answer

3. In the past 12 months, has paying for prescription drugs been a major problem, a minor problem, or not a problem for you?

<u>%</u>	
19	A major problem
41	A minor problem
39	Not a problem
2	No answer

4. In the past 12 months, approximately how much have you spent, each month, out of your own pocket for prescription drugs?

<u>%</u>	
10	Less than \$10 per month
24	\$10 but less than \$50 per month
24	\$50 but less than \$100 per month
22	\$100 but less than \$200 per month
14	\$200 but less than \$500 per month
2	\$500 or more per month
2	Not sure
2	No answer

5. How concerned are you about being able to afford the cost of needed prescription drugs over the next two years?

<u>%</u>	
39	Very concerned
36	Somewhat concerned
16	Not very concerned
6	Not at all concerned
3	Not sure
1	No answer

6. Many people face difficult decisions when buying prescription drugs. In the past 12 months, have you or a family member done any of the following?

	Yes	No	Not Sure	No Answer
	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>
a. delayed getting a prescription filled because you didn't have enough money to pay for it?	12	81	1	5
b. taken less medicine than your doctor prescribed to make it last longer?	19	76	1	4
c. cut back on items such as food, fuel, or electricity to be able to afford a prescription drug?	11	83	1	5
d. ordered your prescription drugs by mail or Internet because they cost less?	21	73	1	5
e. decided not to fill a prescription because of the cost of the drug?	17	78	1	5
f. traveled to Mexico, Canada, or another country to purchase prescription drugs because they cost less?	6	88	1	6
g. Other (Please specify)	4	18	1	77

7. How important is it to you that the state of South Dakota makes prescription drug costs more affordable to those most in need?

<u>%</u>	
78	Very important
16	Somewhat important
2	Not very important
1	Not at all important
2	Not sure
1	No answer

8. **In 2002, the South Dakota Legislature considered a targeted prescription drug program. This program would have covered prescription drug costs for low- and moderate-income seniors who were unable to remain in their own home and community without special assistance. This legislation did not pass the legislature because of funding considerations. It is will be reconsidered during the upcoming legislative session.**

Would you support or oppose funding this program, even if you personally were not eligible for the benefit?

<u>%</u>	
60	Strongly support
26	Somewhat support
4	Somewhat oppose
2	Strongly oppose
8	Not sure
1	No answer

9. **Would you support or oppose funding this program, even if it means reallocating state funds?**

<u>%</u>	
45	Strongly support
32	Somewhat support
5	Somewhat oppose
3	Strongly oppose
15	Not sure
1	No answer

10. **If a candidate for state office in South Dakota supported funding the prescription drug assistance program by reallocating state funds, would you be more likely to vote for that candidate, less likely to vote for them, or would it not make any difference?**

<u>%</u>	
51	More likely
5	Less likely
24	Would make no difference
19	Not sure
1	No answer

About You

The following questions are for classification purposes only and will be kept entirely confidential.

11. Are you male or female?

<u>%</u>	
48	Male
51	Female

12. What is your age as of your last birthday?

<u>%</u>	
>1	Under 50
28	50-59
42	60-74
26	75+
5	No answer

13. What is your current marital status?

<u>%</u>	
66	Married
20	Widowed
9	Divorced
>1	Separated
4	Never married
1	No answer

14. What is the highest level of education that you completed?

<u>%</u>	
9	Less than high school
32	High school graduate or equivalent
32	Some college or technical training beyond high school
13	College graduate (4 years)
13	Post-graduate or professional degree
1	No answer

15. Are you of Hispanic origin?

<u>%</u>	
1	Yes
95	No
1	Not sure
3	No answer

16. What is your race?

<u>%</u>	
96	White or Caucasian
>1	Black or African American
>1	Asian
1	Native American or Alaskan Native
>1	Hawaiian or Pacific Islander
2	No answer

17. Which of the following best describes your current employment status?

<u>%</u>	
26	Employed or self-employed <u>full-time</u>
13	Employed or self-employed <u>part-time</u>
52	Retired and not working
6	Other such as homemaker
1	Unemployed and looking for work
2	No answer

18. Which of the following best describes your voting behavior in state elections that is elections for South Dakota Governor and State Legislators, held over the past ten years?

<u>%</u>	
69	Always vote
22	Sometimes miss one
3	Rarely vote
3	Never vote
1	Not sure
2	No answer

19. What is your 5-digit zip code? (WRITE IN YOUR ZIP CODE.)

20. What was your annual household income before taxes in 2001?

<u>%</u>	
7	Less than \$10,000
19	\$10,000 to \$19,999
18	\$20,000 to \$29,999
14	\$30,000 to \$39,999
12	\$40,000 to \$49,999
12	\$50,000 to \$74,999
8	\$75,000 or more
10	No answer

Thank you for completing this survey. Please use the postage-paid envelope and return it to State Member Research Surveys, AARP, 601 E Street, NW, Washington, DC 20049 by July 10, 2002.

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