Affording Prescription Drugs: A Survey of Texas Members

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Report Prepared by Mildred DePallo, Ph.D.
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. In Texas, the average price of a retail prescription was $50.84 in 2001. Moreover, the average per capita number of prescriptions in Texas was 10.1.

In 2001, the Texas legislature (77th Session) passed HB 1094, a bill which created the Texas Prescription Drug Assistance Program, intended to cover the cost of three prescriptions a month for low-income beneficiaries. In an effort to reduce costs in the first year, eligibility was restricted to Medicare beneficiaries with annual incomes of roughly $9,000 per year, or couples with incomes of roughly $12,000 per year. However, HB 1094 was not funded in 2001. As a result of other more highly-regarded state priorities, HB 1094 was seen as too costly for a general appropriation.

The present survey measures the opinion of Texas AARP members about the affordability of their prescription drugs and their support of a state-funded prescription drug assistance program for low-income Medicare recipients. Specifically, this mail survey of 1,291 randomly sampled members explores:

- Members' out-of-pocket costs for prescriptions
- Financial hardships associated with paying for prescriptions
- Support for a Texas program (as yet unfunded) to cover some prescription costs for those with incomes under $9,000
- Support for reallocation of 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

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Highlights

- Over three-quarters of Texas members think it is very important that the state do something to make prescription drugs more affordable for those in need.

- Support is very high for funding a prescription drug assistance program for low-income Medicare recipients, even among members who are personally ineligible. Almost two-thirds of members strongly support implementing the bill passed by the legislature in 2001 but never put into operation due to "lack of funding."

- Over three-fourths of members support reallocating state funds to implement the prescription assistance program enacted in 2001 (50 percent strongly support it); only one in ten oppose.

- Half of all members would be more likely to vote for a candidate for Texas office who supports reallocating monies to fund a low-income prescription drug assistance program. Fewer than one in ten (8%) say they would be less likely to vote for a candidate if he/she supported the program.
**Findings**

Texas members think it is very important that the state do something to make prescription drugs more affordable.

Over three-quarters of members in Texas believe it is *very* important that the state do something to make prescription drugs more affordable for those in need. Another 15 percent think it is *somewhat* important that the state act on prescription affordability.

Texas members strongly support a state prescription drug program, even if they themselves are ineligible.

Though a bill was passed in Texas in 2001 creating a prescription drug assistance program for low-income Medicare recipients, the program was never implemented. Even though members may not personally be eligible, they 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.
Half of Texas members strongly support a state prescription drug program even if it requires a reallocation of state monies.

Half of Texas members strongly support state funding for a prescription drug program even if it means reallocating state funds. Another quarter of members say they somewhat support a state-funded program. Only 11 percent voice any opposition to such a program.

<table>
<thead>
<tr>
<th>Support for Funding a State Prescription Drug Program Even If It Means Reallocating State Funds (n=1,291)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Support 50%</td>
</tr>
<tr>
<td>Support 26%</td>
</tr>
<tr>
<td>Somewhat Support 50%</td>
</tr>
<tr>
<td>Somewhat Oppose 6%</td>
</tr>
<tr>
<td>Strongly Oppose 5%</td>
</tr>
<tr>
<td>Not sure/No answer 14%</td>
</tr>
</tbody>
</table>

Texas members are far more likely than not to vote for a candidate who is supportive of reallocating state funds toward a prescription drug program.

Once more, half of all Texas members say they would be more likely to vote for a candidate for office in Texas if the candidate were to support funding for a state prescription drug program by reallocating state funds. Fewer than 10 percent would be less likely to vote for such a candidate.

<table>
<thead>
<tr>
<th>Likelihood of Voting for a Candidate Who Supports Funding a Prescription Drug Program by Reallocating Funds (n=1,291)</th>
</tr>
</thead>
<tbody>
<tr>
<td>More likely 49%</td>
</tr>
<tr>
<td>Less likely 8%</td>
</tr>
<tr>
<td>Makes no difference 22%</td>
</tr>
<tr>
<td>Not sure/No answer 21%</td>
</tr>
</tbody>
</table>

Affording Prescription Drugs: A Survey of Texas Members
Almost all Texas members have purchased prescriptions in the last year.

Within the 12 months prior to the survey, almost all Texas members (or one of their family members) have paid for a prescription drug (92%). Only 6 percent have not. Many have had some help: Over seven in ten (72%) report getting help paying for their prescriptions from insurance or other coverage. One-quarter do not get help.

Half of Texas members report having a problem paying for prescription drugs in the last year.

One in five Texas members (21%) report that paying for prescription drugs has been a major problem over the last 12 months, while another one-third (34%) say paying is a minor problem. Just over four in ten (43%) report no problem paying. Difficulty paying for prescriptions is, not surprisingly, correlated with lower income: Almost half (47%) of those members with incomes under $20,000 have a major problem affording prescription drugs; the percentage having problems falls steadily as income increases, to just 5 percent of those with incomes at $75,000 or higher.

Nearly three in four Texas 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: About three-quarters (73%) are either very concerned (39%) or somewhat concerned (34%).

Over six in ten Texas members pay $50 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 (34%) has paid under $50 per month; one in five (22%) has paid between $50 and $100; but four in ten (41%) have paid $100 or more per month.
Many Texas members have resorted to extreme measures to cut their prescription drug costs.

A third of members have ordered prescriptions by mail or Internet because it was cheaper. Almost a quarter respectively have taken less medication than prescribed, or did not fill a prescription because they could not afford to; one in five had to wait to fill a prescription.

Significant proportions of members have cut back on necessities (14%) or have bought their drugs in other countries (9%) in order to afford them.
Conclusions

Members in Texas express significant concern about the affordability of their prescriptions. Even those who would not personally qualify for a state assistance program support such a program for those with low-incomes. When informed that a bill to assist low-income seniors with prescription costs was passed in the Texas legislature but not implemented (due to lack of funding), a majority of members support reallocation of state funds to cover the costs of this program (50% strongly support it and 26% 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 Texas, compared to just eight percent who would be less likely to vote for such a candidate.

Methodology

In May 2002, AARP conducted a mail survey of AARP members in Texas. From a random sample of 2,000 members selected from AARP's membership database, a total of 1,293 completed questionnaires were returned by the survey cut-off date of May 29, 2002, yielding a 65 percent response rate. Each respondent was contacted four times: a pre-notification postcard, the survey itself, a reminder postcard, and a second survey.

The survey has a sampling error of plus or minus 2.7 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 ± 2.7 percentage points of what would have been obtained if every Texas member had been surveyed. Survey responses were weighted to reflect the distribution of age in the membership population of Texas (weighted n=1,291). Weighted responses to all survey questions are in the attached annotated questionnaire.

For more information about this study, contact Rachelle Cummins, AARP Knowledge Management, (202) 434-6297.
Annotated Questionnaire
2002 AARP Texas
Prescription Drug Survey

AARP Members=1,293 (Weighted n=1,291); Response rate=65%; Sampling error= ±2.7%.
(Percentages may not add to 100% due to rounding.)

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?

   92% Yes
   6% No
   < 1% Not sure
   2% No answer

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

   72% Yes
   25% 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?

   21% A major problem
   34% A minor problem
   43% 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?

   9% Less than $10 per month
   25% $10 but less than $50 per month
   22% $50 but less than $100 per month
   21% $100 but less than $200 per month
   16% $200 but less than $500 per month
   4% $500 or more per month
   2% Not sure
   3% No answer
5. **How concerned are you about being able to afford the cost of needed prescription drugs over the next two years?**

<table>
<thead>
<tr>
<th>Concern Level</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very concerned</td>
<td>39%</td>
</tr>
<tr>
<td>Somewhat concerned</td>
<td>34%</td>
</tr>
<tr>
<td>Not very concerned</td>
<td>15%</td>
</tr>
<tr>
<td>Not at all concerned</td>
<td>8%</td>
</tr>
<tr>
<td>Not sure</td>
<td>2%</td>
</tr>
<tr>
<td>No answer</td>
<td>2%</td>
</tr>
</tbody>
</table>

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?**

<table>
<thead>
<tr>
<th>Decision Description</th>
<th>Yes</th>
<th>No</th>
<th>Not Sure</th>
<th>No answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. delayed getting a prescription filled because you didn’t have enough money to pay for it</td>
<td>21%</td>
<td>74%</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>b. taken less medicine than your doctor prescribed to make it last longer?</td>
<td>23%</td>
<td>72%</td>
<td>1%</td>
<td>4%</td>
</tr>
<tr>
<td>c. cut back on items such as food, fuel, or electricity to be able to afford a prescription drug?</td>
<td>14%</td>
<td>80%</td>
<td>2%</td>
<td>5%</td>
</tr>
<tr>
<td>d. ordered your prescription drugs by mail or Internet because they cost less?</td>
<td>33%</td>
<td>62%</td>
<td>1%</td>
<td>4%</td>
</tr>
<tr>
<td>e. decided not to fill a prescription because of the cost of the drug?</td>
<td>23%</td>
<td>72%</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>f. traveled to Mexico or another country to purchase prescription drugs because they cost less?</td>
<td>9%</td>
<td>85%</td>
<td>&lt;1%</td>
<td>6%</td>
</tr>
<tr>
<td>g. Other (Please specify)</td>
<td>5%</td>
<td>17%</td>
<td>1%</td>
<td>77%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Importance Level</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very important</td>
<td>76%</td>
</tr>
<tr>
<td>Somewhat important</td>
<td>15%</td>
</tr>
<tr>
<td>Not very important</td>
<td>3%</td>
</tr>
<tr>
<td>Not at all important</td>
<td>1%</td>
</tr>
<tr>
<td>Not sure</td>
<td>3%</td>
</tr>
<tr>
<td>No answer</td>
<td>2%</td>
</tr>
</tbody>
</table>
8. In 2001, Texas passed legislation creating a state prescription drug assistance program. This program would cover the cost of up to three prescription drugs per month for people on Medicare who have annual incomes of less than $9,000. Citing a lack of funding, Texas has not implemented this program.

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

62% Strongly support
23% Somewhat support
4% Somewhat oppose
3% Strongly oppose
8% Not sure
1% No answer

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

50% Strongly support
26% Somewhat support
6% Somewhat oppose
5% Strongly oppose
13% Not sure
2% No answer

10. If a candidate for state office in Texas 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?

49% More likely
8% Less likely
22% Would make no difference
19% Not sure
2% No answer
About You

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

11. Are you male or female?

- 46% Male
- 52% Female
- 3% No answer

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

- 1% Under 50
- 31% 50-59
- 40% 60-74
- 22% 75+
- 7% No answer

13. What is your current marital status?

- 61% Married
- 19% Widowed
- 13% Divorced
- 1% Separated
- 4% Never married
- 3% No answer

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

- 6% Less than high school
- 25% High school graduate or equivalent
- 33% Some college or technical training beyond high school
- 17% College graduate (4 years)
- 15% Post-graduate or professional degree
- 3% No answer

15. Are you of Hispanic origin?

- 7% Yes
- 89% No
- 1% Not sure
- 4% No answer
16. What is your race?

- 89% White or Caucasian
- 4% Black or African American
- 1% Asian
- 1% Native American or Alaskan Native
- 0% Hawaiian or Pacific Islander
- 5% No answer

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

- 31% Employed or self-employed full-time
- 9% Employed or self-employed part-time
- 50% Retired and not working
- 5% Other such as homemaker
- 2% Unemployed and looking for work
- 4% No answer

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

- 50% Always vote
- 35% Sometimes miss one
- 7% Rarely vote
- 4% Never vote
- 1% Not sure
- 4% 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?

- 6% Less than $10,000
- 15% $10,000 to $19,999
- 13% $20,000 to $29,999
- 13% $30,000 to $39,999
- 11% $40,000 to $49,999
- 15% $50,000 to $74,999
- 17% $75,000 or more
- 11% 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 **May 29, 2002.**