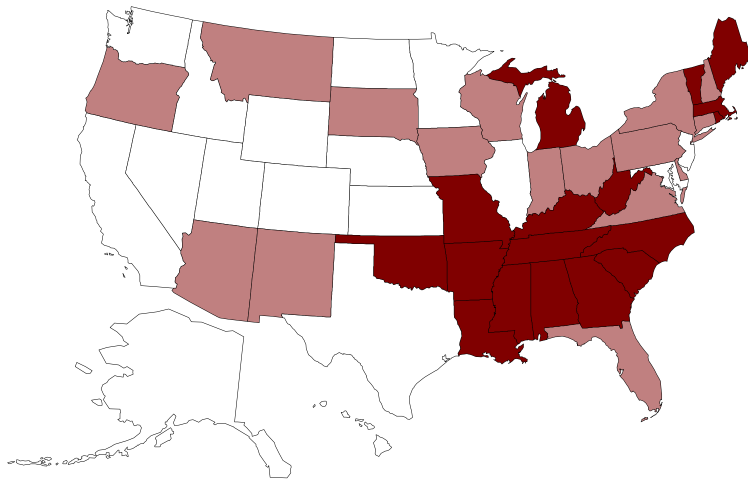
DISABILITY, MEDICARE, AND PRESCRIPTION DRUGS



Medicare Beneficiaries as Percent of State Residents

THE WHITE HOUSE
NATIONAL ECONOMIC COUNCIL / DOMESTIC POLICY COUNCIL

July 31, 2000

EXECUTIVE SUMMARY: DISABILITY, MEDICARE, AND PRESCRIPTION DRUGS

Medicare currently provides critical health care for about 5 million Americans with disabilities. However, one of the most important health benefits for people with disabilities – prescription drugs – is not covered by Medicare. Lack of coverage for medications can have grave health consequences for people with chronic conditions and diseases. It also limits their ability to live independently and return to work since drugs have become essential to improving functioning. For example, a person with muscular dystrophy, Parkinson's Disease, or diabetes may be able to function and return to work with appropriate prescription drugs, but may not be able to afford them without insurance. Medicare's lack of drug coverage will become even a greater barrier as we inevitably discover breakthrough drugs. This report documents the unique need of disabled Medicare beneficiaries for prescription drugs, provides state-by-state information on these beneficiaries, illustrates how the private insurance market has not been responsive to their needs, and validates the importance of a voluntary, affordable, and meaningful Medicare prescription drug benefit.

MEDICARE IS ESSENTIAL FOR PEOPLE WITH DISABILITIES

- **About one in eight of Medicare's 39 million beneficiaries – about 5 million -- are people with disabilities under age 65**. People who have worked and become disabled qualify for Medicare coverage after receiving Social Security Disability Insurance (SSDI) for two years. Of these, about 300,000 have end-stage renal disease, which makes them eligible for Medicare.

    - **More likely to have lower incomes**. Over three-fourths of beneficiaries with disabilities have income below 200 percent of the poverty level (about $17,000 for a single person), compared to half of elderly beneficiaries. This is because, by definition, people receiving disability insurance usually cannot work due to their condition.

    - **Disproportionately live in rural areas.** 29 percent of disabled Medicare beneficiaries compared to nearly 25 percent of the general Medicare population.

    - **Beneficiaries with disabilities reflect population distribution of the nation as a whole.** Fully half of all beneficiaries with disabilities live in: California, New York, Florida, Texas, Pennsylvania, Ohio, Michigan, Illinois, North Carolina, and Georgia.

- **Growing rapidly.** The projected growth in the number of Medicare beneficiaries with disabilities will be rapid. Over the next ten years, the number of beneficiaries with disabilities is projected to increase by 38 percent (from 5.5 to 7.6 million) compared to a 13 percent increase for the elderly (from 34.4 to 40.0 million).

MEDICARE BENEFICIARIES WITH DISABILITIES NEED MORE AND DIFFERENT TYPES OF PRESCRIPTIONS

- **Medicare beneficiaries with disabilities have poor health and significant health care needs**. Most disabled beneficiaries -- 60 percent of disabled beneficiaries – report fair to poor health, compared to 22 percent of aged beneficiaries. Nearly 30 percent have functional limitations due to health problems, compared to 18 percent of elderly beneficiaries.

- **Medicare beneficiaries with disabilities tend to use more and different types of prescription drugs**. Compared to Medicare beneficiaries generally, those with disabilities tend to have conditions that require a greater number, and more expensive, medications.

  - **40 percent more prescriptions.** The average beneficiary with disabilities fills 28 prescriptions per year, compared to the overall Medicare average of 20 prescriptions.

  - **50 percent higher total spending on prescription drugs.** This reflects not only the higher use of medications of disabled beneficiaries but the higher prices of those drugs.

  - **3 times more likely to have high total drug spending.** About 10 percent of beneficiaries with disabilities had total drug costs in excess of $2,500 in 1996, compared to 3 percent of beneficiaries who are elderly. The proportion of beneficiaries with disabilities with costs greater than $1,000 is twice as high as elderly beneficiaries.

  - **Take different types of drugs.** In an analysis of the most commonly used drugs, elderly beneficiaries were more likely to use medications cardiovascular disease (14 of the top 20), while disabled beneficiaries were more likely to use prescriptions for neurological disease or mental illness (9 of the top 20).

MEDICARE BENEFICIARIES WITH DISABILITIES FACE DIFFERENT COVERAGE CHALLENGES THAN ELDERLY BENEFICIARIES

- **Have less access to private options for prescription drug coverage.** Medicare beneficiaries with disabilities are more likely to qualify for Medicaid which covers prescription drugs. As a result, Medicare beneficiaries with disabilities are slightly less likely to lack drug coverage (28 percent, versus 32 percent of the aged, are uninsured throughout the year). However, among those with prescription drug coverage, the proportion of disabled Medicare beneficiaries getting that coverage through private plans is half that of the elderly (35 percent versus 67 percent).

  - **35 percent less likely to have employer-based coverage.** While some elderly get coverage through retiree health plans, the non-elderly disabled have typically lost access to employer-based insurance before qualifying for Medicare (22 percent versus 34 percent).

  - **Restricted access to individual Medigap insurance with drugs.** Less than one in 20 Medicare beneficiaries with disabilities have drug coverage through private Medigap insurance (versus 12 percent of elderly beneficiaries). A recent study found that only 10 states guarantee people with disabilities access to a Medigap plan with prescription drugs.

  - **Unaffordable premiums for private Medigap plans.** Only 7 of the 10 states that guarantee access to Medigap for people with disabilities have full or partial community rating that improves the affordability of this coverage. Without protections, premiums range from 10 to 72 percent higher for beneficiaries with disabilities than for those who are elderly.

  - **Unlikely to get prescription drug insurance through Medicare managed care.** While about 12 percent of Medicare beneficiaries are disabled, only 5 percent of Medicare managed care enrollees are beneficiaries with disabilities. In contrast, in 1996, 16 percent of elderly beneficiaries got drug coverage through managed care.

ACCESS TO DRUGS FOR UNINSURED DISABLED BENEFICIARIES IS LIMITED

- **Medicare beneficiaries with disabilities who lack prescription drug coverage pay out-of-pocket 50 percent more for 50 percent fewer prescriptions.** Disabled beneficiaries without coverage must pay for all of their costs for prescription drugs compared to those with coverage who pay less out-of-pocket ($474 versus $312 per year). Although they pay more, uncovered Medicare beneficiaries get less. Medicare's disabled beneficiaries without coverage fill on average only 16 prescriptions per year compared to 32 prescriptions for those with prescription drug coverage. Total drug spending for disabled beneficiaries without coverage is about 60 percent below that of those with prescription drug coverage ($474 versus $1,226 per year).
  - **Gap is large among the most ill Medicare beneficiaries with disabilities.** Beneficiaries with three or more chronic illnesses who lack coverage pay 76 percent more out of-pocket for prescription drugs ($680 versus $385) but fill 43 percent fewer prescriptions (23 versus 41) than those with drug coverage.
  - **Middle-class Medicare beneficiaries with disabilities are also affected by lack of coverage**. Some Congressional proposals would limit prescription drug coverage to Medicare beneficiaries with income below 150 percent of poverty ($12,500 per year for a single). However, this would perpetuate the access problems that several hundred thousand middle-class people with disabilities currently experience. Middle-class beneficiaries with disabilities pay about 70 percent more out-of-pocket but fill 30 percent fewer prescriptions.

IMPLICATIONS OF THESE FINDINGS FOR A PRESCRIPTION DRUG PLAN

As this report shows, Medicare beneficiaries with disabilities have a strong need for prescription drug coverage. It underscores that, to ensure that people with disabilities have access to a meaningful, affordable prescription drug benefit, the policy must:

- **Ensure a Medicare option rather than rely on private insurers that have failed to extend prescription drug coverage to people with disabilities.** Only a small number of beneficiaries with disabilities have access to drug coverage through private insurers, and when they do, it is often unaffordable. As such, any proposal must provide a Medicare prescription drug option.
- **Have an affordable premium and a meaningful benefit**. Any proposal must have sufficient financing to ensure that premiums are affordable to all Medicare beneficiaries. And to ensure that its benefit is meaningful, it must protect against high out-of-pocket costs. Medicare beneficiaries with disabilities are more likely to have high drug costs given their greater use. Thus, meaningful protection against catastrophic costs is essential.
- **Prescriptions that they need and pharmacies that they trust must be accessible**. Because Medicare beneficiaries with disabilities often have multiple, complex health problems, it is also important that proposals allow doctors to prescribe any drug that is medically necessary. Also, people with disabilities often face physical challenges in getting to pharmacies. Proposals should ensure that qualified community pharmacies can participate in any option.
- **Be adequately financed and part of a plan to improve Medicare**. Strengthening Medicare is the best way to assure that it will be available when future retirees and people with disabilities need it. Extending program solvency, improving efficiency, and restoring provider payments should be included in any Medicare reform plan. Additionally, enough budget surplus must be set aside to finance a meaningful prescription drug benefit and take its trust fund off budget.

DISABILITY, MEDICARE, AND PRESCRIPTION DRUGS

Medicare is an essential source of health coverage for over 5 million people with disabilities. Beginning in 1973, Medicare extended its coverage to people with disabilities who have received Social Security Disability Insurance (SSDI) for at least two years. Medicare Part A is also available to about 300,000 people with end-stage renal disease (ESRD) (permanent kidney disease treated through dialysis or a kidney transplant).

MEDICARE IS ESSENTIAL FOR PEOPLE WITH DISABILITIES

More likely to have lower incomes. Over three-fourths of beneficiaries with disabilities have income below 200 percent of the poverty level (about $17,000 for a single person), compared to half of elderly beneficiaries.[1] This is because, by definition, people receiving disability insurance usually cannot work due to their condition.

Disproportionately live in rural areas. About 29 percent of disabled Medicare beneficiaries live in rural areas compared to nearly 25 percent of the general Medicare population.[2]

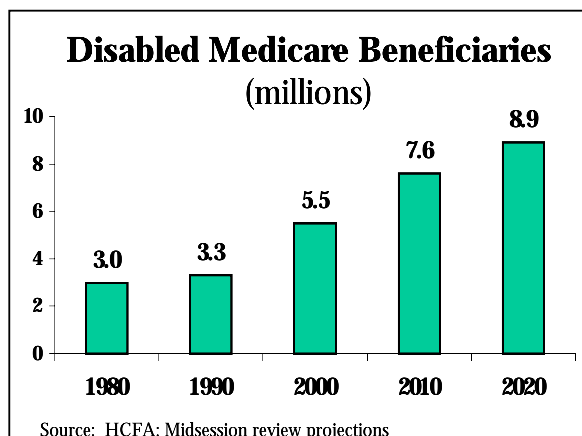
PROFILE OF MEDICARE BENEFICIARIES WITH DISABILITIES

- Today, about 5 million Medicare beneficiaries (about one in seven) are age 65 or less and receive SSDI benefits
- About two-thirds of beneficiaries with disabilities are age 45 through 65
- The majority (58 percent) are men
- About 29 percent live in rural America
- About 19 percent of beneficiaries with disabilities are African American, and 8 percent are other racial and ethnic minorities
- About three-fourths of beneficiaries with disabilities have income that is less than 200 percent of the poverty level

Source: Today's counts: OMB MSR baseline; HCFA, OSP, MCBS 1996

Beneficiaries with disabilities reflect population distribution of the nation as a whole. Reflecting the general population distribution across states, fully half of all beneficiaries with disabilities live in 10 states (in descending order): California, New York, Florida, Texas, Pennsylvania, Ohio, Michigan, Illinois, North Carolina, and Georgia.[3] There are slightly more beneficiaries with disabilities as a percent of the state population in the eastern U.S.

The number of beneficiaries with disabilities is growing rapidly. The projected growth in the number of Medicare beneficiaries with disabilities will be rapid. Over the next ten years, the number of beneficiaries with disabilities is projected to increase by 38 percent (from 5.5 to 7.6 million) compared to an increase of 13 percent for the elderly (from 34.4 to 40.0 million).



Source: HCFA; Midsession review projections

Account for 14 percent of Medicare spending. Medicare beneficiaries with disabilities have slightly higher average Medicare costs than do aged beneficiaries. This is mostly driven by the high costs of ESRD patients; whose average cost is $25,000.[4]

MEDICARE BENEFICIARIES WITH DISABILITIES NEED MORE AND DIFFERENT TYPES OF PRESCRIPTION DRUGS

By definition, non-elderly, disabled Medicare beneficiaries have conditions that limit their ability to work. The most common types of disabilities are physical impairments or limitations, such as blindness or paralysis. Additionally, large and growing numbers of Medicare beneficiaries have some type of severe mental or emotional condition that interferes with daily activities.

Medicare beneficiaries with disabilities have poor health and significant health care needs. On virtually all measures of health, Medicare beneficiaries with disabilities have worse health:[5]

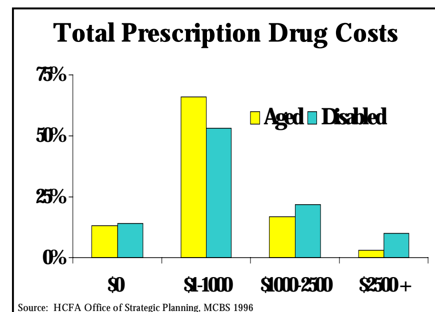
- 60 percent of disabled beneficiaries report fair to poor health, compared to 22 percent of elderly.

- 30 percent have functional limitations due to health problems, compared to 18 percent of elderly.

Medicare beneficiaries with disabilities tend to use more and different types of prescription drugs. Compared to the averages for all Medicare beneficiaries, those with disabilities tend to have conditions that require a greater number of, and more expensive, medications.[6]

- **40 percent higher number of prescriptions.** The average beneficiary with disabilities fills 28 prescriptions per year, compared to the overall Medicare average of 20 prescriptions.

- **50 percent higher total spending on prescription drugs.** This reflects not only the higher use of medications of disabled beneficiaries but the higher prices of those drugs ($1,016 for disabled beneficiaries versus $674 for all beneficiaries).



- **3 times more likely to have high total drug spending.** About 10 percent of disabled beneficiaries had total drug costs in excess of $2,500 in 1996, compared to 3 percent of the aged. The proportion of disabled beneficiaries with costs greater than $1,000 is twice as high as that of the elderly.

DRUGS MOST USED BY MEDICARE BENEFICIARIES

AGED		DISABLED	
LANOXIN	Heart failure	DILANTIN	Seizures
FUROSEMIDE	Heart failure (diuretic)	FUROSEMIDE	Heart failure (diuretic)
SYNTHROID	Thyroid disease	ZANTAC	Stomach acid reducer
COUMADIN	Stroke; clot prevention	COUMADIN	Stroke; clot prevention
PREMARIN	Estrogen Replacement	PREMARIN	Estrogen Replacement
ATENOLOL	Heart disease; hypertension	PREDNISONE	Arthritis; hormone replacement
VASOTEC	Heart disease; hypertension	AMITRIPTYLINE	Anti-depressant
ZANTAC	Stomach acid reducer	CLOZARIL	Mental illness
NORVASC	Heart disease; hypertension	PROZAC	Anti-depressant
TRIAMTERENE/HCTZ	Hypertension; heart failure	LANOXIN	Heart failure
CARDIZEM	Heart disease; hypertension	PRILOSEC	Stomach acid reducer
LASIX	Heart failure (diuretic)	VASOTEC	Heart disease; hypertension
ZESTRIL	Heart failure; hypertension	SYNTHROID	Thyroid disease
HYDROCHLOROTHIAZI	Heart failure; hypertension	ZOLOFT	Anti-depressant
PRILOSEC	Stomach acid reducer	BENZTROPINE	For Parkinson's disease
ZOCOR	High cholesterol	LASIX	Heart failure (diuretic)
K-DUR	Potassium replacement for diuretics	IBUPROFEN	Pain; anti-inflammatory
HYTRIN	Prostatic hypertrophy	PAXIL	Anti-depressant
VERAPAMIL	Heart disease; hypertension	DEPAKOTE	Manic disorder; Epilepsy
PROCARDIA	Heart disease; hypertension	TRAZODONE	Anti-depressant

Note: Furosemide is the generic version of Lasix. SOURCE: HHS analysis of MCBS, 1996

Take different types of drugs. In an analysis of the most commonly used drugs, elderly beneficiaries were more likely to use medications cardiovascular disease (14 of the top 20), while disabled beneficiaries were more likely to use prescriptions for neurological disease or mental illness (9 of the top 20).[7] The drugs used by beneficiaries with disabilities tend to have higher prices.

MEDICARE BENEFICIARIES WITH DISABILITIES FACE DIFFERENT COVERAGE CHALLENGES THAN ELDERLY BENEFICIARIES

Medicare beneficiaries with disabilities are more likely to qualify for Medicaid which covers prescription drugs. As a result, Medicare beneficiaries with disabilities are slightly less likely to lack drug coverage (28 percent versus 32 percent of elderly Medicare beneficiaries are uninsured throughout the year). However, among those with prescription drug coverage, the proportion of disabled Medicare beneficiaries getting that coverage through private plans is half that of the elderly (35 percent versus 67 percent). This results because of the difficulty that people with disabilities have in accessing private health insurance.[8]

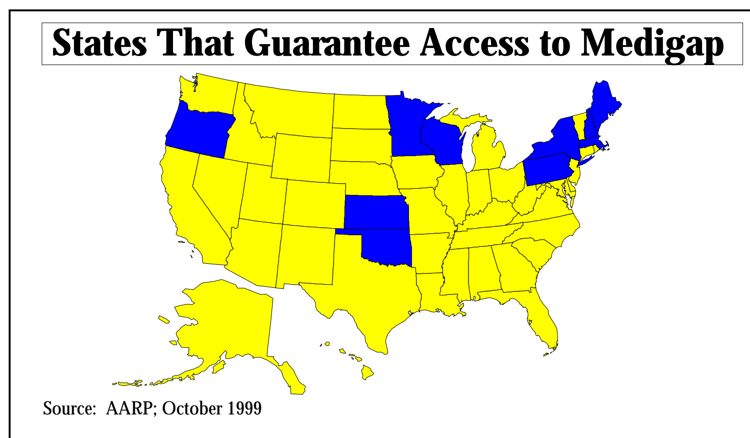
PRESCRIPTION DRUG COVERAGE FOR MEDICARE BENEFICIARIES

	Aged	Disabled
No Coverage	32%	28%
Medigap	12%	3%
Medicare Managed Care	11%	4%
Employer-Based Coverage	34%	22%
Medicaid / Other	11%	43%
TOTAL	**100%**	**100%**

Source: HCFA, OSP, MCBS, 1996

35 percent less likely to have employer-based coverage. Employer-based insurance, along with Medicaid, is the most stable and comprehensive source of prescription drug coverage. However, while some elderly get coverage through retiree health plans, non-elderly disabled Medicare beneficiaries are not retirees and have typically lost access to employer-based insurance long before qualifying for Medicare. Only 22 percent of Medicare beneficiaries with disabilities have employer-based insurance that includes prescription drugs, compared to 34 percent of elderly beneficiaries.[9]

Private Medigap insurance with drugs is often inaccessible and unaffordable. One private-sector alternative to employer-based coverage is individual insurance, which, for Medicare beneficiaries is known as Medigap. Three of the 10 standardized Medigap plans offer prescription drug coverage. However, less than 20 Medicare beneficiaries with disabilities have drug coverage through private Medigap insurance (versus 12 percent of elderly beneficiaries).[10] A recent study found that only 10 states guarantee people with disabilities access to a Medigap plan with prescription drugs. Only 7 of those states have full or partial community rating that improves the affordability of this coverage. Without protections, premiums range from 10 to 72 percent higher for Medicare beneficiaries with disabilities than those who are elderly.[11]

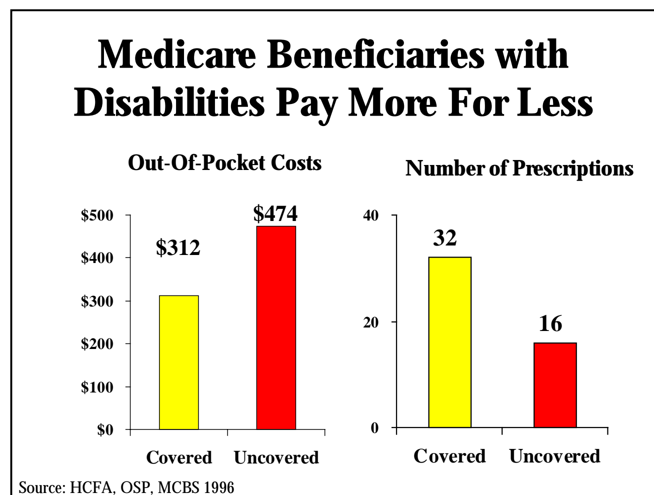


Unlikely to get prescription drug insurance through Medicare managed care. While about 12 percent of Medicare beneficiaries are disabled, only 5 percent of Medicare managed care enrollees are beneficiaries with disabilities. In contrast, in 1996, 16 percent of elderly beneficiaries got drug coverage through managed care.[12] In part, this results from the "cherry picking" or marketing to healthier beneficiaries that occurs within managed care. Restrictions on access to specialists that exist in many managed care plans also discourage enrollment by beneficiaries with disabilities.

ACCESS TO DRUGS FOR UNINSURED DISABLED BENEFICIARIES IS LIMITED

Recent studies have shown that all Medicare beneficiaries who lack dependable prescription drug coverage have trouble accessing needed prescription drugs. A study by the Department of Health and Human Services found that Medicare seniors and people with disabilities without drug coverage are five times more likely to report being unable to purchase prescriptions as those with coverage.[13] Another found that elderly with chronic illness spent 50 to 200 percent more on prescription drugs than other elderly.[14] A third study found that Medicare beneficiaries without coverage were 40 percent more likely than covered beneficiaries to fail to purchase needed antihypertentive medication, and took fewer tables when they did by it.[15] And the nature of the coverage matters. Beneficiaries with coverage for only part of the year appear to have access problems similar to those without any coverage. Nearly half of all Medicare beneficiaries lack prescription drug coverage for part or all of the year.[16]

Medicare beneficiaries with disabilities who lack prescription drug coverage pay out-of-pocket 50 percent more for 50 percent fewer prescriptions. Disabled beneficiaries without coverage must pay for all of their costs for prescription drugs compared to those with coverage who pay less out-of-pocket ($474 versus $312 per year). Although they pay more, uncovered Medicare beneficiaries get less. Medicare's disabled beneficiaries without coverage take on average only 16 prescriptions per year compared to 32 prescriptions for those with prescription drug coverage. Total drug spending on disabled beneficiaries without coverage is about 60 percent below that of those with prescription drug coverage ($474 versus $1,226).[17]



Gap is large among the most ill, Medicare beneficiaries with disabilities. Some have argued that we only need to provide prescription drug coverage for low-income Medicare beneficiaries, because middle-class beneficiaries with health problems find a way to get coverage. However, not only are there a significant number of uninsured among beneficiaries with disabilities in poor health, but those beneficiaries face especially troubling access problems. Beneficiaries with three or more chronic illnesses who lack coverage pay 76 percent more out of-pocket for prescription drugs ($680 versus $385) but fill 43 percent fewer prescriptions (23 versus 41) than those with drug coverage.[18]

Middle-class Medicare beneficiaries with disabilities are affected by lack of coverage as well. Some Congressional proposals would limit prescription drug coverage to Medicare beneficiaries with income below 150 percent of poverty. However, this would perpetuate the access problems that hundreds of thousands of middle-class people with disabilities currently experience. Beneficiaries with disabilities with income above this level pay about 70 percent more out-of-pocket but fill 30 percent fewer prescriptions.[19]

IMPLICATIONS OF THESE FINDINGS FOR A PRESCRIPTION DRUG PLAN

As this report shows, Medicare beneficiaries with disabilities have a strong need for prescription drug coverage. It underscores that, to ensure access for people with disabilities, a drug benefit must:

Ensure a Medicare option rather than rely on private insurers that have failed to extend prescription drug coverage to people with disabilities. Only a small number of beneficiaries with disabilities have access to drug coverage through private insurers, and when they do, it is often unaffordable. This is because it is against the financial interest of any insurer that bears the risk of high costs of drugs to enroll people with disabilities. As such, proposals that rely on voluntary participation of private plans, even with insurance reforms, would pose a special risk to Medicare beneficiaries with disabilities. Medicare beneficiaries with disabilities should have access to a Medicare-based prescription drug option that does not rely on private plan participation and does not force them into managed care.

Be affordable and meaningful. Medicare beneficiaries with disabilities are disadvantaged by having both a greater need for prescription drug coverage and lower income than most elderly beneficiaries. Thus, any proposal for prescription drugs should have

- **Affordable premiums.** Any proposal must have sufficient financing to ensure that premiums are affordable to all Medicare beneficiaries. Not only are premiums for prescription drug coverage high, but the average income of Medicare beneficiaries – particularly those with disabilities – is lower than other Americans. In addition, proposals should provide extra assistance for low-income beneficiaries to help them afford to opt into the Medicare option.
- **Protection against catastrophic costs**. Beneficiaries with disabilities are more likely to have high drug costs given their greater use. Coupled with their lower income, people with disabilities who need a costly medication could face severe financial hardship. Thus, a meaningful limit on out-of-pocket spending should be part of any prescription drug proposal.
- **Prescriptions that they need and pharmacies that they trust must be accessible**. Because Medicare beneficiaries with disabilities often have multiple, complex health problems, specific brand-name drugs may be needed to ensure that there are no interactions or complications. Thus, proposals should allow doctors, not insurance companies, to make decisions about access to medically necessary drugs. Additionally, people with disabilities often face physical challenges in getting to pharmacies. Proposals should ensure that qualified community pharmacies can participate in any option.

Be adequately financed and part of a plan to improve Medicare. For beneficiaries with disabilities as well as the elderly, keeping Medicare strong is the best way to assure that it will be there when future retirees and people with disabilities need it. This does not mean imposing excessive new cost sharing or higher Medicare premiums. Instead, any reform plan should make Medicare more competitive and efficient, improve access to preventive services, and increase provider payments to guarantee access to high-quality care. Additionally, protecting the Medicare surplus by taking it off-budget has the effect of reducing the national debt and, consequently, the government's interest payments. This foregone debt service, when dedicated to the Medicare trust fund, helps extend the life of the trust fund to 2030 under the President's plan. Finally, in a time of unprecedented budget surpluses, there is no excuse to not dedicate sufficient budget surplus to Medicare to establish a meaningful prescription drug benefit.

MEDICARE BENEFICIARIES WITH DISABILITIES, 1998

STATE	All Beneficiaries	Disabled Beneficiaries	Disabled Beneficiaries As % State Residents
Alabama	669,000	118,000	2.7%
Alaska	38,000	6,000	0.9%
Arizona	651,000	78,000	1.6%
Arkansas	433,000	76,000	2.9%
California	3,783,000	435,000	1.3%
Colorado	451,000	62,000	1.5%
Connecticut	510,000	54,000	1.6%
Delaware	108,000	13,000	1.7%
District of Columbia	76,000	9,000	1.7%
Florida	2,761,000	284,000	1.9%
Georgia	885,000	155,000	2.0%
Hawaii	159,000	13,000	1.0%
Idaho	159,000	19,000	1.4%
Illinois	1,626,000	186,000	1.5%
Indiana	841,000	109,000	1.8%
Iowa	476,000	47,000	1.6%
Kansas	389,000	41,000	1.5%
Kentucky	610,000	123,000	3.1%
Louisiana	596,000	101,000	2.3%
Maine	211,000	33,000	2.6%
Maryland	628,000	69,000	1.3%
Massachusetts	951,000	124,000	2.0%
Michigan	1,379,000	188,000	1.9%
Minnesota	644,000	67,000	1.4%
Mississippi	411,000	83,000	2.9%
Missouri	850,000	115,000	2.1%
Montana	134,000	17,000	1.8%
Nebraska	251,000	24,000	1.4%
Nevada	223,000	28,000	1.5%
New Hampshire	164,000	21,000	1.7%
New Jersey	1,188,000	124,000	1.5%
New Mexico	225,000	32,000	1.7%
New York	2,666,000	346,000	1.9%
North Carolina	1,095,000	178,000	2.3%
North Dakota	103,000	10,000	1.5%
Ohio	1,689,000	213,000	1.9%
Oklahoma	500,000	65,000	1.9%
Oregon	481,000	53,000	1.6%
Pennslyvania	2,089,000	215,000	1.8%
Rhode Island	170,000	22,000	2.2%
South Carolina	545,000	96,000	2.5%
South Dakota	118,000	12,000	1.5%
Tennessee	807,000	138,000	2.4%
Texas	2,196,000	272,000	1.4%
Utah	198,000	22,000	1.0%
Vermont	86,000	12,000	1.9%
Virginia	864,000	122,000	1.7%
Washington	718,000	86,000	1.5%
West Virginia	335,000	63,000	3.4%
Wisconsin	775,000	86,000	1.6%
Wyoming	64,000	8,000	1.5%
TOTAL	**37,979,000**	**4,873,000**	**1.8%**

Data from the Health Care Financing Administration for 1998. Rounded to nearest 1,000. CPS

Note: Does not include Puerto Rico and territories

CITATIONS

[1] Health Care Financing Administration Office of Strategic Planning. Data from Medicare Current Beneficiary Survey, 1996.
[2] Health Care Financing Administration Office of Strategic Planning. Data from Medicare Current Beneficiary Survey, 1996.
[3] Health Care Financing Administration; data for 1998.
[4] Health Care Financing Administration. Medicare Chart Book 1998. Washington, DC: HCFA.
[5] Health Care Financing Administration Office of Strategic Planning. Data from Medicare Current Beneficiary Survey, 1996.
[6] Health Care Financing Administration Office of Strategic Planning. Data from Medicare Current Beneficiary Survey, 1996.
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[8] Health Care Financing Administration Office of Strategic Planning. Data from Medicare Current Beneficiary Survey, 1996.
[9] Health Care Financing Administration Office of Strategic Planning. Data from Medicare Current Beneficiary Survey, 1996.
[10] Health Care Financing Administration Office of Strategic Planning. Data from Medicare Current Beneficiary Survey, 1996.
[11] Tapay N; Smolka G. (October 1999). Disabled Medicare Beneficiaries Under Age 65: A Review of State Efforts to Provide Access to Medicare Supplemental Insurance. Washington, DC: AARP Public Policy Institute.
[12] Health Care Financing Administration Office of Strategic Planning. Data from Medicare Current Beneficiary Survey, 1996.
[13] Department of Health and Human Services. (April 2000). Prescription Drug Coverage, Spending, Utilization and Price. Washington, DC.
[14] Steinberg EP; Gutierrez B; Manani A; Boscarino JA; Neuman P; Deverka P. (March/April 2000). "Beyond survey data: A claims-based analysis of drug use and spending by the elderly." *Health Affairs.*
[15] Blumstein J. (March/April 2000). "Drug costs and drug purchases by Medicare beneficiaries with hypertension." *Health Affairs*
[16] Stuart B; Shea D; Briesacher B. (January 2000*). Issue Brief: Prescription Drug Costs for Medicare Beneficiaries: Coverage and Health Status Matter*. New York: The Commonwealth Fund.
[17] Health Care Financing Administration Office of Strategic Planning. Data from Medicare Current Beneficiary Survey, 1996.
[18] Health Care Financing Administration Office of Strategic Planning. Data from Medicare Current Beneficiary Survey, 1996.
[19] Health Care Financing Administration Office of Strategic Planning. Data from Medicare Current Beneficiary Survey, 1996.

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