




**AARP 2006 Prescription
Drug Study with Hispanics
and African Americans**



April 2007



AARP 2006 Prescription Drug Study with Hispanics and African Americans

**Data collected by Synovate
Report prepared by Gail Kutner**

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AARP is a nonprofit, nonpartisan membership organization that helps people 50+ have independence, choice and control in ways that are beneficial and affordable to them and society as a whole. We produce *AARP The Magazine*, published bimonthly; *AARP Bulletin*, our monthly newspaper; *AARP Segunda Juventud*, our bimonthly magazine in Spanish and English; *NRTA Live & Learn*, our quarterly newsletter for 50+ educators; and our website, www.aarp.org. AARP Foundation is our affiliated charity that provides security, protection, and empowerment to older persons in need with support from thousands of volunteers, donors, and sponsors. We have staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

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Executive Summary
AARP 2006 Prescription Drug Study with Hispanics and African Americans
Focus on Hispanics and African Americans

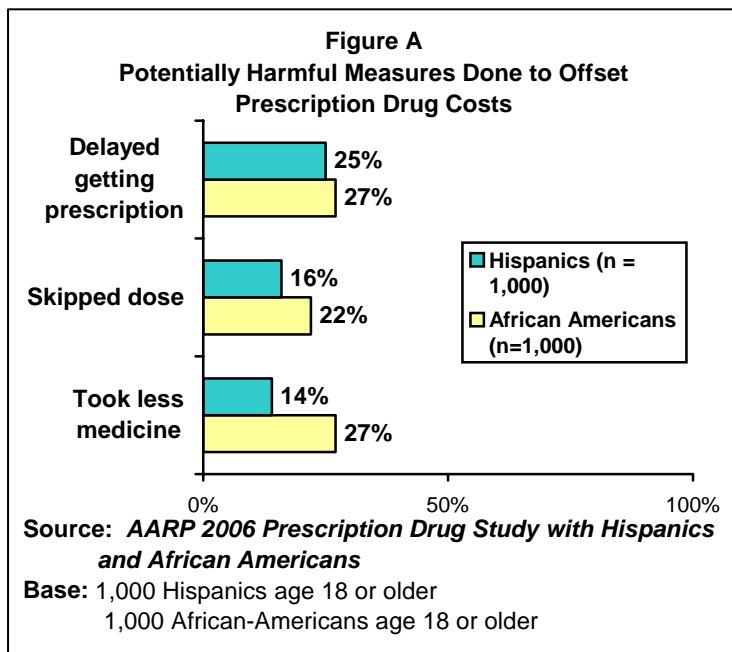
AARP conducted the 2006 Prescription Drug Study with Hispanics and African Americans. Telephone interviews were conducted with 1,000 adults age 18 and older, who identified themselves as Hispanic and 1,000 adults age 18 and older who identified themselves as African American*, to learn more about their experiences in paying for prescription drugs and their interest in legislation addressing prescription drug issues.

The affordability of prescription drugs is an important issue to Hispanics and African Americans both personally and politically. Based upon the findings of the AARP Prescription Drug Study with Hispanics and African Americans, about three-quarters of the Hispanics (73%) and African Americans (76%) had purchased prescription drugs within the past year. Among those who had purchased prescription drugs in the past year, about four-in-ten Hispanics (41%) and African Americans (38%) had a problem paying for prescription medications.

All respondents were asked about their concern about the future affordability of prescription drugs. About six in ten Hispanics (61%) and African Americans (68%) said they are concerned about their ability to pay for prescription drugs over the next two years.

With the high cost of prescription drugs and the inability of some respondents to afford these costs, about one-third of Hispanics (33%) and African Americans (37%) took at least one measure that could be potentially harmful to their health. As shown in Figure A, respondents delayed getting a prescription filled, skipped a dose, or took less medicine.

The study also highlighted the critical impact of having insurance coverage.



* A research contractor, Synovate conducted the telephone interviews between December 6 and 23, 2006. The English-speaking Hispanic sample and the African American sample were selected from a Synovate research panel. The Spanish-speaking Hispanic sample was obtained by Random Digit Dialing.

As illustrated in Figures B and C, respondents who have employer insurance or have public insurance coverage are more likely to have purchased prescription drugs within the past year than respondents who pay full price for the prescriptions without any insurance coverage or discounts.

Respondents with employer-provided insurance or public coverage are less likely than respondents with no insurance to:

- Pay higher out of pocket costs (\$50+ monthly) for prescriptions
- Have problems paying for prescription drugs
- Be concerned about the future affordability of prescription drugs
- Have delayed getting prescriptions filled or not gotten a prescription filled because they did not have enough money to pay for it

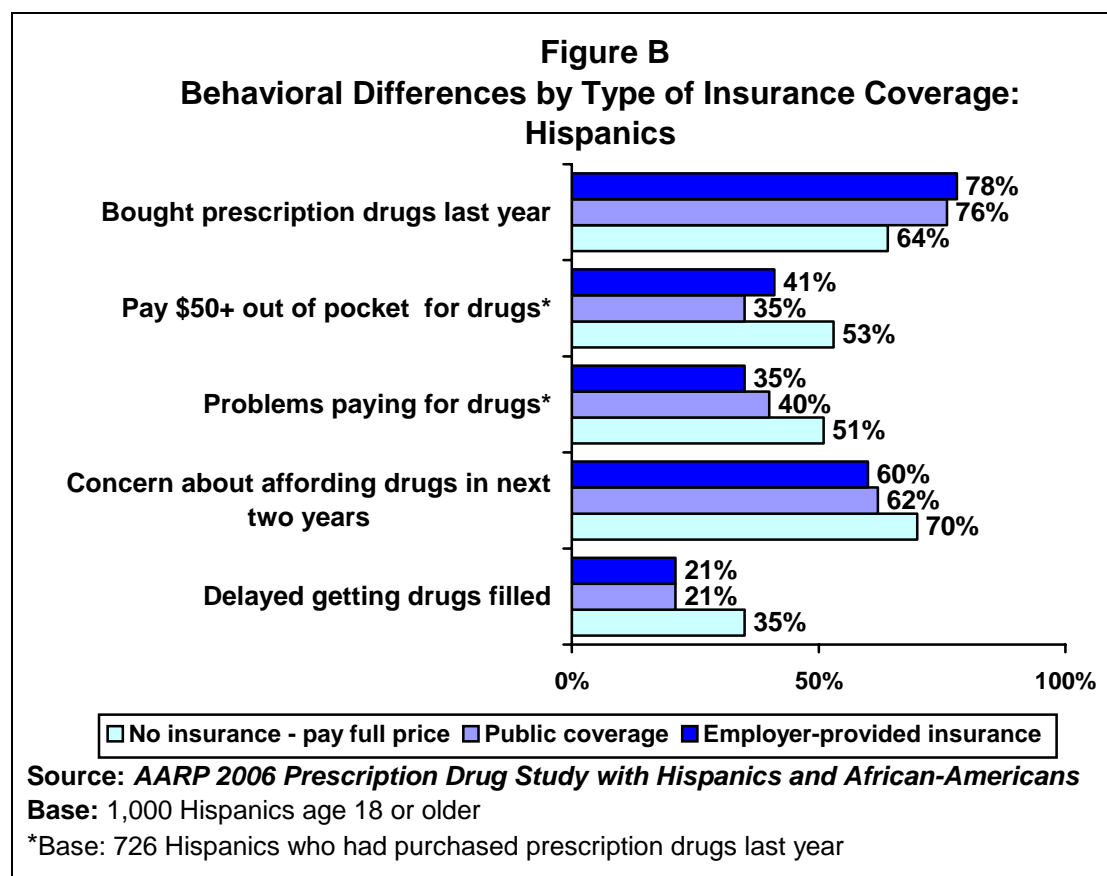
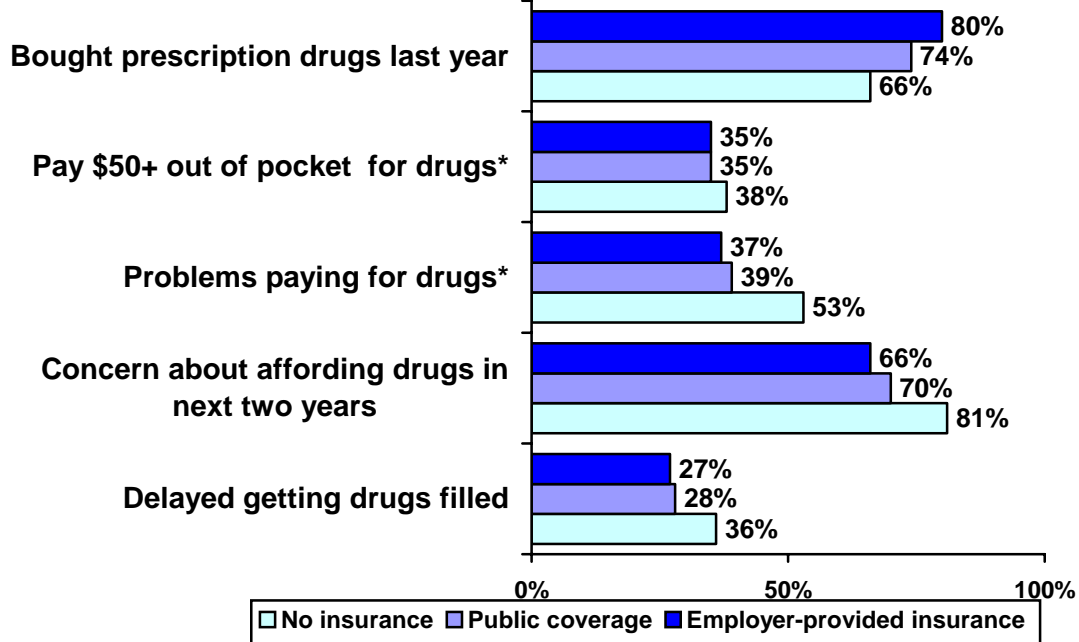


Figure C
Behavioral Differences by Type of Insurance Coverage:
African-Americans



Source: AARP 2006 Prescription Drug Study with Hispanics and African-Americans

Base: 1,000 African Americans age 18 or older

*Base: 757 African Americans who had purchased prescription drugs last year

Hispanics and African Americans strongly support state legislative actions that address the affordability of prescription drugs to:

- adopt preferred drug lists that serve more people in the community but does not cover every prescription drug
- purchase prescription drugs in bulk and pass this savings on to those without adequate drug coverage
- require that drug manufacturers report how much they spend on marketing prescription drugs to physicians

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AARP 2006 Prescription Drug Study with Hispanics and African Americans

BACKGROUND

The affordability of prescription drugs affects individuals and their families. According to data from the National Health Statistics Group, “of the \$213.7 billion spent on prescription drugs in 2006, 42% of this cost was paid by private insurance and 40% of these costs were paid by Medicare, Medicaid, or other public programs. Consumers paid out-of-pocket costs for 19% of the prescription drug spending or about \$11.25 billion”¹.

A majority of adults age 18 and older believe that the cost of prescription drugs are too high (85%) according to a recent AARP survey². “Making prescription drugs more affordable” was considered as a very important November 2006 election issue by a majority of AARP members (79%)³.

A *USA TODAY*/Harvard School of Public Health study found that about half of the Americans age 18 and older take prescription drugs on a daily basis. Among those who had taken prescription drugs, one-third said it is difficult to pay for these drugs⁴.

AARP was interested in the impact of the affordability of prescription drugs on Hispanics and conducted a study with Hispanic New Yorkers age 18 and older. The study found that six in 10 Hispanic New Yorkers purchased prescription drugs in the last year, and nearly half of these individuals said that paying for the prescription medication in the last 12 months has been a problem for them⁵.

A similar AARP study conducted with Puerto Ricans residents age 50 and older found that almost nine in ten Puerto Ricans (age 50+) (86%) had purchased prescription drugs in the last year and about six in 10 had problems paying for them⁶.

Health insurance coverage is an important factor in being able to pay for prescription drugs and there are differences in insurance coverage by race and

¹ John A. Poisai et al. “Health Spending Projections through 2016: Modest Changes Obscure Part D’s Impact”, *Health Affairs – Web Exclusive*, February 21, 2007, p21.

² Knowledge Management, AARP, *Medicare Price Negotiation of Prescription Drugs-National Poll: Feb. 12, 2007*. Washington D.C.: AARP, February 2007, p5.

³ Susan Silberman and Curt Davies, *Common Ground on the Future: AARP Iowa Member Opinion About 2006 Election Issues*. Washington, DC: AARP, July 2006, p10.

⁴ USA Today/Harvard School of Public Health, *Health Care Costs Survey: Summary and Chartpack*. August 2005, p5.

⁵ Katherine Bridges and Erica Dinger, *Prescription Drug Affordability: AARP Survey of Hispanic New Yorkers*. Washington, DC: AARP, January 2006, 1 – 2.

⁶ Katherine Bridges and Cassandra Burton, *2005 AARP Puerto Rico Social Impact Survey: Prescription Drugs*. Washington, DC: AARP, 2006, 1 – 3.

ethnicity. According to a 2007 Kaiser Family Foundation report, *Key Facts: Race, Ethnicity & Medical Care*, “while being from a low income family raises the risks of being uninsured markedly, it does not account for all the differences in health care coverage across racial and ethnic groups”⁷. This report also found that:

- Whites are the group most likely to have health insurance and are also more likely than other racial and ethnic groups to receive coverage from their employer
- Hispanics have the largest percentage of uninsured ((Whites (13%) vs. Hispanics (34%) vs. African Americans (32%)), and the lowest percentage of people with employer coverage ((Whites (69%) vs. (Hispanics (40%) vs. African Americans (48%))
- African Americans are most likely to receive coverage from Medicaid or other public insurance ((Whites (12%) vs. Hispanics (23%) vs. African Americans (28%))⁸

According to the U.S. Census Bureau, in 2005, the uninsured rates for non-Hispanic Whites was 11.3 percent and for African Americans was 19.6 percent. Among Hispanics, the uninsured rate was 32.7 percent which is 14.1 million Hispanics without coverage⁹.

Among individuals between the ages of 50 and 64, the disproportionate share of the uninsured is minorities (African Americans and Hispanics)¹⁰.

⁷ Cara James et al. *Key Facts: Race, Ethnicity & Medical Care*. Washington, DC: The Henry Kaiser Family Foundation, January 2007, p.17.

⁸ Ibid, p14

⁹ Carmen DeNavas et al. *Income: Poverty, and Health Insurance Coverage in the United States* Washington, DC: U.S. Department of Commerce, Economics and Statistics Administration, US Census Bureau, August 2006, p23.

¹⁰ Gerry Smolka, Carlos Figueiredo and Leigh Gross, *Health Coverage among 50-64-year-olds in 2003, Digest No. 119*. Washington, DC: AARP, June 2005, 5-6.

OBJECTIVES

This report presents the findings from the *AARP 2006 Prescription Drug Study with Hispanics and African Americans*. This study assessed how Hispanic and African American adults are affected by the cost of prescription drugs and their experiences in paying for prescription drugs. In addition, respondents were asked about legislation to address prescription affordability, such as a preferred drug list, a purchasing plan to reduce drug costs, and a requirement that drug manufacturers report how much they spend on marketing prescription drugs.

This report describes how both the Hispanic and African American respondents answered the questions. Similarities and differences between these two groups are identified when statistically significant. For this study, telephone interviews were conducted with 1,000 individuals age 18 and older who identified themselves as Hispanic or Latino and 1,000 individuals age 18 and older who identified themselves as African American.

FINDINGS

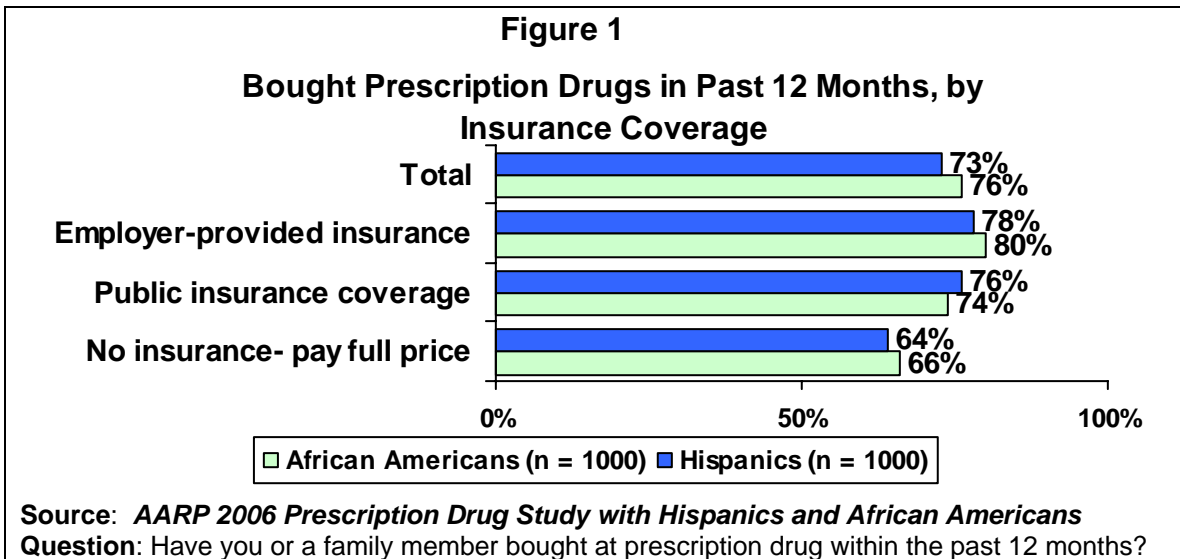
Purchase of Prescription Drugs

In order to understand the impact of prescription drug costs, it is necessary to first identify how many respondents had purchased prescription drugs. About three-quarters of African American adults (76%) and Hispanic adults (73%) reported prescription drug purchases over the past year.

Not surprisingly, the adults who had purchased prescription drugs in the past year are more likely to be:

- Age 50 and older than between the ages of 18 & 49 (Hispanics: 81% vs. 71%) (African Americans: 85% vs. 70%)
- Have annual household incomes of \$35,000 or more than less than \$35,000 (Hispanics: 84% vs. 63%) (African Americans: 82% vs. 72%)

The impact of the issue of prescription drug affordability can be seen in Figure 1, where there are significant differences due to insurance coverage¹¹. Hispanics and African Americans who get assistance to pay for their prescriptions through either employer-provided insurance or public coverage are more likely than respondents who had to pay full retail price without any discount or insurance coverage, to have purchased prescription drugs in the past year.

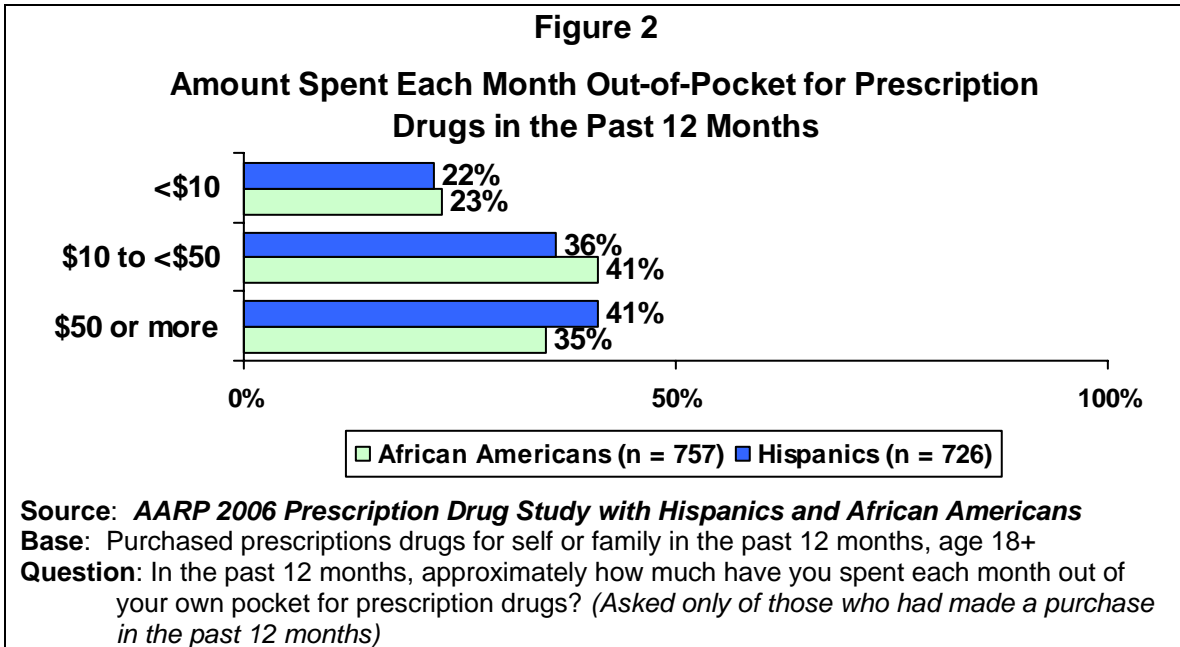


¹¹ For this study, respondents were classified into three groups based on the question about how they pay for prescription drugs.

- (1) *Employer-Provided Insurance* – respondents who have insurance through a current or former employer (or a spouse's current or former employer) that pays all or part of the cost.
- (2) *Public Coverage* - respondents who have coverage through at least one of the following: a state-sponsored program such as Medicaid, a Medicare part D plan, the Veterans Administration, or the Indian Health Service.
- (3) *No Insurance Coverage - Pay Full Price* – respondents who pay full retail price, without any discount or insurance coverage.

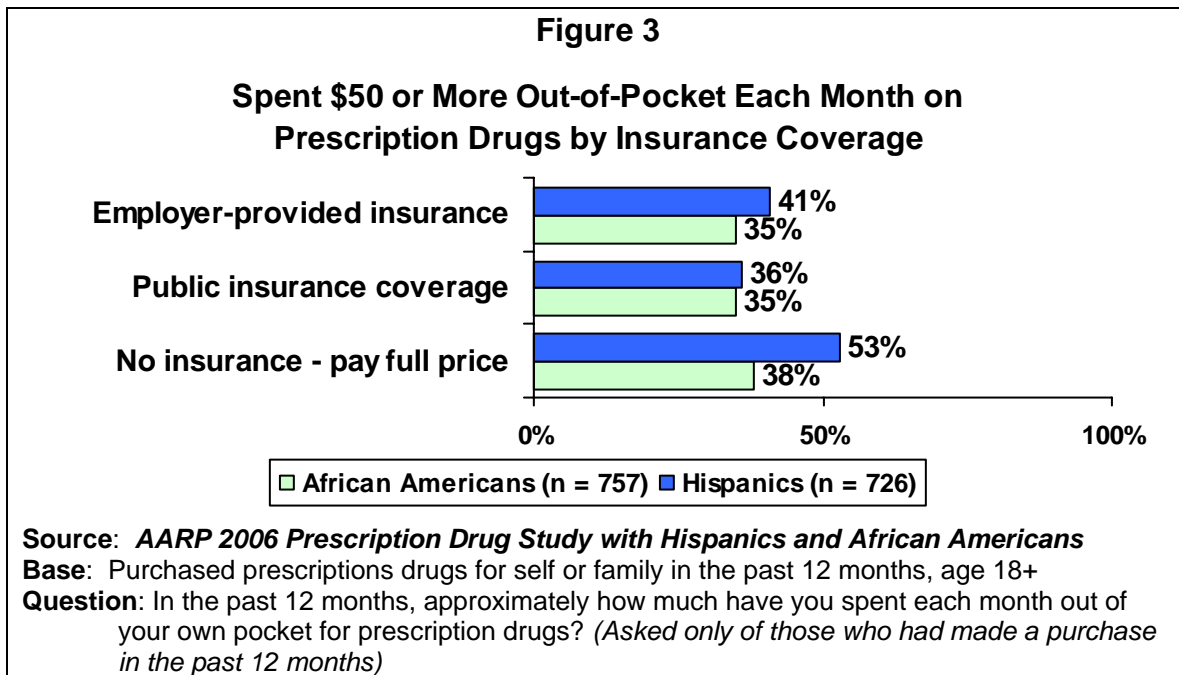
Out-Of-Pocket Expenses Spent On Prescription Drugs

Hispanics appear to spend slightly more than African Americans on out-of-pocket expenses for prescription drugs. About four-in-ten Hispanics who had made a prescription drug purchase in the past 12 months said they spent \$50 or more each month, while 35% of African Americans said they spent \$50 or more on a monthly basis (see Figure 2).



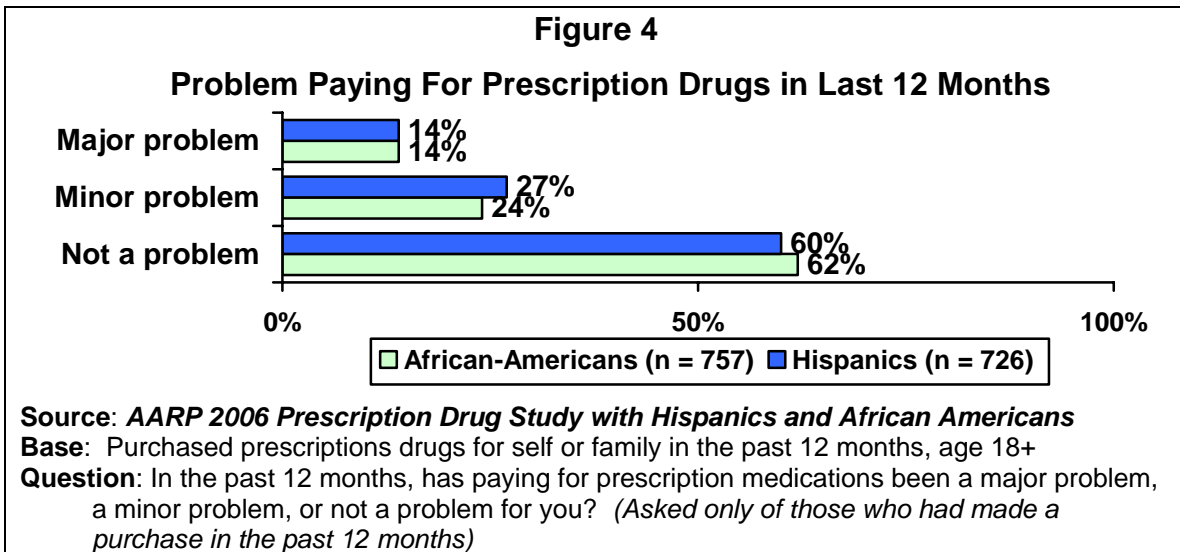
Older respondents (age 50 and older) are not only more likely to have purchased prescription drugs in the past year, they also are more likely to spend \$50 or more from their own pocket than younger respondents (ages 18-49) (Hispanics: 45% vs. 40%) (African Americans: 44% vs. 29%).

Respondents who have no insurance are more likely than those with employer-provided insurance or public coverage to spend \$50 dollars or more for out-of-pocket expenses each month for prescription drugs. Figure 3 illustrates that over half of the Hispanics and over one-third of the African Americans with no insurance had spent \$50 or more out of their own pocket for prescription drugs.

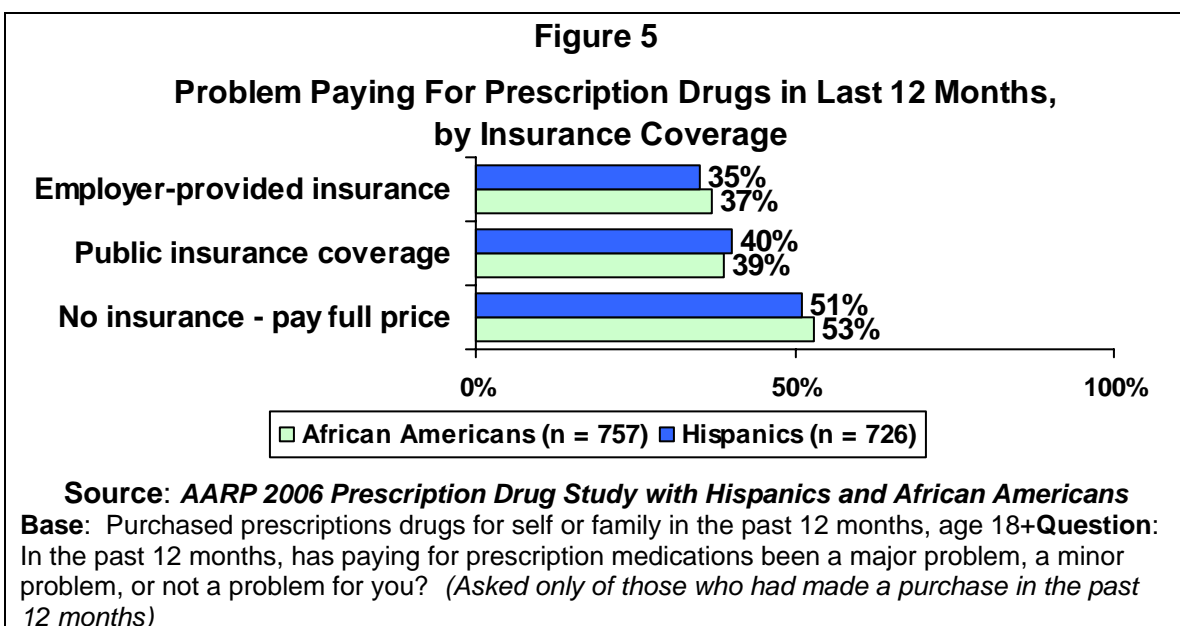


Problems Paying for Prescription Drugs

Among the respondents who had purchased prescription drugs during the last 12 months, more than four-in-ten (41%) Hispanics said they had problems paying for prescription drugs during the past year. Among African Americans, a similar percentage (38%) expressed some problem with paying for prescription drugs during the past year (see Figure 4).



Respondents with problems paying for prescription drugs tend to have annual household incomes of less than \$35,000 (Hispanics: 46% vs. 34%) (African Americans: 42% vs. 35%). The importance of having insurance is seen in Figure 5 which shows that respondents who have problems paying for prescription drugs tend not to have any insurance coverage.

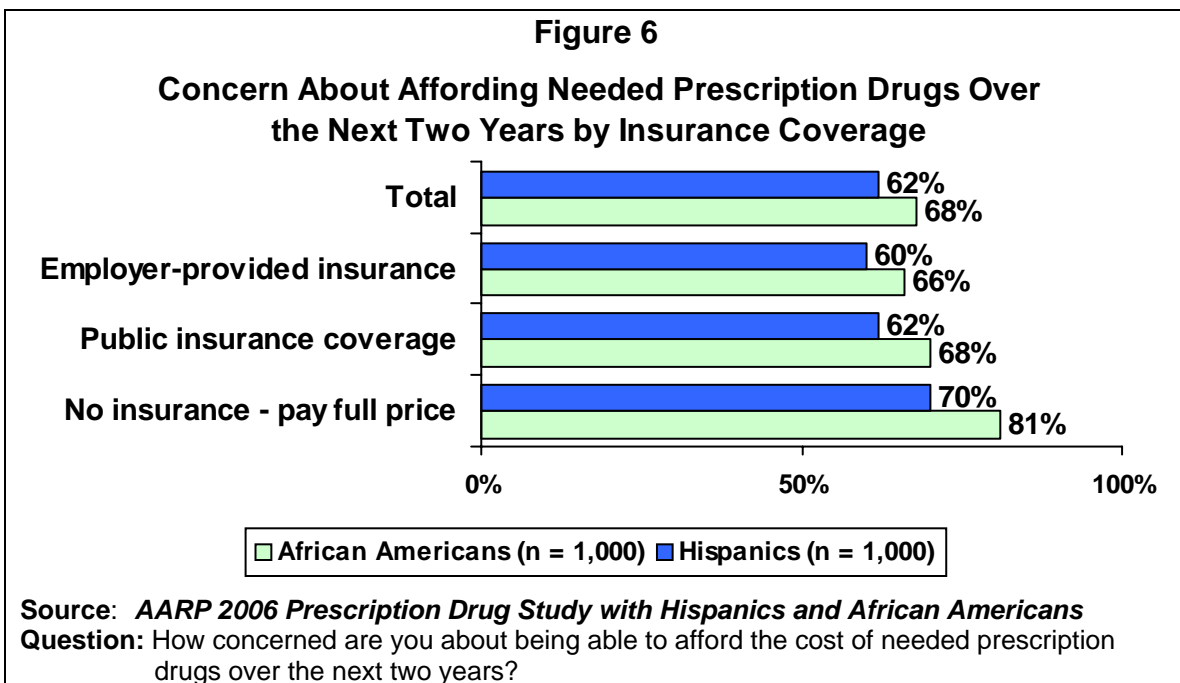


Future Concerns about Affording Prescription Drugs

However when thinking about the future, more respondents are concerned about their ability to pay for prescription drugs over the next two years than the percentage of respondents who said that they had a problem paying for drugs in the past year. African Americans (68%) are slightly more concerned than Hispanics (62%) about being able to afford needed prescription drugs over the next two years.

Once again the household income and insurance status of the respondents significantly affects future concerns about the affordability of prescription drugs. For example, Hispanics and African Americans are more likely to be concerned about the future if they have:

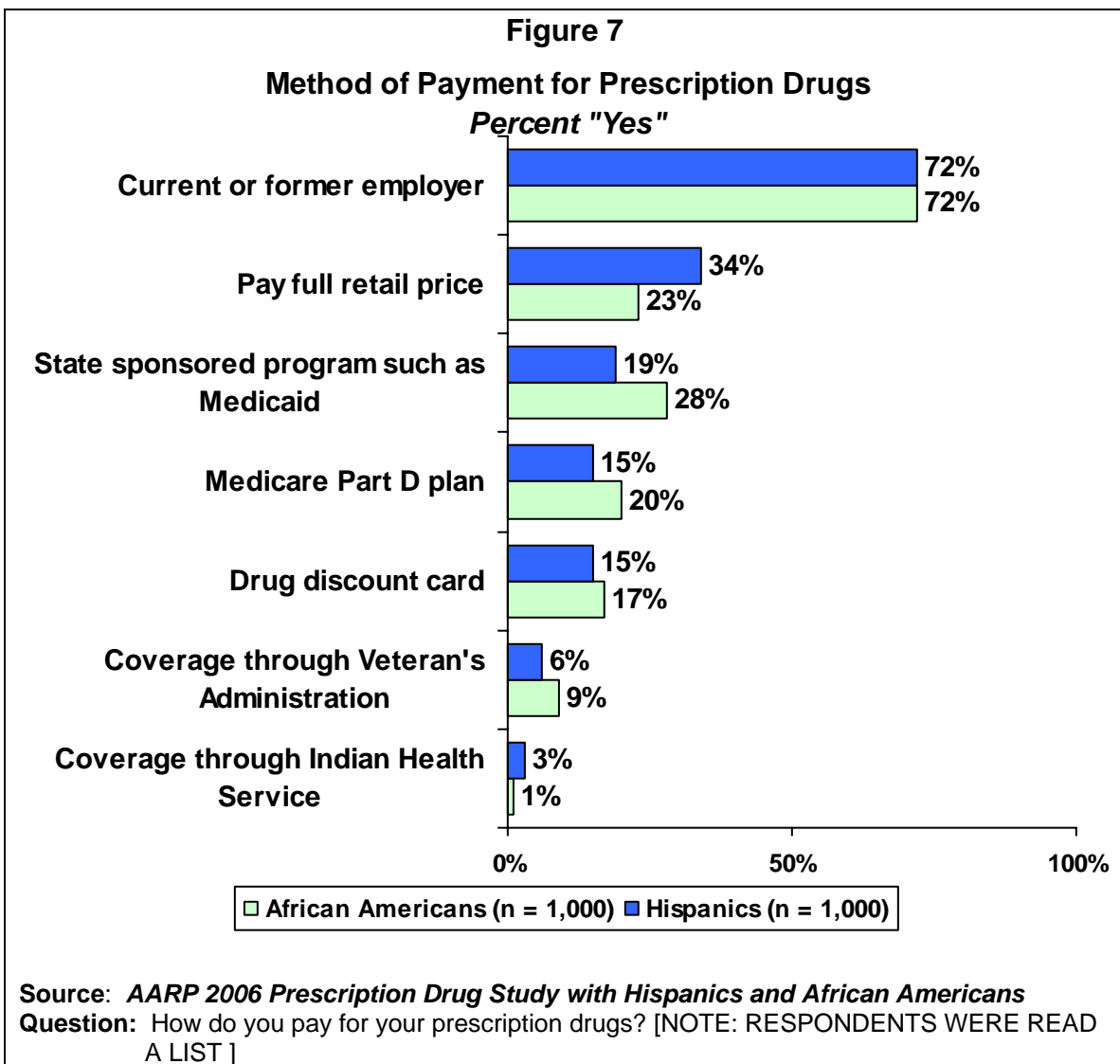
- Lower annual household incomes (<\$35,000) (Hispanics: 65% vs. 57%) (African Americans: 75% vs. 59%)
- No insurance – pay full price than have employer-provided insurance or public insurance coverage (see Figure 6)



Method of Payment for Prescription Drugs

Almost three-quarters of both Hispanics (72%) and African Americans (72%) reported having prescription drug coverage through a current or former employer (or spouse's employer) that pays all or part of the cost. However, African Americans are more likely than Hispanics to have public insurance coverage through public programs such as Medicaid and Medicare Part D Plan.

One outcome of this difference in public insurance coverage is that Hispanics are more likely than African Americans to pay full retail price without any discount or insurance coverage (see Figure 7). At the same time, Hispanics reported higher monthly prescription drug expenses (as described previously).



Classification by How Respondents Pay for Prescription Drugs

Respondents were classified into three groups based on how they pay for prescription drugs. These groups include:

- Employer-Provided Insurance
- Public Coverage
- No Insurance Coverage - Pay Full Price

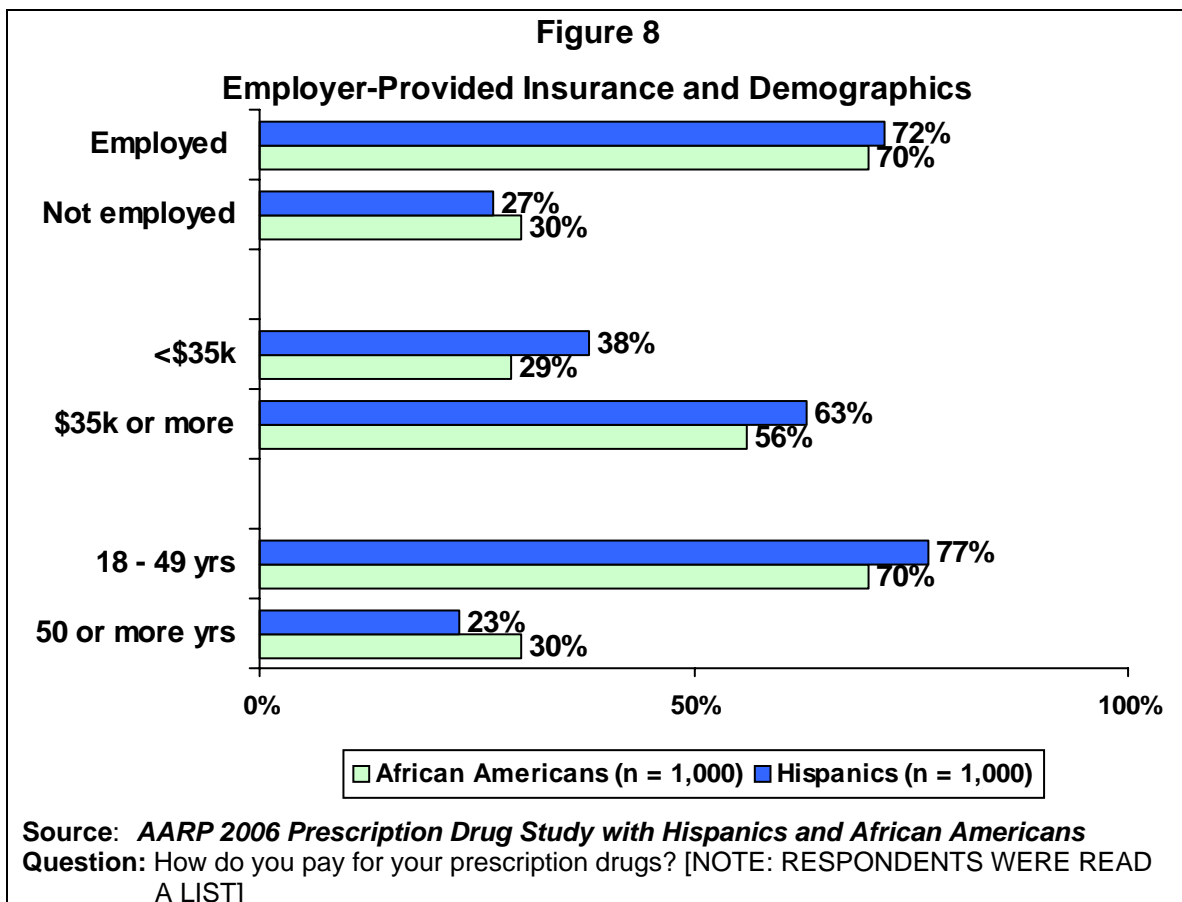
Employer-Provided Insurance

Employer-provided Insurance includes respondents who have insurance through a current or former employer (or a spouse's current or former employer) that pays all or part of the cost.

Both Hispanics and African Americans in this group are more likely to:

- Have annual household incomes of \$35,000 or more, or
- Be employed

(See Figure 8.)



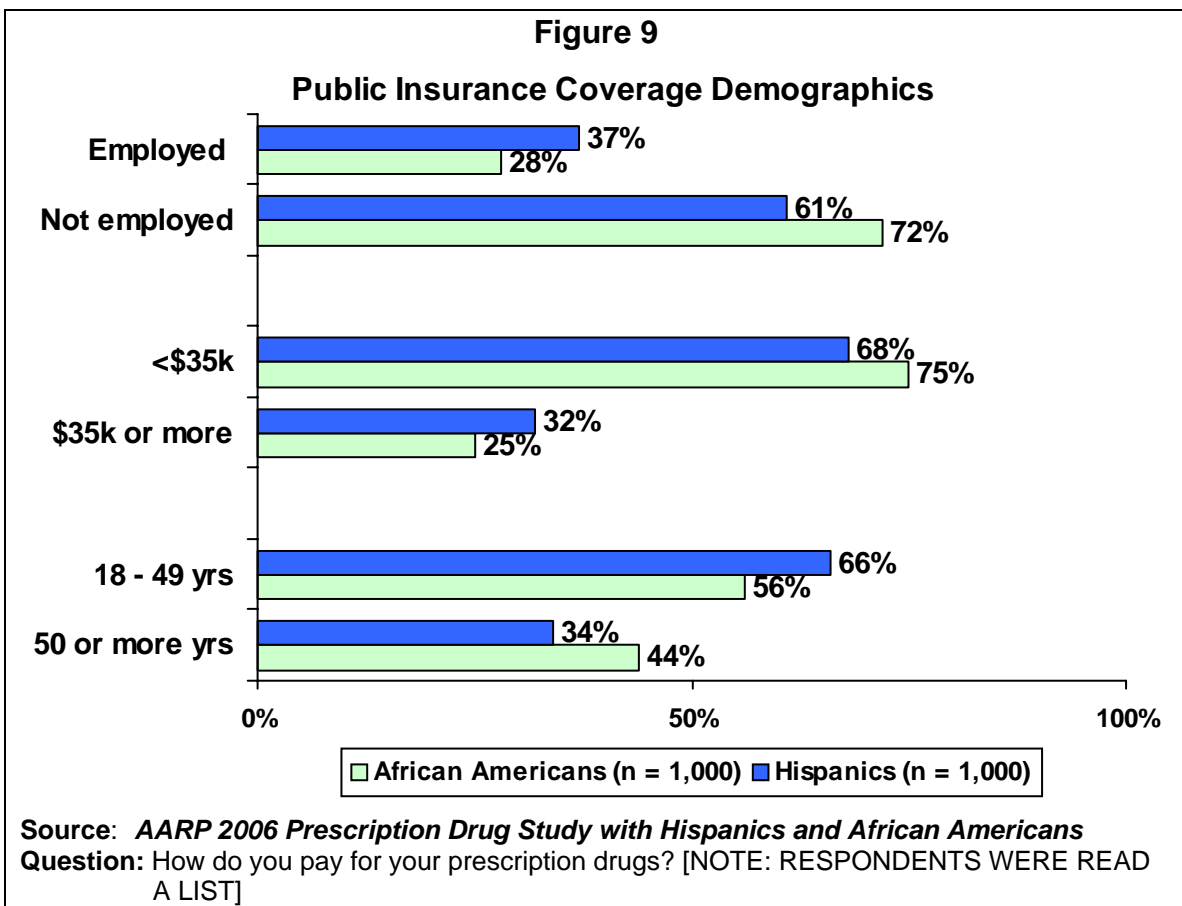
Public Coverage

The respondents classified as having public coverage had coverage through at least one of the following: (1) a state-sponsored program such as Medicaid, (2) a Medicare Part D plan, (3) the Veterans Administration, or (4) the Indian Health Service.

The beneficiaries of these programs are more likely to:

- Have household incomes under \$35,000, or
- Be not employed

See Figure 9.

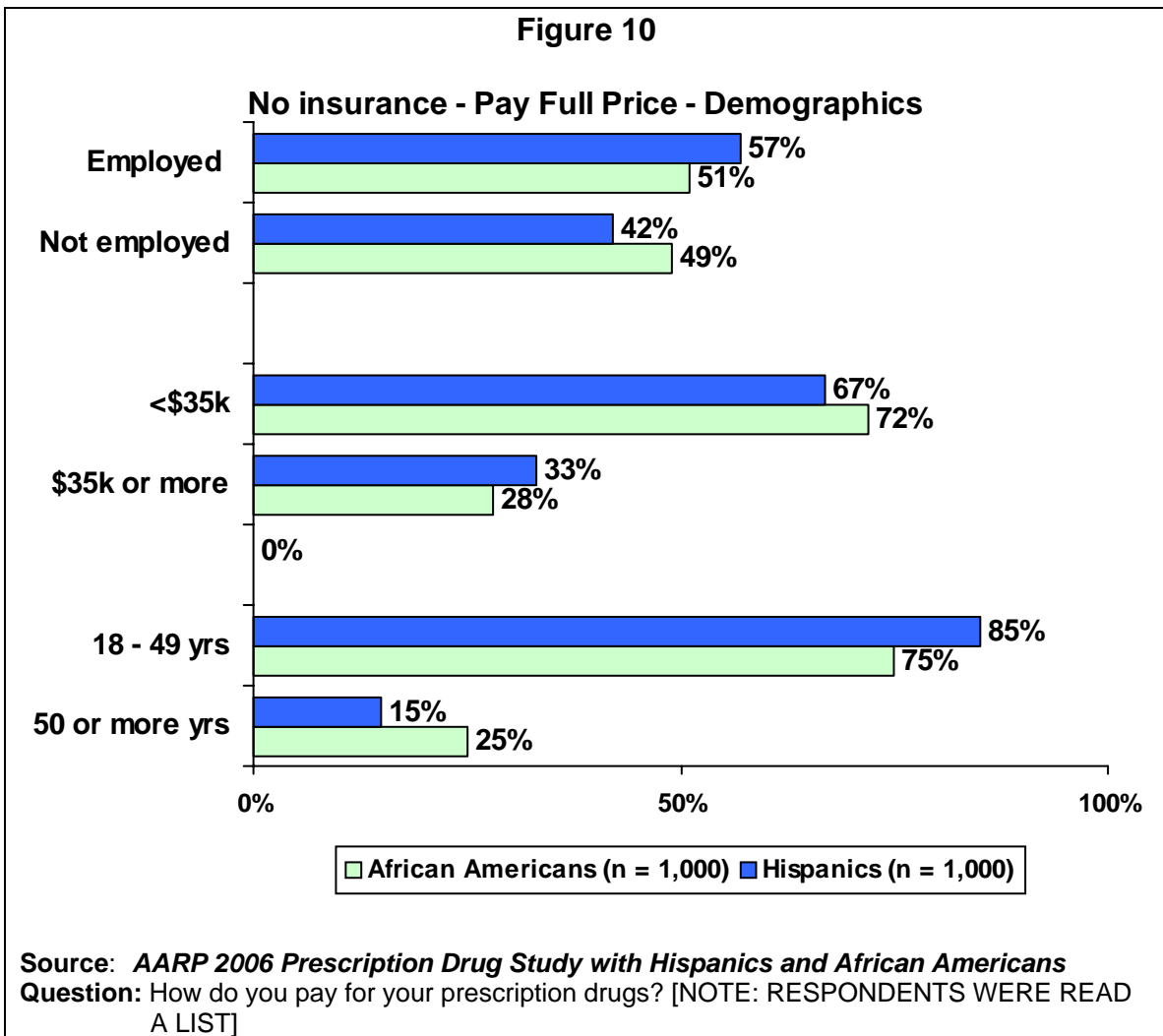


No Insurance - Pay Full Price

Respondents in this category had paid full retail price within the past year, without any discount or insurance coverage.

Respondents who pay full retail price have the least financial resources. Most of the Hispanics and African Americans in this group had annual household incomes of less than \$35,000 and about half are employed.

(See Figure 10.)



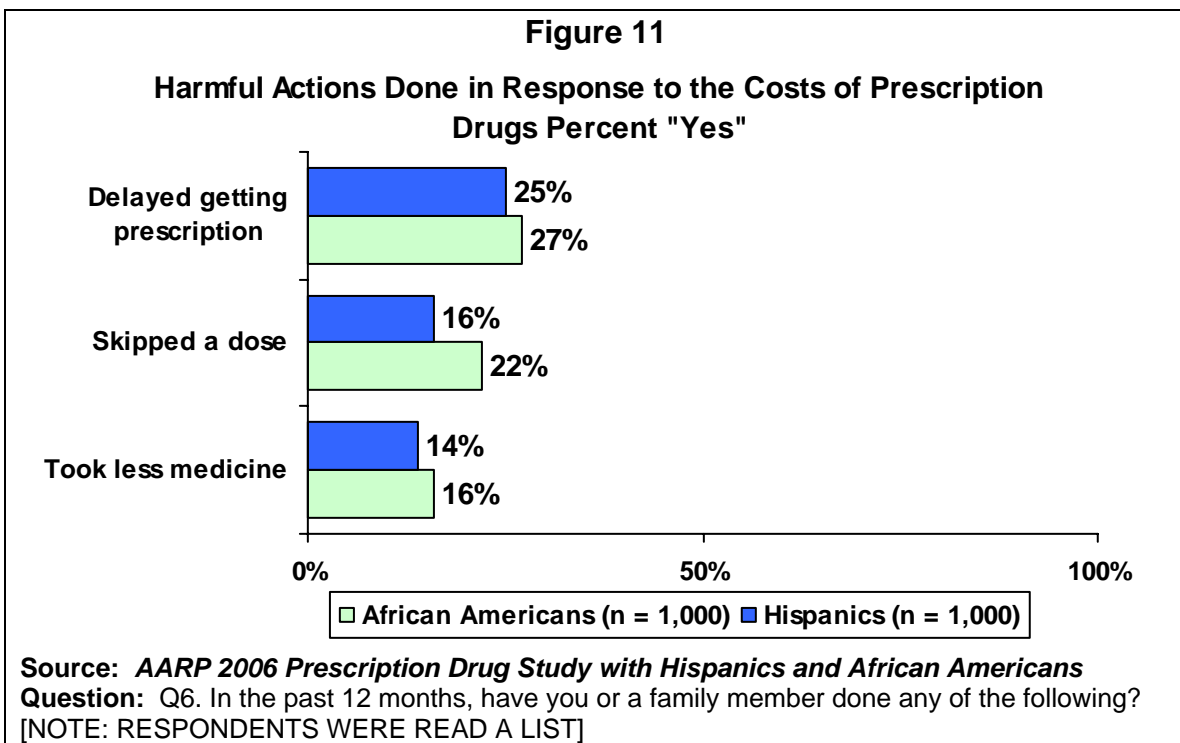
Behaviors Regarding the Cost of Prescription Drugs

Harmful Behaviors

With the high cost of prescription drugs and the inability of some respondents to afford these costs, about one-third of Hispanics (33%) and African Americans (37%) did at least one of the following potentially harmful behaviors:

- Delayed getting a prescription filled or not gotten a prescription filled because they didn't have the money to pay for it, or
- Skipped a dose, or
- Taken less medicine than the doctor prescribed to make it last longer

(See Figure 11.)

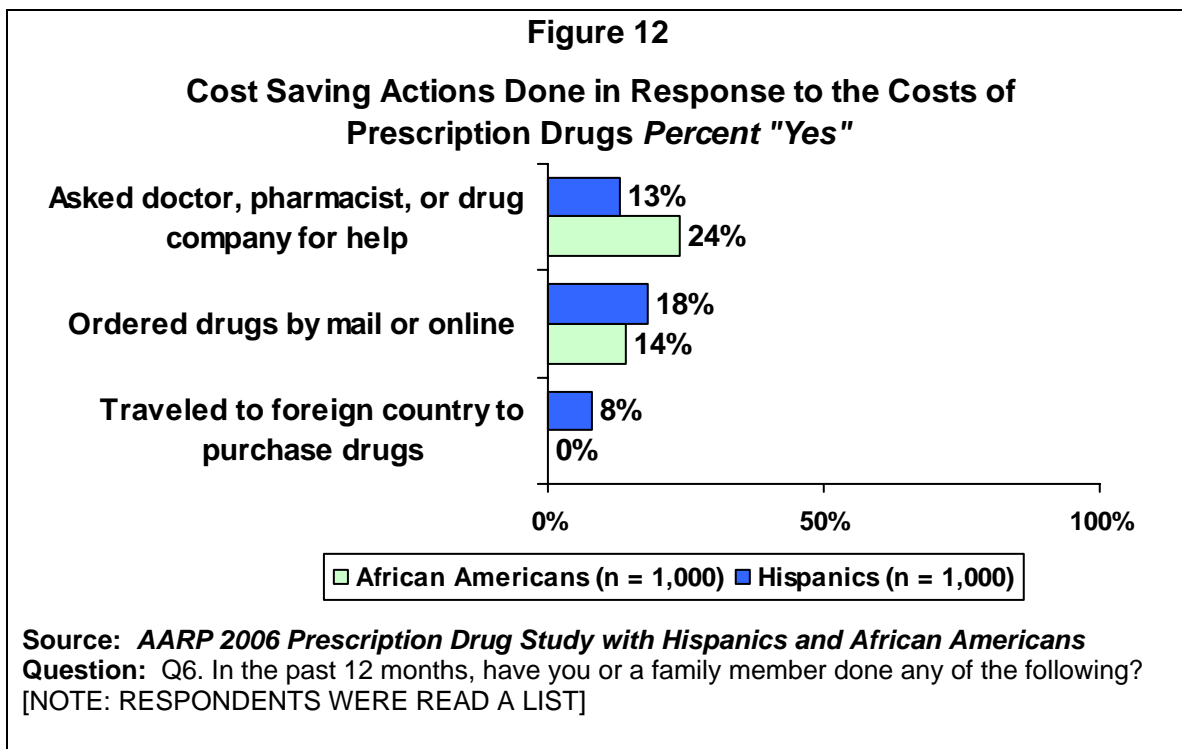


Cost Saving Behaviors

In response to prescription drug costs, about one-quarter of Hispanics (28%) and African Americans (26%) had done at least one of the following cost saving behaviors:

- Asked a doctor, a pharmacist, or a prescription drug company for help in paying for prescription drugs
- Ordered prescription drugs by mail or on the Internet from a company in the US or another country, because they cost less
- Traveled to Canada or Mexico or another foreign country to purchase prescription drugs because they cost less

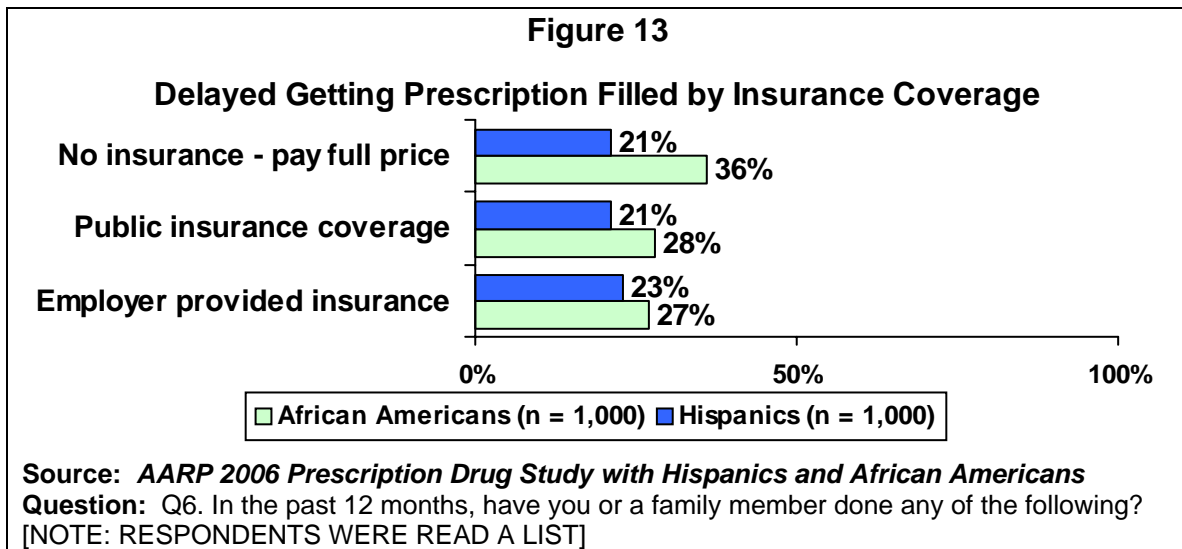
(See Figure 12.)



Delayed Getting Prescription Filled or Refilled

Respondents who delayed getting a prescription filled or refilled because they did not have the money are more likely to have:

- Household incomes under \$35,000 (Hispanics: 28% vs. 22%) (African Americans: 32% vs. 20%)
- No insurance (see Figure 13)



Skipped a Dose

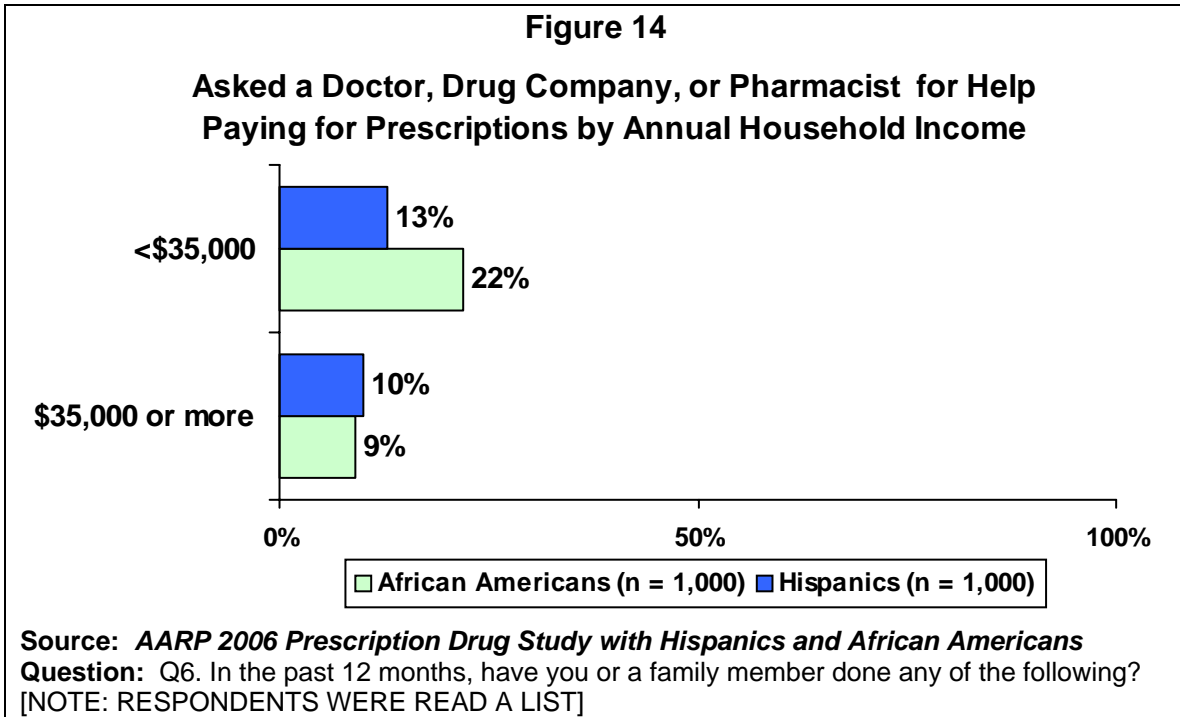
African Americans (22%) are more likely than Hispanics (16%) to have skipped a dose. Among African Americans, lower income respondents (<\$35,000 annual household income) are more likely to have skipped a dose (26% vs. 16%). Among Hispanics who have skipped a dose, there are no significant differences by income level (17% vs. 18%).

Took Less Medicine

About an equal percentage of Hispanics and African Americans took less medicine.

Asked a Doctor, Drug Company, or Pharmacist for Help Paying For Drugs

African Americans (22%) are more likely than Hispanics (13%) to have had asked a doctor, a prescription drug company, or a pharmacist for help paying for their prescription drugs, especially among lower income African Americans (see Figure 14).



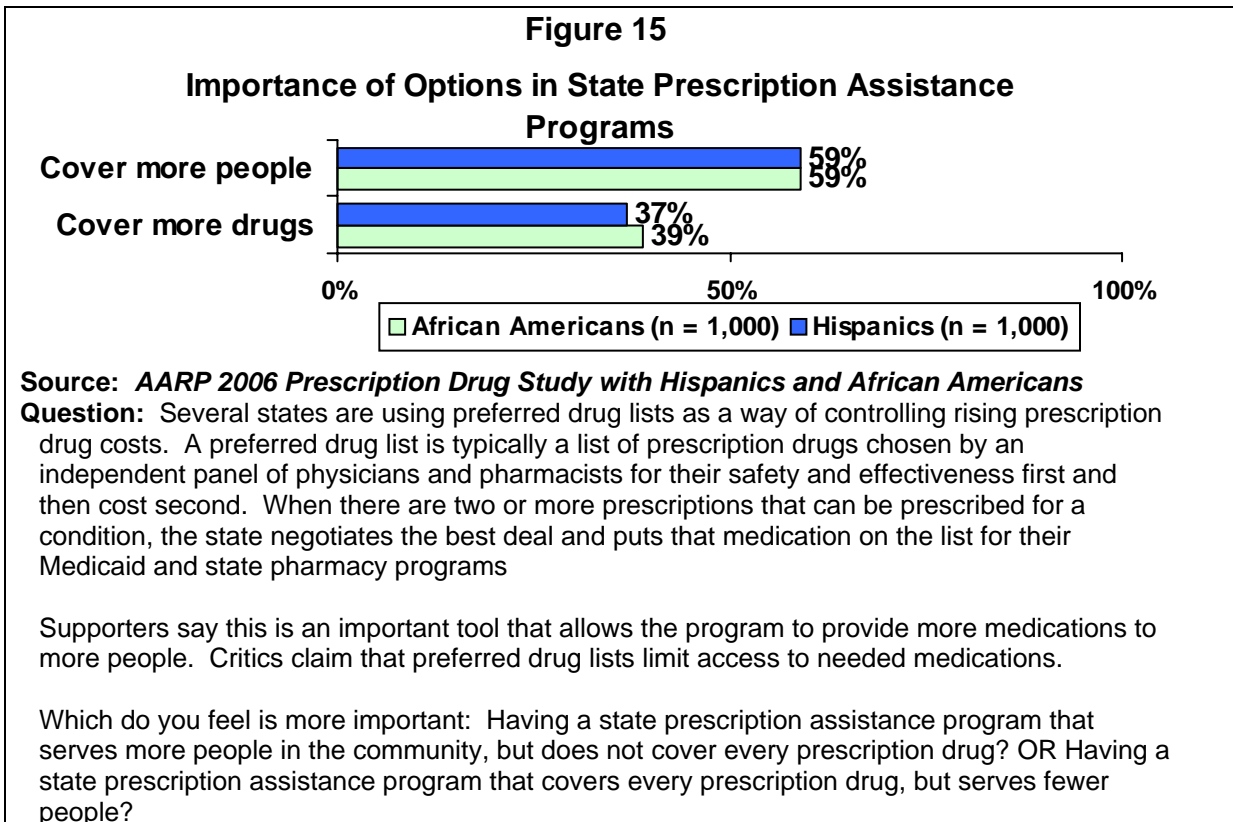
Legislative Options

One of the goals of this research study was to learn about respondents' interests in state legislation options addressing prescription drug issues. Respondents were asked about legislation to address prescription affordability, such as a preferred drug list, a purchasing plan to reduce drug costs, and a requirement that drug manufacturers report how much they spend on marketing prescription drugs.

Preferred Drug List

Several states are using preferred drug lists as a way of controlling rising prescription drug costs. A preferred drug list is typically a list of prescription drugs chosen by an independent panel of physicians and pharmacists for their safety and effectiveness first and then cost second. When there are two or more prescriptions that can be prescribed for a condition, the state negotiates the best deal and puts that medication on the list for their Medicaid and state pharmacy programs.

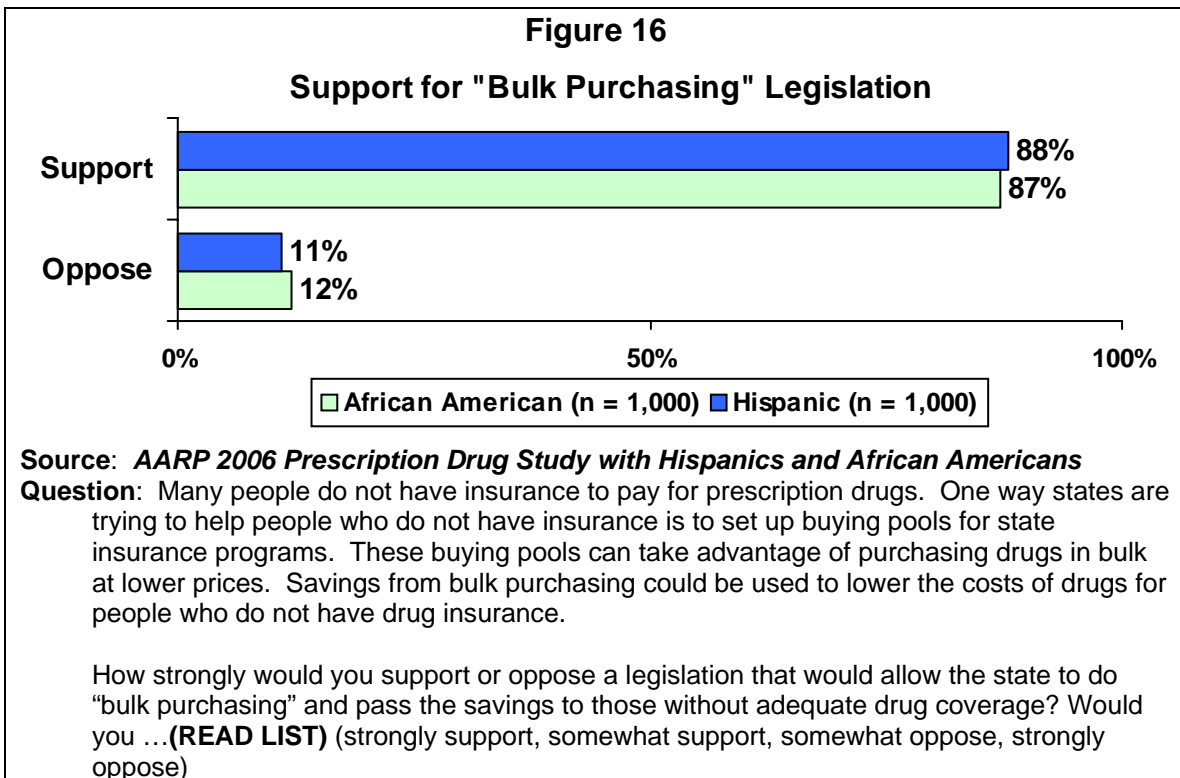
When given a choice, most Hispanics (59%) and African Americans (59%) believe that it is more important "having a state prescription assistance program that serves more people in the community but does not cover every prescription drug" than it would be to "have a state prescription assistance program that covers every prescription drug but that serves fewer people" (see Figure 15).



Bulk Purchasing Legislation

Another prescription drug policy option is to have states set up buying pools for state insurance programs. These buying pools can take advantage of purchasing drugs in bulk at lower prices. Savings from bulk purchasing could be used to lower the costs of drugs for people who do not have drug insurance.

The majority of both Hispanics and African Americans support legislation that would allow the state to do bulk purchasing and pass this savings on to those without adequate drug coverage (see Figure 16).

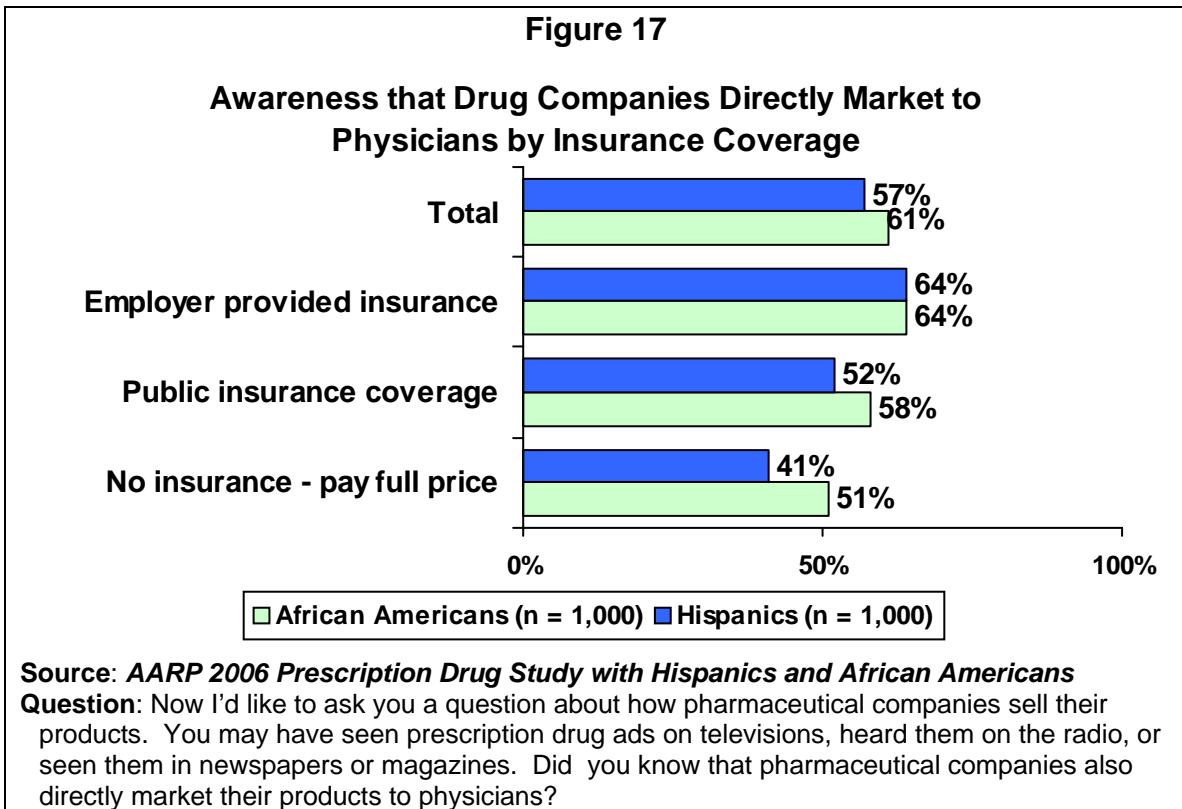


Legislation That Would Require Drug Manufacturers to Report How Much They Spend On Marketing to Doctors

Pharmaceutical Companies Report Marketing Costs

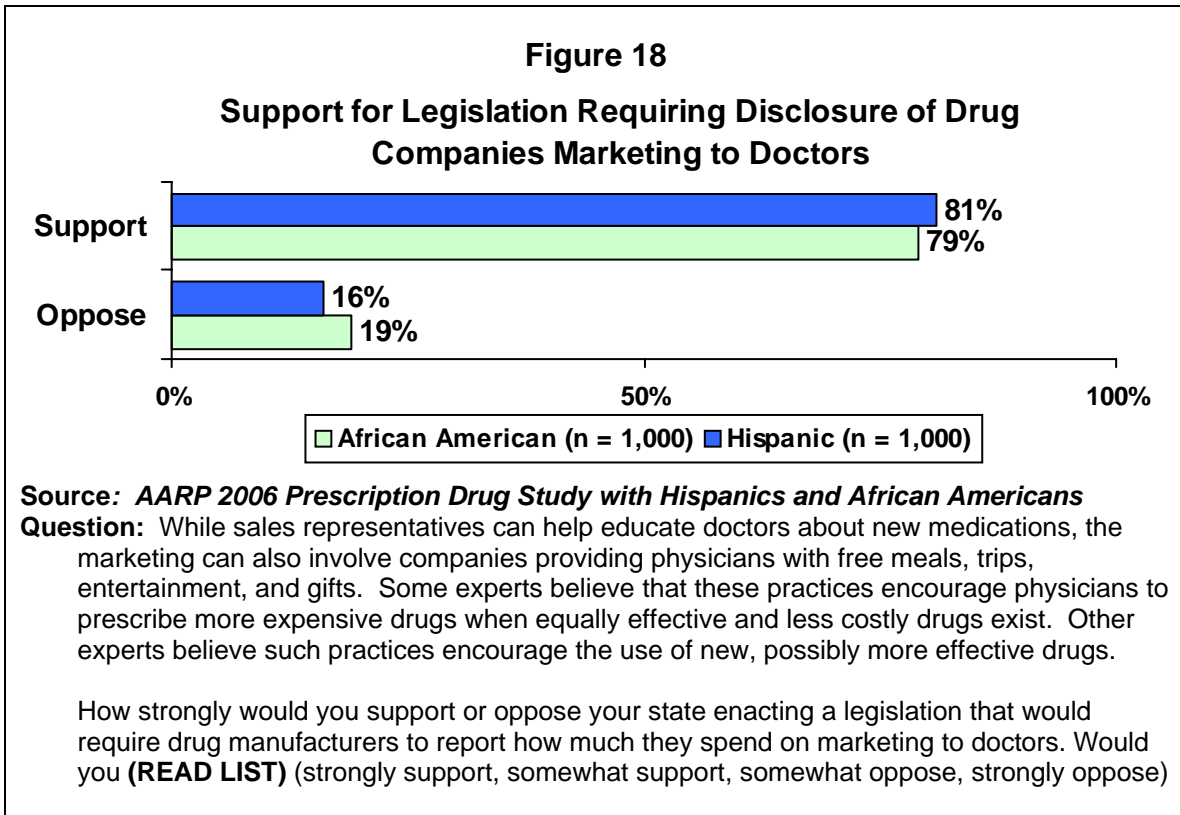
Although the awareness of direct marketing of pharmaceuticals to consumers is fairly widespread, about six in ten Hispanics and African Americans also knew that the pharmaceutical companies directly market products to physicians. Respondents are more likely to be aware of the drug companies marketing to physicians if they:

- Are age 50 and older (Hispanics: 69% vs. 54%) (African Americans: 68% vs. 57%)
- Have household incomes of \$35,000 or more (Hispanics: 69% vs. 46%) (African Americans: 71% vs. 53%)
- Have employer-provided insurance or public insurance coverage than have no insurance (see Figure 17)



Legislation That Would Require Reporting of Spending on Marketing to Doctors

After the respondents were read statements about the benefits and limitations of the pharmaceutical companies directly marketing to physicians, a majority of Hispanics and African Americans said that they support enacting state legislation that would require drug manufacturers to report how much they spend on marketing to doctors (see Figure 18).



Supporters of the legislation requiring disclosure of drug companies marketing to doctors are more likely to have higher annual household incomes (\$35,000 or more) (Hispanics: 84% vs. 78%) (African Americans: 84% vs. 76%).

Demographics

Hispanic respondents tend to be younger than African American respondents in our sample and across the populations. More Hispanics than African Americans are between the ages of 18 and 49. African Americans are more likely than Hispanics have the lowest household income category (<\$15,000) (see Table 1).

Table 1

	African Americans (n = 1,000)	Hispanics (n = 1,000)
Age		
18-49	67%	77%
50 -64	21%	16%
65+	12%	7%
Employment status		
Employed (full and part-time)	56%	59%
Not employed	44%	42%
Gender		
Male	46%	51%
Female	54%	49%
Household income		
< \$15K	28%	20%
\$15K to < \$35K	30%	31%
\$35K to < \$75K	30%	34%
\$75 K or more	13%	14%
Education		
Grade school/some high school	7%	19%
High school graduate	22%	32%
Technical or vocational school	6%	4%
Some college	39%	21%
4 year college graduate	17%	11%
Postgraduate studies	11	11%

Source: *AARP 2006 Prescription Drug Study with Hispanics and African Americans*

METHODOLOGY

AAARP contracted with Synovate Research, a national research firm, to conduct 2,000 telephone interviews:

- 1,000 people age 18 and older identified themselves as Hispanic or Latino
- 1,000 people age 18 and older identified themselves as African American

The interviews were conducted between December 6 and 23, 2006. Interviewing was conducted in English and in Spanish. All African American interviews were conducted in English; Hispanic respondents were given the option of completing the survey in English or Spanish.

Of the 1,000 total Hispanic interviews, 500 were part of the Synovate's targeted Hispanic panel and the other 500 were part of Synovate's traditional mail panel. Among Hispanics, 347 chose to take the survey in Spanish, and 653 took the survey in English.

The final data were weighted to reflect African American and Hispanic demographics according to U.S. Census data.

For presentation purposes percentage points have been rounded off to the nearest whole numbers. As result, percentages in a given table column may total slightly higher or lower than 100 percent.

SUMMARY

Throughout the African American and Hispanic adult population, the affordability of prescription drugs is currently and will continue to be an important issue. It is an issue that directly impacts individuals' financial well-being.

The affordability of prescription drugs is also a health issue because about one-third of the African American and Hispanic adults took measures to save on prescription costs that could be potentially harmful to their health.

Health-care coverage, whether as employer-provided insurance or public coverage is a critical issue to the affordability of prescription drugs. Insurance coverage affects whether people buy prescription drugs or not. People with no insurance have higher out-of-pockets costs than people with insurance coverage, have more problems paying for the prescription drugs, and are more concerned about affording prescription drugs in the next two years.

The problem of prescription drug coverage is more prevalent for Hispanics than African Americans. Although Hispanics and African Americans are as likely to have employer-provided coverage, African Americans are *more* likely to have insurance coverage through public programs than Hispanics.

Hispanics and African Americans support state legislative actions that address the affordability of prescription drugs. They strongly support:

- adopting preferred drug lists that serve more people in the community but not cover every prescription drug
- purchasing prescription drugs in bulk and passing this savings on to those without adequate drug coverage
- requiring that drug manufacturers report how much they spend on marketing prescription drugs to physicians

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APPENDIX A

ANNOTATED QUESTIONNAIRES

Hispanic Sample
African American Sample

AARP Prescription Drug Study December 2006
Hispanic Weighted Sample (n = 1,000)

Hello, my name is _____ calling on behalf of Marie Brighton of the Consumer Opinion Panel. **(INSERT PANEL MEMBER'S NAME)** is a member of our panel, and today, we would like to speak to (the male/female) head of your household. Would you be/May I please speak to that person? This is a short survey and will only take about 5 minutes. **[DO NOT PAUSE]**

QA. To ensure we speak with all different types of people, are you Spanish, Hispanic or Latino?

1. Yes
2. No, not Hispanic/Latino
3. Don't know
4. Refused

QB. Which of the following groups best describes your race?
(READ CODES 1 – 6)

1. White
2. Black or African American
3. Asian
4. Native Hawaiian or Pacific Islander
5. American Indian or Alaskan native
6. Other race
7. Don't know **(DO NOT READ)**
8. Refused **(DO NOT READ)**

[FOR QUOTA PURPOSE, HISPANIC OVERRIDES AFRICAN AMERICAN]

[IF SAMPLE GROUP = 3 (AFRICAN AMERICAN) AND QB = 2 OR QA = 1, GO TO Q1]

[IF SAMPLE GROUP = 1 or 2 (HISPANIC DIVERSITY OR HISPANIC PANEL), AND CURRENT RESPONDENT IS NOT HISPANIC IN QA (QA = 2, 3, OR 4), ASK:]

QC. Is your spouse or other head of household of Spanish, Hispanic or Latino descent?

1. Yes **(ASK TO SPEAK WITH SPOUSE/OTHER HEAD OF HOUSEHOLD; REINTRODUCE AND ASK QA)**
2. No, not Hispanic/Latino **(GO TO Q1 IF QB = 2; ELSE THANK AND TERMINATE)**
3. Don't know **(GO TO Q1 IF QB = 2; ELSE THANK AND TERMINATE)**
4. Refused **(GO TO Q1 IF QB = 2; ELSE THANK AND TERMINATE)**

[IF SAMPLE GROUP = 1 (DIVERSITY), ASK:]

QD. For purposes of this interview, would you prefer to do the survey in English or in Spanish?

(n = 603 wt)

42% English
58% Spanish

1. Have you or a family member bought a prescription drug within the past 12 months?

Weighted (n = 1000)

73% Yes
27% No **[SKIP TO Q4]**
Not sure **(DO NOT READ) [SKIP TO Q4]**
Refused **(DO NOT READ) [SKIP TO Q4]**

[ASK IF Q1 = 1; ELSE SKIP TO Q4]

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

(n = 726)

14% A major problem
27% A minor problem
60% Not a problem
Not sure **(DO NOT READ)**
Refused **(DO NOT READ)**

3. In the past 12 months, approximately how much have you spent, each month, out of your own pocket for prescription drugs? **[READ LIST]**

(n = 726)

22% Less than \$10 per month
36% \$10 but less than \$50 per month
22% \$50 but less than \$100 per month
13% \$100 but less than \$200 per month
5% \$200 but less than \$500 per month
1% \$500 or more per month
1% Not sure **(DO NOT READ)**
* Refused **(DO NOT READ)**

[ASK ALL:]

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

(n = 1000)

- 62% Top two boxes
- 29% Very concerned
- 33% Somewhat concerned
- 17% Not very concerned
- 22% Not at all concerned
- 39% Bottom two boxes
- * Not sure (**DO NOT READ**)
- Refused (**DO NOT READ**)

5. How do you pay for your prescription drugs? [**READ ITEMS A – H – RECORD YES OR NO FOR EACH**] I

(n = 1000)

- 1. Yes
- 2. No
- 3. Don't know
- 4. Refused

DISPLAY FOR EACH ITEM

(Percent yes)

- 34% Pay full retail price, without any discount or insurance coverage
- 54% Have insurance through an employer or your spouse's employer that pays all or part of the cost
- 18% Have insurance through your former employer or your spouse's former employer that pays all or part of the cost
- 15% Have a prescription drug discount card from a pharmaceutical company or pharmacy
- 19% Have coverage through a state sponsored program such as Medicaid
- 15% Have coverage through a Medicare Part D plan
- 6% Have coverage through the Veteran's Administration
- 3% Have coverage through the Indian Health Service
- ? Not sure (**DO NOT READ**)
- ? Refused (**DO NOT READ**)

Summary variables- Yes to at least one way of paying

60% **Private insurance:** (Have insurance through an employer or your spouse's employer OR through your former employer or your spouse's former employer)

30% **Public coverage** – (Have coverage through a state sponsored program such as Medicaid OR a Medicare Part D plan OR through the Veteran's Administration OR Indian Health Service)

34% **No coverage – pay full price** – (Pay full retail price, without any discount or insurance coverage)

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?
[READ ITEMS A – I – RECORD YES OR NO FOR EACH] In the past 12 months, have you or a family member...

(n = 1000)

1. Yes
2. No
3. Don't know
4. Refused

DISPLAY FOR EACH ITEM:

- 25% Delayed getting a prescription filled or not gotten a prescription filled because you didn't have enough money to pay for it?
- 14% Taken less medicine than your doctor prescribed to make it last longer?
- 12% Ordered your prescription drugs by mail or Internet from a company in the U.S. because they cost less?
- 6% Ordered your prescription drugs by mail or Internet from a company in another country because they cost less?
- 8% Traveled to Canada or Mexico or another foreign country to purchase prescription drugs because they cost less?
- 16% Skipped a dose?
- 3% Asked a prescription drug company for help in paying for your prescription drugs?
- 6% Asked a doctor for help in paying for your prescription drugs?
- 4% Asked a pharmacist for help in paying for your prescription drugs?

Summary variables: did at least one activity

33% - **Potentially harmful** (Delayed getting a prescription OR Taken less medicine OR Skipped a dose)

28% - **Cost savings** (Ordered your prescription drugs by mail or Internet from a company in the U.S. or another country OR Traveled to Canada or Mexico or another foreign OR asked for help paying for drugs from drug company. doctor or drug company)

12% **Asked for help paying for drugs** (from drug company. doctor or drug company)

7. Several states are using preferred drug lists as a way of controlling rising prescription drug costs. A preferred drug list is typically a list of prescription drugs chosen by an independent panel of physicians and pharmacists for their safety and effectiveness first and then cost second. When there are two or more prescriptions that can be prescribed for a condition, the state negotiates the best deal and puts that medication on the list for their Medicaid and state pharmacy programs.

Supporters say this is an important tool that allows the program to provide more medications to more people. Critics claim that preferred drug lists limit access to needed medications.

Which do you feel is more important: **(READ LIST)**

(n = 1000)

59% Having a state prescription assistance program that serves more people in the community, but does not cover every prescription drug?

OR

37% Having a state prescription assistance program that covers every prescription drug, but that serves fewer people?

3% Not sure **(DO NOT READ)**

1% Refused **(DO NOT READ)**

8. Many people do not have insurance to pay for prescription drugs. One way states are trying to help people who do not have insurance is to set up buying pools for state insurance programs. These buying pools can take advantage of purchasing drugs in bulk at lower prices. Savings from bulk purchasing could be used to lower the costs of drugs for people who do not have drug insurance.

How strongly would you support or oppose a legislation that would allow the state to do "bulk purchasing" and pass the savings to those without adequate drug coverage? Would you ...**(READ LIST)**

(n = 1000)

88% Top box

50% Strongly support

38% Somewhat support

6% Somewhat oppose

5% Strongly oppose

1% Not sure **(DO NOT READ)**

* Refused **(DO NOT READ)**

11% Bottom two

9. Now I'd like to ask you a question about how pharmaceutical companies sell their products. You may have seen prescription drug ads on televisions, heard them on the radio, or seen them in newspapers or magazines. Did you know that pharmaceutical companies also directly market their products to physicians?

(n = 1000)

57% Yes

43% No

* Not sure **(DO NOT READ)**

* Refused **(DO NOT READ)**

10. While sales representatives can help educate doctors about new medications, the marketing can also involve companies providing physicians with free meals, trips, entertainment, and gifts. Some experts believe that these practices encourage physicians to prescribe more expensive drugs when equally effective and less costly drugs exist. Other experts believe such practices encourage the use of new, possibly more effective drugs.

How strongly would you support or oppose your state enacting a legislation that would require drug manufacturers to report how much they spend on marketing to doctors? Would you... **(READ LIST)**

(n = 1000)

81% Top two boxes

49% Strongly support

32% Somewhat support

8% Somewhat oppose

8% Strongly oppose

2% Not sure **(DO NOT READ)**

1% Refused **(DO NOT READ)**

16% Bottom two boxes

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

D1. What is your age? _____

(n = 1000)

77% - 18 - 49

16% - 50 - 64

7% - 65+

Mean 39.9

RECORD NUMBER RANGE 18 – 97 (ENTER 97 FOR ANY VALUE OF 97 OR GREATER)

98% Don't know

99% Refused

D2. What is your current employment status? Are you... **(READ LIST)**
(n = 1000)

- 50% Employed full-time
- 9% Employed part-time
- 10% Retired (not working)
- 20% Homemaker
- 7% Unemployed (looking for work)
- 5% Something else
- 1% Refused **(DO NOT READ)**

[ASK IF D1 = 45 – 97; else go to D4]

D3. Are you (or your spouse) currently a member of AARP?
(n = 320)

- 33% Yes
- 65% No
- 1% Don't know
- 1% Refused

[ASK ALL:]

D4. What is the highest grade of school you completed is it... **(READ LIST IF NECESSARY)**

- (n = 1000)
- 8% Grade school
 - 11% Some high school
 - 32% High school graduate
 - 4% Technical or vocational school
 - 21% Some college
 - 11% 4 year college graduate
 - 11% Post-graduate studies

D5. Do you have access to the Internet... **[READ LIST]**
(n = 1000)

- 25% At home?
- 6% At work?
- 31% Both?
- 37% Neither?

D6. What language do you primarily speak at home?
(n = 1000)

- 33% Spanish
- 40% English
- 27% Both Spanish and English
- 1% Other Language

D7. Just for statistical purposes, stop me when I get to the category that includes your household's total income in 2005, before taxes. This includes wages, Social Security, pensions, and interest or dividends on savings and investments. Was it... **[READ LIST]**

(n = 1000)

- 20% Less than \$15,000
- 16% \$15,000 to less than \$25,000
- 15% \$25,000 to less than \$35,000
- 17% \$35,000 to less than \$50,000
- 8% \$50,000 to less than \$60,000
- 9% \$60,000 to less than \$75,000
- 7% \$75,000 to less than \$100,000
- 7% \$100,000 or more
- Don't know **(DO NOT READ)**
- Refused **(DO NOT READ)**

D8. RECORD GENDER **(BY OBSERVATION)**

(n = 1000)

- 51% Male
- 49% Female

**AARP Prescription Drug Study December 2006
African American Weighted Sample (n = 1000)**

Hello, my name is _____ calling on behalf of Marie Brighton of the Consumer Opinion Panel. **(INSERT PANEL MEMBER'S NAME)** is a member of our panel, and today, we would like to speak to (the male/female) head of your household. Would you be/May I please speak to that person? This is a short survey and will only take about 5 minutes. **[DO NOT PAUSE]**

QA. To ensure we speak with all different types of people, are you Spanish, Hispanic or Latino?

1. Yes
2. No, not Hispanic/Latino
3. Don't know
4. Refused

QB. Which of the following groups best describes your race?
(READ CODES 1 – 6)

9. White
10. Black or African American
11. Asian
12. Native Hawaiian or Pacific Islander
13. American Indian or Alaskan native
14. Other race
15. Don't know **(DO NOT READ)**
16. Refused **(DO NOT READ)**

[FOR QUOTA PURPOSE, HISPANIC OVERRIDES AFRICAN AMERICAN]

[IF SAMPLE GROUP = 3 (AFRICAN AMERICAN) AND QB = 2 OR QA = 1, GO TO Q1]

[IF SAMPLE GROUP = 1 or 2 (HISPANIC DIVERSITY OR HISPANIC PANEL), AND CURRENT RESPONDENT IS NOT HISPANIC IN QA (QA = 2, 3, OR 4), ASK:]

QC. Is your spouse or other head of household of Spanish, Hispanic or Latino descent?

1. Yes **(ASK TO SPEAK WITH SPOUSE/OTHER HEAD OF HOUSEHOLD; REINTRODUCE AND ASK QA)**
2. No, not Hispanic/Latino **(GO TO Q1 IF QB = 2; ELSE THANK AND TERMINATE)**
3. Don't know **(GO TO Q1 IF QB = 2; ELSE THANK AND TERMINATE)**

4. Refused (**GO TO Q1 IF QB = 2; ELSE THANK AND TERMINATE**)
[IF SAMPLE GROUP = 1 (DIVERSITY), ASK:]

QD. For purposes of this interview, would you prefer to do the survey in English or in Spanish?

- English
- Spanish

1. Have you or a family member bought a prescription drug within the past 12 months?

(n = 1000)

- 76% Yes
- 24% No [**SKIP TO Q4**]

[ASK IF Q1 = 1; ELSE SKIP TO Q4]

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

(n = 757) (base: bought prescription drug within past 12 months)

- 14% A major problem
- 24% A minor problem
- 62% Not a problem
- 0% Not sure (**DO NOT READ**)
- 0% Refused (**DO NOT READ**)

3. In the past 12 months, approximately how much have you spent, each month, out of your own pocket for prescription drugs? [**READ LIST**]

(n = 757) (base: bought prescription drug within past 12 months)

- 23% Less than \$10 per month
- 41% \$10 but less than \$50 per month
- 20% \$50 but less than \$100 per month
- 10% \$100 but less than \$200 per month
- 4% \$200 but less than \$500 per month
- 1% \$500 or more per month
- * Not sure (**DO NOT READ**)
- * Refused (**DO NOT READ**)

[ASK ALL:]

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

(n = 1000)

- 68% Top two boxes
- 45% Very concerned
- 23% Somewhat concerned
- 17% Not very concerned
- 15% Not at all concerned
- 32% Bottom two boxes
- * Not sure (**DO NOT READ**)
- Refused (**DO NOT READ**)

5. How do you pay for your prescription drugs? [**READ ITEMS A – H – RECORD YES OR NO FOR EACH**] I

(n = 1000)

- 5. Yes
- 6. No
- 7. Don't know
- 8. Refused

DISPLAY FOR EACH ITEM

(Percent yes)

- 52% Have insurance through an employer or your spouse's employer that pays all or part of the cost
- 20% Have insurance through your former employer or your spouse's former employer that pays all or part of the cost
- 23% Pay full retail price, without any discount or insurance coverage
- 17% Have a prescription drug discount card from a pharmaceutical company or pharmacy
- 28% Have coverage through a state sponsored program such as Medicaid
- 20% Have coverage through a Medicare Part D plan
- 9% Have coverage through the Veteran's Administration
- 1% Have coverage through the Indian Health Service

Summary Variables- pay for insurance by at least one source

62% **Private insurance:** (Have insurance through an employer or your spouse's employer OR through your former employer or your spouse's former employer)

43% **Public coverage** – (Have coverage through a state sponsored program such as Medicaid OR a Medicare Part D plan OR through the Veteran's Administration OR Indian Health Service)

22% **No coverage – pay full price** – (Pay full retail price, without any discount or insurance coverage)

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?
[READ ITEMS A – I – RECORD YES OR NO FOR EACH] In the past 12 months, have you or a family member...

(n = 1000)

1. Yes
2. No
3. Don't know
4. Refused

DISPLAY FOR EACH ITEM:

- 27% Delayed getting a prescription filled or not gotten a prescription filled because you didn't have enough money to pay for it?
- 16% Taken less medicine than your doctor prescribed to make it last longer?
- 12% Ordered your prescription drugs by mail or Internet from a company in the U.S. because they cost less?
- 2% Ordered your prescription drugs by mail or Internet from a company in another country because they cost less?
- * Traveled to Canada or Mexico or another foreign country to purchase prescription drugs because they cost less?
- 22% Skipped a dose?
- 9% Asked a prescription drug company for help in paying for your prescription drugs?
- 10% Asked a doctor for help in paying for your prescription drugs?
- 5% Asked a pharmacist for help in paying for your prescription drugs?

Summary variables: did at least one activity

37% - **Potentially harmful** (Delayed getting a prescription OR Taken less medicine OR Skipped a dose)

26% **Cost savings** (Ordered your prescription drugs by mail or Internet from a company in the U.S. or another country OR Traveled to Canada or Mexico or another foreign OR asked for help paying for drugs from drug company. doctor or drug company)

16% **Asked for help paying for drugs** (from drug company. doctor or drug company)

7. Several states are using preferred drug lists as a way of controlling rising prescription drug costs. A preferred drug list is typically a list of prescription drugs chosen by an independent panel of physicians and pharmacists for their safety and effectiveness first and then cost second. When there are two or more prescriptions that can be prescribed for a condition, the state negotiates the best deal and puts that medication on the list for their Medicaid and state pharmacy programs.

Supporters say this is an important tool that allows the program to provide more medications to more people. Critics claim that preferred drug lists limit access to needed medications.

Which do you feel is more important: **(READ LIST)**
(n = 1000)

- 59% Having a state prescription assistance program that serves more people in the community, but does not cover every prescription drug?
- 39% Having a state prescription assistance program that covers every prescription drug, but that serves fewer people?
- 2% Not sure **(DO NOT READ)**
- 1% Refused **(DO NOT READ)**

8. Many people do not have insurance to pay for prescription drugs. One way states are trying to help people who do not have insurance is to set up buying pools for state insurance programs. These buying pools can take advantage of purchasing drugs in bulk at lower prices. Savings from bulk purchasing could be used to lower the costs of drugs for people who do not have drug insurance.

How strongly would you support or oppose a legislation that would allow the state to do “bulk purchasing” and pass the savings to those without adequate drug coverage? Would you ...**(READ LIST)**
(n = 1000)

- 87% Top two boxes
- 54% Strongly support
- 33% Somewhat support
- 7% Somewhat oppose
- 5% Strongly oppose
- 1% Not sure **(DO NOT READ)**
- * Refused **(DO NOT READ)**
- 12% Bottom two boxes

9. Now I'd like to ask you a question about how pharmaceutical companies sell their products. You may have seen prescription drug ads on televisions, heard them on the radio, or seen them in newspapers or magazines. Did you know that pharmaceutical companies also directly market their products to physicians?

(n = 1000)

- 61% Yes
- 39% No
- * Not sure **(DO NOT READ)**
- * Refused **(DO NOT READ)**

10. While sales representatives can help educate doctors about new medications, the marketing can also involve companies providing physicians with free meals, trips, entertainment, and gifts. Some experts believe that these practices encourage physicians to prescribe more expensive drugs when equally effective and less costly drugs exist. Other experts believe such practices encourage the use of new, possibly more effective drugs.

How strongly would you support or oppose your state enacting a legislation that would require drug manufacturers to report how much they spend on marketing to doctors? Would you... **(READ LIST)**

(n = 1000)

- 79% Top two boxes
- 52% Strongly support
- 27% Somewhat support
- 9% Somewhat oppose
- 10% Strongly oppose
- 1% Not sure **(DO NOT READ)**
- * Refused **(DO NOT READ)**

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

D1. What is your age? _____

(n = 1000)

- 67% - 18 - 49
- 21% - 50 - 64
- 12% - 65+
- Mean 44.0

RECORD NUMBER RANGE 18 – 97 (ENTER 97 FOR ANY VALUE OF 97 OR GREATER)

98% Don't know

99% Refused

D2. What is your current employment status? Are you... **(READ LIST)**
(n = 1000)

- 46% Employed full-time
- 10% Employed part-time
- 18% Retired (not working)
- 6% Homemaker
- 8% Unemployed (looking for work)
- 12% Something else
- 1% Refused **(DO NOT READ)**

[ASK IF D1 = 45 – 97; else go to D4]

D3. Are you (or your spouse) currently a member of AARP?
(n = 459)

- 43% Yes
- 55% No
- * Don't know
- * Refused

[ASK ALL:]

D4. What is the highest grade of school you completed is it... **(READ LIST IF NECESSARY)**

(n = 1000)

- 1% Grade school
- 6% Some high school
- 22% High school graduate
- 6% Technical or vocational school
- 39% Some college
- 17% 4 year college graduate
- 11% Post-graduate studies

D5. Do you have access to the Internet... **[READ LIST]**

(n = 1000)

- 34% At home?
- 6% At work?
- 31% Both?
- 30% Neither?

D6. What language do you primarily speak at home?

(Not Asked)

- Spanish
- English
- Both Spanish and English
- Other Language

D7. Just for statistical purposes, stop me when I get to the category that includes your household's total income in 2005, before taxes. This includes wages, Social Security, pensions, and interest or dividends on savings and investments. Was it... **[READ LIST]**

(n = 1000)

- 28% Less than \$15,000
- 16% \$15,000 to less than \$25,000
- 14% \$25,000 to less than \$35,000
- 15% \$35,000 to less than \$50,000
- 7% \$50,000 to less than \$60,000
- 8% \$60,000 to less than \$75,000
- 7% \$75,000 to less than \$100,000
- 6% \$100,000 or more
- Don't know **(DO NOT READ)**
- Refused **(DO NOT READ)**

D8. RECORD GENDER **(BY OBSERVATION)**

(n = 1000)

- 46% Male
- 54% Female

APPENDIX B

ADDITIONAL EXECUTIVE SUMMARIES **Hispanic Sample** **African American Sample**



Executive Summary
AARP 2006 Prescription Drug Study with Hispanics and African Americans
Focus on Hispanics

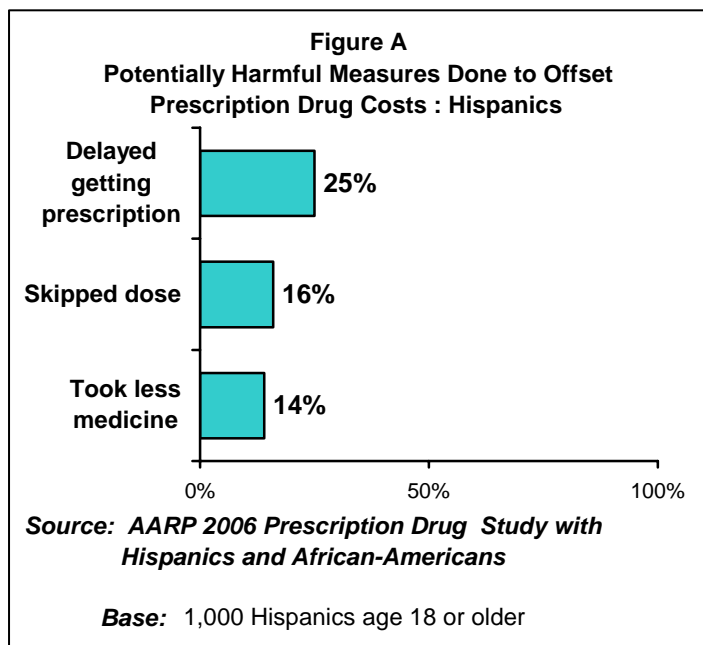
AARP conducted the 2006 Prescription Drug Study with Hispanics and African Americans. Telephone interviews were conducted with 1,000 adults age 18 and older, who identified themselves as Hispanic* to learn more about their experiences in paying for prescription drugs and their interest in legislation addressing prescription drug issues.

The affordability of prescription drugs is an important issue to Hispanics both personally and politically. Based upon the findings of the AARP Prescription Drug Study with Hispanics and African Americans, about three-quarters of the Hispanic respondents (73%) had purchased prescription drugs within the past year. Among those who had purchased prescription drugs in the past year, about four-in-ten Hispanics (41%) had a problem paying for prescription medications.

All respondents were asked about their concern about the future affordability of prescription drugs. About six in ten Hispanics (61%) said they are concerned about their ability to pay for prescription drugs over the next two years.

With the high cost of prescription drugs and the inability of some respondents to afford these costs, one-third of Hispanics (33%) took at least one measure that could be potentially harmful to their health. As shown in Figure A, respondents delayed getting a prescription filled, skipped a dose, or took less medicine.

The study also highlighted the critical impact of having insurance coverage.

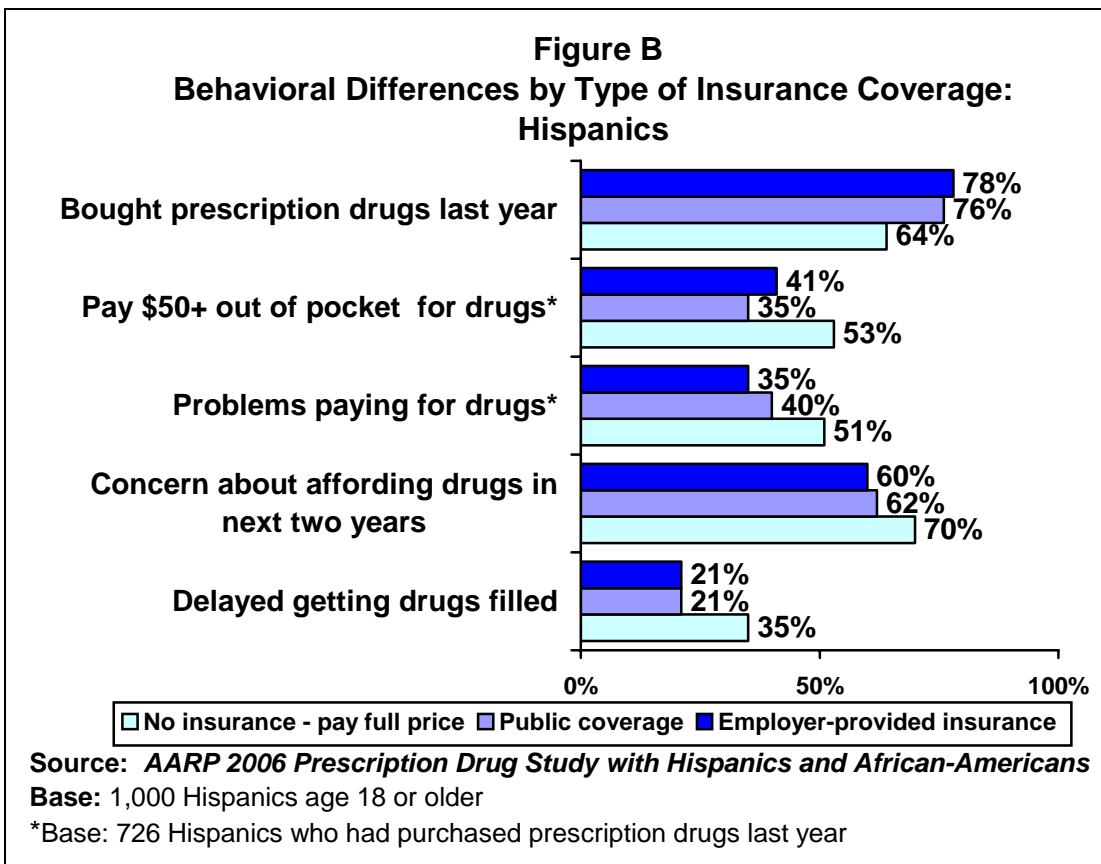


* A research contractor, Synovate conducted the telephone interviews between December 6 and 23, 2006. The English-speaking Hispanic sample and the African American sample were selected from a Synovate research panel. The Spanish-speaking Hispanic sample was obtained by Random Digit Dialing.

As illustrated in Figure B, respondents who have employer insurance or have public insurance coverage are more likely to have purchased prescription drugs within the past year than respondents who pay full price for the prescriptions without any insurance coverage or discounts.

Respondents with employer-provided insurance or public coverage are less likely than respondents with no insurance to:

- Pay higher out of pocket costs (\$50+ monthly) for prescriptions
- Have problems paying for prescription drugs
- Be concerned about the future affordability of prescription drugs
- Have delayed getting prescriptions filled or not gotten a prescription filled because they did not have enough money to pay for it



Hispanics strongly support state legislative actions that address the affordability of prescription drugs to:

- adopt preferred drug lists that serve more people in the community but does not cover every prescription drug
- purchase prescription drugs in bulk and pass this savings on to those without adequate drug coverage
- require that drug manufacturers report how much they spend on marketing prescription drugs to physicians



Executive Summary
AARP 2006 Prescription Drug Study with Hispanics and African Americans
Focus on African Americans

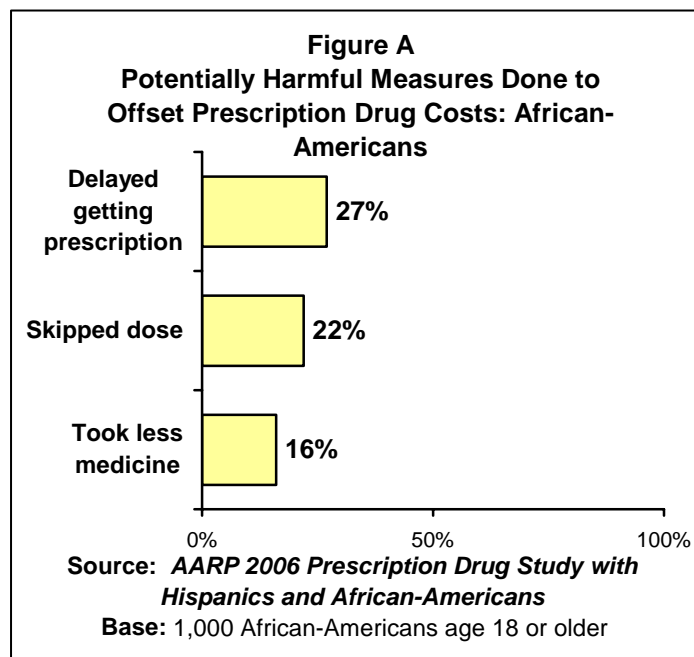
AARP conducted the 2006 Prescription Drug Study with Hispanics and African Americans. Telephone interviews were conducted with 1,000 adults age 18 and older, who identified themselves as African American¹⁴ to learn more about their experiences in paying for prescription drugs and their interest in legislation addressing prescription drug issues.

The affordability of prescription drugs is an important issue to African Americans both personally and politically. Based upon the findings of the AARP Prescription Drug Study with Hispanics and African Americans, about three-quarters of the African American respondents (76%) had purchased prescription drugs within the past year. Among those who had purchased prescription drugs in the past year, about four-in-ten African Americans (38%) had a problem paying for prescription medications.

All respondents were asked about their concern about the future affordability of prescription drugs. Over six-in-ten African Americans (68%) said they are concerned about their ability to pay for prescription drugs over the next two years.

With the high cost of prescription drugs and the inability of some respondents to afford these costs, over one-third of African Americans (37%) took at least one measure that could be potentially harmful to their health. As shown in Figure A, respondents delayed getting a prescription filled, skipped a dose, or took less medicine.

The study also highlighted the critical impact of having insurance coverage.

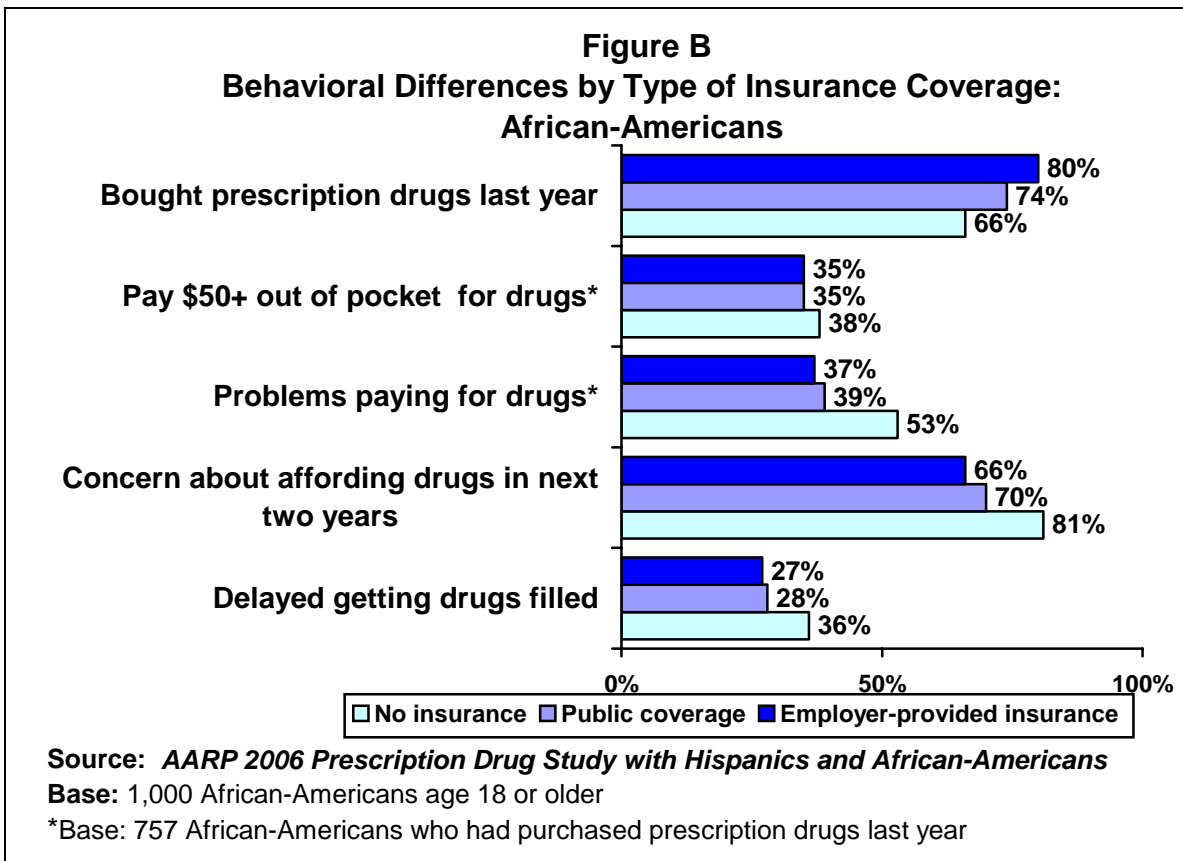


¹⁴ A research contractor, Synovate conducted the telephone interviews between December 6 and 23, 2006. The African American sample and the English-speaking Hispanic sample were selected from a Synovate research panel. The Spanish-speaking Hispanic sample was obtained by Random Digit Dialing.

As illustrated in Figure B, respondents who have employer insurance or have public insurance coverage are more likely to have purchased prescription drugs within the past year than respondents who pay full price for the prescriptions without any insurance coverage or discounts.

Respondents with employer-provided insurance or public coverage are less likely than respondents with no insurance to:

- Pay higher out of pocket costs (\$50+ monthly) for prescriptions
- Have problems paying for prescription drugs
- Be concerned about the future affordability of prescription drugs
- Have delayed getting prescriptions filled or not gotten a prescription filled because they did not have enough money to pay for it
- Took less medicine than prescribed to make it last longer



African Americans strongly support state legislative actions that address the affordability of prescription drugs to:

- adopt preferred drug lists that serve more people in the community but does not cover every prescription drug
- purchase prescription drugs in bulk and pass this savings on to those without adequate drug coverage
- require that drug manufacturers report how much they spend on marketing prescription drugs to physicians