

# MEDICARE TOMORROW: Future Savings For Beneficiaries

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A State-by-State Analysis Prepared for the Healthcare Leadership Council by PricewaterhouseCoopers LLP

August 2005



## **MEDICARE TOMORROW: FUTURE SAVINGS FOR BENEFICIARIES**

In August 2005, the *Medicare Today* and Alliance to Improve Medicare (AIM) partnership commissioned PricewaterhouseCoopers LLP to develop a comprehensive, state-by-state analysis of the impact of the new Medicare prescription drug benefits on low-income and other seniors who enroll in the program, which takes effect on January 1, 2006.

Using federal health data, the researchers found:

- **Low-income seniors will save nearly \$1,500 a year under the new prescription drug benefit** – a decrease of nearly 90 percent from what they are currently spending. The study indicates that seniors who earn less than \$14,505 will see their out-of-pocket costs for prescription medications drop from \$1,657 to \$180 a year.
- **Seniors with average incomes will see savings too.** Nearly all Medicare beneficiaries could save, on average, nearly \$700 a year.
- **Seniors who do not currently have prescription drug coverage will see significant savings.** The analysis shows that the nearly 11.8 million seniors who are currently without prescription drug coverage will see their out-of-pocket costs fall by two-thirds – from \$1,905 to \$626 a year.
- **There should be a significant decrease in the number of older Americans who lack prescription drug coverage.** The report shows that fully 97 percent of Medicare beneficiaries could have drug coverage after the benefit takes effect, compared to 62 percent who currently have drug coverage.

*Medicare Today* is a broad-based partnership of organizations representing seniors, patients, health care groups, employers, and others. The mission of this nonpartisan partnership is to educate and inform Medicare beneficiaries and the public at large on the benefits provided through The Medicare Prescription, Drug, Improvement and Modernization Act of 2003 (MMA) and about how millions of seniors will benefit from the new Medicare law. Together, the group is conducting a comprehensive outreach program to reach seniors through a grassroots, person-to-person approach, explaining the Medicare drug benefit and other new Medicare features with clarity and objectivity. *Medicare Today* is administered by the Healthcare Leadership Council, located in Washington, D.C.

To access *Medicare Today*'s interactive tools or to locate *Medicare Today* activities, visit [www.MedicareToday.org](http://www.MedicareToday.org) or [www.HLC.org](http://www.HLC.org). For more information about the research, contact: Mike Freeman at the Healthcare Leadership Council (202-452-8700).

**Estimated Costs for Low-Income Senior Pre- and Post-Medicare Prescription Drug Coverage**

<b>State</b>	<b>Amount Average Low-Income Senior Now Spends Out-of-Pocket for Rx Drugs</b>	<b>Amount Average Low-Income Senior Will Spend Out-of-Pocket for Rx Drugs Under New Rx Benefit</b>	<b>Average Out-of-Pocket Savings</b>
Alabama	\$1,845	\$200	\$1,645
Alaska	\$1,367	\$148	\$1,219
Arizona	\$1,512	\$164	\$1,348
Arkansas	\$1,661	\$180	\$1,481
California	\$1,486	\$161	\$1,325
Colorado	\$1,480	\$161	\$1,319
Connecticut	\$1,506	\$163	\$1,343
Delaware	\$1,841	\$200	\$1,641
District of Columbia	\$1,695	\$184	\$1,511
Florida	\$1,825	\$198	\$1,627
Georgia	\$1,862	\$202	\$1,660
Hawaii	\$1,330	\$144	\$1,186
Idaho	\$1,439	\$156	\$1,283
Illinois	\$1,580	\$171	\$1,409
Indiana	\$1,664	\$181	\$1,483
Iowa	\$1,517	\$165	\$1,352
Kansas	\$1,549	\$168	\$1,381
Kentucky	\$1,772	\$192	\$1,580
Louisiana	\$1,738	\$189	\$1,549
Maine	\$1,566	\$170	\$1,396
Maryland	\$1,781	\$193	\$1,588
Massachusetts	\$1,599	\$173	\$1,426
Michigan	\$1,791	\$194	\$1,597
Minnesota	\$1,435	\$156	\$1,279
Mississippi	\$1,664	\$181	\$1,483
Missouri	\$1,628	\$177	\$1,451
Montana	\$1,422	\$154	\$1,268
Nebraska	\$1,466	\$159	\$1,307
Nevada	\$1,479	\$160	\$1,319
New Hampshire	\$1,495	\$162	\$1,333
New Jersey	\$1,669	\$181	\$1,488
New Mexico	\$1,478	\$160	\$1,318
New York	\$1,684	\$183	\$1,501
North Carolina	\$1,843	\$200	\$1,643
North Dakota	\$1,445	\$157	\$1,288
Ohio	\$1,714	\$186	\$1,528
Oklahoma	\$1,611	\$175	\$1,436
Oregon	\$1,438	\$156	\$1,282
Pennsylvania	\$1,636	\$177	\$1,459
Rhode Island	\$1,630	\$177	\$1,453
South Carolina	\$1,903	\$206	\$1,697
South Dakota	\$1,349	\$146	\$1,203
Tennessee	\$1,784	\$194	\$1,590
Texas	\$1,636	\$178	\$1,458
Utah	\$1,497	\$162	\$1,335
Vermont	\$1,528	\$166	\$1,362
Virginia	\$1,818	\$197	\$1,621
Washington	\$1,485	\$161	\$1,324
West Virginia	\$1,951	\$212	\$1,739
Wisconsin	\$1,553	\$168	\$1,385
Wyoming	\$1,369	\$149	\$1,220

*Source: Prepared by analysts at PricewaterhouseCoopers LLP*

**EMBARGOED UNTIL 12:01 A.M. (ET) AUGUST 25, 2005**

**Estimated Costs for Average Senior Pre- and Post-Medicare Prescription Drug Coverage**

<b>State</b>	<b>Amount Average Senior Now Spends Out-of-Pocket for Rx Drugs</b>	<b>Amount Average Senior Will Spend Out-of-Pocket for Rx Drugs Under New Rx Benefit</b>	<b>Average Out-of-Pocket Savings</b>
Alabama	\$1,727	\$961	\$766
Alaska	\$1,280	\$712	\$568
Arizona	\$1,415	\$787	\$628
Arkansas	\$1,555	\$865	\$690
California	\$1,391	\$774	\$617
Colorado	\$1,384	\$771	\$613
Connecticut	\$1,409	\$784	\$625
Delaware	\$1,723	\$959	\$764
District of Columbia	\$1,586	\$883	\$703
Florida	\$1,708	\$950	\$758
Georgia	\$1,742	\$970	\$772
Hawaii	\$1,244	\$693	\$551
Idaho	\$1,347	\$750	\$597
Illinois	\$1,478	\$823	\$655
Indiana	\$1,557	\$867	\$690
Iowa	\$1,420	\$790	\$630
Kansas	\$1,449	\$807	\$642
Kentucky	\$1,658	\$923	\$735
Louisiana	\$1,626	\$905	\$721
Maine	\$1,465	\$816	\$649
Maryland	\$1,666	\$927	\$739
Massachusetts	\$1,496	\$833	\$663
Michigan	\$1,675	\$933	\$742
Minnesota	\$1,342	\$747	\$595
Mississippi	\$1,557	\$867	\$690
Missouri	\$1,523	\$848	\$675
Montana	\$1,331	\$741	\$590
Nebraska	\$1,372	\$764	\$608
Nevada	\$1,384	\$770	\$614
New Hampshire	\$1,399	\$779	\$620
New Jersey	\$1,562	\$869	\$693
New Mexico	\$1,383	\$770	\$613
New York	\$1,576	\$877	\$699
North Carolina	\$1,724	\$960	\$764
North Dakota	\$1,352	\$753	\$599
Ohio	\$1,604	\$893	\$711
Oklahoma	\$1,508	\$839	\$669
Oregon	\$1,346	\$749	\$597
Pennsylvania	\$1,531	\$852	\$679
Rhode Island	\$1,525	\$849	\$676
South Carolina	\$1,781	\$991	\$790
South Dakota	\$1,262	\$703	\$559
Tennessee	\$1,670	\$929	\$741
Texas	\$1,531	\$852	\$679
Utah	\$1,401	\$780	\$621
Vermont	\$1,430	\$796	\$634
Virginia	\$1,702	\$947	\$755
Washington	\$1,390	\$774	\$616
West Virginia	\$1,825	\$1,016	\$809
Wisconsin	\$1,453	\$809	\$644
Wyoming	\$1,281	\$713	\$568

*Source: Prepared by analysts at PricewaterhouseCoopers LLP*

**EMBARGOED UNTIL 12:01 A.M. (ET) AUGUST 25, 2005**

The Alliance to Improve Medicare (AIM) and the Medicare Today partnership requested PricewaterhouseCoopers LLP to estimate the effects of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 on low-income beneficiaries by state.

## **Impact of the Medicare Prescription Drug Coverage on Medicare Beneficiaries: U.S. National Summary**

On December 8, 2003, the President signed the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA), which added a prescription drug benefit as part of the Medicare program. Under the new law, Medicare will offer complete prescription drug coverage to qualifying low-income beneficiaries with minimal cost sharing and no premiums.

The MMA significantly improves prescription drug coverage for low-income (non-federal coverage) beneficiaries.<sup>1</sup> Specifically, PricewaterhouseCoopers found:

- Participation in the new drug benefit will be about 96 percent (about 8 million) of low-income beneficiaries compared to 52 percent of these individuals not receiving any drug coverage pre-MMA.
- Out-of-pocket spending by low-income Medicare beneficiaries that are eligible and participate will fall from about \$1,657 pre-MMA to an estimated \$180 under the MMA. For those beneficiaries who are uninsured and low-income, the difference between out-of-pocket spending pre- and post-MMA is even greater—\$1,905 pre-MMA versus \$130 post-MMA.
- The low-income population that is eligible and participates will receive a federal subsidy, on average, of about \$2,048.

### **How to Read the State Tables**

The left-hand side of the each state table contains information on the low-income Medicare population including those with Medicaid as well as those who are not eligible for Medicaid. The estimates were based on the March 2004 Current Population Survey. For example, 33 percent of low-income Medicare beneficiaries in Alabama are male and 67 percent female.

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<sup>1</sup> Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS, Department of Defense, VA, Medicaid and other government sources.

Low-income includes individuals at or below 150 percent of the federal poverty level.

The middle section of the state table contains information on the number of Medicare beneficiaries who are not enrolled in Medicaid and other federal programs such as CHAMPUS, Department of Defense, and VA. The upper panel includes both low-income and high income Medicare beneficiaries while the lower panel includes only those low-income Medicare beneficiaries who are eligible for the low-income benefit. For example, Alabama has 532,446 Medicare beneficiaries who are not covered by Medicaid or other federal programs and 133,671 of them are eligible for the low-income benefit. In the absence of the MMA, about 55 percent of all Alabama Medicare beneficiaries have drug coverage compared to only 37 percent of the low-income group.

The right-hand side of each state table contains information on spending, out-of-pocket, and federal subsidies.<sup>2</sup> The top panel shows averages across all Medicare beneficiaries (except for those enrolled in federal programs) and the lower panel shows comparable estimates for those who are low-income. For example, in the top panel, we estimate that average spending in Alabama is \$3,177 per beneficiary pre-MMA and \$3,067 post-MMA. The lower spending post-MMA reflects a combination of higher drug utilization offset by lower prices.<sup>3</sup> Estimates of cost sharing assume that all Medicare beneficiaries who are eligible for the low-income subsidies receive them. For example, in Alabama, low-income beneficiaries are estimated to have out-of-pocket spending of \$1,845 in 2006 in the absence of the MMA but average out-of-pocket of only \$200 under the new Medicare Part D program. Federal subsidies per low-income Medicare beneficiary, assuming that all eligibles participate, would be \$2,282.<sup>4</sup>

The lower part of each state table contains a chart that compares pre-MMA and post-MMA out-of-pocket expenses on prescription drugs. For example, in Alabama, the average Medicare beneficiary is estimated to have cost sharing of \$1,727 in the absence of the MMA and \$961 under the MMA, a reduction of more than \$700 per Medicare beneficiary. The chart shows that the low-income uninsured beneficiary is estimated to have cost sharing of \$2,122 in

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<sup>2</sup> Spending refers to the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs. Out-of-pocket spending refers to what the beneficiary spends; this spending does not include the cost of premiums many beneficiaries pay under current insurance plans nor does it include the premiums that most beneficiaries pay under Medicare Part D. Federal subsidy refers to the portion of total costs paid by the federal government under Medicare Part D.

<sup>3</sup> CBO estimates that average drug prices are lower post-MMA because more Medicare beneficiaries will be under managed pharmacy benefits in which discounts are negotiated with both drug companies and retail pharmacy networks.

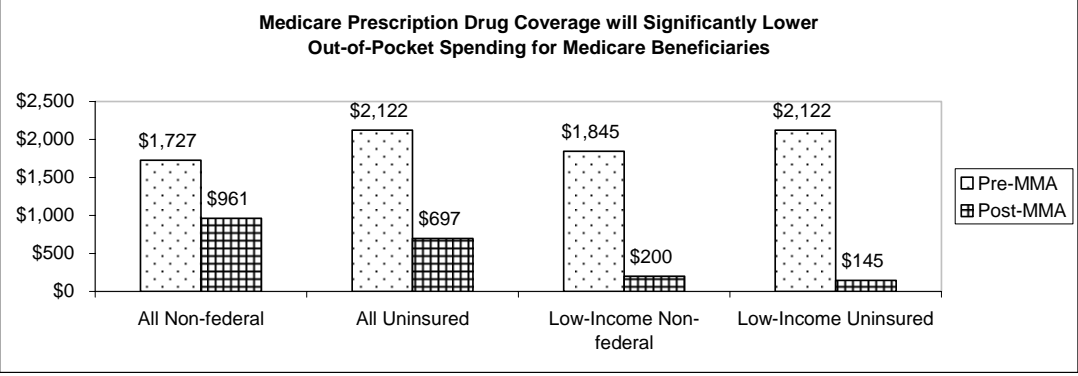
<sup>4</sup> Low-income Medicare beneficiaries who have coverage from former employers who do continue to provide prescription drug coverage are assumed to continue to pay the cost sharing associated with those employer plans.

the absence of the MMA and \$145 under the MMA, a reduction of more than \$1,900 per Medicare beneficiary.<sup>5</sup>

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<sup>5</sup> These numbers reflect not only the level of drug coverage prior to the MMA but also other differences between the groups that are reflected in lower spending per capita pre- and post-MMA.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**ALABAMA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>																	
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>															
<b>Gender</b>		<b>All Medicare</b>	532,446		<b>All Medicare</b>																	
Male	33%	With Rx Drug Coverage	291,814	513,538	Out-of-Pocket <sup>3</sup>	\$1,727	\$961															
Female	67%	Without Rx Drug Coverage	240,632	18,908	Spending <sup>4</sup>	\$3,177	\$3,067															
		Percent with Coverage	55%	96%	Federal Subsidy <sup>5</sup>	N/A	\$1,315															
<b>Marital Status</b>		-----			-----																	
Married	16%	<b>Low-Income Beneficiaries</b>	133,671		<b>Low-Income Beneficiaries</b>																	
Widowed/Divorced/Separated	58%	With Rx Drug Coverage	49,887	127,087	Out-of-Pocket <sup>3</sup>	\$1,845	\$200															
Never Married	26%	Without Rx Drug Coverage	83,784	6,584	Spending <sup>4</sup>	\$2,942	\$2,860															
		Percent with Coverage	37%	95%	Federal Subsidy <sup>5</sup>	N/A	\$2,282															
<b>Age</b>		<div style="text-align: center;"> <p><b>Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries</b></p>  <table border="1"> <caption>Out-of-Pocket Spending Data from Chart</caption> <thead> <tr> <th>Beneficiary Group</th> <th>Pre-MMA (Average Per Capita)</th> <th>Post-MMA (Average Per Capita)</th> </tr> </thead> <tbody> <tr> <td>All Non-federal</td> <td>\$1,727</td> <td>\$961</td> </tr> <tr> <td>All Uninsured</td> <td>\$2,122</td> <td>\$697</td> </tr> <tr> <td>Low-Income Non-federal</td> <td>\$1,845</td> <td>\$200</td> </tr> <tr> <td>Low-Income Uninsured</td> <td>\$2,122</td> <td>\$145</td> </tr> </tbody> </table> </div>						Beneficiary Group	Pre-MMA (Average Per Capita)	Post-MMA (Average Per Capita)	All Non-federal	\$1,727	\$961	All Uninsured	\$2,122	\$697	Low-Income Non-federal	\$1,845	\$200	Low-Income Uninsured	\$2,122	\$145
Beneficiary Group	Pre-MMA (Average Per Capita)							Post-MMA (Average Per Capita)														
All Non-federal	\$1,727							\$961														
All Uninsured	\$2,122							\$697														
Low-Income Non-federal	\$1,845							\$200														
Low-Income Uninsured	\$2,122							\$145														
< 65	38%																					
65+	62%																					
<b>Race</b>																						
White	55%																					
Black	45%																					
American Indian/Alaskan	*																					
Asian/Pacific Islander	*																					
Hispanic (of any race)	*																					
<b>Prescription Drug Coverage</b>																						
Private	20%																					
Public	45%																					
Self-Pay	34%																					

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

The following is a description of the methodology we used to provide prescription drug coverage and demographics for each state, focusing on the low-income population. The low-income population is defined as individuals who have income less than or equal to 150 percent of the Federal Poverty Level.

## **Data Sources for Medicare Beneficiaries by Income, Insurance Coverage, and State of Residence in 2006**

We based our state estimates of current prescription drug coverage on the March 2004 Current Population Survey (CPS) that reports on supplemental health insurance coverage by state and by poverty level for the year 2003.<sup>6</sup> We then converted supplemental health insurance coverage to prescription drug coverage by multiplying each type of supplemental insurance by the average percent of plans that have prescription drug coverage. These percentages were based on the Medicare Current Beneficiary Survey (MCBS).<sup>7</sup>

### **Number of Medicare Beneficiaries by State**

The total Medicare population in Part B by state is based on enrollment reported by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid (CMS).<sup>8</sup> The CMS-reported number of Medicare enrollees by state was used to adjust the raw data from the CPS, as described below. For example, if the CPS showed that a state had 100,000 Medicare beneficiaries while CMS enrollment was 105,000, then each and every count in the CPS for that state would be increased by five percent. In this same example, if the number of low-income, uninsured Medicare beneficiaries in the CPS was estimated to be 10,000, that estimate would be increased to 10,500, a five-percent increase.

### **Demographics of Low-Income Medicare Beneficiaries**

Demographics of the Medicare population were also based on the March 2004 CPS. This survey provides state-level information on a variety of demographic and economic characteristics by type of supplemental coverage. Although the CPS has a reasonable sample of Medicare beneficiaries in every state, estimates for some subcategories are subject to significant sampling error. For example, although there are 235 observations from Alaska, 87 of which are beneficiaries whose reported income is less than 150 percent of poverty, no

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<sup>6</sup> U.S. Census Bureau (2004). Current Population Survey. March 2004.

<sup>7</sup> Adapted from Poisal, JA and Murray, L (2001). "Growing Differences Between Medicare Beneficiaries With and Without Drug Coverage." Health Affairs. 20(2): 74-85. March/April 2001.

<sup>8</sup> Centers for Medicare & Medicaid Services (2003). "Medicare Enrollment - All Beneficiaries as of July 2003." website: <http://www.cms.hhs.gov/statistics/enrollment/st03all.asp>. Accessed: July 25, 2003.

respondents were Hispanic and only a few were African-Americans. For that reason, the cells of less than four percent are reported as asterisks (“\*”).

### **Estimates of Prescription Drug Coverage by State**

Prescription drug coverage is estimated by the type of supplemental insurance held by Medicare beneficiaries in the CPS sample. Prescription drug coverage in the absence of Medicare Part D (pre-MMA) was estimated as follows:

- Medicare beneficiaries with no supplemental coverage were assumed to have no drug coverage.
- Other Medicare beneficiaries who had supplemental coverage were assigned drug coverage based on data from the MCBS. For example, most Medicare beneficiaries with Medicare Advantage coverage have prescription drug coverage but the majority of beneficiaries with Medigap coverage do not. Specifically, we assumed that 90 percent of Medicare Advantage (MA) enrollees but only 35 percent of Medigap purchasers had prescription drug coverage.

Prescription drug coverage under Medicare Part D (post-MMA) was estimated as follows:

- Medicare beneficiaries who are enrolled in Medicare Part B and who do not have supplemental insurance coverage from former employers or the federal government, such as CHAMPUS, Department of Defense, and Veterans Administration, are assumed to enroll in the new Medicare Part D.
- Enrollees who are covered by federal government plans, such as CHAMPUS, Department of Defense, and Veterans Administration, are assumed to be excluded from the new Medicare Part D and continue to receive their coverage from those plans. (These Medicare beneficiaries are excluded from most of the state estimates reported by PricewaterhouseCoopers.)
- Medicare beneficiaries with coverage from former employers are split into three groups—those whose employers continue to offer coverage and receive a 28 percent subsidy from the federal government, those whose employers drop coverage altogether, and those whose employers encourage them to enroll in a Medicare Part D private prescription drug plan and provide supplementation. The Congressional Budget Office (CBO) estimated that only about 23 percent of employers would drop current coverage and provide no supplementation to the Medicare Part D plan.

- Low-income Medicare beneficiaries are eligible for additional assistance in the form of low-income subsidies that reduce cost sharing and premiums. We estimate that about 87 percent of low-income Medicare beneficiaries also meet asset tests and are eligible for the low-income subsidies.

### **Prescription Drug Spending and Cost Sharing by Medicare Beneficiaries**

Estimates of prescription drug spending and cost sharing, in the absence of Medicare Part D (pre-MMA), were based on the MCBS as well as CBO's estimate of average drug spending in 2006.<sup>9</sup> In order to adjust the amounts by state, PricewaterhouseCoopers applied the state's ratio to the national total for prescription drug expenditures per capita for this particular population (we calculated the ratio based on CMS Final Drug Plan Bidder Data Sets).<sup>10</sup>

Prescription drug spending, cost sharing, and premiums under the new Medicare Part D coverage were based on the following assumptions:

- The standard Medicare Part D benefit pays for roughly 53 percent of prescription drug costs.
- The beneficiary also pays a premium equal to 25.5 percent of the average cost for the Medicare Part D prescription drug plan.
- Medicare beneficiaries who have better coverage under Medicare Part D than under their pre-MMA plan will use more drugs and our estimate was based on an elasticity of minus 0.3, which is consistent with CBO's assumptions about additional prescription drug use under Medicare Part D.
- Prescription drug prices, net of discounts, are lower under the MMA and this is reflected by the average spending per capita declining under the MMA despite higher drug use by some Medicare beneficiaries.

The estimates also reflect special treatment for low-income Medicare beneficiaries. Medicare low-income beneficiaries, based on income and assets, may qualify for either Subsidy A or Subsidy B. PricewaterhouseCoopers based its estimate of out-of-pocket spending, by low-

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<sup>9</sup> Congressional Budget Office (2004). "A Detailed Description of CBO's Cost Estimate for the Medicare Prescription Drug Benefit." U.S. Government Printing Office. July 2004.

<sup>10</sup> Published as part of the "Drug Plan Bidder Data Sets (Final)." This file was a subset of the Medicare 5% file with drug coverage imputed from the Medicare Current Beneficiary Survey. It is no longer available on CMS website.

income spending post-MMA, on a “blended copayment” (40 percent generic scripts, 60 percent brand) of \$3.80 under Subsidy A, and copayments based on a \$50 deductible and 15 percent coinsurance for those under Subsidy B. The average subsidy across both groups was based on the assumption that those under Subsidy B are 24 percent of total non-dual low-income eligibles. In order to adjust the amounts by state, PricewaterhouseCoopers applied the same ratio from CMS that was used to adjust the pre-MMA out-of-pocket spending.

PricewaterhouseCoopers reduced out-of-pocket spending estimates for low-income Medicare beneficiaries by the estimated low-income subsidies. The actual out-of-pocket spending would be higher to the extent that low-income beneficiaries do not sign-up for the low-income subsidies. CBO assumed that only about 40 percent of Medicare beneficiaries, who do not have Medicaid, would participate in the low-income subsidy program. CMS assumed that a majority would do so.<sup>11</sup>

## Adjustments and Improvements to Raw Data

The raw data from CPS and other sources were adjusted to account for a number of weaknesses in the raw data:

1. The state Medicaid estimates from the CPS were replaced by the actual state Medicaid full-dual eligibles as reported by the states.<sup>12</sup>
2. CPS has information on private individual coverage, which includes both Medigap and Medicare Advantage (Medicare risk plans such as HMOs). PricewaterhouseCoopers separated this coverage into Medigap and Medicare Advantage, based on official CMS estimates of Medicare Advantage enrollment by state.<sup>13</sup>

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<sup>11</sup> Although our estimates are based on 100 percent participation, the difference in out-of-pocket spending in the case where only 40 percent participate and the case where 70 percent and 100 percent do so is not large if the nonparticipants are those who have low prescription drug spending. For example, if the 60 percent of Medicare beneficiaries with the lowest spending do not participate in the low-income subsidy, they account for only 3.5 percent of spending and a large percentage of subsidies would continue to be paid out despite the low participation rate. CBO (2004). “Letter to Honorable Jim Nussle Comparing CBO and Administration Estimates of the Effect of H.R. 1 on Direct Spending.” U.S. Government Printing Office. February 2004.

<sup>12</sup> Kaiser Family Foundation, Statehealthfacts.org (2003). “Dual Eligibles Enrollment, 2003.” website: [http://statehealthfacts.org/cgi-bin/healthfacts.cgi?action=compare&category=Medicare&subcategory=Dual+Eligibles&topic=Dual+Eligibles+Enrollment&link\\_category=&link\\_subcategory=&link\\_topic=&viewas=&showregions=0&sortby=&printerfriendly=0&datatype=number](http://statehealthfacts.org/cgi-bin/healthfacts.cgi?action=compare&category=Medicare&subcategory=Dual+Eligibles&topic=Dual+Eligibles+Enrollment&link_category=&link_subcategory=&link_topic=&viewas=&showregions=0&sortby=&printerfriendly=0&datatype=number). Accessed: July 28, 2005.

<sup>13</sup> CMS (2005). “Medicare Advantage Payment Rates Information.” website: <http://www.cms.hhs.gov/healthplans/rates/default.asp>. Accessed. July 22, 2005.

3. CPS estimates are less reliable for smaller states, especially for subpopulations. Low-income Medicare beneficiaries are usually around five percent of each state's population. For smaller states, the CPS estimates of the number of low-income Medicare beneficiaries who do not have drug insurance would be subject to a high degree of uncertainty. In the case of the 15 states with the lowest number of Medicare beneficiaries, the low-income uninsured from CPS (i.e., those who do not have prescription drug coverage) was replaced by recent estimates from CMS based on a number of sources.<sup>14</sup>
4. The raw data, such as the March 2004 CPS, do not fully reflect 2006, the year in which Medicare beneficiaries enroll in Part D. All of the raw data have to be adjusted to reflect higher Medicare enrollment and higher prescription drug prices in 2006 as compared to 2002 and other years.
5. The sum of various components of state estimates does not usually sum to known totals (or official estimates from CBO or CMS). In most cases, the raw data were adjusted to yield sums that matched these known benchmarks.<sup>15</sup>

The adjustments described above produce a set of state estimates that sum to national totals consistent with the assumptions behind CBO's estimates of the federal budgetary costs of the Medicare Part D prescription drug coverage.

## Conclusion

Low-income Medicare enrollees will receive significant benefits from this legislation. Eligible low-income beneficiaries will not only receive the standard benefit for either no premium or a reduced premium, they also face little cost-sharing requirements. The low-income subsidies eliminate the coverage gap and most cost-sharing above the catastrophic spending cap. The new benefit will represent a significant improvement in drug coverage for most low-income beneficiaries.

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<sup>14</sup> Calculated from CMS "Drug Plan Bidder Data Sets (Final)."

<sup>15</sup> Congressional Budget Office (2004). "A Detailed Description of CBO's Cost Estimate for the Medicare Prescription Drug Benefit." U.S. Government Printing Office. July 2004.

## **State-by-State Analysis**

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**UNITED STATES**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	30,927,107		<b>All Medicare</b>		
Male	36%	With Rx Drug Coverage	19,134,187	30,000,445	Out-of-Pocket <sup>3</sup>	\$1,550	\$863
Female	64%	Without Rx Drug Coverage	11,792,920	926,662	Spending <sup>4</sup>	\$2,852	\$2,754
		Percent with Coverage	<b>62%      97%</b>		Federal Subsidy <sup>5</sup>	N/A      \$1,180	
Marital Status		-----			-----		
Married	28%	<b>Low-Income Beneficiaries</b>	8,260,003		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	57%	With Rx Drug Coverage	4,305,283	7,949,250	Out-of-Pocket <sup>3</sup>	\$1,657	\$180
Never Married	15%	Without Rx Drug Coverage	3,954,720	310,753	Spending <sup>4</sup>	\$2,642	\$2,567
Age		Percent with Coverage	52%      96%		Federal Subsidy <sup>5</sup>	N/A      \$2,048	
< 65	26%						
65+	74%						
Race							
White	78%						
Black	18%						
American Indian/Alaskan	1%						
Asian/Pacific Islander	4%						
Hispanic (of any race)	10%						
Prescription Drug Coverage							
Private	33%						
Public	37%						
Self-Pay	30%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,550	\$863
All Uninsured	\$1,905	\$626
Low-Income Non-federal	\$1,657	\$180
Low-Income Uninsured	\$1,905	\$130

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**ALABAMA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	532,446		<b>All Medicare</b>		
Male	33%	With Rx Drug Coverage	291,814	513,538	Out-of-Pocket <sup>3</sup>	\$1,727	\$961
Female	67%	Without Rx Drug Coverage	240,632	18,908	Spending <sup>4</sup>	\$3,177	\$3,067
		Percent with Coverage	55%	96%	Federal Subsidy <sup>5</sup>	N/A	\$1,315
Marital Status		-----			-----		
Married	16%	<b>Low-Income Beneficiaries</b>	133,671		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	58%	With Rx Drug Coverage	49,887	127,087	Out-of-Pocket <sup>3</sup>	\$1,845	\$200
Never Married	26%	Without Rx Drug Coverage	83,784	6,584	Spending <sup>4</sup>	\$2,942	\$2,860
Age		Percent with Coverage	37%	95%	Federal Subsidy <sup>5</sup>	N/A	\$2,282
< 65	38%						
65+	62%						
Race							
White	55%						
Black	45%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	20%						
Public	45%						
Self-Pay	34%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,727	\$961
All Uninsured	\$2,122	\$697
Low-Income Non-federal	\$1,845	\$200
Low-Income Uninsured	\$2,122	\$145

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**ALASKA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	32,838		<b>All Medicare</b>		
Male	40%	With Rx Drug Coverage	18,552	31,716	Out-of-Pocket <sup>3</sup>	\$1,280	\$712
Female	60%	Without Rx Drug Coverage	14,286	1,123	Spending <sup>4</sup>	\$2,354	\$2,273
		Percent with Coverage	<b>56%</b>	<b>97%</b>	Federal Subsidy <sup>5</sup>	N/A	\$974
Marital Status		-----			-----		
Married	37%	<b>Low-Income Beneficiaries</b>	7,955		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	41%	With Rx Drug Coverage	3,202	7,581	Out-of-Pocket <sup>3</sup>	\$1,367	\$148
Never Married	22%	Without Rx Drug Coverage	4,753	373	Spending <sup>4</sup>	\$2,181	\$2,119
Age		Percent with Coverage	40%	95%	Federal Subsidy <sup>5</sup>	N/A	\$1,691
< 65	32%						
65+	68%						
Race							
White	58%						
Black	*						
American Indian/Alaskan	31%						
Asian/Pacific Islander	10%						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	21%						
Public	47%						
Self-Pay	32%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,280	\$712
All Uninsured	\$1,572	\$517
Low-Income Non-federal	\$1,367	\$148
Low-Income Uninsured	\$1,572	\$108

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**ARIZONA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	567,961		<b>All Medicare</b>		
Male	41%	With Rx Drug Coverage	333,992	549,576	Out-of-Pocket <sup>3</sup>	\$1,415	\$787
Female	59%	Without Rx Drug Coverage	233,969	18,385	Spending <sup>4</sup>	\$2,603	\$2,513
		Percent with Coverage	<b>59%</b>	<b>97%</b>	Federal Subsidy <sup>5</sup>	N/A	\$1,077
Marital Status		-----			-----		
Married	29%	<b>Low-Income Beneficiaries</b>	136,340		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	65%	With Rx Drug Coverage	65,714	130,791	Out-of-Pocket <sup>3</sup>	\$1,512	\$164
Never Married	6%	Without Rx Drug Coverage	70,626	5,550	Spending <sup>4</sup>	\$2,411	\$2,343
Age		Percent with Coverage	48%	96%	Federal Subsidy <sup>5</sup>	N/A	\$1,869
< 65	23%						
65+	77%						
Race							
White	94%						
Black	*						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	20%						
Prescription Drug Coverage							
Private	30%						
Public	38%						
Self-Pay	32%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,415	\$787
All Uninsured	\$1,739	\$571
Low-Income Non-federal	\$1,512	\$164
Low-Income Uninsured	\$1,739	\$119

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**ARKANSAS**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	283,558		<b>All Medicare</b>		
Male	34%	With Rx Drug Coverage	124,819	271,085	Out-of-Pocket <sup>3</sup>	\$1,555	\$865
Female	66%	Without Rx Drug Coverage	158,739	12,473	Spending <sup>4</sup>	\$2,860	\$2,762
		Percent with Coverage	44%	96%	Federal Subsidy <sup>5</sup>	N/A	\$1,184
Marital Status		-----			-----		
Married	31%	<b>Low-Income Beneficiaries</b>	78,889		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	55%	With Rx Drug Coverage	11,985	73,632	Out-of-Pocket <sup>3</sup>	\$1,661	\$180
Never Married	13%	Without Rx Drug Coverage	66,903	5,257	Spending <sup>4</sup>	\$2,649	\$2,575
Age		Percent with Coverage	15%	93%	Federal Subsidy <sup>5</sup>	N/A	\$2,054
< 65	27%						
65+	73%						
Race							
White	78%						
Black	22%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	6%						
Public	57%						
Self-Pay	36%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,555	\$865
All Uninsured	\$1,911	\$628
Low-Income Non-federal	\$1,661	\$180
Low-Income Uninsured	\$1,911	\$131

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>  
CALIFORNIA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	2,970,051		<b>All Medicare</b>		
Male	38%	With Rx Drug Coverage	1,857,716	2,882,646	Out-of-Pocket <sup>3</sup>	\$1,391	\$774
Female	62%	Without Rx Drug Coverage	1,112,336	87,405	Spending <sup>4</sup>	\$2,559	\$2,471
		Percent with Coverage	<b>63%      97%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,059
Marital Status		-----			-----		
Married	31%	<b>Low-Income Beneficiaries</b>	846,989		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	54%	With Rx Drug Coverage	481,688	818,285	Out-of-Pocket <sup>3</sup>	\$1,486	\$161
Never Married	15%	Without Rx Drug Coverage	365,301	28,705	Spending <sup>4</sup>	\$2,370	\$2,304
Age		Percent with Coverage	57%      97%		Federal Subsidy <sup>5</sup>	N/A	\$1,838
< 65	22%						
65+	78%						
Race							
White	72%						
Black	9%						
American Indian/Alaskan	*						
Asian/Pacific Islander	19%						
Hispanic (of any race)	18%						
Prescription Drug Coverage							
Private	36%						
Public	37%						
Self-Pay	27%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,391	\$774
All Uninsured	\$1,709	\$562
Low-Income Non-federal	\$1,486	\$161
Low-Income Uninsured	\$1,709	\$117

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**COLORADO**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	376,759		<b>All Medicare</b>		
Male	33%	With Rx Drug Coverage	251,303	366,901	Out-of-Pocket <sup>3</sup>	\$1,384	\$771
Female	67%	Without Rx Drug Coverage	125,456	9,858	Spending <sup>4</sup>	\$2,547	\$2,460
		Percent with Coverage	<b>67%      97%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,054
Marital Status		-----			-----		
Married	34%	<b>Low-Income Beneficiaries</b>	100,452		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	54%	With Rx Drug Coverage	58,091	97,124	Out-of-Pocket <sup>3</sup>	\$1,480	\$161
Never Married	12%	Without Rx Drug Coverage	42,361	3,329	Spending <sup>4</sup>	\$2,359	\$2,293
Age		Percent with Coverage	58%      97%		Federal Subsidy <sup>5</sup>	N/A	\$1,830
< 65	25%						
65+	75%						
Race							
White	93%						
Black	5%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	14%						
Prescription Drug Coverage							
Private	35%						
Public	39%						
Self-Pay	26%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,384	\$771
All Uninsured	\$1,701	\$559
Low-Income Non-federal	\$1,480	\$161
Low-Income Uninsured	\$1,701	\$117

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**CONNECTICUT**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	421,485		<b>All Medicare</b>		
Male	33%	With Rx Drug Coverage	263,860	409,099	Out-of-Pocket <sup>3</sup>	\$1,409	\$784
Female	67%	Without Rx Drug Coverage	157,625	12,386	Spending <sup>4</sup>	\$2,592	\$2,503
		Percent with Coverage	<b>63%</b>	<b>97%</b>	Federal Subsidy <sup>5</sup>	N/A	\$1,073
Marital Status		-----			-----		
Married	23%	<b>Low-Income Beneficiaries</b>	81,034		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	53%	With Rx Drug Coverage	38,923	77,725	Out-of-Pocket <sup>3</sup>	\$1,506	\$163
Never Married	24%	Without Rx Drug Coverage	42,111	3,309	Spending <sup>4</sup>	\$2,401	\$2,334
Age		Percent with Coverage	48%	96%	Federal Subsidy <sup>5</sup>	N/A	\$1,862
< 65	42%						
65+	58%						
Race							
White	86%						
Black	13%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	17%						
Prescription Drug Coverage							
Private	29%						
Public	39%						
Self-Pay	32%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Category	Pre-MMA	Post-MMA
All Non-federal	\$1,409	\$784
All Uninsured	\$1,732	\$569
Low-Income Non-federal	\$1,506	\$163
Low-Income Uninsured	\$1,732	\$119

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**DELAWARE**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	101,502		<b>All Medicare</b>		
Male	39%	With Rx Drug Coverage	66,997	98,791	Out-of-Pocket <sup>3</sup>	\$1,723	\$959
Female	61%	Without Rx Drug Coverage	34,505	2,711	Spending <sup>4</sup>	\$3,169	\$3,060
		Percent with Coverage	66%	97%	Federal Subsidy <sup>5</sup>	N/A	\$1,312
Marital Status		-----			-----		
Married	28%	<b>Low-Income Beneficiaries</b>	19,288		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	63%	With Rx Drug Coverage	11,136	18,647	Out-of-Pocket <sup>3</sup>	\$1,841	\$200
Never Married	9%	Without Rx Drug Coverage	8,152	641	Spending <sup>4</sup>	\$2,936	\$2,853
Age		Percent with Coverage	58%	97%	Federal Subsidy <sup>5</sup>	N/A	\$2,276
< 65	35%						
65+	65%						
Race							
White	84%						
Black	16%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	41%						
Public	29%						
Self-Pay	30%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,723	\$959
All Uninsured	\$2,117	\$696
Low-Income Non-federal	\$1,841	\$200
Low-Income Uninsured	\$2,117	\$145

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**DISTRICT OF COLUMBIA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	48,260		<b>All Medicare</b>		
Male	28%	With Rx Drug Coverage	29,350	46,774	Out-of-Pocket <sup>3</sup>	\$1,586	\$883
Female	72%	Without Rx Drug Coverage	18,910	1,486	Spending <sup>4</sup>	\$2,918	\$2,818
		Percent with Coverage	<b>61%      97%</b>		Federal Subsidy <sup>5</sup>	N/A      \$1,208	
Marital Status		-----			-----		
Married	20%	<b>Low-Income Beneficiaries</b>	15,935		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	57%	With Rx Drug Coverage	8,140	15,323	Out-of-Pocket <sup>3</sup>	\$1,695	\$184
Never Married	22%	Without Rx Drug Coverage	7,796	613	Spending <sup>4</sup>	\$2,703	\$2,627
Age		Percent with Coverage	51%      96%		Federal Subsidy <sup>5</sup>	N/A      \$2,096	
< 65	32%						
65+	68%						
Race							
White	10%						
Black	87%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	30%						
Public	42%						
Self-Pay	28%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,586	\$883
All Uninsured	\$1,949	\$641
Low-Income Non-federal	\$1,695	\$184
Low-Income Uninsured	\$1,949	\$134

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**FLORIDA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	2,266,521		<b>All Medicare</b>		
Male	36%	With Rx Drug Coverage	1,330,906	2,193,002	Out-of-Pocket <sup>3</sup>	\$1,708	\$950
Female	64%	Without Rx Drug Coverage	935,615	73,519	Spending <sup>4</sup>	\$3,142	\$3,034
		Percent with Coverage	<b>59%      97%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,300
Marital Status		-----			-----		
Married	32%	<b>Low-Income Beneficiaries</b>	564,848		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	58%	With Rx Drug Coverage	270,686	541,734	Out-of-Pocket <sup>3</sup>	\$1,825	\$198
Never Married	10%	Without Rx Drug Coverage	294,162	23,115	Spending <sup>4</sup>	\$2,910	\$2,828
Age		Percent with Coverage	48%      96%		Federal Subsidy <sup>5</sup>	N/A	\$2,257
< 65	19%						
65+	81%						
Race							
White	85%						
Black	14%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	25%						
Prescription Drug Coverage							
Private	29%						
Public	39%						
Self-Pay	32%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,708	\$950
All Uninsured	\$2,099	\$690
Low-Income Non-federal	\$1,825	\$198
Low-Income Uninsured	\$2,099	\$144

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**GEORGIA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	744,625		<b>All Medicare</b>		
Male	45%	With Rx Drug Coverage	367,070	714,958	Out-of-Pocket <sup>3</sup>	\$1,742	\$970
Female	55%	Without Rx Drug Coverage	377,556	29,668	Spending <sup>4</sup>	\$3,205	\$3,095
		Percent with Coverage	49%      96%		Federal Subsidy <sup>5</sup>	N/A	\$1,327
Marital Status		-----			-----		
Married	33%	<b>Low-Income Beneficiaries</b>	230,932		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	52%	With Rx Drug Coverage	94,973	220,249	Out-of-Pocket <sup>3</sup>	\$1,862	\$202
Never Married	15%	Without Rx Drug Coverage	135,959	10,683	Spending <sup>4</sup>	\$2,969	\$2,885
Age		Percent with Coverage	41%      95%		Federal Subsidy <sup>5</sup>	N/A	\$2,302
< 65	35%						
65+	65%						
Race							
White	63%						
Black	37%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	27%						
Public	33%						
Self-Pay	39%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA	Post-MMA
All Non-federal	\$1,742	\$970
All Uninsured	\$2,141	\$704
Low-Income Non-federal	\$1,862	\$202
Low-Income Uninsured	\$2,141	\$147

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**HAWAII**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	137,058		<b>All Medicare</b>		
Male	33%	With Rx Drug Coverage	98,645	134,039	Out-of-Pocket <sup>3</sup>	\$1,244	\$693
Female	67%	Without Rx Drug Coverage	38,412	3,018	Spending <sup>4</sup>	\$2,290	\$2,211
		Percent with Coverage	<b>72%      98%</b>		Federal Subsidy <sup>5</sup>	N/A      \$948	
Marital Status		-----			-----		
Married	32%	<b>Low-Income Beneficiaries</b>	33,297		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	53%	With Rx Drug Coverage	22,093	32,417	Out-of-Pocket <sup>3</sup>	\$1,330	\$144
Never Married	14%	Without Rx Drug Coverage	11,204	880	Spending <sup>4</sup>	\$2,121	\$2,061
Age		Percent with Coverage	66%      97%		Federal Subsidy <sup>5</sup>	N/A      \$1,644	
< 65	16%						
65+	84%						
Race							
White	19%						
Black	*						
American Indian/Alaskan	*						
Asian/Pacific Islander	79%						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	45%						
Public	32%						
Self-Pay	23%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,244	\$693
All Uninsured	\$1,529	\$503
Low-Income Non-federal	\$1,330	\$144
Low-Income Uninsured	\$1,529	\$105

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**IDAHO**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	157,686		<b>All Medicare</b>		
Male	38%	With Rx Drug Coverage	110,471	153,976	Out-of-Pocket <sup>3</sup>	\$1,347	\$750
Female	62%	Without Rx Drug Coverage	47,215	3,710	Spending <sup>4</sup>	\$2,478	\$2,392
		Percent with Coverage	<b>70%      98%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,025
Marital Status		-----			-----		
Married	39%	<b>Low-Income Beneficiaries</b>	31,394		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	53%	With Rx Drug Coverage	19,602	30,468	Out-of-Pocket <sup>3</sup>	\$1,439	\$156
Never Married	8%	Without Rx Drug Coverage	11,793	927	Spending <sup>4</sup>	\$2,295	\$2,230
Age		Percent with Coverage	62%      97%		Federal Subsidy <sup>5</sup>	N/A	\$1,780
< 65	34%						
65+	66%						
Race							
White	97%						
Black	*						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	48%						
Public	24%						
Self-Pay	29%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,347	\$750
All Uninsured	\$1,655	\$544
Low-Income Non-federal	\$1,439	\$156
Low-Income Uninsured	\$1,655	\$113

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**ILLINOIS**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	1,403,601		<b>All Medicare</b>		
Male	34%	With Rx Drug Coverage	884,980	1,362,849	Out-of-Pocket <sup>3</sup>	\$1,478	\$823
Female	66%	Without Rx Drug Coverage	518,621	40,752	Spending <sup>4</sup>	\$2,720	\$2,626
		Percent with Coverage	<b>63%      97%</b>		Federal Subsidy <sup>5</sup>	N/A      \$1,126	
Marital Status		-----			-----		
Married	22%	<b>Low-Income Beneficiaries</b>	412,907		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	60%	With Rx Drug Coverage	242,980	399,554	Out-of-Pocket <sup>3</sup>	\$1,580	\$171
Never Married	17%	Without Rx Drug Coverage	169,927	13,352	Spending <sup>4</sup>	\$2,519	\$2,448
Age		Percent with Coverage	59%      97%		Federal Subsidy <sup>5</sup>	N/A      \$1,953	
< 65	27%						
65+	73%						
Race							
White	76%						
Black	20%						
American Indian/Alaskan	*						
Asian/Pacific Islander	4%						
Hispanic (of any race)	5%						
Prescription Drug Coverage							
Private	46%						
Public	22%						
Self-Pay	32%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA	Post-MMA
All Non-federal	\$1,478	\$823
All Uninsured	\$1,817	\$597
Low-Income Non-federal	\$1,580	\$171
Low-Income Uninsured	\$1,817	\$124

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**INDIANA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	718,806		<b>All Medicare</b>		
Male	36%	With Rx Drug Coverage	418,937	695,243	Out-of-Pocket <sup>3</sup>	\$1,557	\$867
Female	64%	Without Rx Drug Coverage	299,870	23,563	Spending <sup>4</sup>	\$2,865	\$2,766
		Percent with Coverage	<b>58%      97%</b>		Federal Subsidy <sup>5</sup>	N/A      \$1,186	
Marital Status		-----			-----		
Married	25%	<b>Low-Income Beneficiaries</b>	187,377		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	63%	With Rx Drug Coverage	88,582	179,614	Out-of-Pocket <sup>3</sup>	\$1,664	\$181
Never Married	13%	Without Rx Drug Coverage	98,795	7,763	Spending <sup>4</sup>	\$2,654	\$2,579
Age		Percent with Coverage	47%      96%		Federal Subsidy <sup>5</sup>	N/A      \$2,058	
< 65	26%						
65+	74%						
Race							
White	89%						
Black	9%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	32%						
Public	32%						
Self-Pay	36%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,557	\$867
All Uninsured	\$1,914	\$629
Low-Income Non-federal	\$1,664	\$181
Low-Income Uninsured	\$1,914	\$131

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**IOWA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	399,990		<b>All Medicare</b>		
Male	27%	With Rx Drug Coverage	319,660	393,677	Out-of-Pocket <sup>3</sup>	\$1,420	\$790
Female	73%	Without Rx Drug Coverage	80,330	6,312	Spending <sup>4</sup>	\$2,612	\$2,523
		Percent with Coverage	<b>80%</b>	<b>98%</b>	Federal Subsidy <sup>5</sup>	N/A	\$1,081
Marital Status		-----			-----		
Married	34%	<b>Low-Income Beneficiaries</b>	85,785		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	56%	With Rx Drug Coverage	64,187	84,088	Out-of-Pocket <sup>3</sup>	\$1,517	\$165
Never Married	10%	Without Rx Drug Coverage	21,597	1,697	Spending <sup>4</sup>	\$2,420	\$2,352
Age		Percent with Coverage	75%	98%	Federal Subsidy <sup>5</sup>	N/A	\$1,876
< 65	20%						
65+	80%						
Race							
White	99%						
Black	*						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	51%						
Public	31%						
Self-Pay	17%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA	Post-MMA
All Non-federal	\$1,420	\$790
All Uninsured	\$1,745	\$574
Low-Income Non-federal	\$1,517	\$165
Low-Income Uninsured	\$1,745	\$120

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**KANSAS**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	308,533		<b>All Medicare</b>		
Male	36%	With Rx Drug Coverage	202,145	300,173	Out-of-Pocket <sup>3</sup>	\$1,449	\$807
Female	64%	Without Rx Drug Coverage	106,387	8,360	Spending <sup>4</sup>	\$2,667	\$2,575
		Percent with Coverage	<b>66%      97%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,104
Marital Status		-----			-----		
Married	20%	<b>Low-Income Beneficiaries</b>	80,280		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	65%	With Rx Drug Coverage	44,049	77,433	Out-of-Pocket <sup>3</sup>	\$1,549	\$168
Never Married	16%	Without Rx Drug Coverage	36,231	2,847	Spending <sup>4</sup>	\$2,470	\$2,400
Age		Percent with Coverage	55%	96%	Federal Subsidy <sup>5</sup>	N/A	\$1,915
< 65	28%						
65+	72%						
Race							
White	86%						
Black	12%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	5%						
Prescription Drug Coverage							
Private	34%						
Public	38%						
Self-Pay	28%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,449	\$807
All Uninsured	\$1,781	\$585
Low-Income Non-federal	\$1,549	\$168
Low-Income Uninsured	\$1,781	\$122

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**KENTUCKY**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	467,640		<b>All Medicare</b>		
Male	40%	With Rx Drug Coverage	321,184	456,132	Out-of-Pocket <sup>3</sup>	\$1,658	\$923
Female	60%	Without Rx Drug Coverage	146,456	11,508	Spending <sup>4</sup>	\$3,051	\$2,946
		Percent with Coverage	69%	98%	Federal Subsidy <sup>5</sup>	N/A	\$1,263
Marital Status		-----			-----		
Married	35%	<b>Low-Income Beneficiaries</b>	124,201		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	58%	With Rx Drug Coverage	69,695	119,918	Out-of-Pocket <sup>3</sup>	\$1,772	\$192
Never Married	6%	Without Rx Drug Coverage	54,506	4,283	Spending <sup>4</sup>	\$2,826	\$2,746
Age		Percent with Coverage	56%	97%	Federal Subsidy <sup>5</sup>	N/A	\$2,191
< 65	30%						
65+	70%						
Race							
White	94%						
Black	5%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	29%						
Public	48%						
Self-Pay	23%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,658	\$923
All Uninsured	\$2,038	\$670
Low-Income Non-federal	\$1,772	\$192
Low-Income Uninsured	\$2,038	\$140

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**LOUISIANA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	444,758		<b>All Medicare</b>		
Male	32%	With Rx Drug Coverage	285,005	432,205	Out-of-Pocket <sup>3</sup>	\$1,626	\$905
Female	68%	Without Rx Drug Coverage	159,753	12,553	Spending <sup>4</sup>	\$2,992	\$2,889
		Percent with Coverage	<b>64%</b>	<b>97%</b>	Federal Subsidy <sup>5</sup>	N/A	\$1,238
Marital Status		-----			-----		
Married	41%	<b>Low-Income Beneficiaries</b>	125,209		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	56%	With Rx Drug Coverage	66,267	120,578	Out-of-Pocket <sup>3</sup>	\$1,738	\$189
Never Married	3%	Without Rx Drug Coverage	58,942	4,632	Spending <sup>4</sup>	\$2,771	\$2,693
Age		Percent with Coverage	53%	96%	Federal Subsidy <sup>5</sup>	N/A	\$2,149
< 65	16%						
65+	84%						
Race							
White	65%						
Black	34%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	29%						
Public	45%						
Self-Pay	26%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,626	\$905
All Uninsured	\$1,999	\$657
Low-Income Non-federal	\$1,738	\$189
Low-Income Uninsured	\$1,999	\$137

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**MAINE**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	140,075		<b>All Medicare</b>		
Male	35%	With Rx Drug Coverage	85,168	135,761	Out-of-Pocket <sup>3</sup>	\$1,465	\$816
Female	65%	Without Rx Drug Coverage	54,907	4,314	Spending <sup>4</sup>	\$2,696	\$2,603
		Percent with Coverage	<b>61%      97%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,116
Marital Status		-----			-----		
Married	35%	<b>Low-Income Beneficiaries</b>	33,485		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	55%	With Rx Drug Coverage	15,652	32,084	Out-of-Pocket <sup>3</sup>	\$1,566	\$170
Never Married	11%	Without Rx Drug Coverage	17,833	1,401	Spending <sup>4</sup>	\$2,497	\$2,427
Age		Percent with Coverage	47%      96%		Federal Subsidy <sup>5</sup>	N/A	\$1,936
< 65	22%						
65+	78%						
Race							
White	98%						
Black	*						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	21%						
Public	54%						
Self-Pay	24%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,465	\$816
All Uninsured	\$1,801	\$592
Low-Income Non-federal	\$1,566	\$170
Low-Income Uninsured	\$1,801	\$123

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**MARYLAND**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	546,064		<b>All Medicare</b>		
Male	34%	With Rx Drug Coverage	378,036	532,861	Out-of-Pocket <sup>3</sup>	\$1,666	\$927
Female	66%	Without Rx Drug Coverage	168,028	13,203	Spending <sup>4</sup>	\$3,066	\$2,960
		Percent with Coverage	<b>69%</b>	<b>98%</b>	Federal Subsidy <sup>5</sup>	N/A	\$1,269
Marital Status		-----			-----		
Married	21%	<b>Low-Income Beneficiaries</b>	144,673		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	68%	With Rx Drug Coverage	92,475	140,571	Out-of-Pocket <sup>3</sup>	\$1,781	\$193
Never Married	11%	Without Rx Drug Coverage	52,198	4,102	Spending <sup>4</sup>	\$2,840	\$2,760
Age		Percent with Coverage	64%	97%	Federal Subsidy <sup>5</sup>	N/A	\$2,202
< 65	18%						
65+	82%						
Race							
White	75%						
Black	23%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	46%						
Public	27%						
Self-Pay	26%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,666	\$927
All Uninsured	\$2,048	\$673
Low-Income Non-federal	\$1,781	\$193
Low-Income Uninsured	\$2,048	\$140

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**MASSACHUSETTS**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	725,101		<b>All Medicare</b>		
Male	31%	With Rx Drug Coverage	468,069	704,904	Out-of-Pocket <sup>3</sup>	\$1,496	\$833
Female	69%	Without Rx Drug Coverage	257,033	20,197	Spending <sup>4</sup>	\$2,752	\$2,658
		Percent with Coverage	<b>65%      97%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,139
Marital Status		-----			-----		
Married	30%	<b>Low-Income Beneficiaries</b>	259,417		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	61%	With Rx Drug Coverage	154,590	251,180	Out-of-Pocket <sup>3</sup>	\$1,599	\$173
Never Married	9%	Without Rx Drug Coverage	104,827	8,237	Spending <sup>4</sup>	\$2,549	\$2,478
Age		Percent with Coverage	60%      97%		Federal Subsidy <sup>5</sup>	N/A	\$1,977
< 65	15%						
65+	85%						
Race							
White	89%						
Black	7%						
American Indian/Alaskan	*						
Asian/Pacific Islander	4%						
Hispanic (of any race)	5%						
Prescription Drug Coverage							
Private	41%						
Public	32%						
Self-Pay	28%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Category	Pre-MMA	Post-MMA
All Non-federal	\$1,496	\$833
All Uninsured	\$1,838	\$604
Low-Income Non-federal	\$1,599	\$173
Low-Income Uninsured	\$1,838	\$126

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**MICHIGAN**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	1,197,715		<b>All Medicare</b>		
Male	37%	With Rx Drug Coverage	870,782	1,172,025	Out-of-Pocket <sup>3</sup>	\$1,675	\$933
Female	63%	Without Rx Drug Coverage	326,933	25,690	Spending <sup>4</sup>	\$3,083	\$2,977
		Percent with Coverage	<b>73%      98%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,276
Marital Status		-----			-----		
Married	22%	<b>Low-Income Beneficiaries</b>	248,020		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	58%	With Rx Drug Coverage	161,854	241,250	Out-of-Pocket <sup>3</sup>	\$1,791	\$194
Never Married	20%	Without Rx Drug Coverage	86,166	6,771	Spending <sup>4</sup>	\$2,855	\$2,775
Age		Percent with Coverage	65%	97%	Federal Subsidy <sup>5</sup>	N/A	\$2,214
< 65	39%						
65+	61%						
Race							
White	67%						
Black	33%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	44%						
Public	33%						
Self-Pay	23%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,675	\$933
All Uninsured	\$2,059	\$677
Low-Income Non-federal	\$1,791	\$194
Low-Income Uninsured	\$2,059	\$141

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**MINNESOTA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	521,782		<b>All Medicare</b>		
Male	38%	With Rx Drug Coverage	417,383	513,578	Out-of-Pocket <sup>3</sup>	\$1,342	\$747
Female	62%	Without Rx Drug Coverage	104,399	8,203	Spending <sup>4</sup>	\$2,470	\$2,385
		Percent with Coverage	<b>80%      98%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,022
Marital Status		-----			-----		
Married	28%	<b>Low-Income Beneficiaries</b>	150,276		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	57%	With Rx Drug Coverage	115,219	147,521	Out-of-Pocket <sup>3</sup>	\$1,435	\$156
Never Married	15%	Without Rx Drug Coverage	35,056	2,755	Spending <sup>4</sup>	\$2,288	\$2,223
Age		Percent with Coverage	77%	98%	Federal Subsidy <sup>5</sup>	N/A	\$1,774
< 65	20%						
65+	80%						
Race							
White	94%						
Black	*						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	52%						
Public	32%						
Self-Pay	16%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,342	\$747
All Uninsured	\$1,650	\$542
Low-Income Non-federal	\$1,435	\$156
Low-Income Uninsured	\$1,650	\$113

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**MISSISSIPPI**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	252,990		<b>All Medicare</b>		
Male	37%	With Rx Drug Coverage	127,933	243,164	Out-of-Pocket <sup>3</sup>	\$1,557	\$867
Female	63%	Without Rx Drug Coverage	125,057	9,827	Spending <sup>4</sup>	\$2,865	\$2,766
		Percent with Coverage	51%	96%	Federal Subsidy <sup>5</sup>	N/A	\$1,186
Marital Status		-----			-----		
Married	30%	<b>Low-Income Beneficiaries</b>	83,615		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	52%	With Rx Drug Coverage	28,110	79,254	Out-of-Pocket <sup>3</sup>	\$1,664	\$181
Never Married	17%	Without Rx Drug Coverage	55,505	4,361	Spending <sup>4</sup>	\$2,654	\$2,579
Age		Percent with Coverage	34%	95%	Federal Subsidy <sup>5</sup>	N/A	\$2,058
< 65	34%						
65+	66%						
Race							
White	54%						
Black	46%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	15%						
Public	57%						
Self-Pay	29%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,557	\$867
All Uninsured	\$1,914	\$629
Low-Income Non-federal	\$1,664	\$181
Low-Income Uninsured	\$1,914	\$131

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>  
MISSOURI**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	678,316		<b>All Medicare</b>		
Male	37%	With Rx Drug Coverage	468,876	661,859	Out-of-Pocket <sup>3</sup>	\$1,523	\$848
Female	63%	Without Rx Drug Coverage	209,440	16,457	Spending <sup>4</sup>	\$2,803	\$2,707
		Percent with Coverage	<b>69%      98%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,160
Marital Status		-----			-----		
Married	30%	<b>Low-Income Beneficiaries</b>	158,668		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	50%	With Rx Drug Coverage	93,342	153,535	Out-of-Pocket <sup>3</sup>	\$1,628	\$177
Never Married	21%	Without Rx Drug Coverage	65,326	5,133	Spending <sup>4</sup>	\$2,596	\$2,523
Age		Percent with Coverage	59%	97%	Federal Subsidy <sup>5</sup>	N/A	\$2,013
< 65	27%						
65+	73%						
Race							
White	79%						
Black	19%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	34%						
Public	41%						
Self-Pay	24%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Category	Pre-MMA	Post-MMA
All Non-federal	\$1,523	\$848
All Uninsured	\$1,872	\$615
Low-Income Non-federal	\$1,628	\$177
Low-Income Uninsured	\$1,872	\$128

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**MONTANA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	117,543		<b>All Medicare</b>		
Male	36%	With Rx Drug Coverage	77,306	114,381	Out-of-Pocket <sup>3</sup>	\$1,331	\$741
Female	64%	Without Rx Drug Coverage	40,237	3,162	Spending <sup>4</sup>	\$2,449	\$2,365
		Percent with Coverage	<b>66%      97%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,014
Marital Status		-----			-----		
Married	23%	<b>Low-Income Beneficiaries</b>	33,336		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	64%	With Rx Drug Coverage	19,500	32,249	Out-of-Pocket <sup>3</sup>	\$1,422	\$154
Never Married	13%	Without Rx Drug Coverage	13,836	1,087	Spending <sup>4</sup>	\$2,268	\$2,205
Age		Percent with Coverage	58%      97%		Federal Subsidy <sup>5</sup>	N/A	\$1,759
< 65	27%						
65+	73%						
Race							
White	97%						
Black	*						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	41%						
Public	30%						
Self-Pay	29%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Category	Pre-MMA	Post-MMA
All Non-federal	\$1,331	\$741
All Uninsured	\$1,636	\$538
Low-Income Non-federal	\$1,422	\$154
Low-Income Uninsured	\$1,636	\$112

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**NEBRASKA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	193,628		<b>All Medicare</b>		
Male	35%	With Rx Drug Coverage	154,928	190,587	Out-of-Pocket <sup>3</sup>	\$1,372	\$764
Female	65%	Without Rx Drug Coverage	38,700	3,041	Spending <sup>4</sup>	\$2,525	\$2,438
		Percent with Coverage	80%	98%	Federal Subsidy <sup>5</sup>	N/A	\$1,045
Marital Status		-----			-----		
Married	29%	<b>Low-Income Beneficiaries</b>	46,829		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	63%	With Rx Drug Coverage	34,202	45,836	Out-of-Pocket <sup>3</sup>	\$1,466	\$159
Never Married	8%	Without Rx Drug Coverage	12,627	992	Spending <sup>4</sup>	\$2,339	\$2,273
Age		Percent with Coverage	73%	98%	Federal Subsidy <sup>5</sup>	N/A	\$1,813
< 65	21%						
65+	79%						
Race							
White	89%						
Black	7%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	43%						
Public	42%						
Self-Pay	16%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,372	\$764
All Uninsured	\$1,686	\$554
Low-Income Non-federal	\$1,466	\$159
Low-Income Uninsured	\$1,686	\$116

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**NEVADA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	210,997		<b>All Medicare</b>		
Male	41%	With Rx Drug Coverage	100,029	202,278	Out-of-Pocket <sup>3</sup>	\$1,384	\$770
Female	59%	Without Rx Drug Coverage	110,969	8,720	Spending <sup>4</sup>	\$2,547	\$2,459
		Percent with Coverage	47%	96%	Federal Subsidy <sup>5</sup>	N/A	\$1,054
Marital Status		-----			-----		
Married	33%	<b>Low-Income Beneficiaries</b>	51,315		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	62%	With Rx Drug Coverage	16,778	48,601	Out-of-Pocket <sup>3</sup>	\$1,479	\$160
Never Married	5%	Without Rx Drug Coverage	34,537	2,714	Spending <sup>4</sup>	\$2,359	\$2,293
Age		Percent with Coverage	33%	95%	Federal Subsidy <sup>5</sup>	N/A	\$1,829
< 65	29%						
65+	71%						
Race							
White	80%						
Black	12%						
American Indian/Alaskan	*						
Asian/Pacific Islander	7%						
Hispanic (of any race)	6%						
Prescription Drug Coverage							
Private	20%						
Public	38%						
Self-Pay	42%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,384	\$770
All Uninsured	\$1,701	\$559
Low-Income Non-federal	\$1,479	\$160
Low-Income Uninsured	\$1,701	\$117

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**NEW HAMPSHIRE**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	145,500		<b>All Medicare</b>		
Male	30%	With Rx Drug Coverage	98,719	141,824	Out-of-Pocket <sup>3</sup>	\$1,399	\$779
Female	70%	Without Rx Drug Coverage	46,782	3,676	Spending <sup>4</sup>	\$2,575	\$2,486
		Percent with Coverage	<b>68%</b>	<b>97%</b>	Federal Subsidy <sup>5</sup>	N/A	\$1,066
Marital Status		-----			-----		
Married	26%	<b>Low-Income Beneficiaries</b>	28,781		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	51%	With Rx Drug Coverage	16,368	27,806	Out-of-Pocket <sup>3</sup>	\$1,495	\$162
Never Married	23%	Without Rx Drug Coverage	12,413	975	Spending <sup>4</sup>	\$2,385	\$2,318
Age		Percent with Coverage	57%	97%	Federal Subsidy <sup>5</sup>	N/A	\$1,849
< 65	25%						
65+	75%						
Race							
White	98%						
Black	*						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	39%						
Public	32%						
Self-Pay	30%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Category	Pre-MMA	Post-MMA
All Non-federal	\$1,399	\$779
All Uninsured	\$1,720	\$565
Low-Income Non-federal	\$1,495	\$162
Low-Income Uninsured	\$1,720	\$118

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**NEW JERSEY**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	978,347		<b>All Medicare</b>		
Male	33%	With Rx Drug Coverage	581,477	947,161	Out-of-Pocket <sup>3</sup>	\$1,562	\$869
Female	67%	Without Rx Drug Coverage	396,870	31,185	Spending <sup>4</sup>	\$2,873	\$2,774
		Percent with Coverage	<b>59%      97%</b>		Federal Subsidy <sup>5</sup>	N/A      \$1,189	
Marital Status		-----			-----		
Married	22%	<b>Low-Income Beneficiaries</b>	204,464		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	60%	With Rx Drug Coverage	99,728	196,234	Out-of-Pocket <sup>3</sup>	\$1,669	\$181
Never Married	17%	Without Rx Drug Coverage	104,736	8,230	Spending <sup>4</sup>	\$2,661	\$2,586
Age		Percent with Coverage	49%      96%		Federal Subsidy <sup>5</sup>	N/A      \$2,064	
< 65	19%						
65+	81%						
Race							
White	79%						
Black	18%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	8%						
Prescription Drug Coverage							
Private	32%						
Public	34%						
Self-Pay	34%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,562	\$869
All Uninsured	\$1,919	\$631
Low-Income Non-federal	\$1,669	\$181
Low-Income Uninsured	\$1,919	\$131

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**NEW MEXICO**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	197,365		<b>All Medicare</b>		
Male	44%	With Rx Drug Coverage	136,168	192,556	Out-of-Pocket <sup>3</sup>	\$1,383	\$770
Female	57%	Without Rx Drug Coverage	61,197	4,809	Spending <sup>4</sup>	\$2,545	\$2,458
		Percent with Coverage	<b>69%</b>	<b>98%</b>	Federal Subsidy <sup>5</sup>	N/A	\$1,053
Marital Status		-----			-----		
Married	35%	<b>Low-Income Beneficiaries</b>	62,917		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	37%	With Rx Drug Coverage	38,939	61,033	Out-of-Pocket <sup>3</sup>	\$1,478	\$160
Never Married	29%	Without Rx Drug Coverage	23,977	1,884	Spending <sup>4</sup>	\$2,357	\$2,291
Age		Percent with Coverage	62%	97%	Federal Subsidy <sup>5</sup>	N/A	\$1,828
< 65	49%						
65+	51%						
Race							
White	78%						
Black	*						
American Indian/Alaskan	18%						
Asian/Pacific Islander	*						
Hispanic (of any race)	40%						
Prescription Drug Coverage							
Private	43%						
Public	30%						
Self-Pay	27%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA	Post-MMA
All Non-federal	\$1,383	\$770
All Uninsured	\$1,700	\$559
Low-Income Non-federal	\$1,478	\$160
Low-Income Uninsured	\$1,700	\$116

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**NEW YORK**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	2,125,170		<b>All Medicare</b>		
Male	38%	With Rx Drug Coverage	1,270,586	2,058,018	Out-of-Pocket <sup>3</sup>	\$1,576	\$877
Female	62%	Without Rx Drug Coverage	854,583	67,151	Spending <sup>4</sup>	\$2,899	\$2,800
		Percent with Coverage	<b>60%      97%</b>		Federal Subsidy <sup>5</sup>	N/A      \$1,200	
Marital Status		-----			-----		
Married	27%	<b>Low-Income Beneficiaries</b>	662,831		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	54%	With Rx Drug Coverage	355,905	638,714	Out-of-Pocket <sup>3</sup>	\$1,684	\$183
Never Married	19%	Without Rx Drug Coverage	306,926	24,118	Spending <sup>4</sup>	\$2,686	\$2,610
Age		Percent with Coverage	54%      96%		Federal Subsidy <sup>5</sup>	N/A      \$2,082	
< 65	24%						
65+	76%						
Race							
White	73%						
Black	23%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	12%						
Prescription Drug Coverage							
Private	37%						
Public	32%						
Self-Pay	32%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,576	\$877
All Uninsured	\$1,937	\$637
Low-Income Non-federal	\$1,684	\$183
Low-Income Uninsured	\$1,937	\$133

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**NORTH CAROLINA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	876,846		<b>All Medicare</b>		
Male	38%	With Rx Drug Coverage	428,427	841,610	Out-of-Pocket <sup>3</sup>	\$1,724	\$960
Female	62%	Without Rx Drug Coverage	448,419	35,236	Spending <sup>4</sup>	\$3,172	\$3,063
		Percent with Coverage	49%	96%	Federal Subsidy <sup>5</sup>	N/A	\$1,313
Marital Status		-----					
Married	33%	<b>Low-Income Beneficiaries</b>	268,464		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	46%	With Rx Drug Coverage	88,732	254,341	Out-of-Pocket <sup>3</sup>	\$1,843	\$200
Never Married	21%	Without Rx Drug Coverage	179,732	14,123	Spending <sup>4</sup>	\$2,938	\$2,856
Age		Percent with Coverage	33%	95%	Federal Subsidy <sup>5</sup>	N/A	\$2,278
< 65	35%						
65+	65%						
Race							
White	68%						
Black	28%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	7%						
Prescription Drug Coverage							
Private	19%						
Public	44%						
Self-Pay	38%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,724	\$960
All Uninsured	\$2,119	\$696
Low-Income Non-federal	\$1,843	\$200
Low-Income Uninsured	\$2,119	\$145

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**NORTH DAKOTA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	89,928		<b>All Medicare</b>		
Male	32%	With Rx Drug Coverage	40,709	86,060	Out-of-Pocket <sup>3</sup>	\$1,352	\$753
Female	68%	Without Rx Drug Coverage	49,219	3,868	Spending <sup>4</sup>	\$2,488	\$2,402
		Percent with Coverage	45%	96%	Federal Subsidy <sup>5</sup>	N/A	\$1,030
Marital Status		-----			-----		
Married	41%	<b>Low-Income Beneficiaries</b>	14,930		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	48%	With Rx Drug Coverage	3,579	14,038	Out-of-Pocket <sup>3</sup>	\$1,445	\$157
Never Married	11%	Without Rx Drug Coverage	11,351	892	Spending <sup>4</sup>	\$2,304	\$2,239
Age		Percent with Coverage	24%	94%	Federal Subsidy <sup>5</sup>	N/A	\$1,787
< 65	19%						
65+	81%						
Race							
White	94%						
Black	*						
American Indian/Alaskan	5%						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	15%						
Public	38%						
Self-Pay	47%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Category	Pre-MMA	Post-MMA
All Non-federal	\$1,352	\$753
All Uninsured	\$1,662	\$546
Low-Income Non-federal	\$1,445	\$157
Low-Income Uninsured	\$1,662	\$114

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**OHIO**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	1,484,855		<b>All Medicare</b>		
Male	35%	With Rx Drug Coverage	1,016,126	1,448,023	Out-of-Pocket <sup>3</sup>	\$1,604	\$893
Female	65%	Without Rx Drug Coverage	468,729	36,832	Spending <sup>4</sup>	\$2,951	\$2,850
		Percent with Coverage	<b>68%</b>	<b>98%</b>	Federal Subsidy <sup>5</sup>	N/A	\$1,221
Marital Status		-----			-----		
Married	22%	<b>Low-Income Beneficiaries</b>	383,037		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	63%	With Rx Drug Coverage	242,092	371,962	Out-of-Pocket <sup>3</sup>	\$1,714	\$186
Never Married	15%	Without Rx Drug Coverage	140,944	11,075	Spending <sup>4</sup>	\$2,733	\$2,657
Age		Percent with Coverage	63%	97%	Federal Subsidy <sup>5</sup>	N/A	\$2,120
< 65	29%						
65+	71%						
Race							
White	81%						
Black	18%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	48%						
Public	24%						
Self-Pay	28%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,604	\$893
All Uninsured	\$1,971	\$648
Low-Income Non-federal	\$1,714	\$186
Low-Income Uninsured	\$1,971	\$135

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**OKLAHOMA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	382,705		<b>All Medicare</b>		
Male	37%	With Rx Drug Coverage	240,860	371,559	Out-of-Pocket <sup>3</sup>	\$1,508	\$839
Female	63%	Without Rx Drug Coverage	141,846	11,146	Spending <sup>4</sup>	\$2,774	\$2,679
		Percent with Coverage	<b>63%</b>	<b>97%</b>	Federal Subsidy <sup>5</sup>	N/A	\$1,148
Marital Status		-----					
Married	26%	<b>Low-Income Beneficiaries</b>	99,826		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	57%	With Rx Drug Coverage	51,403	96,021	Out-of-Pocket <sup>3</sup>	\$1,611	\$175
Never Married	17%	Without Rx Drug Coverage	48,422	3,805	Spending <sup>4</sup>	\$2,569	\$2,497
Age		Percent with Coverage	51%	96%	Federal Subsidy <sup>5</sup>	N/A	\$1,992
< 65	29%						
65+	71%						
Race							
White	76%						
Black	16%						
American Indian/Alaskan	7%						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	29%						
Public	43%						
Self-Pay	28%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,508	\$839
All Uninsured	\$1,853	\$609
Low-Income Non-federal	\$1,611	\$175
Low-Income Uninsured	\$1,853	\$127

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**OREGON**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	422,570		<b>All Medicare</b>		
Male	31%	With Rx Drug Coverage	285,039	411,763	Out-of-Pocket <sup>3</sup>	\$1,346	\$749
Female	69%	Without Rx Drug Coverage	137,530	10,807	Spending <sup>4</sup>	\$2,476	\$2,391
		Percent with Coverage	<b>67%      97%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,025
Marital Status		-----			-----		
Married	16%	<b>Low-Income Beneficiaries</b>	107,018		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	80%	With Rx Drug Coverage	65,978	103,793	Out-of-Pocket <sup>3</sup>	\$1,438	\$156
Never Married	4%	Without Rx Drug Coverage	41,040	3,225	Spending <sup>4</sup>	\$2,294	\$2,229
Age		Percent with Coverage	62%      97%		Federal Subsidy <sup>5</sup>	N/A	\$1,779
< 65	20%						
65+	80%						
Race							
White	93%						
Black	*						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	44%						
Public	29%						
Self-Pay	27%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA	Post-MMA
All Non-federal	\$1,346	\$749
All Uninsured	\$1,654	\$544
Low-Income Non-federal	\$1,438	\$156
Low-Income Uninsured	\$1,654	\$113

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**PENNSYLVANIA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	1,720,050		<b>All Medicare</b>		
Male	28%	With Rx Drug Coverage	1,255,982	1,683,585	Out-of-Pocket <sup>3</sup>	\$1,531	\$852
Female	72%	Without Rx Drug Coverage	464,068	36,465	Spending <sup>4</sup>	\$2,816	\$2,720
		Percent with Coverage	<b>73%      98%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,166
Marital Status		-----			-----		
Married	20%	<b>Low-Income Beneficiaries</b>	414,977		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	60%	With Rx Drug Coverage	280,948	404,445	Out-of-Pocket <sup>3</sup>	\$1,636	\$177
Never Married	19%	Without Rx Drug Coverage	134,029	10,532	Spending <sup>4</sup>	\$2,609	\$2,535
Age		Percent with Coverage	68%	97%	Federal Subsidy <sup>5</sup>	N/A	\$2,023
< 65	23%						
65+	77%						
Race							
White	81%						
Black	17%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	47%						
Public	30%						
Self-Pay	22%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Type	Pre-MMA	Post-MMA
All Non-federal	\$1,531	\$852
All Uninsured	\$1,881	\$618
Low-Income Non-federal	\$1,636	\$177
Low-Income Uninsured	\$1,881	\$129

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**RHODE ISLAND**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	124,946		<b>All Medicare</b>		
Male	33%	With Rx Drug Coverage	98,461	122,865	Out-of-Pocket <sup>3</sup>	\$1,525	\$849
Female	67%	Without Rx Drug Coverage	26,485	2,081	Spending <sup>4</sup>	\$2,806	\$2,709
		Percent with Coverage	<b>79%</b>	<b>98%</b>	Federal Subsidy <sup>5</sup>	N/A	\$1,161
Marital Status		-----			-----		
Married	17%	<b>Low-Income Beneficiaries</b>	39,894		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	59%	With Rx Drug Coverage	29,990	39,116	Out-of-Pocket <sup>3</sup>	\$1,630	\$177
Never Married	24%	Without Rx Drug Coverage	9,905	778	Spending <sup>4</sup>	\$2,599	\$2,526
Age		Percent with Coverage	75%	98%	Federal Subsidy <sup>5</sup>	N/A	\$2,015
< 65	26%						
65+	74%						
Race							
White	87%						
Black	9%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	9%						
Prescription Drug Coverage							
Private	50%						
Public	34%						
Self-Pay	16%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Category	Pre-MMA	Post-MMA
All Non-federal	\$1,525	\$849
All Uninsured	\$1,874	\$616
Low-Income Non-federal	\$1,630	\$177
Low-Income Uninsured	\$1,874	\$128

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**SOUTH CAROLINA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	434,318		<b>All Medicare</b>		
Male	34%	With Rx Drug Coverage	255,814	420,291	Out-of-Pocket <sup>3</sup>	\$1,781	\$991
Female	66%	Without Rx Drug Coverage	178,504	14,026	Spending <sup>4</sup>	\$3,276	\$3,164
		Percent with Coverage	<b>59%      97%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,356
Marital Status		-----			-----		
Married	22%	<b>Low-Income Beneficiaries</b>	130,114		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	58%	With Rx Drug Coverage	63,283	124,863	Out-of-Pocket <sup>3</sup>	\$1,903	\$206
Never Married	21%	Without Rx Drug Coverage	66,831	5,251	Spending <sup>4</sup>	\$3,035	\$2,949
Age		Percent with Coverage	49%	96%	Federal Subsidy <sup>5</sup>	N/A	\$2,353
< 65	31%						
65+	69%						
Race							
White	53%						
Black	47%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	28%						
Public	43%						
Self-Pay	29%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,781	\$991
All Uninsured	\$2,188	\$719
Low-Income Non-federal	\$1,903	\$206
Low-Income Uninsured	\$2,188	\$150

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**SOUTH DAKOTA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	98,482		<b>All Medicare</b>		
Male	42%	With Rx Drug Coverage	43,133	94,133	Out-of-Pocket <sup>3</sup>	\$1,262	\$703
Female	58%	Without Rx Drug Coverage	55,349	4,349	Spending <sup>4</sup>	\$2,323	\$2,243
		Percent with Coverage	44%	96%	Federal Subsidy <sup>5</sup>	N/A	\$961
Marital Status		-----			-----		
Married	34%	<b>Low-Income Beneficiaries</b>	41,105		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	53%	With Rx Drug Coverage	16,899	39,203	Out-of-Pocket <sup>3</sup>	\$1,349	\$146
Never Married	13%	Without Rx Drug Coverage	24,206	1,902	Spending <sup>4</sup>	\$2,151	\$2,091
Age		Percent with Coverage	41%	95%	Federal Subsidy <sup>5</sup>	N/A	\$1,668
< 65	16%						
65+	84%						
Race							
White	87%						
Black	*						
American Indian/Alaskan	13%						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	31%						
Public	24%						
Self-Pay	45%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,262	\$703
All Uninsured	\$1,551	\$510
Low-Income Non-federal	\$1,349	\$146
Low-Income Uninsured	\$1,551	\$106

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**TENNESSEE**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	594,267		<b>All Medicare</b>		
Male	39%	With Rx Drug Coverage	326,335	573,214	Out-of-Pocket <sup>3</sup>	\$1,670	\$929
Female	61%	Without Rx Drug Coverage	267,932	21,054	Spending <sup>4</sup>	\$3,072	\$2,966
		Percent with Coverage	<b>55%      96%</b>		Federal Subsidy <sup>5</sup>	N/A      \$1,271	
Marital Status		-----			-----		
Married	39%	<b>Low-Income Beneficiaries</b>	181,491		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	47%	With Rx Drug Coverage	79,459	173,474	Out-of-Pocket <sup>3</sup>	\$1,784	\$194
Never Married	14%	Without Rx Drug Coverage	102,032	8,017	Spending <sup>4</sup>	\$2,845	\$2,765
Age		Percent with Coverage	44%      96%		Federal Subsidy <sup>5</sup>	N/A      \$2,206	
< 65	33%						
65+	67%						
Race							
White	85%						
Black	14%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	24%						
Public	45%						
Self-Pay	31%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Category	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	\$1,670	\$929
All Uninsured	\$2,052	\$674
Low-Income Non-federal	\$1,784	\$194
Low-Income Uninsured	\$2,052	\$141

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**TEXAS**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	1,852,171		<b>All Medicare</b>		
Male	39%	With Rx Drug Coverage	795,114	1,769,110	Out-of-Pocket <sup>3</sup>	\$1,531	\$852
Female	61%	Without Rx Drug Coverage	1,057,057	83,061	Spending <sup>4</sup>	\$2,817	\$2,720
		Percent with Coverage	43%      96%		Federal Subsidy <sup>5</sup>	N/A      \$1,166	
Marital Status		-----			-----		
Married	31%	<b>Low-Income Beneficiaries</b>	588,958		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	57%	With Rx Drug Coverage	183,732	557,117	Out-of-Pocket <sup>3</sup>	\$1,636	\$178
Never Married	12%	Without Rx Drug Coverage	405,226	31,842	Spending <sup>4</sup>	\$2,609	\$2,536
Age		Percent with Coverage	31%      95%		Federal Subsidy <sup>5</sup>	N/A      \$2,023	
< 65	23%						
65+	77%						
Race							
White	77%						
Black	22%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	34%						
Prescription Drug Coverage							
Private	20%						
Public	35%						
Self-Pay	45%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,531	\$852
All Uninsured	\$1,882	\$618
Low-Income Non-federal	\$1,636	\$178
Low-Income Uninsured	\$1,882	\$129

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**UTAH**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	193,303		<b>All Medicare</b>		
Male	41%	With Rx Drug Coverage	138,215	188,974	Out-of-Pocket <sup>3</sup>	\$1,401	\$780
Female	59%	Without Rx Drug Coverage	55,088	4,329	Spending <sup>4</sup>	\$2,578	\$2,489
		Percent with Coverage	72%	98%	Federal Subsidy <sup>5</sup>	N/A	\$1,067
Marital Status		-----			-----		
Married	25%	<b>Low-Income Beneficiaries</b>	19,621		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	47%	With Rx Drug Coverage	10,827	18,930	Out-of-Pocket <sup>3</sup>	\$1,497	\$162
Never Married	29%	Without Rx Drug Coverage	8,794	691	Spending <sup>4</sup>	\$2,388	\$2,320
Age		Percent with Coverage	55%	96%	Federal Subsidy <sup>5</sup>	N/A	\$1,851
< 65	36%						
65+	64%						
Race							
White	87%						
Black	4%						
American Indian/Alaskan	*						
Asian/Pacific Islander	9%						
Hispanic (of any race)	4%						
Prescription Drug Coverage							
Private	35%						
Public	36%						
Self-Pay	29%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,401	\$780
All Uninsured	\$1,722	\$566
Low-Income Non-federal	\$1,497	\$162
Low-Income Uninsured	\$1,722	\$118

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**VERMONT**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	63,032		<b>All Medicare</b>		
Male	37%	With Rx Drug Coverage	38,478	61,103	Out-of-Pocket <sup>3</sup>	\$1,430	\$796
Female	63%	Without Rx Drug Coverage	24,554	1,929	Spending <sup>4</sup>	\$2,631	\$2,541
		Percent with Coverage	<b>61%      97%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,089
Marital Status		-----			-----		
Married	28%	<b>Low-Income Beneficiaries</b>	10,144		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	52%	With Rx Drug Coverage	3,916	9,655	Out-of-Pocket <sup>3</sup>	\$1,528	\$166
Never Married	20%	Without Rx Drug Coverage	6,228	489	Spending <sup>4</sup>	\$2,437	\$2,369
Age		Percent with Coverage	39%	95%	Federal Subsidy <sup>5</sup>	N/A	\$1,890
< 65	35%						
65+	65%						
Race							
White	99%						
Black	*						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	17%						
Public	57%						
Self-Pay	26%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA	Post-MMA
All Non-federal	\$1,430	\$796
All Uninsured	\$1,757	\$578
Low-Income Non-federal	\$1,528	\$166
Low-Income Uninsured	\$1,757	\$120

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**VIRGINIA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	646,332		<b>All Medicare</b>		
Male	40%	With Rx Drug Coverage	367,822	624,447	Out-of-Pocket <sup>3</sup>	\$1,702	\$947
Female	60%	Without Rx Drug Coverage	278,510	21,885	Spending <sup>4</sup>	\$3,131	\$3,023
		Percent with Coverage	<b>57%      97%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,296
Marital Status		-----			-----		
Married	25%	<b>Low-Income Beneficiaries</b>	146,080		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	65%	With Rx Drug Coverage	49,253	138,472	Out-of-Pocket <sup>3</sup>	\$1,818	\$197
Never Married	10%	Without Rx Drug Coverage	96,827	7,608	Spending <sup>4</sup>	\$2,900	\$2,818
Age		Percent with Coverage	34%	95%	Federal Subsidy <sup>5</sup>	N/A	\$2,249
< 65	32%						
65+	68%						
Race							
White	69%						
Black	30%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	15%						
Public	55%						
Self-Pay	30%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,702	\$947
All Uninsured	\$2,091	\$687
Low-Income Non-federal	\$1,818	\$197
Low-Income Uninsured	\$2,091	\$143

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**WASHINGTON**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	561,851		<b>All Medicare</b>		
Male	37%	With Rx Drug Coverage	375,709	547,224	Out-of-Pocket <sup>3</sup>	\$1,390	\$774
Female	63%	Without Rx Drug Coverage	186,142	14,627	Spending <sup>4</sup>	\$2,557	\$2,469
		Percent with Coverage	<b>67%</b>	<b>97%</b>	Federal Subsidy <sup>5</sup>	N/A	\$1,058
Marital Status		-----			-----		
Married	24%	<b>Low-Income Beneficiaries</b>	140,174		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	59%	With Rx Drug Coverage	75,928	135,126	Out-of-Pocket <sup>3</sup>	\$1,485	\$161
Never Married	16%	Without Rx Drug Coverage	64,246	5,048	Spending <sup>4</sup>	\$2,368	\$2,302
Age		Percent with Coverage	54%	96%	Federal Subsidy <sup>5</sup>	N/A	\$1,836
< 65	22%						
65+	78%						
Race							
White	90%						
Black	*						
American Indian/Alaskan	*						
Asian/Pacific Islander	7%						
Hispanic (of any race)	5%						
Prescription Drug Coverage							
Private	29%						
Public	47%						
Self-Pay	24%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (Out-of-Pocket)	Post-MMA (Out-of-Pocket)
All Non-federal	\$1,390	\$774
All Uninsured	\$1,708	\$561
Low-Income Non-federal	\$1,485	\$161
Low-Income Uninsured	\$1,708	\$117

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**WEST VIRGINIA**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	288,087		<b>All Medicare</b>		
Male	36%	With Rx Drug Coverage	149,922	277,230	Out-of-Pocket <sup>3</sup>	\$1,825	\$1,016
Female	64%	Without Rx Drug Coverage	138,165	10,857	Spending <sup>4</sup>	\$3,358	\$3,243
		Percent with Coverage	52%	96%	Federal Subsidy <sup>5</sup>	N/A	\$1,390
Marital Status		-----					
Married	35%	<b>Low-Income Beneficiaries</b>	71,697		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	53%	With Rx Drug Coverage	27,299	68,208	Out-of-Pocket <sup>3</sup>	\$1,951	\$212
Never Married	12%	Without Rx Drug Coverage	44,398	3,489	Spending <sup>4</sup>	\$3,111	\$3,023
Age		Percent with Coverage	38%	95%	Federal Subsidy <sup>5</sup>	N/A	\$2,412
< 65	27%						
65+	74%						
Race							
White	97%						
Black	*						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	25%						
Public	34%						
Self-Pay	41%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA	Post-MMA
All Non-federal	\$1,825	\$1,016
All Uninsured	\$2,243	\$737
Low-Income Non-federal	\$1,951	\$212
Low-Income Uninsured	\$2,243	\$154

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**WISCONSIN**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	631,050		<b>All Medicare</b>		
Male	34%	With Rx Drug Coverage	436,641	615,774	Out-of-Pocket <sup>3</sup>	\$1,453	\$809
Female	66%	Without Rx Drug Coverage	194,409	15,276	Spending <sup>4</sup>	\$2,673	\$2,581
		Percent with Coverage	<b>69%      98%</b>		Federal Subsidy <sup>5</sup>	N/A	\$1,106
Marital Status		-----			-----		
Married	25%	<b>Low-Income Beneficiaries</b>	126,220		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	54%	With Rx Drug Coverage	73,284	122,060	Out-of-Pocket <sup>3</sup>	\$1,553	\$168
Never Married	21%	Without Rx Drug Coverage	52,936	4,160	Spending <sup>4</sup>	\$2,476	\$2,406
Age		Percent with Coverage	58%	97%	Federal Subsidy <sup>5</sup>	N/A	\$1,920
< 65	30%						
65+	70%						
Race							
White	90%						
Black	7%						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	6%						
Prescription Drug Coverage							
Private	35%						
Public	39%						
Self-Pay	25%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA (\$)	Post-MMA (\$)
All Non-federal	1,453	809
All Uninsured	1,785	587
Low-Income Non-federal	1,553	168
Low-Income Uninsured	1,785	122

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.

**Impact of Medicare Prescription Drug Benefit on Non-Federal Beneficiaries, CY 2006 <sup>1</sup>**  
**WYOMING**

<b>Low-Income Demographics <sup>2</sup></b>		<b>Prescription Drug Coverage Pre- and Post-MMA</b>			<b>Impact on Beneficiary</b>		
<b>Characteristic</b>	<b>&lt;=150% Federal Poverty Level</b>	<b>Types of Beneficiaries</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>	<b>Average Per Capita</b>	<b>Pre-MMA</b>	<b>Post-MMA</b>
Gender		<b>All Medicare</b>	47,643		<b>All Medicare</b>		
Male	40%	With Rx Drug Coverage	28,534	46,141	Out-of-Pocket <sup>3</sup>	\$1,281	\$713
Female	60%	Without Rx Drug Coverage	19,109	1,502	Spending <sup>4</sup>	\$2,357	\$2,276
		Percent with Coverage	60%	97%	Federal Subsidy <sup>5</sup>	N/A	\$976
Marital Status		-----			-----		
Married	32%	<b>Low-Income Beneficiaries</b>	10,841		<b>Low-Income Beneficiaries</b>		
Widowed/Divorced/Separated	54%	With Rx Drug Coverage	4,134	10,314	Out-of-Pocket <sup>3</sup>	\$1,369	\$149
Never Married	14%	Without Rx Drug Coverage	6,707	527	Spending <sup>4</sup>	\$2,184	\$2,122
Age		Percent with Coverage	38%	95%	Federal Subsidy <sup>5</sup>	N/A	\$1,693
< 65	27%						
65+	73%						
Race							
White	96%						
Black	*						
American Indian/Alaskan	*						
Asian/Pacific Islander	*						
Hispanic (of any race)	*						
Prescription Drug Coverage							
Private	17%						
Public	55%						
Self-Pay	28%						

**Medicare Prescription Drug Coverage will Significantly Lower Out-of-Pocket Spending for Medicare Beneficiaries**

Beneficiary Group	Pre-MMA Spending	Post-MMA Spending
All Non-federal	\$1,281	\$713
All Uninsured	\$1,575	\$518
Low-Income Non-federal	\$1,369	\$149
Low-Income Uninsured	\$1,575	\$108

\* Less than 4 percent.

Source: PricewaterhouseCoopers' tabulations, August 2005. Gender, marital status, age, and race were tabulated from the US Census March 2004 Current Population Survey.

Notes:

1. Federal is defined as Medicare beneficiaries with prescription drug coverage from CHAMPUS / DoD, VA, Medicaid and other government sources.
2. Low-income includes individuals at or below 150 percent of the federal poverty level.
3. Out-of-pocket spending does not include premium costs.
4. Spending is the total costs of prescription drugs for the beneficiary regardless of whether the insurer or beneficiary pays for the drugs.
5. Includes beneficiaries eligible and participating in the low income subsidy.