



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

## MEMORANDUM

To: Reporters and Editors  
Fr: Jill Gerber for Chairman Grassley, 202/224-6522  
Re: Partisan attacks on Medicare drug benefit  
Da: Thursday, Feb. 23, 2006

Certain Democrats are stepping up their efforts to criticize the new Medicare prescription drug benefit, even though many of them proposed and even voted for legislation with many of the same elements as in the new law. Sen. Richard Durbin, D-Ill., the assistant minority leader, last week promised “hundreds” of events across the nation to promote the party’s efforts to criticize the drug program, according to media reports. Meanwhile, the new drug benefit is gaining popularity and new enrollment, even in the home states of Democratic senators and House members who are critical of the new drug benefit. According to calculations by staff for Sen. Chuck Grassley, chairman of the Committee on Finance, with jurisdiction over Medicare, 35 percent of eligible Illinois Medicare beneficiaries who did not have a prior source of prescription drug coverage have voluntarily enrolled in Medicare Part D stand-alone drug plans. The number of Nevada beneficiaries voluntarily enrolled in Medicare Part D stand-alone drug plans went up 52 percent in one month. The number of California beneficiaries voluntarily enrolled went up 51 percent in one month. Grassley made the following comment on these developments.

“It’s clear that the word is getting out about the money people can save when they sign up for Medicare prescription drug coverage. Good news sure does travel fast. The strong increases over the last month in the number of Medicare beneficiaries who have voluntarily signed up for Medicare Part D stand-alone prescription drug plans show that the new benefit is appealing. Enrollment in the stand-alone plans is the best way we have to gauge voluntary enrollment in the new prescription drug benefit. I hope to see this trend in enrollment growth continue. And it’s unconscionable for any senators or House members to try to scare people away from a desperately needed benefit just to score cheap political points. Surely getting re-elected isn’t worth scaring and exploiting innocent people.”

Following are two tables from Chairman Grassley’s Finance Committee staff. The first column in each table was obtained by dividing the number of beneficiaries in stand-alone plans by the number of beneficiaries in the state less the number of beneficiaries who had a prior source of prescription drug coverage. The number of beneficiaries who had a prior source of prescription drug coverage includes dual eligible beneficiaries, and those in FEHBP, Tricare or Veterans Health or employer-sponsored coverage. In addition, the number includes beneficiaries in Medicare Advantage prescription drug plans. Some, but not all, beneficiaries in Medicare Advantage plans were “passively” enrolled in a Medicare-Advantage Prescription Drug Plan. As a result, this

approach actually underestimates the percent of beneficiaries who voluntarily enrolled in a prescription drug plan. The second column in each table indicates the percentage increase in stand-alone Part D plan enrollment from January to February.

#### States With Highest Percentage of Voluntary Enrollment in Medicare Part D Stand-alone Plans

	Percent Voluntary Enrollment In Stand-Alone Prescription Drug Plans	Percent Increase in Voluntary Enrollment in Stand-Alone Prescription Drug Plans
Delaware	47%	18%
North Carolina	35%	47%
Georgia	35%	38%
Illinois	35%	18%
Vermont	35%	24%
Maryland	34%	28%
New Jersey	33%	13%
Maine	32%	28%
Oklahoma	32%	33%
Virginia	32%	32%
Kentucky	32%	42%
Alabama	32%	44%
Tennessee	31%	36%
South Carolina	31%	34%
Arkansas	31%	38%
Utah	30%	40%
Missouri	30%	67%
Texas	30%	46%
Massachusetts	30%	38%
Colorado	29%	50%

Rank Order of the Top 20 States by Enrollment Increase in Stand-alone Part D plans

	Percent Voluntary Enrollment In Stand-Alone Prescription Drug Plans	Percent Increase in Voluntary Enrollment in Stand-Alone Prescription Drug Plans
North Dakota	22%	93%
Nebraska	28%	84%
South Dakota	25%	78%
Montana	20%	77%
Iowa	22%	71%
Missouri	30%	67%
Kansas	26%	66%
New Mexico	28%	64%
Idaho	26%	60%
Minnesota	18%	56%
Louisiana	21%	55%
Wyoming	27%	55%
Nevada	25%	52%
California	25%	51%
Rhode Island	22%	50%
Colorado	29%	50%
North Carolina	35%	47%
Texas	30%	46%
Alabama	32%	44%