Rural/Urban Differences in Experiences with Medicare Part D Plans

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Medicare Part D

- Optional prescription drug benefit
- Implemented in 2006
- Majority (>90%) of Medicare beneficiaries participate
- Led to significant decreases in out-of-pocket spending and increased use of prescription drugs
Part D Plan Options

• **PDP:** Traditional “stand-alone” prescription drug plan
  - Rural residents more likely to use PDPs

• **MA-PDP:** Medicare Advantage prescription drug plan
  - Urban beneficiaries have significantly more MA-PDP options than rural
Beneficiary Experiences

- Enrollees generally report relatively high satisfaction with the Part D program.
- They also report relatively low confidence in their knowledge of Part D plan options.
- Little is known about rural/urban differences in Part D experiences.
Research Objectives

• Identify whether there are differences by rural/urban location in Medicare beneficiaries’ experiences with Part D plans, including:
  – The process of choosing a plan
  – Satisfaction with one’s chosen plan
Data and Sample

- 2012 Medicare Current Beneficiary Sample, Access to Care module
- Medicare beneficiaries, 65+, living in the U.S., currently enrolled in a Part D plan
- N=3,706
Methods

• Weighted logistic regression models, adjusting for health and socio-demographic characteristics

• OMB definition of rurality used
  – Sample was 77.9% metropolitan, 13.5% micropolitan; 8.6% rural non-core

• Outcomes:
  – Satisfaction with chosen Part D plan
  – Confidence in Part D plan
  – Satisfaction with information during decision-making process
Satisfaction with Part D Plan

Percentage of "very satisfied" respondents

- Urban
- Rural Micropolitan
- Non-Core

Difference between urban and micropolitan significant at p<0.01.
**Decision-Making Experiences**

- Very confident in plan choice**: non-core different than urban (p<0.05); micropolitan and non-core different than urban (p<0.01)
- Satisfied with decision-making information
- Part D easy to understand**
- Confident in Part D knowledge base

*non-core different than urban (p<0.05); **micropolitan and non-core different than urban (p<0.01)
## Odds of Positive Experience

<table>
<thead>
<tr>
<th></th>
<th>Confident that plan meets needs</th>
<th>Satisfied with information</th>
<th>Easy to understand Part D</th>
<th>Confident in Part D knowledge</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban (Ref.)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Micropolitan</td>
<td>0.79*</td>
<td>0.87</td>
<td>0.91</td>
<td>0.93</td>
</tr>
<tr>
<td>Rural</td>
<td>0.88</td>
<td>0.89</td>
<td>0.81</td>
<td>0.90</td>
</tr>
</tbody>
</table>

Fully-adjusted models control for socio-demographic characteristics, plan characteristics, and health services use. *p<0.05.
Key Findings

• Fewer than half of all beneficiaries were “very satisfied” with their Part D plan.
• Micropolitan beneficiaries had significantly lower satisfaction than metropolitan.
Key Findings, Continued

• Overall, half of all beneficiaries were not very confident in their Part D knowledge.
• Rural beneficiaries were less confident in the plan they chose and were less satisfied with the amount of information available to them during the decision-making process.
Key Findings, Continued

• After adjusting for all covariates, micropolitan residents continued to have lower odds of being confident in the plan that they chose.

• Geographic variation in satisfaction was largely explained by differences in health services use and type of Part D plan (stand-alone plan vs. Medicare Advantage).
Implications for Policy and Practice

• Rural residents are **less confident** in their plan-selection process and **less satisfied** with their chosen plans. This may lead to disparate use of prescription drug benefits.

• **Making information about Part D easily accessible** for all beneficiaries may help address barriers that rural residents face.

• **Simplifying the Part D program** may improve beneficiaries’ confidence in the decision-making process and satisfaction with their Part D plans.
For More Information


Thank You!

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