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Study Profiles Senior Market by Rx Risk Group

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Deft Top Line Result:

Characteristics of Seniors by Risk Score Quintile

Quintile Characteristics	RxHCC Risk Score Quintiles				
	Less than 0.60	0.60 to 0.795	0.795 to 0.97	0.97 to 1.20	Higher than 1.20
more than high school education	60%	58%	48%	49%	50%
80 years old or older	24%	20%	21%	23%	18%
married	63%	57%	52%	48%	47%
married with income greater than 300% federal poverty level	45%	54%	33%	50%	36%
single with income greater than 300% federal poverty level	35%	24%	23%	23%	9%
2 adults living in household	54%	56%	53%	49%	49%
owns own home	92%	90%	89%	86%	81%
4 or more chronic conditions	0%	2%	24%	71%	91%
estimated spent more than \$1,200 out-of-pocket last year	11%	14%	17%	24%	25%
In the past 2 years, have you been told by a doctor, or discussed with a doctor, that you have diabetes? (percent "yes")	1%	7%	16%	21%	42%
In the past 2 years, have you been told by a doctor, or discussed with a doctor, that you have heart disease? (percent "yes")	1%	12%	21%	28%	52%

Source: National Segmentation Study, 2005, Deft Research, LLC

The table above provides selections from the Deft's National Segmentation Study. Many more data points also provide explanation.

Minneapolis, Minnesota – One way the federal government is sharing risk with its new Medicare Part D plan partners is by making risk adjusted payments based on CMS’ “Drug Risk Adjuster Model – Part D.”

For Deft Research’s National Segmentation Study, risk score relevant demographic and health condition questions were asked of seniors allowing Deft’s researchers to compute estimates of the CMS risk adjustment score for each of the 900 seniors interviewed.

The table above shows how subscribers of Deft’s research can profile senior markets based on these scores. This capability will be applied in product development and planning processes. The information will help health plan management understand the differing needs of seniors and explain those differences in terms of specific economic and product interest patterns.

The table above provides profiles of five groups based on Rx Risk Score Quintiles. Seniors with the highest risk scores (the poorest health) are more likely to have less supportive living circumstances. They are less likely to be married, they have lower educational achievement and lower incomes. They are more than twice as likely as the healthiest group to have spent more than \$1,200 last year out of pocket for their medicines.

Ninety-one percent of the least healthy seniors have 4 or more chronic conditions. Forty-two percent have diabetes, and 52% have a heart condition. Part D players managing a Special Needs Population (SNP) will find the ability to link this information with expectations and needs particularly valuable.

Subscribers to Deft’s Research Program are able to access twelve reports based on Rx Risk Scores. The web-based report contents will show differing expectations and needs of these five groups. For example, subscribers will identify differing perceptions of generic drugs, administrative services, need for professional advice services, and coordination of benefits.