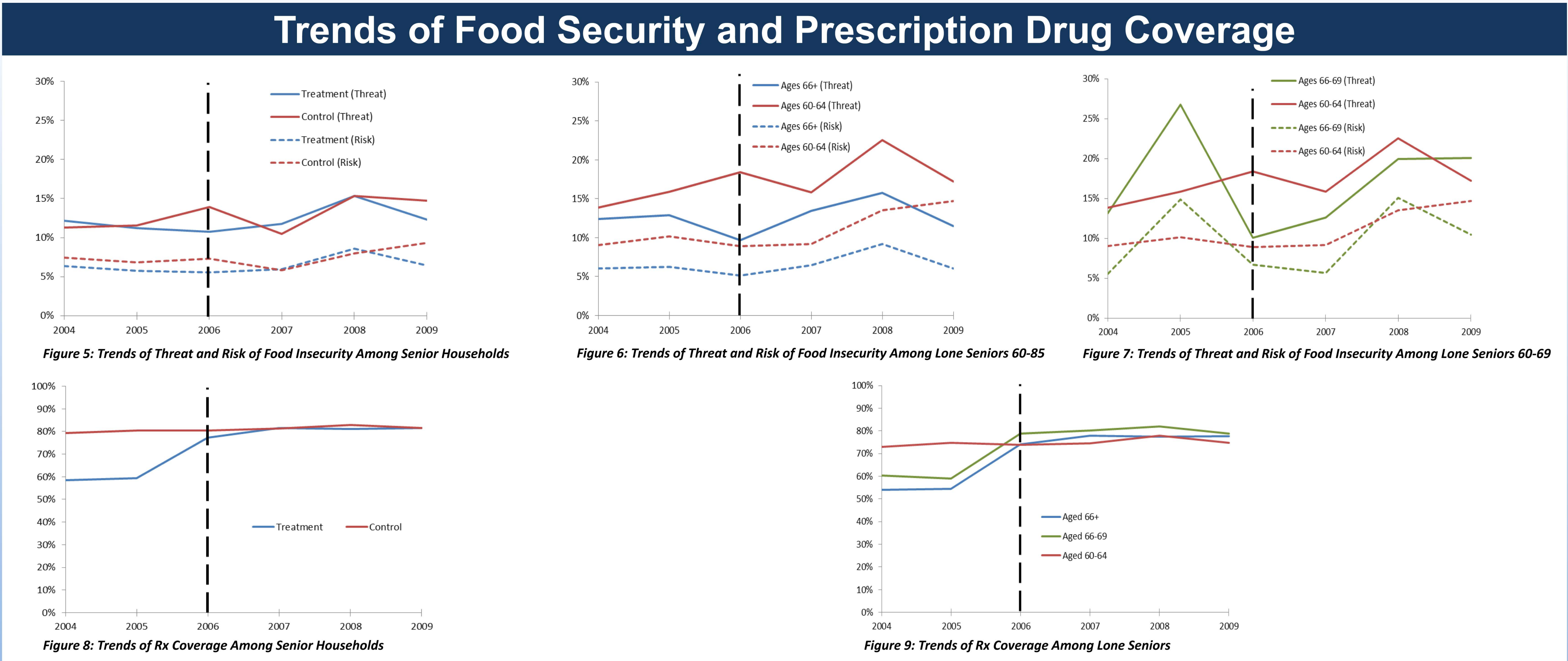
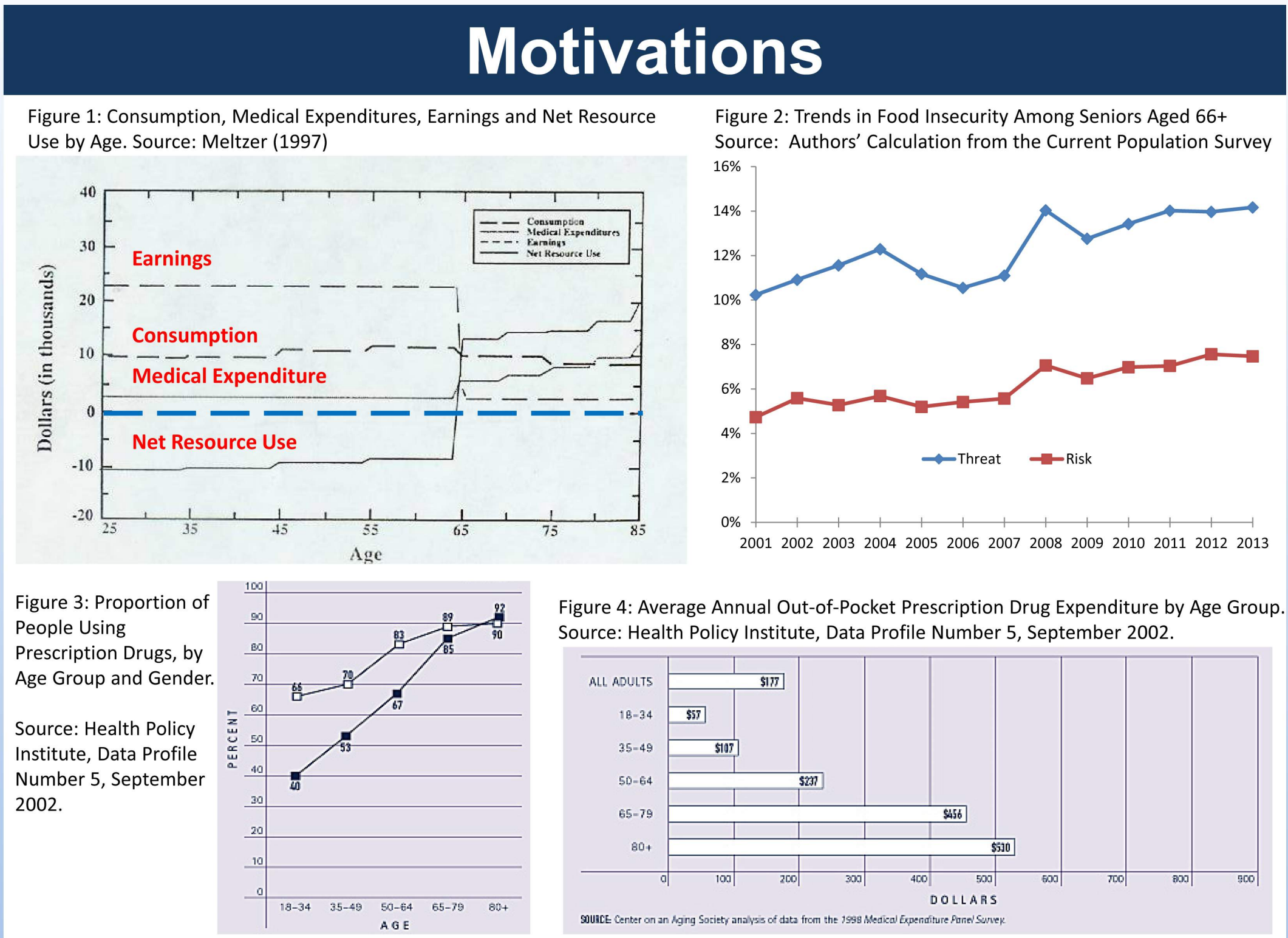


The Effect of Prescription Drug Coverage on Food Security Among Seniors: An Application of the Two-Sample Instrumental Variables Estimators



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Research Questions

1. Did the implementation of Medicare Part D in 2006 reduce food insecurity for seniors?
2. Does prescription drug coverage improve food security for seniors?

Data and Sample Selection

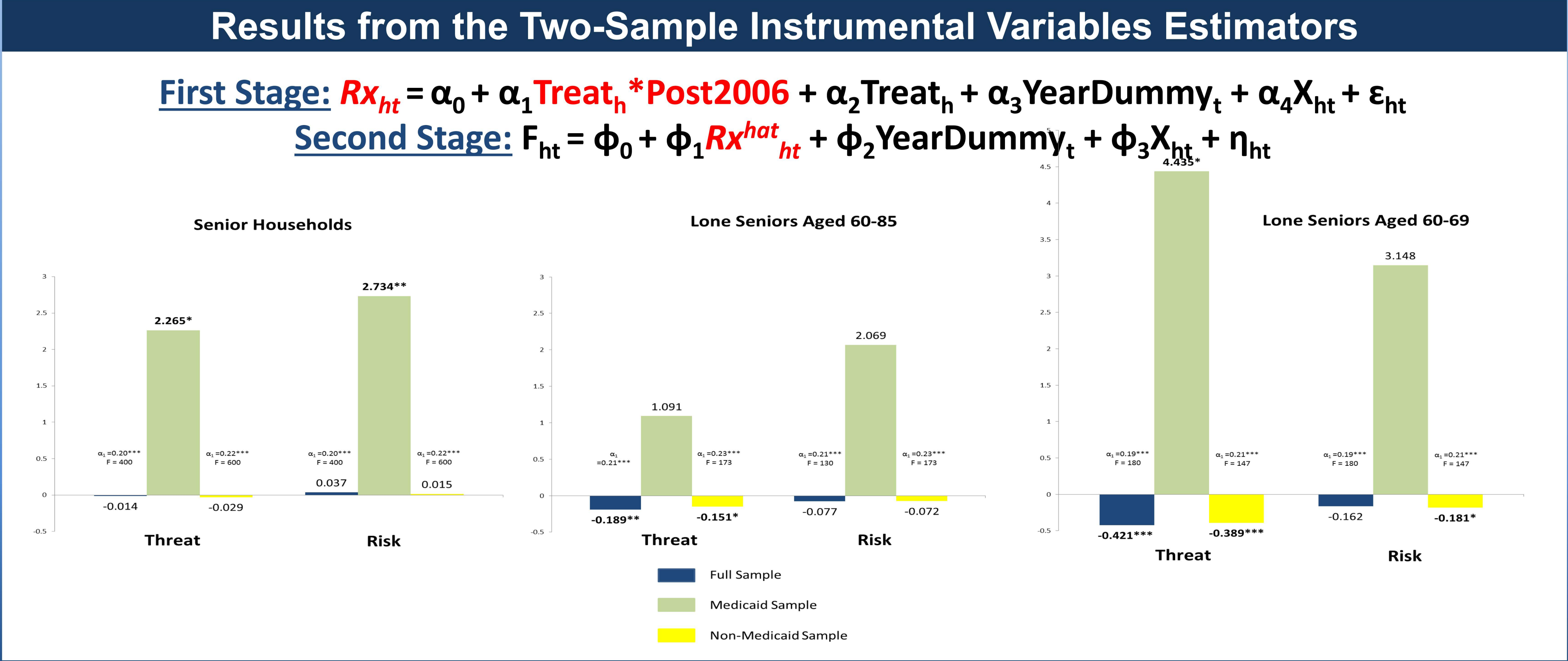
Data (2004-2009) from the Minnesota Population Center:

- Integrated Health Interview Series (IHIS).
- Current Population Survey – Food Security Supplement in December linked with Annual Social and Economic Supplement (ASEC) in March of the following year.

Sample Selection:

		Household Types	Sample Size (CPS)	Sample Size (IHIS)
Senior Households	Treatment	Households where at least one member aged 65+	15,663	41,095
	Control	Households where all members are younger than 65 and at least one member aged 60-64	4,464	12,709
Lone Seniors	Treatment	Lone seniors aged 66+	6,173	15,421
		Lone seniors aged 66-69	1,060	2,799
	Control	Lone seniors aged 60-64	1,172	3,421

Exclude households where any seniors aged 60-64 covered by Medicare



Measurement

Measurement		Description
Threat of Food Insecurity	No	High food security
	Yes	Marginal food security Low food security Very low food security
Risk of Food Insecurity	No	High food security Marginal food security
	Yes	Low food security Very low food security
Prescription Drug Coverage		Households where at least one seniors aged 60+ covered by private insurance (with Rx coverage), public insurance, single plan for Rx, military insurance, or Medicare Part D.

Discussions and Implications

➤ **Senior Households:**

- Medicare Part D **did not** alleviate **threat** and **risk** of food insecurity for the treated group.
- **No effect** of Rx on either **threat** or **risk** of food insecurity for non-Medicaid households, while food insecurity increases in Medicaid households.

➤ **Lone Seniors:**

- Rx **reduces threat** of food insecurity for all lone seniors aged 60-69 or 60-85.
- The results hold for lone seniors who are not covered by Medicaid, while Medicaid seniors experience worse food security situations.
- Rx also alleviates **risk** of food insecurity for seniors aged 60-69

➤ **Implications:**

- Subsidizing non-food consumption improves food security
- Policies that reduce out-of-pocket medical spending could generate additional benefits of improving food security for lone seniors.
- Medicare Part D has a wide-program effect on all lone seniors aged 66-85, and not just lone seniors who recently became eligible for Medicare (66-69).