## EXHIBIT 2 DISTRIBUTION OF MEDICAID BENEFICIARY CHARACTERISTICS IN THE STUDY POPULATION, 2001

	PERCENT OF STUDY POPULATION BENEFICIARIES <sup>a</sup>		
Beneficiary Characteristics	Among Nondual Beneficiaries	Among Dual Eligibles <sup>b</sup>	Among All Beneficiaries Who Resided in Nursing Facilities All Year <sup>c</sup>
Age			
5 and younger	24		
6-14	25		
15-20	14	$35^{\rm d}$	12 <sup>d</sup>
21-44	28	33	12
45-64	7		
65-74	1	19	13
75-84	<1	25	31
85 and older	<1	23	45
Sex			
Male	40	36	28
Female	60	64	72
Race			
African American	25	18	13
White	43	59	77
Other/Unknown	32	23	10
Dual Eligibility Status			
Dual Eligibles	0	100	92
Nondual Beneficiaries	100	0	8
Basis of Eligibility <sup>e</sup>			
Children	57	< 1	< 1
Adults	30	< 1	< 1
Disabled	13	43	17
Aged	1	56	83
Number of Beneficiaries in the Study Population	28,684,114	5,693,212	928,724

Source: Medicaid Analytic Extract, 2001. This table is based on the information contained in the Compendium, United States.

<sup>a</sup>Medicaid beneficiaries featured in this exhibit include those who had fee-for-service (FFS) Medicaid pharmacy benefit coverage for at least one month during calendar year 2001. Beneficiaries who were in capitated managed care arrangements for the entire year are excluded. For more details on how the study population was determined, see Table 1 of the Compendium.

<sup>b</sup>Dual eligibles are beneficiaries who had Medicare as well as Medicaid FFS pharmacy benefit coverage for at least one month during their Medicaid enrollment in 2001. Nondual beneficiaries include beneficiaries who were never dually eligible or were dually eligible but never had Medicaid FFS pharmacy benefit coverage. Refer to Table 1 in the Compendium for more information about how dual eligibility status was determined.

<sup>c</sup>This group includes all beneficiaries who resided in nursing facilities throughout their Medicaid enrollment in 2001. Refer to Table 1 in the Compendium for more information about how all-year nursing facility residency was determined.

<sup>&</sup>lt;sup>d</sup>The percentage represents all ages below 65.

<sup>&</sup>lt;sup>e</sup>Medicaid basis of eligibility is classified as: aged, disabled, adults, and children. The disabled group includes beneficiaries of any age who were determined to be eligible because of disability or blindness. The children's group includes children receiving foster care and adoptive services.