

MEDICARE DRUG COVERAGE PROVIDES SIGNIFICANT PRICE DISCOUNTS AND SAVINGS

ANALYSIS OF DRUGS FOR COMMON HEALTH PROBLEMS

Centers for Medicare & Medicaid Services (CMS)

September 20, 2006- Updated Report

Savings of Over 70 Percent Possible for Beneficiaries Through Medicare Prescription Drug Plans

EXECUTIVE SUMMARY

This report presents updated findings from an ongoing analysis by the Centers for Medicare & Medicaid Services (CMS), which was originally released in March 2006 and then updated in June 2006. This updated analysis demonstrates that Medicare beneficiaries with common chronic conditions enrolled in Medicare prescription drug plans (PDPs) are seeing savings off of their prescription drug costs that are by and large extremely stable and – in some cases – larger than those initially presented in the March report. In addition to highlighting the magnitude and stability of available savings, this analysis finds that Part D prices have increased less than have the average wholesale prices (AWPs) for these same products, which affect the prescription drug market as a whole.

The savings under Part D are driven in part by the price discounts negotiated by plans. The lowest-cost plans in this analysis offer discounted prices for these baskets of drugs that are on average 27 percent—and as much as 56 percent—lower than cash prices.

Many of the plans in this analysis also offer considerably lower prices than other “third-party” insurers (including the prices obtained by pharmacy benefit managers (PBMs) for non-Part D consumers). For instance, in the case of the lowest-cost plans in this analysis, the discounted prices for these baskets of drugs average 16 percent lower—and as much as 46 percent lower—than “third-party” negotiated prices. Mail-order prices for Medicare plans are also lower than those available through popular Internet pharmacies.

Savings are even larger when the plan benefit structure—including beneficiary copayments or coinsurance for medications in the initial coverage period—is taken into account. Specifically, compared to what people with Medicare would pay without prescription drug coverage, average savings for the illustrative beneficiaries included in this study have increased from 57 to 60 percent since this analysis was first conducted in March 2006. Maximum savings available to these illustrative beneficiaries are now 72 percent through the lowest-cost plans available.

Even those choosing from a range of lower-cost plans can save up to 52 percent annually—up from 49 percent—and the mid-priced (or, median) plan can provide savings of up to 44 percent off of what beneficiaries would pay without drug coverage.

Savings increase substantially for beneficiaries who switch to lower-cost generic medications, which have exactly the same active ingredients as their brand-name counterparts. The illustrative beneficiaries in this analysis would see savings of up to 76 percent through their lowest-cost plan if they switched to generics. Even larger savings are possible for beneficiaries

who also switch to lower-cost “therapeutically equivalent” drugs—drugs in the same class that have very similar effects—with savings for these illustrative beneficiaries increasing to 82 percent for the lowest-cost plan and up to 80 percent for a range of lowest-cost plans, with the latter maximum savings up from 75 percent since June alone.

While CMS has found that these savings have been largely stable and reliable since the program began on January 1, 2006 -- with the prices paid by Part D enrollees going up by less than have the AWP that affect many public and private drug purchasers. While plans’ prices for the drugs included in this analysis increased by an average of less than 1 percent between December 2005 and August 2006, AWP increased by an average of 2.9 percent over this same period. Coupled with large discounts, this price stability translates into substantial and reliable savings for beneficiaries through Medicare drug coverage. Thus, increases in the average prices for these drugs have been significantly below both medical inflation and general inflation, providing access to substantially discounted prices to beneficiaries even while in the coverage gap.

Beneficiaries have different preferences when it comes to their health-care coverage. They are choosing coverage options that differ in terms of premiums, deductibles, copayments or coinsurance, coverage in the gap, and the specifics of covered drugs. This analysis shows that most Medicare beneficiaries with common health problems can find a range of plans with features that will provide them with significant savings and protect them from cost increases.

BACKGROUND

This analysis was based on information provided to CMS by participating prescription drug plans (PDPs) for the Medicare Prescription Drug Plan Finder tool at www.medicare.gov.^[1] The same personalized information on the features and costs of the plan offerings is available by calling 1-800-MEDICARE.

CMS calculated the savings on a range of drug “profiles,” comprised of the medications that are most often used by Medicare beneficiaries (see Attachment A). These include drugs and combinations of drugs for conditions such as high blood pressure, high cholesterol, coronary artery disease, heart failure, diabetes, osteoporosis, thyroid problems, and chronic lung diseases such as asthma, among others. The drugs were selected from about 100 brand-name and generic medications, including many of the drugs most commonly taken by Medicare beneficiaries. The profiles were created in early 2005, prior to implementation of Part D.

The information on the costs and coverage available through the Medicare Prescription Drug Plan Finder is an unprecedented step toward transparency in prescription drug costs. This kind of pharmacy- and drug-specific cost and coverage information has never been available before through health insurance plans. This personalized information is designed to help Medicare beneficiaries and their families select a plan that best fits their individual needs. At the same time, the program promotes competition to reduce prices and improve benefits, as prescription drug plans compare their performance to their competitors. CMS continues to monitor the extent of actual savings, and is starting to conduct more in-depth analyses of the prescription drug prices available to beneficiaries enrolled in Medicare prescription drug plans.

This analysis focuses only on stand-alone PDPs. Substantially larger savings on overall health care costs (including drug coverage) are generally possible through enrollment in a Medicare Advantage plan because these plans frequently offer additional health benefits at a lower cost, such as more generous drug coverage for a low or zero premium.

The illustrative beneficiaries included in this analysis do not qualify for additional assistance on the basis of having a low income. Those qualifying for such subsidies are expected to see average savings of 95 percent on their drug costs, representing significant help with prescription drug costs for those with especially limited means.

RESULTS

Plans Negotiate Substantial Discounts on Prescription Drug Prices

Since the drug benefit was implemented on January 1, 2006, the negotiated discounts for Medicare prescription drug plans have generally been better than cash prices, and also comparable to or better than the discounts negotiated by large “third-party” insurance plans on behalf of non-Medicare populations (see Attachment B). The lowest-cost plans in this analysis offer discounted prices for these baskets of drugs that are an average 27 percent—and as much as 56 percent—lower than cash prices. As for “third-party” insurers, in the case of the lowest-cost plans in this analysis, the discounted prices for these baskets of drugs average 16 percent lower—and as much as 46 percent lower—than “third-party” negotiated prices. These price discounts are available on a broad range of prescription drugs prescribed for common chronic conditions, not just on one or two specific drugs in each class.

Medicare prescription drug plans also offer additional price discounts through mail-order, and beneficiaries may select a plan that offers this option. The data show that mail-order prices through the range of lower-priced Medicare prescription drug plans are consistently lower than those available from well-known and reputable mail-order sources such as Drugstore.com and Costco.com (see Attachment C). Those with chronic conditions who select the lowest-cost plan in their area can see savings through their plan’s mail-order option that average 22 percent off of these other mail-order sources, but that can be as high as 33 percent off of Costco.com’s mail-order prices and 64 percent off of Drugstore.com’s.

Since the benefit began, CMS has also tracked Part D prices for the top drugs included in this analysis and compared them to real changes in the average wholesale prices (AWPs) that affect essentially all prescription drug purchases in the United States. This comparison finds that Part D prices have actually increased less than has the AWP for these selected prescription drugs since December 2005. While plans’ prices for the drugs included in this analysis have increased by an average of less than 1 percent over this period, AWPs have increased by an average of 2.9 percent. Thus, not only are Part D enrollees seeing substantial discounts on drug prices, they are also somewhat insulated from the price increases that are taking place in the prescription drug market at large.

Medicare Prescription Drug Plans’ Benefit Structure Offers Significant Savings

The illustrative beneficiaries in this study selecting the stand-alone drug plan with the lowest total annual cost in their area (including premiums, deductibles, and all cost-sharing over the course of a year) may save an average of 60 percent – and sometimes much more - off of what they would pay without any drug coverage (see Attachment D), with maximum savings of up to 72 percent. If they enrolled in the plan ranked 10th in terms of cost, the beneficiaries included in this study could see savings of up to 52 percent. Finally, even those selecting the mid-priced (or, median) plan could realize savings of up to 44 percent. These percentage savings can amount to several thousand dollars or more per year. For example:

- A beneficiary living in **Appleton, Wisconsin**, with hypertension, breathing difficulties, and acid reflux, among other problems, who had spent \$6,524 a year on medications without

drug coverage can enroll in a PDP that would save 56 percent in annual drug costs—for a total savings of \$3,647 per year. If this same individual were to choose the 10th-ranked or mid-priced plan available, he or she would still save 38 percent (\$2,495) or 32 percent (\$2,153), respectively, on drug costs over the course of the year (see Attachment D, Profile 7). These savings are each 3 percentage points higher than those estimated in the March report.

Beneficiaries willing to switch to lower-cost medications such as generic drugs can save even more. Generic medicines are as safe and effective as brand-name drugs: They have exactly the same active ingredients, and they must meet the same quality standards as brand-name drugs. Most people with drug coverage today take generic drugs when they are available, and most prescriptions in the United States are for generic medicines.^[2] Were the illustrative beneficiaries in our study to switch to generic prescriptions, the annual savings seen in our study could be as high as 76 percent among lowest-cost plans—with similarly large savings available through the 10th-ranked and mid-priced plans (81 percent and 61 percent, respectively). In sum, beneficiaries using generic drugs when available can get very large savings from a broad range of plans.

Beneficiaries using both the generic and therapeutic substitutes available on their plans' formularies can expect to see the greatest savings through a very broad range of drug plans. In particular, maximum savings under the originally lowest-priced plans increase to 82 percent (up from 72 percent for the original basket of drugs) and – for the 10th-ranked plans – to 80 percent (up from 52 percent). Even plans that originally fell in the middle of the price range may offer beneficiaries very large savings if they are willing to switch to both generic and therapeutic substitutes. This is because some plans differ in terms of which specific drugs they cover within a class of drugs. When they do not offer a large discount on a particular drug in the class, other similar drugs in that class are often available for a lower price. For example:

- While the mid-priced plan available to a beneficiary with hypertension, high cholesterol, and acid reflux, among other health problems in **Virginia Beach, Virginia**, would have saved 27 percent off of the costs of his or her original drug regimen, savings under this same plan would increase to 75 percent if generic and therapeutic substitutions were made (see Attachment D, Profile 18).

Beneficiaries can generally achieve substantial savings by choosing a plan with a low premium as well. Were the beneficiaries included in this study to select the plan with the lowest premium available in their area, they would save 33 percent to 72 percent off of what they would pay on average without coverage.

These findings demonstrate that beneficiaries can focus on selecting a plan based on the attributes that matter the most to them personally, such as low monthly costs or coverage and pharmacy access, and still realize substantial savings.

The results of this analysis also indicate that savings are available to beneficiaries with both high and low drug costs. Beneficiaries in the study who have relatively high spending—putting them in the “coverage gap” for the standard benefit—can generally achieve very substantial savings due to price discounts and coverage, as well as the availability of options that fill in the coverage gap. This can mean thousands of dollars in cost savings. For example:

- A beneficiary living in **Bismarck, North Dakota**, with hypertension, osteoporosis, and chronic pain, and drug spending as high as \$7,193 a year without drug coverage can save \$5,204 (or, 72 percent) on his or her annual drug bills by enrolling in the lowest-cost plan in the area (see Attachment D, Profile 4).

At the same time, even beneficiaries with relatively low prescription drug spending can achieve significant savings by choosing a plan with a low premium and/or no deductible. To take another example:

- A beneficiary living in **Mercer Island, Washington**, with angina, depression, hypertension, and a history of heart failure who spent \$1,344 a year on medications before enrolling in a PDP can save \$847 (or 63 percent) annually by enrolling in the lowest-cost plan in the area (see Attachment D, Profile 10). These savings are 3 percentage points higher than those estimated in the March report.

As noted above, Part D prices for the drugs analyzed here have increased more slowly than have the average wholesale prices (AWPs) that affect other consumers of prescription drugs. This has translated into substantial and reliable out-of-pocket savings for beneficiaries in terms of the maximum savings available since the program began (see Attachment E).

This stability is evident even at the individual plan level. Looking across the 10 lowest-cost plans in each of the 16 baskets in our analysis, for instance, almost one-third (29 percent) of all plans actually saw their projected annual costs *decrease* from December 2005 through July 2006—and another 32 percent of these plans saw increases of less than 2 percent. In addition, over the course of this same eight-month period, the projected annual out-of-pocket costs of the plans initially ranked lowest in cost increased by an average of just \$5 (or, less than 1 percent).

These findings should reassure beneficiaries that they can count on meaningful savings upon enrollment in the plan of their choice. These savings also highlight the security that Medicare PDPs provide beneficiaries with respect to the reliability of coverage in the event that their prescription drug needs increase in the future.

DESCRIPTION OF STUDY METHODS

For the purpose of this analysis, CMS created 16 drug profiles of illustrative beneficiaries with a number of common chronic conditions, each taking a different array of commonly used medications. These profiles were developed by pharmacists and other medical professional staff at CMS early in 2005, prior to implementation of Part D, and were intended to be representative of a range of Medicare beneficiaries.

To analyze plan savings, the 16 profiles were run in 32 ZIP codes (each profile in 2 ZIP codes, in effect creating 32 illustrative beneficiaries) in order to capture the experiences of beneficiaries in various geographic areas around the country. The areas chosen may not be representative of all geographic areas.

For the negotiated price analysis, the 16 profiles were each run in one ZIP code to generate the prices negotiated by each of the available plans that covers all of the drugs in a given profile on its formulary. For each illustrative beneficiary, CMS selected the following specific plans for the cost comparisons: (1) the plan with the lowest total annual cost, (2) the plan with the median annual cost (i.e., the “mid-priced” plan), and (3) the plan with the lowest annual premium. These prices were then compared to both cash prices and 3rd-party prices for the given sets of drugs.

For the mail-order analysis, the profiles for which mail-order prices were available for all drugs through all sources (14 out of 16) were each run in one ZIP code to compare mail-order prices for plans to those at Costco.com and Drugstore.com. The plan with the lowest total annual

cost and the plan with the median annual cost (i.e., the “mid-priced” plan) were selected for purposes of comparison.

The analysis of AWP changes was based on data from industry sources for National Drug Codes (NDCs). The data for this analysis were pulled on AWP as of December 15, 2005, and August 24, 2006. These prices reflect the published AWPs in effect at the time that plans prepared their file submissions for data posted to Medicare.gov’s PlanFinder for the weeks of December 19, 2005, and August 28, 2006. For each month, an unweighted average was computed of the percentage change in the AWPs available for each of the profile products.

Information from the Medicare Prescription Drug Plan Finder, available on www.medicare.gov, was used to determine the amount each of the 32 illustrative beneficiaries would spend annually on their prescription drugs if they enrolled in one of the prescription drug plans available in their area. For each illustrative beneficiary, CMS selected the following specific plans for the cost comparisons: (1) the plan with the lowest total annual cost, (2) the plan with the 10th lowest annual cost, (3) the plan with the median annual cost (i.e., the “mid-priced” plan), and (4) the plan with the lowest annual premium. CMS then compared these plans’ costs to the national average cash prices that beneficiaries would pay for the same drugs if they were without drug coverage.^[3]

[1] The Medicare Prescription Drug Plan Finder is an internet-based tool designed to help people compare Medicare drug plans in specific geographic areas and select the plan that best meets their needs. It offers pricing transparency to consumers by providing formulary, premium, deductible, and cost-sharing information. The same personalized information is available by calling 1-800-MEDICARE. For purposes of this study, we accessed the Medicare Prescription Drug Plan Finder during the week of August 28, 2006.

[2] Generic Pharmaceutical Association, 2006.

[3] Cash prices derived from **Vector Oneä: National** (VONA) from Verispan; Variables: Retail Dollars and Extended Units by Cash Method of Payment; quarter ending 3/2006.

#

Attachment A: Illustrative Profiles of Medicare Beneficiaries¹

Illustrative Example: Retail Profile 1 illustrates that Medicare beneficiaries living in either Windsor, Vermont, or Concord, New Hampshire, with common chronic conditions such as allergies, asthma, and hypertension may take the following commonly used medications - *Allegra*, *Albuterol Aerosol*, *Advair Diskus*, *Singulair*, and *Lotrel*. The spreadsheets that follow demonstrate the savings that these and other illustrative Medicare beneficiaries can achieve by opting for a range of plans available to them, along with the additional savings possible through substitution of generics and other lower-cost medications.

Retail Profile	Medicare Beneficiary Residence	Condition	Drug	Dosage	30-Day Quantity
1	Windsor, VT 05089; Concord, NH 03303	Allergies	Allegra	180mg tablet	30
		Asthma	Albuterol Aerosol (G)	90mcg	Two 17gm inhalers/30 days
		Asthma	Advair Diskus	250/50mcg	60
		Asthma	Singulair	10mg tablet	30
		Hypertension	Lotrel (amlodipine/benazepril)	5/10mg capsule	30
2	Lincoln, NE 68507; Virginia Beach, VA 23462	Acid Reflux/GERD	Prevacid DR	30mg capsule	30
		Blood Thinner	Coumadin	5mg tablet	30
		Heart Failure/Hypertension	Furosemide Oral (G)	20mg tablet	30
		Hyperlipidemia	Lipitor	10mg tablet	30
		Hypertension	Altace	5mg capsule	30
		Potassium Replacement	Klor-Con 10	10meq tablet	30
3	San Luis Obispo, CA 93405; Charlotte, NC 28215	Diabetes	Glyburide (G)	5mg tablet	30
		Diabetes	Glucophage	500mg tablet	90
		Diabetes	Avandia	4mg tablet	30
		Hyperlipidemia	Zocor	20mg tablet	30
		Hypertension	Lisinopril/HCTZ (G)	20/25mg tablet	30
		Heart Failure	Coreg	6.25mg tablet	60
		Peripheral Arterial Disease	Plavix	75mg tablet	30
4	Bismarck, ND 58503; Columbia, SC 29229	Antipsychotic	Zyprexa	10mg tablet	30
		Hypertension	Toprol XL	50mg tablet	30
		Osteoporosis	Actonel	35mg tablet	4
		Pain	Propoxyphene-N/APAP (G)	100mg/650mg tablet	120
		Urinary Spasms	Detrol	4mg capsule	30
		Hypertension	Captopril (G)	25mg tablet	90

Retail Profile	Medicare Beneficiary Residence	Condition	Drug	Dosage	30-Day Quantity
5					
	Crofton, MD 21114; Toccoa, GA 30577	Acid Reflux/GERD	Nexium	20mg capsule	30
		Antidepressant	Celexa	20mg tablet	30
		Dementia	Aricept	5mg tablet	30
		Hypertension	Enalapril (G)	10mg tablet	30
		Hypertension	Nifedipine ER (G)	90mg tablet	30
		Hypothyroidism	Synthroid	0.1mg (or 100 MCG) tablet	30
		Osteoporosis	Fosamax	70mg tablet	4
6					
	St. Louis, MO 63104; Troy, AL 36081	Heart Failure/Atrial Fib.	Digitex (G)	0.125mg (125 MCG) tablet	30
		Hypertrophy	Terazosin (G)	5mg capsule	30
		Diabetes	Glycovance	5/500mg tablet	60
		Retention/Hypertension	Lasix	40mg tablet	30
		Hyperlipidemia	Pravachol	40mg tablet	30
		Hypertension	Zestril	20mg tablet	30
7					
	Appleton, WI 54915; Van Wert, OH 45891	Acid Reflux/GERD	Protonix	20mg tablet	30
		Bronchospasm	Combivent (ipratropium/albuterol)	29.4gm	2 inhalers/30 days
		Hypertension	Avapro	150mg tablet	30
		Sleep	Ambien	10mg tablet	30
		Steroid/Breathing	Prednisone (G)	5mg tablet	30
		Hypertension	Norvasc	10mg tablet	30
8					
	Delray Beach, FL 33445; Middlesboro, KY 40965	Allergies	Zyrtec	10mg tablet	30
		Antidepressant	Zoloft	50mg tablet	30
		Hormone Replacement	Evista	60mg tablet	30
		Hypertension	Hyzaar (losartan/HCTZ)	50mg/12.5mg tablet	30
		Seizures	Neurontin	600mg tablet	90
9					
	Winnetka, IL 60093; Magnolia, AR 71753	Antidepressant	Amitriptyline HCL (G)	25mg tablet	30
		Diabetes	Glucotrol XL	10mg tablet	30
		Diabetes	Metformin (G)	500mg tablet	90
		Glaucoma	Alphagan P (brimonidine)	0.0015	10 mL bottle
		Hypertension	Diovan HCT	160mg/25mg tablet	30

Retail Profile	Medicare Beneficiary Residence	Condition	Drug	Dosage	30-Day Quantity
10					
	Mercer Island, WA 98040; Jackson, MS 39204		Nitroglycerin (GSN)		
		Angina	475) SUBL	0.4mg tablet	100 ea bottle
		Antidepressant	Fluoxetine HCL (G)	20mg capsule	30
		Heart Failure/Atrial Fib.	Lanoxin	0.125mg (125 MCG) tablet	30
		Fluid Retention/Hypertension	Hydrochlorothiazide (G)	25mg tablet	30
		Hypertension	Vasotec	10mg tablet	30
		Potassium Replacement	Klor-Con 10	10meq tablet	30
		Angina	Isosorbide Mononitrate ER (G)	60mg tablet	30
11					
	Van Nuys, CA 91405; Oklahoma City, OK 73118	Acid Reflux/GERD	Aciphex	20mg tablet	30
		Benign Prostatic Hypertrophy	Doxazosin Mesylate (G)	4mg tablet	30
		Fluid Retention/Hypertension	Triamterene w/HCTZ (G)	37.5/25mg tablet	30
		Hypertension	Accupril	20mg tablet	30
12					
	Yonkers, NY 10704; Hays, KS 67601	Diabetes	Amaryl	4mg tablet	30
		Hormone Replacement	Premarin	0.625mg tablet	30
		Hypertension	Lisinopril (G)	20mg tablet	30
		Hypertension	Metoprolol Tartrate (G)	50mg tablet	60
		Glaucoma	Xalatan	0.00005	2.5 ml bottle
13					
	Elizabeth, NJ 07208; Albuquerque, NM 87111	Hypertension	Lotensin	20mg tablet	30
		Hypertension	Cartia XT (G)	240mg capsule	30
		Hypothyroidism	Levoxyl	0.125mg (125 MCG) tablet	30
		Hyperlipidemia	Lovastatin (G)	40mg tablet	30
14					
	Denver, CO 80228; Nogales, AZ 85621	Pain	Tramadol HCL (G)	50mg tablet	120
		Hypertension	Prinivil	20mg tablet	30
		Hypertension	Diltiazem HCL(G)	240mg capsule	30
		Hypertension	Clonidine HCL (G)	0.2mg tablet	60

Retail Profile	Medicare Beneficiary Residence	Condition	Drug	Dosage	30-Day Quantity
15					
	Philadelphia, PA 19146; Pahrump, NV 89048	Antidepressant	Paxil	20mg tablet	30
		Blood Thinner	Warfarin (G)	5mg tablet	30
		Hypertension	Cozaar	50mg tablet	30
		Hypertension	Atenolol (G)	50mg tablet	30
16					
	Dallas, TX 75205; Salt Lake City, UT 84117	Antidepressant	Trazodone HCl (G)	50mg tablet	30
		Diabetes	Glibenclamide (G)	5mg tablet	60
		Diabetes	Actos	30mg tablet	30
		Hypertension	Diovan	160mg tablet	30
		Pain/Arthritis	Celebrex	200mg capsule	30
<p>(1) The 16 profiles were run in 32 ZIP codes (each basket in 2 ZIP codes, in effect creating 32 illustrative beneficiaries) in order to capture the experiences of beneficiaries in various geographic areas around the country.</p> <p>(2) Note: "G" represents a generic drug; otherwise the drug is branded.</p>					

Attachment B: Summary Analysis of PDP Negotiated Drug Prices (Week of August 28, 2006)

Retail Profile Number	Core Data						PDP Basket Price ¹ vs. Monthly National Cash Price			PDP Basket Price ¹ vs. Monthly National Third Party Payer Price			% of Plans Beating Cash Price (M)	% of Plans Beating Third Party Payer Price (N)
	Monthly National Cash Price ² (A)	Monthly National Third Party Payer Price ³ (B)	Monthly Price for Plan with Lowest Basket Price (C)	Monthly Price for Plan with Median Basket Price (D)	Monthly Price for Lowest Premium PDP (E)	% of Generic Drugs in Basket (F)	% Savings for PDP with Lowest Basket Price ⁴ (G)	% Savings for PDP with Median Basket Price ⁴ (H)	% Savings for Lowest Premium PDP ⁴ (I)	% Savings for PDP with Lowest Basket Price ⁴ (J)	% Savings for PDP with Median Basket Price ⁴ (K)	% Savings for Lowest Premium ⁴ (L)		
Profile 1	\$479.05	\$426.20	\$420.42	\$437.01	\$420.42	20%	-12%	-9%	-12%	-1%	3%	-1%	94%	10%
Profile 2	\$321.94	\$293.88	\$213.89	\$295.06	\$282.32	17%	-34%	-8%	-12%	-27%	0%	-4%	100%	43%
Profile 3	\$614.38	\$558.90	\$533.70	\$563.42	\$550.33	29%	-13%	-8%	-10%	-5%	1%	-2%	100%	27%
Profile 4	\$599.41	\$532.29	\$485.59	\$536.92	\$517.71	33%	-19%	-10%	-14%	-9%	1%	-3%	100%	32%
Profile 5	\$579.67	\$524.68	\$439.93	\$517.94	\$517.94	29%	-24%	-11%	-11%	-16%	-1%	-1%	100%	67%
Profile 6	\$299.45	\$272.78	\$229.73	\$268.96	\$250.38	33%	-23%	-10%	-16%	-16%	-1%	-8%	100%	85%
Profile 7	\$543.64	\$487.20	\$470.72	\$491.35	\$470.72	17%	-13%	-10%	-13%	-3%	1%	-3%	100%	20%
Profile 8	\$558.92	\$525.14	\$392.40	\$509.82	\$494.85	0%	-30%	-9%	-11%	-25%	-3%	-6%	100%	100%
Profile 9	\$238.20	\$211.17	\$192.88	\$197.15	\$192.88	40%	-19%	-17%	-19%	-9%	-7%	-9%	100%	100%
Profile 10	\$111.97	\$91.34	\$49.76	\$79.80	\$74.40	43%	-56%	-29%	-34%	-46%	-13%	-19%	100%	75%
Profile 11	\$213.38	\$189.96	\$178.82	\$186.14	\$178.82	50%	-16%	-13%	-16%	-6%	-2%	-6%	100%	64%
Profile 12	\$167.00	\$139.98	\$141.28	\$145.52	\$142.55	40%	-15%	-13%	-15%	1%	4%	2%	100%	0%
Profile 13	\$151.51	\$124.81	\$95.45	\$116.27	\$123.57	50%	-37%	-23%	-18%	-24%	-7%	-1%	100%	100%
Profile 14	\$161.78	\$114.97	\$90.32	\$102.74	\$90.32	75%	-44%	-36%	-44%	-21%	-11%	-21%	100%	100%
Profile 15	\$178.31	\$157.23	\$103.79	\$150.16	\$148.38	50%	-42%	-16%	-17%	-34%	-4%	-6%	100%	100%
Profile 16	\$361.88	\$324.08	\$259.63	\$325.91	\$310.76	40%	-28%	-10%	-14%	-20%	1%	-4%	100%	40%
Total	\$5,580.49	\$4,974.61	\$4,298.31	\$4,924.17	\$4,766.35	average	-27%	-15%	-17%	-16%	-2%	-6%	100%	60%
						min	-56%	-36%	-44%	-46%	-13%	-21%	94%	0%
						max	-12%	-8%	-10%	1%	4%	2%	100%	100%

(1) Note: "PDP Basket Price" refers to amounts negotiated by prescription drug plan (PDP) sponsors, and does not account for savings to beneficiaries after deductibles and cost-sharing.

(2) Source: Vector One: National (VONA) from Verispan; Variables: Retail Dollars and Extended Units by Cash Method of Payment; quarter ending 3/2006.

(3) Source: Vector One: National (VONA) from Verispan; Variables: Retail Dollars and Extended Units by Third Party Method of Payment; quarter ending 3/2006.

(4) Note: A negative percentage indicates savings.

Attachment C: MEDIAN AND LOWEST-COST PDP MAIL ORDER PRICES COMPARED TO INTERNET MAIL ORDER PRICES¹

Illustrative Medicare Beneficiary/Residence (A)	Drug (B)	Dosage (C)	Condition (D)	90-Day Quantity (E)	90-Day Mail Order Price ²		Median PDP Price (90-Day) ³ (H)	Percentage Savings for Median PDP Price (I)	Lowest-Cost Monthly PDP Price (J)	Percentage Savings for Lowest-Cost PDP Price (K)
					Drugstore.com (90-day) (F)	Costco.com (90-day) (G)				
Mail Order Profile #1										
Costco.com	Market Basket Total					\$1,202.27		-0.87%		-7.71%
Drugstore.com	Market Basket Total				\$1,174.86			1.44%		-5.56%
Windsor, VT 05089	Market Basket Total						\$1,191.75		\$1,109.58	
	Allegra	180mg tablet	Allergies	90	\$211.99	\$227.51				
	Albuterol Aerosol	90mcg	Asthma	Six 17gm inhalers / 90 days	\$53.94	\$40.58				
	Advair Diskus	250/50mcg	Asthma	180	\$449.96	\$456.67				
	Lotrelgulair (amlodipine/benazepril)	10mg tablet	Asthma	90	\$269.97	\$279.53				
		5/10mg capsule	Hypertension	90	\$189.00	\$197.97				
Mail Order Profile #2										
Costco.com	Market Basket Total					\$817.21		-5.87%		-30.79%
Drugstore.com	Market Basket Total				\$788.89			-2.49%		-28.30%
Lincoln, NE 68507	Market Basket Total						\$769.24		\$565.62	
	Prevacid	30mg capsule	Acid Reflux/GERD	90	\$375.97	\$378.24				
	Coumadin	5mg tablet	Blood Thinner	90	\$65.97	\$74.51				
	Furosemide Oral	20mg tablet	Heart Failure/Hypertension	90	\$8.99	\$6.92				
	Lipitor	10mg tablet	Hyperlipidemia	90	\$209.97	\$222.09				
	Altace	5mg capsule	Hypertension	90	\$127.99	\$135.44				
Mail Order Profile #3										
Costco.com	Market Basket Total					\$1,616.35		-6.13%		-11.72%
Drugstore.com	Market Basket Total				\$1,569.88			-3.35%		-9.11%
San Luis Obispo, CA 93405	Market Basket Total						\$1,517.32		\$1,426.83	
	Glucophage	5mg tablet	Diabetes	90	\$17.99	\$18.71				
	Avandia	500mg tablet	Diabetes	270	\$193.48	\$221.05				
	Lisino	4mg tablet	Diabetes	90	\$261.51	\$264.50				
	Coreg	20mg tablet	Hyperlipidemia	90	\$399.97	\$411.29				
	Coreg	20/25mg tablet	Hypertension	90	\$59.97	\$20.06				
	Plavix	6.25mg tablet	Heart Failure	180	\$286.97	\$314.98				
		75mg tablet	Peripheral Arterial Disease	90	\$349.99	\$365.75				
Mail Order Profile #4										
Costco.com	Market Basket Total					\$1,632.74		-10.41%		-18.41%
Drugstore.com	Market Basket Total				\$1,538.27			-4.91%		-13.39%
Bismarck, ND 58503	Market Basket Total						\$1,462.72		\$1,332.23	
	Zyprexa	10mg tablet	Antipsychotic	90	\$859.99	\$908.45				
	Toprol XL	50mg tablet	Hypertension	90	\$73.99	\$74.42				
	Actonel	35mg tablet	Osteoporosis	12	\$203.97	\$274.87				
	Propoxyphene-N/APAP (PROPOXY-N/APAP 100/650 TAB)	100mg/650mg tablet	Pain	360	\$79.88	\$35.96				
	Captopril(LA in Price Compare / SA in Verispan)	4mg capsule	Urinary Spasms	90	\$279.97	\$282.14				
		25mg tablet	Hypertension	270	\$40.47	\$56.89				
Mail Order Profile #5										
Costco.com	Market Basket Total					\$1,341.67		-7.84%		-20.35%
Drugstore.com	Market Basket Total				\$1,291.22			-4.24%		-17.23%
Crofton, MD 21114	Market Basket Total						\$1,236.45		\$1,068.70	
	Celebra	20mg capsule	Acid Reflux/GERD	90	\$379.97	\$387.24				
	Effexor	20mg tablet	Antidepressant	90	\$239.98	\$237.23				
	Farigil	5mg tablet	Dementia	90	\$387.97	\$452.42				
	Farigil	10mg tablet	Hypertension	90	\$16.79	\$12.23				
	Synthroid	0.1mg (or 100 MCG) tablet	Hypothyroidism	90	\$39.97	\$45.17				
	Fosamax	70mg tablet	Osteoporosis	12	\$226.54	\$207.37				

Mail Order Profile #6											
Costco.com	Market Basket Total									-3.87%	-26.74%
Drugstore.com	Market Basket Total					\$727.63	\$737.28			-2.59%	-25.77%
St. Louis, MO 63104	Market Basket Total							\$708.78			\$540.10
	Glucophage	5mg capsule	Benign Prostatic Hypertrophy	90	\$33.99	\$13.85					
	Glucophage	5/500mg tablet	Diabetes	180	\$164.97	\$192.40					
	Lasix	40mg tablet	Fluid								
	Pravachol	40mg tablet	Retention/Hypertension	90	\$28.71	\$28.41					
	Zestril	40mg tablet	Hyperlipidemia	90	\$389.97	\$392.19					
		20mg tablet	Hypertension	90	\$109.99	\$110.42					
Mail Order Profile #7											
Costco.com	Market Basket Total						\$1,119.72			-8.31%	-18.06%
Drugstore.com	Market Basket Total					\$1,004.86				2.17%	-8.69%
Appleton, WI 54915	Market Basket Total							\$1,026.64			\$917.49
	Combivent (ipratropium/albuterol)	29.4gm	Bronchospasm	6 inhalers/ 90 days	\$425.94	\$486.34					
	Avapro	150mg tablet	Hypertension	90	\$126.99	\$146.33					
	Ambien	10mg tablet	Sleep	90	\$265.97	\$301.67					
	Pravachol	5mg tablet	Steroid/Breathing	90	\$7.99	\$4.67					
	Novasc (GSN 6753)	10mg tablet	Hypertension	90	\$177.97	\$180.71					
Mail Order Profile #8											
Costco.com	Market Basket Total						\$1,548.96			-11.14%	-27.40%
Drugstore.com	Market Basket Total					\$1,437.86				-4.27%	-21.79%
Delray Beach, FL 33445	Market Basket Total							\$1,376.42			\$1,124.60
	Zoltec	10mg tablet	Allergies	90	\$188.97	\$185.93					
	Evista	50mg tablet	Antidepressant	90	\$221.97	\$223.53					
	H	60mg tablet	Hormone Replacement	90	\$251.97	\$254.13					
	Lyzar (losartan / hydrochlorothiazide)	50mg/12.5mg tablet	Hypertension	90	\$134.97	\$137.76					
	Neurontin	600mg tablet	Seizures	270	\$639.98	\$747.60					
Mail Order Profile #9											
Costco.com	Market Basket Total						\$569.60			-7.59%	-11.89%
Drugstore.com	Market Basket Total					\$702.16				-25.04%	-28.53%
Winnetka, IL 60093	Market Basket Total							\$526.36			\$501.86
	Metformin	10mg tablet	Diabetes	90	\$77.97	\$84.75					
	Metformin	500mg tablet	Diabetes	270	\$179.96	\$36.15					
	Albagan P (brimonidine)	0.0015	Glaucoma	Three 10 mL bottles	\$239.10	\$238.37					
	Divalpro	160mg/25mg tablet	Hypertension	90	\$205.13	\$210.32					
Mail Order Profile #10											
Costco.com	Market Basket Total						\$392.66			-1.46%	-7.87%
Drugstore.com	Market Basket Total					\$398.67				-2.94%	-9.26%
Yonkers, NY 10704	Market Basket Total							\$386.94			\$361.74
	Aman	4mg tablet	Diabetes	90	\$99.97	\$107.45					
	Lisino	0.625mg tablet	Hormone Replacement	90	\$94.97	\$96.54					
	Metoprolol Tartrate	20mg tablet	Hypertension	90	\$32.97	\$11.51					
	Metoprolol Tartrate	50mg tablet	Hypertension	180	\$18.79	\$18.88					
	Xalatan	0.00005	Glaucoma	Three 2.5ml bottles	\$151.97	\$158.27					
Mail Order Profile #11											
Costco.com	Market Basket Total						\$331.96			-4.27%	-18.26%
Drugstore.com	Market Basket Total					\$363.87				-12.67%	-25.43%
Elizabeth, NJ 07208	Market Basket Total							\$317.78			\$271.36
	Cardia XT	20mg tablet	Hypertension	90	\$89.97	\$108.98					
	Cardia XT	240mg capsule	Hypertension	90	\$145.98	\$118.97					
	Levoxyl	0.125mg (125 MCG) tablet	Hypothyroidism	90	\$27.97	\$31.83					
	Lovastatin	40mg tablet	Hyperlipidemia	90	\$99.95	\$72.17					
Mail Order Profile #12											
Costco.com	Market Basket Total						\$172.63			-7.15%	-33.19%
Drugstore.com	Market Basket Total					\$317.83				-49.57%	-63.71%
Denver, CO 80228	Market Basket Total							\$160.28			\$115.33
	Pravachol HCL	50mg tablet	Pain	360	\$199.87	\$50.54					
	Pravachol HCL	20mg tablet	Hypertension	90	\$93.57	\$89.70					
	Clonidine HCL	0.2mg tablet	Hypertension	180	\$24.39	\$32.38					

Mail Order Profile #13										
Costco.com	Market Basket Total					\$423.38			-4.77%	-33.03%
Drugstore.com	Market Basket Total					\$430.33			-6.30%	-34.11%
Philadelphia, PA 19146	Market Basket Total						\$403.20			\$283.53
	Wafarin	20mg tablet	Antidepressant	90	\$250.38	\$259.55				
	Costco	5mg tablet	Blood Thinner	90	\$34.99	\$14.64				
		50mg tablet	Hypertension	90	\$133.97	\$145.05				
	Atenolol	50mg tablet	Hypertension	90	\$10.99	\$4.13				
Mail Order Profile #14										
Costco.com	Market Basket Total					\$618.71			1.17%	-25.44%
Drugstore.com	Market Basket Total					\$661.91			-5.43%	-30.31%
Dallas, TX 75205	Market Basket Total						\$625.95			\$461.30
	Actos	5mg tablet	Diabetes	180	\$18.97	\$18.52				
	Dover	30mg tablet	Diabetes	90	\$479.97	\$436.04				
		160mg tablet	Hypertension	90	\$162.97	\$164.15				
								Average	-7%	-22%
								Minimum Savings	2%	-6%
								Maximum Savings	-50%	-64%

(1) Note: "PDP prices" refer to amounts negotiated by plan sponsors, and does not account for savings to beneficiaries after deductibles and cost-sharing.

(2) Source: Costco.com and Drugstore.com, 4/4/06. For Costco.com, we calculated 90-day prices (for 90 pills) by multiplying the price for a 100 pills by 90 percent. We calculated 90-day prices - for drugs that require 180, 270, or 360 pills for a 90-d

(3) Source: Medicare PDP pricing files, CMS Office of Research, Development and Information, 8/28/06.

(4) Celebrex was removed from Profile 14 because Costco.com did not have pricing information for this specific formulation of the drug; price for only 100 mg capsule was offered.

DRUG PLAN FINDER ANALYSIS: MEDICARE PDP SAVINGS COMPARED TO CASH PRICES¹

Retail Profile (A)	Beneficiary State and Zip Code (B)	% Savings for PDP with the Lowest Cost ²			% Savings for PDP with the 10th Lowest Cost ²			% Savings for PDP with the Median Cost ²			% Savings for PDP with the Lowest Premium ²		
		Original Market Basket (C)	Market Basket with Generic Substitutes ³ (D)	Market Basket with Generic & Therapeutic Substitutes ⁴ (E)	Original Market Basket (F)	Market Basket with Generic Substitutes ³ (G)	Market Basket with Generic & Therapeutic Substitutes ⁴ (H)	Original Market Basket (I)	Market Basket with Generic Substitutes ³ (J)	Market Basket with Generic & Therapeutic Substitutes ⁴ (K)	Original Market Basket (L)	Market Basket with Generic Substitutes ³ (M)	Market Basket with Generic & Therapeutic Substitutes ⁴ (N)
Retail Profile 1	VT 05089	-56%	-67%	-65%	-32%	-37%	-42%	-29%	-23%	-35%	-37%	-43%	-49%
Retail Profile 2	NE 68507	-53%	-62%	-60%	-37%	-44%	-75%	-28%	-34%	-60%	-49%	-55%	-88%
Retail Profile 3	CA 93405	-55%	-73%	NA	-45%	-46%	NA	-33%	-46%	NA	-49%	-50%	-57%
Retail Profile 4	ND 58503	-72%	NA	NA	-45%	NA	NA	-43%	NA	NA	-49%	NA	NA
Retail Profile 5	MD 21114	-60%	-71%	-75%	-41%	-42%	-47%	-28%	-43%	-55%	-46%	-47%	-64%
Retail Profile 6	MO 63104	-53%	-74%	-74%	-28%	-70%	-77%	-3%	-39%	-77%	-48%	-51%	-85%
Retail Profile 7	WI 54915	-56%	NA	-66%	-38%	NA	-39%	-32%	NA	-41%	-42%	NA	-43%
Retail Profile 8	FL 33445	-48%	-53%	-64%	-38%	-57%	NA	-18%	-53%	-61%	-44%	-60%	-70%
Retail Profile 9	IL 60093	-65%	-68%	-69%	-48%	-57%	NA	-41%	-46%	NA	-65%	-68%	-69%
Retail Profile 10	WA 98040	-63%	-72%	NA	-24%	-57%	NA	-7%	-36%	NA	-63%	-72%	NA
Retail Profile 11	CA 91405	-69%	-70%	-82%	-40%	-57%	-80%	-3%	-16%	-75%	-69%	-70%	-82%
Retail Profile 12	NY 10704	-69%	-73%	-74%	-30%	-53%	NA	-13%	-38%	NA	-69%	-73%	-74%
Retail Profile 13	NJ 07208	-66%	-71%	-71%	-41%	-66%	NA	-33%	-52%	NA	-66%	-71%	-71%
Retail Profile 14	CO 80228	-71%	-74%	-75%	-50%	-68%	NA	-43%	-60%	-60%	-71%	-74%	-75%
Retail Profile 15	PA 19146	-64%	-74%	-74%	-23%	-53%	-64%	-7%	-27%	-48%	-64%	-74%	-74%
Retail Profile 16	TX 75205	-55%	NA	NA	-39%	NA	NA	-35%	NA	-37%	-47%	NA	-48%
Retail Profile 17	NH 03303	-35%	-42%	-48%	-31%	-37%	-42%	-29%	-26%	-37%	-33%	-39%	-43%
Retail Profile 18	VA 23462	-55%	-62%	-77%	-33%	-38%	-77%	-27%	-28%	-75%	-46%	-50%	-86%
Retail Profile 19	NC 28215	-53%	-70%	NA	-42%	-35%	-50%	-32%	-44%	NA	-48%	-48%	-50%
Retail Profile 20	SC 29229	-67%	NA	NA	-44%	NA	NA	-42%	NA	NA	-46%	NA	NA
Retail Profile 21	GA 30577	-57%	-68%	-71%	-41%	-43%	-64%	-28%	-43%	NA	-44%	-45%	-61%
Retail Profile 22	AL 36081	-49%	-74%	-74%	-27%	-81%	NA	0%	-37%	-75%	-45%	-50%	-84%
Retail Profile 23	OH 45891	-55%	NA	-64%	-38%	NA	-38%	-31%	NA	-31%	-42%	NA	-42%
Retail Profile 24	KY 40965	-47%	-52%	-63%	-38%	-54%	-60%	-19%	-57%	-65%	-43%	-60%	-69%
Retail Profile 25	AK 71753	-64%	-69%	-70%	-47%	-57%	-60%	-39%	-54%	NA	-64%	-69%	-70%
Retail Profile 26	MS 39204	-60%	-68%	NA	-15%	-43%	NA	-3%	-31%	NA	-60%	-68%	NA
Retail Profile 27	OK 73118	-66%	-67%	-80%	-34%	-51%	-72%	5%	-10%	-71%	-66%	-67%	-80%
Retail Profile 28	KS 67601	-63%	-68%	-68%	-16%	-29%	NA	-10%	-28%	-29%	-63%	-68%	-68%
Retail Profile 29	NM 87111	-66%	-66%	NA	-45%	-71%	NA	-36%	-59%	NA	-62%	-66%	-67%
Retail Profile 30	AZ 85621	-72%	-76%	-77%	-52%	-74%	NA	-44%	-61%	-62%	-72%	-76%	-77%
Retail Profile 31	NV 89048	-64%	-74%	-74%	-20%	-66%	NA	-8%	-52%	NA	-64%	-74%	-74%
Retail Profile 32	UT 84117	-55%	NA	NA	-38%	NA	-37%	-35%	NA	-36%	-43%	NA	-47%
Average		-60%	-68%	-70%	-36%	-53%	-58%	-24%	-40%	-54%	-54%	-61%	-67%
Minimum		-35%	-42%	-48%	-15%	-29%	-37%	5%	-10%	-29%	-33%	-39%	-42%
Maximum		-72%	-76%	-82%	-52%	-81%	-80%	-44%	-61%	-77%	-72%	-76%	-88%

(1) Note: Savings are applicable to the selected non-low income beneficiaries in our study. Low-income beneficiaries would experience higher savings, with the specific level of savings depending on their income.

(2) Note: A negative percentage indicates savings from the PDP compared to national cash prices.

(3) The % savings with generic substitutes reflect the savings available through the plans that were originally ranked lowest-cost, 10th lowest-cost, and plan with the lowest premium. Source: Medicare Prescription Drug Plan Finder, 8/28/06.

(4) The % savings with generic & therapeutic substitutes reflect the savings available through the plans that were originally ranked lowest-cost, 10th lowest-cost, and plan with the lowest premium. Source: Medicare Prescription Drug Plan Finder, 8/28/06.

Attachment E: Plan Finder Analysis- Pricing Stability Over Time

Percent Savings Relative to Cash for Low-Cost PDP

	4/24/06	5/8/06	5/22/06	6/5/06	6/19/06	7/3/06	7/17/06	7/31/06	8/15/06	8/28/06	Avg % Point Change**
Retail Profile 1	-53%	-53%	-53%	-56%	-56%	-57%	-56%	-56%	-56%	-56%	0%
Retail Profile 2	-50%	-50%	-50%	-52%	-52%	-50%	-53%	-53%	-53%	-53%	1%
Retail Profile 3	-53%	-53%	-53%	-55%	-55%	-55%	-55%	-55%	-55%	-55%	0%
Retail Profile 4	-71%	-71%	-71%	-72%	-72%	-72%	-72%	-72%	-72%	-72%	0%
Retail Profile 5	-59%	-59%	-59%	-60%	-60%	-60%	-60%	-60%	-60%	-60%	0%
Retail Profile 6	-51%	-51%	-51%	-53%	-50%	-49%	-49%	-49%	-49%	-53%	1%
Retail Profile 7	-53%	-53%	-53%	-56%	-56%	-56%	-56%	-56%	-56%	-56%	0%
Retail Profile 8	-48%	-48%	-48%	-48%	-48%	-48%	-48%	-48%	-48%	-48%	0%
Retail Profile 9	-61%	-61%	-60%	-65%	-65%	-65%	-65%	-65%	-65%	-65%	0%
Retail Profile 10	-60%	-60%	-64%	-63%	-63%	-63%	-64%	-64%	-64%	-63%	0%
Retail Profile 11	-68%	-68%	-68%	-69%	-69%	-69%	-69%	-69%	-69%	-69%	0%
Retail Profile 12	-68%	-68%	-69%	-69%	-69%	-69%	-69%	-69%	-69%	-69%	0%
Retail Profile 13	-67%	-67%	-67%	-66%	-66%	-66%	-66%	-66%	-66%	-66%	0%
Retail Profile 14	-68%	-68%	-70%	-71%	-71%	-71%	-71%	-71%	-71%	-71%	0%
Retail Profile 15	-63%	-63%	-63%	-64%	-64%	-64%	-64%	-64%	-64%	-64%	0%
Retail Profile 16	-54%	-54%	-54%	-56%	-55%	-56%	-56%	-56%	-56%	-55%	0%
Retail Profile 17	-32%	-32%	-32%	-35%	-35%	-37%	-36%	-35%	-35%	-35%	1%
Retail Profile 18	-50%	-50%	-50%	-51%	-51%	-51%	-53%	-53%	-55%	-55%	1%
Retail Profile 19	-51%	-51%	-51%	-53%	-53%	-53%	-53%	-53%	-53%	-53%	0%
Retail Profile 20	-66%	-66%	-66%	-67%	-67%	-67%	-67%	-67%	-67%	-67%	0%
Retail Profile 21	-55%	-55%	-55%	-57%	-57%	-57%	-57%	-57%	-57%	-57%	0%
Retail Profile 22	-47%	-47%	-47%	-49%	-52%	-49%	-49%	-49%	-49%	-49%	0%
Retail Profile 23	-52%	-52%	-52%	-55%	-55%	-55%	-55%	-55%	-55%	-55%	0%
Retail Profile 24	-47%	-47%	-47%	-47%	-47%	-47%	-47%	-47%	-47%	-47%	0%
Retail Profile 25	-61%	-61%	-61%	-64%	-64%	-64%	-66%	-66%	-66%	-64%	1%
Retail Profile 26	-57%	-57%	-60%	-60%	-60%	-60%	-60%	-60%	-60%	-60%	0%
Retail Profile 27	-65%	-65%	-65%	-66%	-66%	-66%	-66%	-66%	-66%	-66%	0%
Retail Profile 28	-62%	-62%	-62%	-63%	-63%	-63%	-63%	-63%	-63%	-63%	0%
Retail Profile 29	-67%	-67%	-67%	-66%	-66%	-66%	-66%	-66%	-66%	-66%	0%
Retail Profile 30	-70%	-70%	-72%	-72%	-72%	-72%	-73%	-73%	-73%	-72%	0%
Retail Profile 31	-63%	-63%	-63%	-64%	-64%	-64%	-64%	-64%	-64%	-64%	0%
Retail Profile 32	-54%	-54%	-54%	-56%	-56%	-56%	-56%	-56%	-56%	-55%	0%
Minimum Savings	-32%	-32%	-32%	-35%	-35%	-37%	-36%	-35%	-35%	-35%	1%
Maximum Savings	-71%	-71%	-72%	-72%	-72%	-72%	-73%	-73%	-73%	-72%	0%

** Average absolute percentage point change, over last 5 periods

Percent Savings Relative to Cash for 10th Lowest-Cost PDP											
	4/24/06	5/8/06	5/22/06	6/5/06	6/19/06	7/3/06	7/17/06	7/31/06	8/15/06	8/28/06	Avg % Point Change**
Retail Profile 1	-31%	-31%	-31%	-33%	-33%	-36%	-32%	-32%	-32%	-32%	1%
Retail Profile 2	-36%	-36%	-36%	-37%	-37%	-32%	-37%	-37%	-37%	-37%	1%
Retail Profile 3	-43%	-43%	-43%	-45%	-45%	-45%	-45%	-45%	-45%	-45%	0%
Retail Profile 4	-43%	-43%	-43%	-45%	-45%	-44%	-45%	-45%	-45%	-45%	0%
Retail Profile 5	-39%	-39%	-39%	-41%	-41%	-41%	-41%	-41%	-41%	-41%	0%
Retail Profile 6	-22%	-25%	-25%	-29%	-29%	-28%	-29%	-29%	-24%	-28%	2%
Retail Profile 7	-35%	-35%	-35%	-38%	-38%	-38%	-38%	-38%	-38%	-38%	0%
Retail Profile 8	-36%	-37%	-37%	-38%	-38%	-37%	-38%	-38%	-37%	-38%	1%
Retail Profile 9	-46%	-46%	-46%	-48%	-48%	-45%	-48%	-47%	-45%	-48%	2%
Retail Profile 10	-24%	-23%	-26%	-25%	-24%	-22%	-25%	-25%	-22%	-24%	2%
Retail Profile 11	-37%	-37%	-37%	-39%	-39%	-40%	-40%	-40%	-40%	-40%	0%
Retail Profile 12	-26%	-29%	-29%	-30%	-29%	-29%	-30%	-30%	-30%	-30%	0%
Retail Profile 13	-40%	-42%	-42%	-40%	-39%	-39%	-41%	-44%	-39%	-41%	3%
Retail Profile 14	-49%	-49%	-49%	-49%	-48%	-48%	-50%	-50%	-48%	-50%	1%
Retail Profile 15	-20%	-20%	-20%	-22%	-22%	-19%	-23%	-23%	-22%	-23%	2%
Retail Profile 16	-37%	-37%	-37%	-40%	-40%	-40%	-40%	-40%	-40%	-39%	1%
Retail Profile 17	-30%	-30%	-30%	-32%	-30%	-31%	-32%	-30%	-30%	-31%	1%
Retail Profile 18	-32%	-32%	-31%	-33%	-33%	-33%	-33%	-33%	-33%	-33%	0%
Retail Profile 19	-40%	-40%	-40%	-43%	-42%	-43%	-43%	-43%	-43%	-42%	0%
Retail Profile 20	-42%	-42%	-42%	-44%	-44%	-43%	-44%	-44%	-44%	-44%	0%
Retail Profile 21	-39%	-39%	-39%	-41%	-40%	-41%	-41%	-41%	-41%	-41%	0%
Retail Profile 22	-23%	-23%	-23%	-28%	-28%	-26%	-28%	-28%	-23%	-27%	3%
Retail Profile 23	-34%	-34%	-34%	-38%	-38%	-38%	-38%	-38%	-38%	-38%	0%
Retail Profile 24	-37%	-37%	-38%	-38%	-38%	-38%	-38%	-38%	-37%	-38%	1%
Retail Profile 25	-43%	-43%	-43%	-45%	-45%	-44%	-45%	-45%	-44%	-47%	2%
Retail Profile 26	-17%	-17%	-21%	-20%	-15%	-15%	-15%	-15%	-14%	-15%	0%
Retail Profile 27	-32%	-32%	-32%	-34%	-31%	-34%	-34%	-34%	-34%	-34%	0%
Retail Profile 28	-15%	-15%	-15%	-16%	-16%	-15%	-16%	-16%	-14%	-16%	1%
Retail Profile 29	-44%	-47%	-47%	-46%	-43%	-44%	-45%	-48%	-44%	-45%	2%
Retail Profile 30	-52%	-52%	-52%	-52%	-52%	-51%	-52%	-53%	-51%	-52%	1%
Retail Profile 31	-18%	-19%	-18%	-20%	-20%	-17%	-20%	-20%	-17%	-20%	2%
Retail Profile 32	-37%	-37%	-37%	-39%	-39%	-39%	-39%	-39%	-39%	-38%	0%
Minimum Savings	-15%	-15%	-15%	-16%	-15%	-15%	-15%	-15%	-14%	-15%	3%
Maximum Savings	-52%	-52%	-52%	-52%	-52%	-51%	-52%	-53%	-51%	-52%	0%

** Average absolute percentage point change, over last 5 periods

Percent Savings Relative to Cash for Median-Cost PDP											
	4/24/06	5/8/06	5/22/06	6/5/06	6/19/06	7/3/06	7/17/06	7/31/06	8/15/06	8/28/06	Avg % Point Change**
Retail Profile 1	-28%	-28%	-28%	-29%	-30%	-34%	-29%	-29%	-29%	-29%	1%
Retail Profile 2	-29%	-27%	-27%	-29%	-29%	-26%	-28%	-28%	-28%	-28%	1%
Retail Profile 3	-31%	-31%	-31%	-34%	-34%	-34%	-33%	-33%	-33%	-33%	0%
Retail Profile 4	-41%	-41%	-41%	-43%	-43%	-43%	-43%	-43%	-43%	-43%	0%
Retail Profile 5	-26%	-26%	-26%	-28%	-28%	-30%	-28%	-28%	-28%	-28%	1%
Retail Profile 6	-11%	-18%	-18%	-21%	-21%	-21%	-22%	-22%	-3%	-3%	5%
Retail Profile 7	-28%	-28%	-28%	-32%	-32%	-35%	-30%	-31%	-33%	-32%	3%
Retail Profile 8	-16%	-18%	-18%	-19%	-19%	-20%	-19%	-18%	-18%	-18%	0%
Retail Profile 9	-35%	-35%	-35%	-37%	-40%	-40%	-37%	-40%	-40%	-41%	2%
Retail Profile 10	-9%	-9%	-12%	-11%	-6%	-13%	-8%	-8%	-7%	-7%	2%
Retail Profile 11	-1%	-1%	-1%	-3%	-3%	-24%	-1%	-9%	-24%	-3%	17%
Retail Profile 12	-12%	-12%	-11%	-13%	-13%	-13%	-13%	-13%	-13%	-13%	0%
Retail Profile 13	-34%	-34%	-34%	-33%	-33%	-33%	-33%	-33%	-32%	-33%	1%
Retail Profile 14	-42%	-42%	-42%	-43%	-42%	-43%	-42%	-42%	-41%	-43%	1%
Retail Profile 15	1%	-3%	-3%	-5%	-7%	-10%	-4%	-4%	-3%	-7%	3%
Retail Profile 16	-34%	-34%	-34%	-37%	-36%	-37%	-36%	-37%	-36%	-35%	1%
Retail Profile 17	-28%	-27%	-27%	-29%	-30%	-33%	-29%	-29%	-29%	-29%	1%
Retail Profile 18	-26%	-25%	-25%	-27%	-27%	-29%	-26%	-26%	-27%	-27%	1%
Retail Profile 19	-29%	-29%	-29%	-33%	-33%	-33%	-33%	-33%	-32%	-32%	0%
Retail Profile 20	-40%	-40%	-40%	-42%	-42%	-42%	-42%	-42%	-42%	-42%	0%
Retail Profile 21	-26%	-25%	-25%	-27%	-29%	-29%	-27%	-27%	-29%	-28%	1%
Retail Profile 22	-13%	-17%	-17%	-20%	-20%	-21%	-21%	-21%	0%	0%	5%
Retail Profile 23	-27%	-27%	-27%	-31%	-31%	-35%	-31%	-31%	-32%	-31%	2%
Retail Profile 24	-16%	-17%	-18%	-19%	-20%	-20%	-19%	-19%	-19%	-19%	1%
Retail Profile 25	-33%	-33%	-33%	-36%	-40%	-40%	-37%	-38%	-38%	-39%	1%
Retail Profile 26	1%	1%	-4%	-3%	0%	-3%	-2%	-2%	-2%	-3%	1%
Retail Profile 27	7%	7%	7%	4%	5%	-17%	6%	5%	5%	5%	6%
Retail Profile 28	-9%	-9%	-8%	-10%	-10%	-11%	-8%	-8%	-8%	-10%	1%
Retail Profile 29	-37%	-37%	-37%	-36%	-36%	-36%	-36%	-36%	-35%	-36%	1%
Retail Profile 30	-44%	-43%	-43%	-43%	-44%	-44%	-44%	-44%	-43%	-44%	0%
Retail Profile 31	-4%	-5%	-5%	-7%	-9%	-12%	-6%	-6%	-6%	-8%	2%
Retail Profile 32	-34%	-34%	-34%	-37%	-37%	-37%	-36%	-37%	-36%	-35%	1%
Minimum Savings	7%	7%	7%	4%	5%	-3%	6%	5%	5%	5%	17%
Maximum Savings	-44%	-43%	-43%	-43%	-44%	-44%	-44%	-44%	-43%	-44%	0%

** Average absolute percentage point change, over last 5 periods

Percent Savings Relative to Cash for Lowest-Premium PDP											
	4/24/06	5/8/06	5/22/06	6/5/06	6/19/06	7/3/06	7/17/06	7/31/06	8/15/06	8/28/06	Avg % Point Change**
Retail Profile 1	-34%	-34%	-34%	-37%	-37%	-40%	-37%	-37%	-37%	-37%	1%
Retail Profile 2	-47%	-47%	-48%	-50%	-50%	-48%	-49%	-49%	-49%	-49%	0%
Retail Profile 3	-47%	-47%	-47%	-49%	-49%	-49%	-49%	-49%	-49%	-49%	0%
Retail Profile 4	-47%	-47%	-47%	-49%	-49%	-48%	-49%	-49%	-49%	-49%	0%
Retail Profile 5	-44%	-44%	-44%	-46%	-46%	-46%	-46%	-46%	-46%	-46%	0%
Retail Profile 6	-39%	-39%	-46%	-48%	-48%	-48%	-48%	-48%	-48%	-48%	0%
Retail Profile 7	-39%	-39%	-39%	-42%	-42%	-42%	-42%	-42%	-42%	-42%	0%
Retail Profile 8	-43%	-43%	-43%	-44%	-44%	-44%	-44%	-44%	-44%	-44%	0%
Retail Profile 9	-61%	-61%	-60%	-65%	-65%	-65%	-65%	-65%	-65%	-65%	0%
Retail Profile 10	-60%	-60%	-64%	-63%	-63%	-63%	-64%	-64%	-64%	-63%	0%
Retail Profile 11	-68%	-68%	-68%	-69%	-69%	-69%	-69%	-69%	-69%	-69%	0%
Retail Profile 12	-68%	-68%	-69%	-69%	-69%	-69%	-69%	-69%	-69%	-69%	0%
Retail Profile 13	-67%	-67%	-67%	-66%	-66%	-66%	-66%	-66%	-66%	-66%	0%
Retail Profile 14	-68%	-68%	-70%	-71%	-71%	-71%	-71%	-71%	-71%	-71%	0%
Retail Profile 15	-63%	-63%	-63%	-64%	-64%	-64%	-64%	-64%	-64%	-64%	0%
Retail Profile 16	-43%	-43%	-44%	-47%	-47%	-47%	-47%	-47%	-47%	-47%	0%
Retail Profile 17	-31%	-31%	-31%	-33%	-33%	-26%	-19%	-19%	-21%	-33%	5%
Retail Profile 18	-41%	-41%	-44%	-46%	-46%	-46%	-46%	-46%	-46%	-46%	0%
Retail Profile 19	-45%	-45%	-45%	-48%	-48%	-48%	-48%	-48%	-48%	-48%	0%
Retail Profile 20	-44%	-44%	-44%	-46%	-46%	-46%	-46%	-46%	-46%	-46%	0%
Retail Profile 21	-42%	-42%	-42%	-44%	-44%	-44%	-44%	-44%	-44%	-44%	0%
Retail Profile 22	-34%	-34%	-43%	-45%	-45%	-45%	-45%	-45%	-45%	-45%	0%
Retail Profile 23	-38%	-38%	-38%	-42%	-42%	-42%	-42%	-42%	-42%	-42%	0%
Retail Profile 24	-42%	-42%	-42%	-43%	-43%	-43%	-43%	-43%	-43%	-43%	0%
Retail Profile 25	-61%	-61%	-61%	-64%	-64%	-64%	-66%	-66%	-66%	-64%	1%
Retail Profile 26	-57%	-57%	-60%	-60%	-60%	-60%	-60%	-60%	-60%	-60%	0%
Retail Profile 27	-65%	-65%	-65%	-66%	-66%	-66%	-66%	-66%	-66%	-66%	0%
Retail Profile 28	-62%	-62%	-62%	-63%	-63%	-63%	-63%	-63%	-63%	-63%	0%
Retail Profile 29	-63%	-63%	-63%	-62%	-62%	-62%	-62%	-62%	-62%	-62%	0%
Retail Profile 30	-70%	-70%	-72%	-72%	-72%	-72%	-73%	-73%	-73%	-72%	0%
Retail Profile 31	-63%	-63%	-63%	-64%	-64%	-64%	-64%	-64%	-64%	-64%	0%
Retail Profile 32	-46%	-46%	-46%	-48%	-48%	-43%	-45%	-45%	-45%	-43%	1%
Minimum Savings	-31%	-31%	-31%	-33%	-33%	-26%	-19%	-19%	-21%	-33%	5%
Maximum Savings	-70%	-70%	-72%	-72%	-72%	-72%	-73%	-73%	-73%	-72%	0%

** Average absolute percentage point change, over last 5 periods