

The Star-Ledger / **Eagleton-Rutgers Poll**

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THE NEW JERSEY PUBLIC'S Rx FOR HIGH DRUG PRICES

Prescription drug prices are too high and either the government should step in to regulate them or let consumers shop across the border for lower cost prescriptions. These are the views of the New Jersey public according to a recent *Star-Ledger/Eagleton-Rutgers Poll*. The survey also found that residents call for full disclosure of clinical trial results for all FDA-approved medicines.

Even though the Garden State is home to some of the most prominent drug makers in the world, the pharmaceutical industry is not held in particularly high esteem by the average citizen. More New Jerseyans feel that prescription drug companies do a bad job (54%) serving their consumers than say they do a good job (34%). Older adults over 50 years of age (63%) are even more likely than their younger neighbors (47%) to have a negative view of drug makers.

The key issue in this evaluation appears to be cost. A majority of residents believe that the profit motive drives up the cost of prescription medicines in this country. Garden State residents are more likely to think that drug prices are set in order to earn their makers large profits (54%) rather than fund research for new drugs (37%).

Even when taking into account the cost of research necessary to develop new medicines, nearly 9-in-10 New Jerseyans say the prices charged for prescription drugs are too high. This includes 74 percent of the public who say they are "much" too high. The Rutgers University-based poll found that the typical New Jersey family spends \$138 per month filling prescriptions. And households earning the least tend to spend the most. Families with annual incomes under \$35,000 spend an average of \$173 on prescriptions each month. This compares to \$153 for those earning between \$35,000 and \$70,000 and \$102 for those earning over \$70,000.

The Star-Ledger/Eagleton-Rutgers Poll • Eagleton Institute of Politics

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One-third of New Jerseyans (33%) report that their family has had great difficulty affording the cost of prescription drugs in the past year. Moreover, 1-in-5 families (20%) report that they decided not to fill a doctor's prescription because of the cost. Nearly half (49%) of those families earning less than \$35,000 had great difficulty paying for prescription medication in the past year.

Given the struggle facing many Garden State families to afford needed medicines, it may not be surprising that fully 2-in-3 residents (68%) say the government should regulate what pharmaceutical companies can charge for their products. Only 22 percent say that drug makers should be able to charge whatever they feel is appropriate given their research and other costs. Even among those who say that drug companies are generally doing a good job, a majority feels that drug prices are much too high and should be regulated by the government.

"The pharmaceutical industry is facing a major public relations challenge with the New Jersey public," commented Patrick Murray, acting director of the poll. "With prescription drug prices becoming an issue in this presidential campaign, any proposal to lower consumer costs will meet with an attentive and receptive audience."

A possible solution to high drug prices supported by 2-in-3 New Jerseyans is to allow the purchase of prescription drugs from other countries. Sixty-five percent of residents say that it should be legal to buy prescription drugs from Canada, Europe and other industrialized nations. Only 28 percent feel it should be illegal, despite Food and Drug Administration warnings that imported drugs may be less safe and effective.

When asked about the safety of drugs available in America, only 3-in-10 Garden State residents (29%) believe that the pharmaceutical companies always inform consumers about potential side effects. Another 36 percent say drug makers provide full side effect information most of the time and 31 percent say they give full information about side effects only some of the time or less often.

The potential side effects to prescription medication can be discovered when a company is testing a new drug in what are called clinical trials. The public calls for full disclosure of these tests. More than 3-in-4 New Jerseyans (78%) say that drug companies should be required to release the results of all the clinical trials they conduct.

The latest *Star-Ledger/Eagleton-Rutgers Poll* was conducted between July 30 and August 4 with a scientifically selected sample of 800 New Jersey adults. The poll has a sampling error figure of plus or minus 3.5 percentage points.

The poll also found that the New Jersey public has mixed views about the benefits of allowing pharmaceutical companies to advertise. Drug makers have been able to market their products in the broadcast and print media since 1997 and it is not clear that consumers feel they

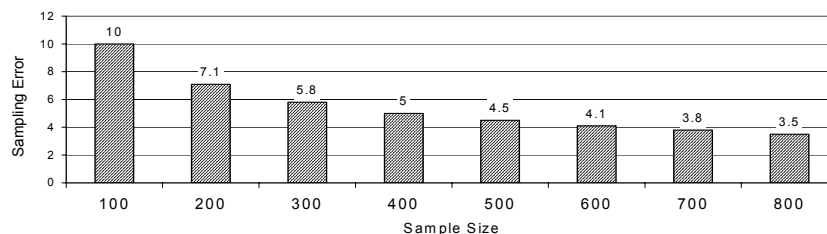
have benefited from this. Fully 71 percent say that drug company advertising has led to higher costs. And, the New Jersey public is split on whether such advertising has improved their knowledge of the drugs they use. Nearly half (48%) agree that drug advertising has allowed them to make better choices, but a similar 45 percent disagree.

Despite all the issues over high cost and whether the drug companies are serving consumers well, New Jerseyans tend to believe that the FDA works on behalf of consumers rather than the pharmaceutical industry. However, the view that FDA decisions are made more to benefit consumers (48%) rather than drug makers (35%) is not overwhelming.

BACKGROUND MEMO – RELEASE (EP147-4) AUGUST 29, 2004

The latest Star-Ledger/Eagleton-Rutgers Poll was conducted from July 30 to August 4 with a scientifically selected random sample of 800 New Jersey adult residents interviewed by telephone. All surveys are subject to sampling error, which is the expected probable difference between interviewing everyone in a population versus a scientific sampling drawn from that population. The sampling error for registered voters is ± 3.5 percent, at a 95 percent confidence interval. Thus if 50 percent of New Jersey residents were found to have a favorable opinion of a presidential candidate, one would be 95 percent sure that the true figure would be between 46.5 and 53.5 percent (50 ± 3.5) had all New Jersey adults been interviewed, rather than just a sample. Sampling error increases as the sample size decreases, so statements based on various population subgroups, such as separate figures reported for Republicans, Independents or Democrats, are subject to more error than are statements based on the total sample. The following chart shows the relationship between sample size and sampling error.

Sample Size and Sampling Error



Sampling error does not take into account other sources of variation inherent in public opinion studies, such as non-response, question wording or context effects. The verbatim wording of all questions asked is reproduced in this background memo. The questions referred to in this release are as follows:

“Do you think prescription drug companies do a good job or bad job serving their consumers?” [A1]

	<u>Good job</u>	<u>Bad job</u>	<u>Don't know</u>	<u>Total</u>	<u>(n)</u>
August 2004	34%	54%	12%	100%	(800)
All Adults					
<u>Age</u>					
--Under 50	40	47	13	100	(419)
--50 and older	26	63	11	100	(368)
<u>Income</u>					
--Under \$35,000	29	50	20	99	(148)
--\$35-70,000	34	57	8	99	(203)
--Over \$70,000	40	52	8	100	(336)

“Overall, thinking about the research and other costs that go into producing new medicines, would you say that the prices for prescription drugs are generally too high, too low, or about right. [Is that much too high/low or just a little]?” [A2]

	<u>Much too high</u>	<u>Little too high</u>	<u>About right</u>	<u>Too low</u>	<u>Don't know</u>	<u>Total</u>	<u>(n)</u>
August 2004	74%	13%	11%	--	2%	100%	(800)
All Adults							
<u>Age</u>							
--Under 50	70	14	14	--	2	100	(419)
--50 and older	80	10	7	--	3	100	(368)
<u>Income</u>							
--Under \$35,000	83	8	4	--	5	100	(148)
--\$35-70,000	81	11	8	--	1	101	(203)
--Over \$70,000	67	14	17	--	2	100	(336)
<u>Opinion of Drug Cos.</u>							
--Do a good job	58	19	21	--	2	100	(267)
--Do a bad job	88	7	4	--	1	100	(436)

“Do you think that the government should regulate the prices that drug companies can charge for prescription drugs or should the companies be allowed to charge what they feel is appropriate given their research and other costs?” [A3]

	Government should regulate	Companies should be allowed to charge	(VOL) Both	Don't know	Total	(n)
August 2004 All Adults	68%	22%	4%	7%	101%	(800)
<u>Age</u>						
--Under 50	66	25	4	6	101	(419)
--50 and older	70	17	4	9	100	(368)
<u>Income</u>						
--Under \$35,000	74	14	1	10	99	(148)
--\$35-70,000	78	13	5	4	100	(203)
--Over \$70,000	57	34	4	5	100	(336)
<u>Party Affiliation</u>						
--Democrat	77	13	3	7	100	(266)
--Independent	64	23	5	8	100	(258)
--Republican	62	34	3	2	101	(183)
<u>Opinion of Drug Cos.</u>						
--Do a good job	56	35	2	7	100	(267)
--Do a bad job	77	13	5	6	101	(436)

“Which of the following comes closer to your view of why drug companies charge the prices they do for prescription medicines – to allow the drug companies to make large profits OR to allow the drug companies to fund the research necessary to create new medicines?” [A4]

	To make large profits	To fund research	Don't know	Total	(n)
August 2004 All Adults	54%	37%	9%	100%	(800)
<u>Age</u>					
--Under 50	50	42	8	100	(419)
--50 and older	60	30	10	100	(368)
<u>Income</u>					
--Under \$35,000	52	39	9	100	(148)
--\$35-70,000	60	35	5	100	(203)
--Over \$70,000	51	39	10	100	(336)
<u>Opinion of Drug Cos.</u>					
--Do a good job	34	58	8	100	(267)
--Do a bad job	70	23	7	100	(436)

“Since 1997, prescription drug companies have been allowed to advertise their products on TV and in magazines. Do you agree or disagree that drug company advertising has led to higher costs for consumers?” [A5A]

	<u>Agree</u>	<u>Disagree</u>	<u>Don't know</u>	<u>Total</u>	<u>(n)</u>
August 2004 All Adults	71%	21%	8%	100%	(800)
<u>Age</u>					
--Under 50	67	26	7	100	(419)
--50 and older	77	13	10	100	(368)
<u>Opinion of Drug Cos.</u>					
--Do a good job	61	29	9	99	(267)
--Do a bad job	77	17	7	101	(436)

“Do you agree or disagree that drug company advertising has allowed consumers to make better informed choices about the drugs they take?” [A5B]

	<u>Agree</u>	<u>Disagree</u>	<u>Don't know</u>	<u>Total</u>	<u>(n)</u>
August 2004 All Adults	48%	45%	7%	100%	(800)
<u>Age</u>					
--Under 50	53	42	5	100	(419)
--50 and older	41	50	9	100	(368)
<u>Opinion of Drug Cos.</u>					
--Do a good job	66	29	5	100	(267)
--Do a bad job	39	56	5	100	(436)

“In the past year have you or your family had great difficulty affording the cost of prescription drugs, or has this not been a problem? [IF “YES”:] And in the past year did you or someone in your family not fill a prescription from your doctor because of the cost?” [A6]

	<u>Had difficulty did not fill prescription</u>	<u>Had difficulty, but filled all prescriptions</u>	<u>No Problems</u>	<u>Total</u>	<u>(n)</u>
August 2004 All Adults	20%	13%	67%	100%	(800)
<u>Age</u>					
--Under 50	22	10	68	100	(419)
--50 and older	17	17	66	100	(368)
<u>Income</u>					
--Under \$35,000	30	19	51	100	(148)
--\$35-70,000	24	11	65	100	(203)
--Over \$70,000	11	10	79	100	(336)

“How much does your family spend on prescription drugs in an average month?” [A7]

	<u>Nothing</u>	<u>\$1-25</u>	<u>\$26-50</u>	<u>\$51-100</u>	<u>\$101-200</u>	<u>Over \$200</u>	<u>Don't know</u>	<u>Total</u>	<u>Average</u>	<u>(n)</u>
August 2004 All Adults	13%	15%	17%	19%	12%	14%	10%	100%	\$138	(800)
<u>Age</u>										
--Under 50	13	17	20	19	11	10	10	100	\$120	(419)
--50 and older	12	13	14	19	13	19	9	99	\$166	(368)
<u>Race</u>										
--White	12	15	18	19	11	13	10	98	\$133	(601)
--Blacks & Hispanics	14	12	14	19	15	17	10	101	\$168	(143)
<u>Income</u>										
--Under \$35,000	17	9	15	16	15	18	9	99	\$173	(148)
--\$35-70,000	14	14	16	21	13	16	7	101	\$153	(203)
--Over \$70,000	11	19	23	20	10	10	7	100	\$102	(336)
<u>Difficulty Affording Rx</u>										
--Yes	5	8	11	19	17	28	11	99	\$228	(236)
--No	16	19	20	19	10	7	10	101	\$94	(564)

“Some people say it should be legal for Americans to buy prescription drugs from Canada, Europe, and other industrialized countries because they're less expensive. The U.S. Food and Drug Administration says it should be illegal because imported drugs may be less safe and effective. What do you think – Should it be legal or illegal for Americans to buy prescription drugs from Canada, Europe, and other industrialized countries?” [A8]

	<u>Legal</u>	<u>Illegal</u>	<u>(VOL) Depends</u>	<u>Don't know</u>	<u>Total</u>	<u>(n)</u>
August 2004 All Adults	65%	28%	3%	3%	99%	(800)
<u>Age</u>						
--Under 50	63	33	3	2	101	(419)
--50 and older	70	22	4	4	100	(368)
<u>Party Affiliation</u>						
--Democrat	69	25	4	2	100	(266)
--Independent	66	27	4	4	101	(258)
--Republican	59	36	3	2	100	(183)

“In your opinion, do drug companies fully inform consumers of the potential side effects of taking their medicines all the time, most of the time, or only some of the time?” [A9]

	<u>All the time</u>	<u>Most of the time</u>	<u>Some of the time</u>	<u>(VOL) Less often/never</u>	<u>Don't know</u>	<u>Total</u>	<u>(n)</u>
August 2004 All Adults	29%	36%	27%	4%	4%	100%	(800)
<u>Age</u>							
--Under 50	30	36	28	4	2	100	(419)
--50 and older	28	35	27	5	6	101	(368)
<u>Opinion of Drug Cos.</u>							
--Do a good job	36	38	21	2	4	101	(267)
--Do a bad job	23	35	34	5	3	100	(436)

“As you may know, drug companies conduct a number of clinical trials to test the safety and effectiveness of their medicines before applying to the Food and Drug Administration for approval. Should drug companies be required to release the results of all the clinical trials they conduct or should this be considered private business information that companies should be able to release as they see fit?” [A10]

	<u>Required to release all</u>	<u>Able to release as see fit</u>	<u>(VOL) Depends</u>	<u>Don't know</u>	<u>Total</u>	<u>(n)</u>
August 2004 All Adults	78%	19%	1%	3%	101%	(800)
<u>Age</u>						
--Under 50	75	22	1	2	100	(419)
--50 and older	81	15	--	4	100	(368)
<u>Party Affiliation</u>						
--Democrat	82	15	1	3	101	(266)
--Independent	80	18	1	2	101	(258)
--Republican	72	24	--	4	100	(183)

“As you may know, the federal Food and Drug Administration, or F.D.A., has to approve all new medicines before they can be released to the public. Do you think that F.D.A. decisions are made more for the benefit of drug companies OR more for the benefit of consumers?” [A11]

	<u>Benefit drug companies</u>	<u>Benefit consumers</u>	<u>(VOL) Both</u>	<u>(VOL) Neither</u>	<u>Don't know</u>	<u>Total</u>	<u>(n)</u>
August 2004 All Adults	35%	48%	7%	1%	9%	100%	(800)
<u>Age</u>							
--Under 50	31	55	6	1	6	99	(419)
--50 and older	40	39	8	1	12	100	(368)
<u>Party Affiliation</u>							
--Democrat	42	42	7	1	8	100	(266)
--Independent	32	47	8	1	11	99	(258)
--Republican	30	56	8	--	6	100	(183)