

EXHIBIT 3

**KEY MEASURES OF PHARMACY BENEFIT USE AND REIMBURSEMENT
IN THE STUDY POPULATION, 1999^a**

Key Measures of Pharmacy Benefit Use and Reimbursement	Among All Medicaid Beneficiaries ^b	Among Dual Eligibles ^b	Among Dual Eligibles who Resided in Nursing Facilities All Year ^b
Total Medicaid Pharmacy Reimbursement (in \$million)	\$15,588	\$8,650	\$1,544
Pharmacy Reimbursement per Beneficiary	\$545	\$1,629	\$1,830
Pharmacy Reimbursement per Benefit Month ^c	\$69	\$157	\$181
Number of Prescriptions per Beneficiary	12	35	50
Number of Prescriptions per Benefit Month	1.5	3.3	4.9

Source: Medicaid Analytic Extract, 1999. This table is based on the information contained in the Compendium, United States.

^a The Medicaid prescription drug reimbursement amounts presented in this table are gross amounts prior to the receipt of rebates from prescription drug manufacturers.

^bSee footnotes to Exhibit 2 for how these groups were defined.

^cBenefit months are months during which beneficiaries had FFS pharmacy benefit coverage.