



Medicare Reform Awareness Research

Among Medicare Beneficiaries

Wave 1 - Presentation of Results
July 2024

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Background and Objectives

The goal of the Medicare Reform Awareness Survey is to measure awareness and knowledge of Medicare beneficiaries regarding the upcoming reforms that will be implemented in 2025. The research will involve two waves of data collection: the June results (included in this report) establish a baseline awareness of upcoming Medicare reforms. Then, in the December 2024/January 2025 timeframe, we will conduct a post-wave of data collection to measure the impact of the outreach undertaken by CMS.

The overarching goal of this research to demonstrate awareness and knowledge levels among Medicare recipients before and after CMS is expected to do outreach with educational information. The working hypothesis is that the information from CMS will be inadequate to communicate the changes and benefits of the changes.

Methodology

**Audience:**

1,006 U.S. adults 18+ currently on Medicare/Medicare Advantage

**Field Timing:**

June 6 – June 25, 2024

**Mode:**

10-minute online survey

**Weighting:**

Data are weighted to ensure results are projectable to broader population of Medicare beneficiaries

Method Statement *(to be included in all press materials):*

The research was conducted online in the United States by The Harris Poll on behalf of The PAN Foundation among 1,006 US Adults aged 18+ currently on Medicare/Medicare Advantage. The survey was conducted June 6 – June 25, 2024.

Data are weighted where necessary among those on Medicare by age by gender, race/ethnicity, region, education, marital status, household size, and household income to bring them in line with their actual proportions in the population.

Respondents for this survey were selected from among those who have agreed to participate in our surveys. The sampling precision of Harris online polls is measured by using a Bayesian credible interval. For this study, the sample data is accurate to within +3.7 percentage points using a 95% confidence level. This credible interval will be wider among subsets of the surveyed population of interest.

All sample surveys and polls, whether or not they use probability sampling, are subject to other multiple sources of error which are most often not possible to quantify or estimate, including, but not limited to coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments.

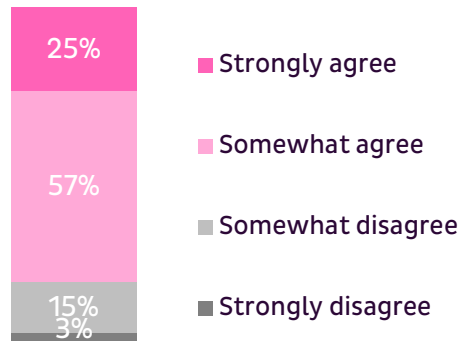
Notation Guide

Please refer to this slide for explanations of the various notation and formatting used throughout this deck:

Scale NET Notation:

82% Agree

The percentage above indicates that 82% of respondents strongly or somewhat agree with the statement.



Base Notes:

Each slide includes a base note that displays the full question text as shown to the survey respondents as well as the number of respondents who answered each question, for reference.

Note that the term “beneficiaries” is used to refer to those on Medicare throughout the report for brevity.

In some cases, we have abbreviated the Medicare Prescription Payment Plan to “Medicare PPP” to save space.

In Tables and Charts:

- Percentages may not add up to 100% due to weighting and/or computer rounding.
- Results based on small samples ($n < 100$) should be interpreted as directional only.
- An asterisk (*) indicates a percentage greater than zero but less than 1%; a “–” indicates a value of zero.

Notation Guide *(continued)*

Note that interesting differences by the following key subgroups are called out throughout the report to help add more context to the results.

Chronic Condition Status		Disability Status		Eligible for LIS	
Has a chronic condition	Does not have a chronic condition	Has a disability	Does not have a disability	Yes [^]	No
493	513	374	632	136	870

Race/Ethnicity		Aware of Medicare Part D Cap		Aware of Medicare Prescription Payment Plan	
POC	White	Extremely/very/somewhat familiar	Never heard of it/have heard of it but not familiar	Extremely/very/somewhat familiar	Never heard of it/have heard of it but not familiar
165	841	153	853	89*	917

[^]Those who are eligible for LIS were defined as either:

- Single with a household monthly income of <\$1,900 per month and total household liquid investible assets of <\$15,000
- Married with a household monthly income of <\$2,500 per month and total household liquid investible assets of <\$35,000

*Note, small base size <100, interpret results directionally

Executive Summary

Executive Summary

A quarter of Medicare beneficiaries have had to take some action in the past year to afford their current prescription medications, with a similar proportion reporting having had to specifically take some financial action.

- On average, Medicare beneficiaries are taking 4 prescription medications and pay \$43 out-of-pocket each month for these medications.
- A quarter of Medicare beneficiaries currently taking prescription medications (25%) have had to take some action(s) in the past 12 months (especially beneficiaries of color 32%) such as shopping around to find lower prices (9%), asking their HCP to prescribe a more affordable prescription (8%), or delaying filling a prescription (8%) to afford their medication(s).
- Further, in the past 12 months, one in five (21%) have had to take some financial action(s) to afford their needed prescription medication(s), such as reducing spending in other areas of their budget (10%), taking on credit card debt (7%), or exploring discount saving apps (7%).

The majority of Medicare beneficiaries have not seen, read, or heard anything about the upcoming 2025 Medicare reforms.

- The majority of Medicare beneficiaries (87%) have not seen, read, or heard anything about the 2025 Medicare reforms. Even among the 13% who have, strength of familiarity is low, with seven in ten (70%) saying they are at least somewhat familiar, but only 9% saying they are extremely or very familiar.
- Nearly three in ten Medicare beneficiaries (29%) are worried about their healthcare plan restricting access to needed prescription medications in the next 2 years as a result of the upcoming Medicare reforms. This worry is especially prevalent among those with a disability (39%) or a rare disease (54%).

Executive Summary

Awareness of the Medicare Part D Cap is low among beneficiaries, with many not understanding basic facts about the reform. Despite this, over half feel it will be helpful to them, personally.

- Very few Medicare beneficiaries (11%) report unaided awareness of the upcoming Medicare Part D cap, and 60% still have never heard of it, even after being provided with a description of this reform.
- Most Medicare beneficiaries who are aware of the Medicare Part D Cap first heard about it via TV (34%) or their Medicare Part D plan / insurer (10%).
- Over a third of Medicare beneficiaries who have heard of the Medicare Part D cap (37%) do not feel that they understand the Medicare Part D cap well, with only 13% saying they understand it very well.
- Many beneficiaries do not seem to be aware of certain facts about the Medicare part D cap reform, such as:
 - Roughly two-thirds (68%) do not realize that the following statement is FALSE: The Medicare Part D cap will ensure that those enrolled in Medicare Part D prescription drug plans will not pay more than \$500 out-of-pocket for their prescription medications during the calendar year.
 - Nearly half (49%) do not realize that the Medicare Part D cap applies to those enrolled in the Medicare Prescription Payment Plan.
- Over half of Medicare beneficiaries (55%) think the Medicare part D cap reform will be helpful to them personally – especially those with a disability (62%) or beneficiaries of color (67%).

Executive Summary

Awareness of the Medicare Prescription Payment Plan is also quite low, with a third of those aware also reporting low understanding of the reform.

- Most Medicare beneficiaries (92%) have not seen, read, or heard anything about the upcoming Medicare Prescription Payment Plan (PPP), and 73% still have never heard of it, even after being provided with a description of this reform.
- As with the Medicare Part D Cap, most Medicare beneficiaries who are aware of the Medicare PPP first heard about it via TV (27%) or their Medicare Part D plan / insurer (12%).
- Over a third of Medicare beneficiaries who have heard of the Medicare PPP (36%) do not feel that they understand the Medicare PPP well, with only 7% saying they understand it very well.
- Nearly two in five Medicare beneficiaries (39%) do not seem to understand the definition of the upcoming Medicare PPP reform (i.e., that it will allow those enrolled to spread out their out-of-pocket costs for medications and pay in monthly installments over the remainder of the year.)
- Half of Medicare beneficiaries (50%) think the Medicare PPP reform will be helpful to them personally.
- When asked which program those eligible for LIS thought would be more helpful to them, just under half (45%) selected the LIS program, while nearly one in five (18%) selected the Medicare PPP. The remaining third (37%) are unsure.
- Only around a third of Medicare beneficiaries who currently take prescription medications (34%) are likely to enroll in the Medicare PPP, with only 7% saying they are very likely. Of those likely to enroll, most would prefer to enroll directly through their health plan's website (49%) or by calling their health plan and having someone walk them through enrollment (41%).

Executive Summary

There seems to be an opportunity for education about the upcoming reforms, as the majority of Medicare beneficiaries are interested in learning more.

- Nearly three in four Medicare beneficiaries (73%) would be interested in learning more about these upcoming reforms, most commonly through their Medicare Part D plan / insurer (60%) or educational resources provided by Medicare.gov (38%).

Implications

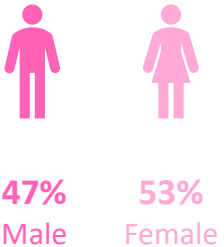
Implications

- There is an information gap: while awareness is lacking for the majority of Medicare beneficiaries, once provided with information about the upcoming Medicare reforms, beneficiaries believe these programs will benefit them.
- Medicare beneficiaries have greater awareness of the Medicare Part D Cap than the Prescription Payment plan, suggesting that more education about the latter is especially needed.
- Most Medicare beneficiaries who have heard about these reforms heard about them from TV ads or from their plan / insurer – suggesting that there is an opportunity for healthcare providers and patient organizations to play a larger role in educating beneficiaries about these reforms.
- Beneficiaries eligible for LIS may require some particular guidance on which program (either LIS or PPP) is more helpful for them.

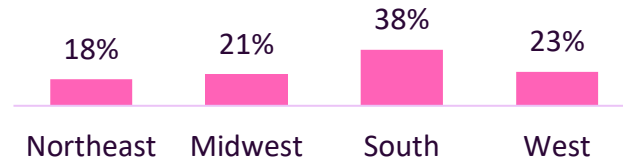
Audience Profile

Audience Profile

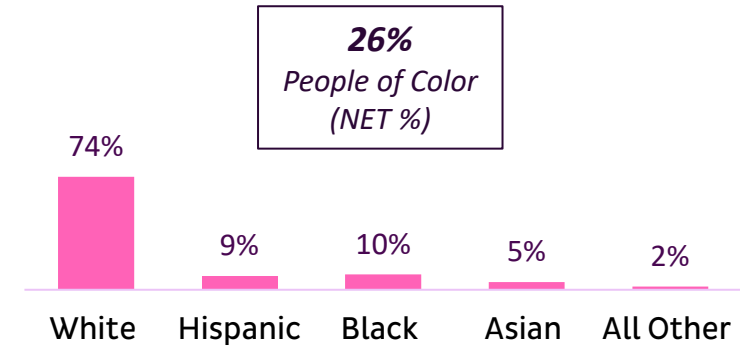
Gender



Region



Race/Ethnicity

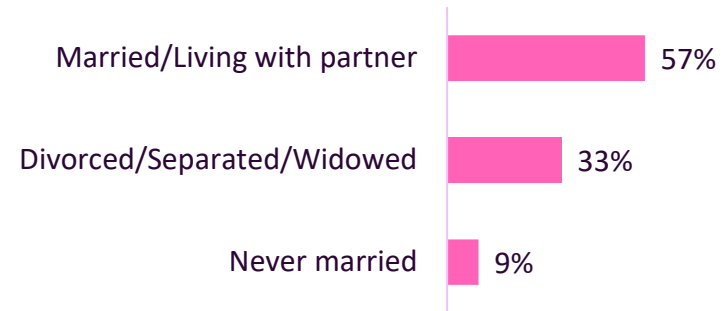


Age

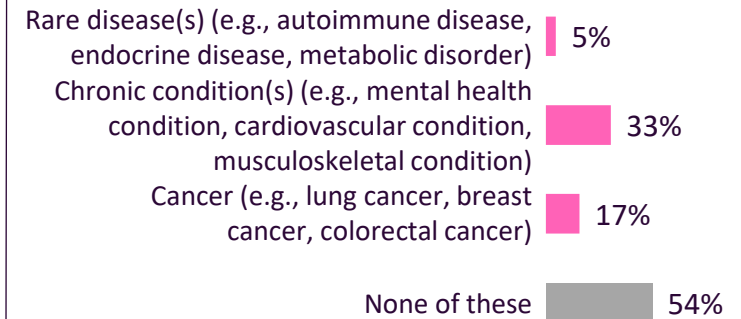
- Gen Z (18-27)
- 1% Millennials (28-43)
- 4% Gen X (44-59)
- 94% Boomers/Silent (60+)

71
Mean

Marital Status

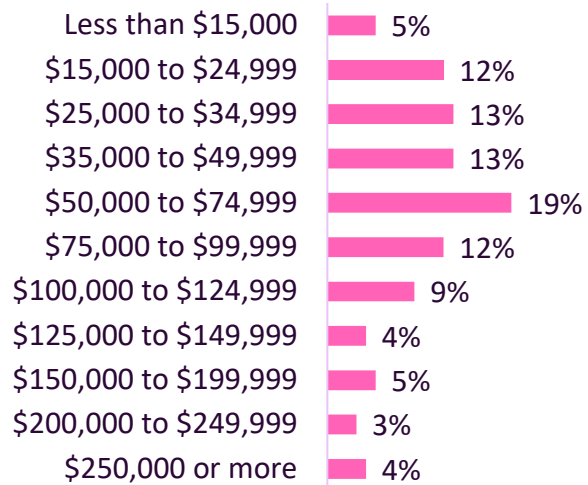


Type of Condition

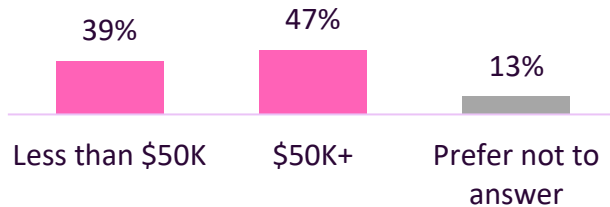


Audience Profile

Annual HHI



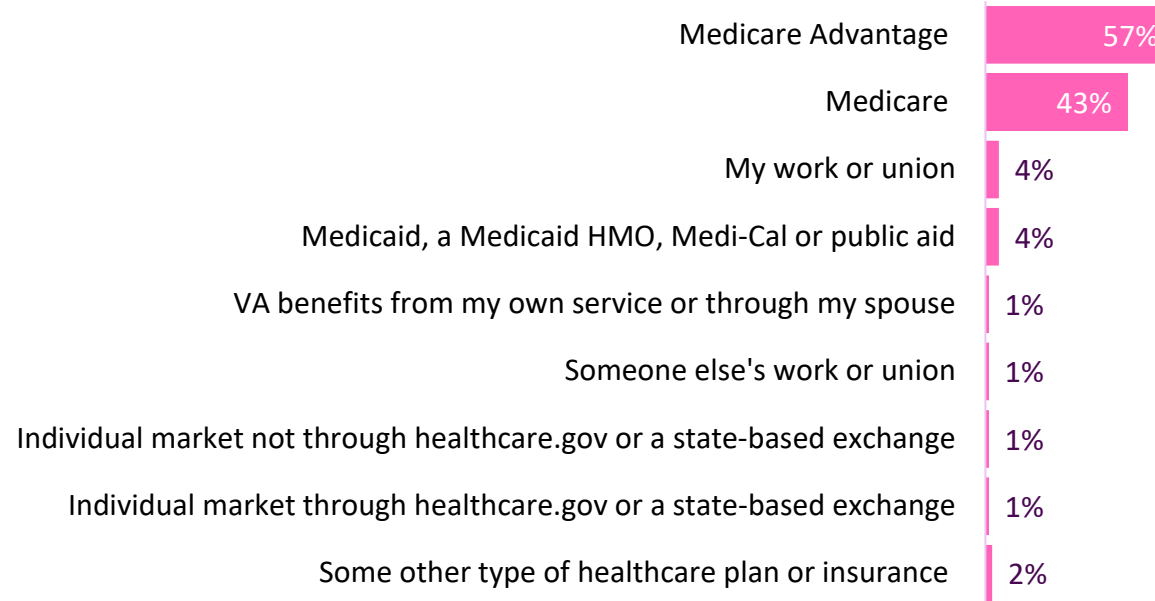
Investable Assets



Beneficiaries Who Have A Disability



Types of Healthcare Plan



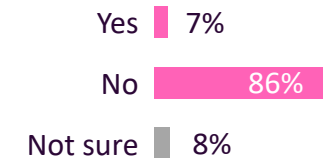
Qualified for LIS



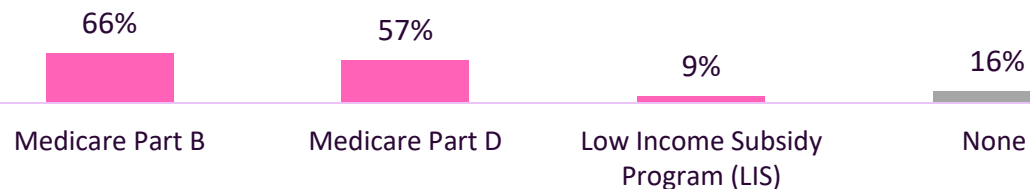
*Qualified for LIS if not married, making <\$1,900 per month, and have less than \$15,000 in HH total liquid investable assets

**Qualified for LIS if married, making less than \$2,500 per month, and have less than \$35,000 in HH total liquid investable assets

Enrolled in LIS



Other Healthcare Plan Elements Enrolled In

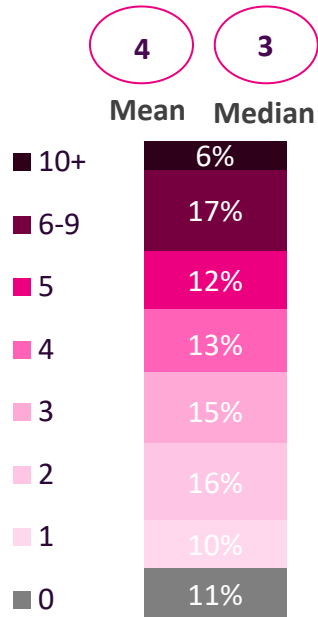


Detailed Findings

Current Medication Costs

On average, Medicare beneficiaries take 4 prescription medications for which they pay \$43 out of pocket each month.

Number of Prescription Medications Beneficiaries Currently Take



Monthly Out-of-Pocket Costs for Prescription Medications

(among those taking any prescription medication(s))

Mean	\$43
Median	\$10

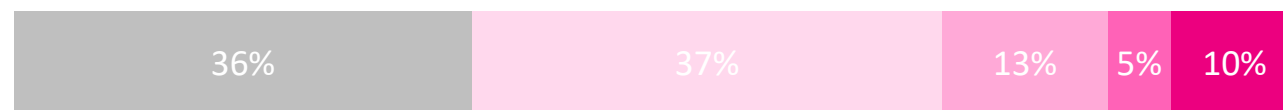


On average, **beneficiaries of color** report paying \$72 monthly out-of-pocket, compared to **white counterparts** who report only paying \$33 a month.

Out-of-Pocket Costs for a Single Prescription of Their Most Expensive Medication

(among those taking any prescription medication(s))

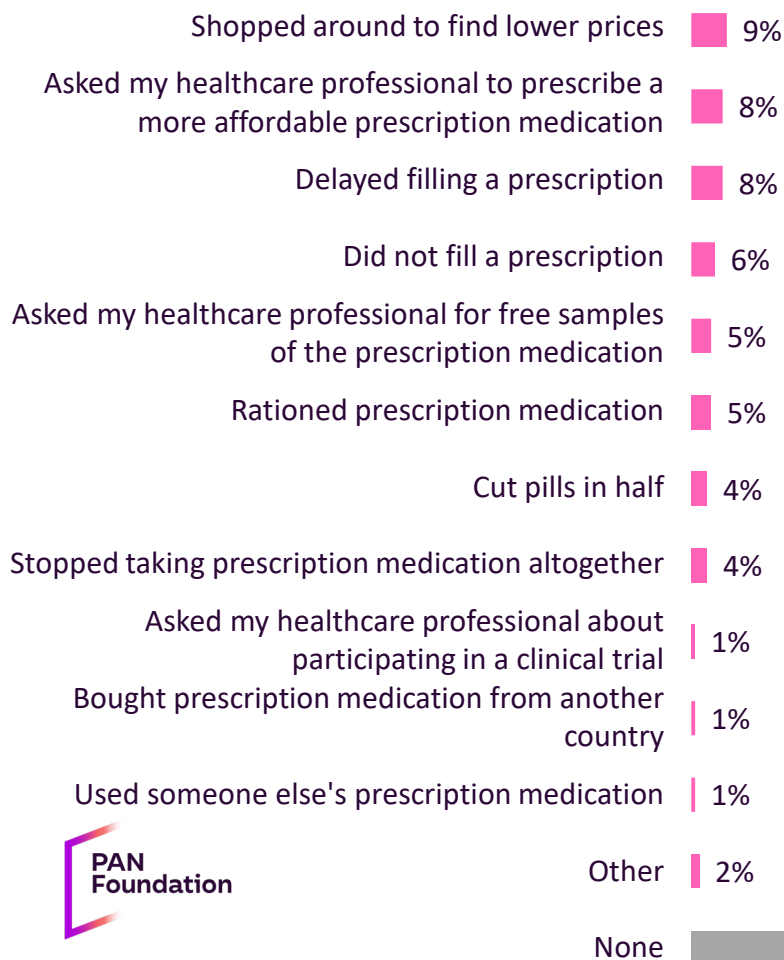
Mean	\$20
Median	\$7



On average, **beneficiaries with a chronic condition** report paying \$25 out-of-pocket for their single most expensive prescription, compared to **those without a chronic condition** who report only paying \$16 a month.

Many have taken a variety of actions – including adjustments to their finances – to afford prescription costs.

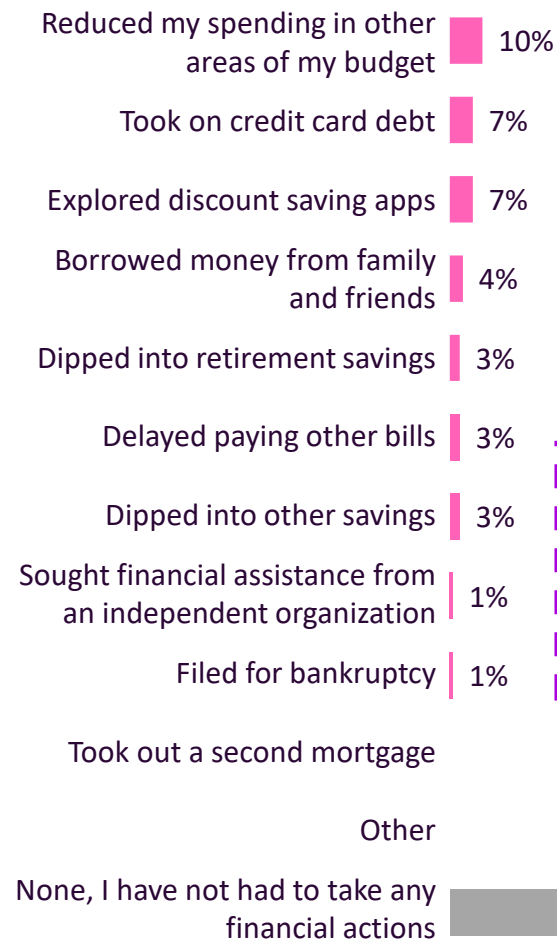
Actions Taken in Past 12 Months Due to Prescription Medication Costs (among those taking any prescription medication(s))



Any Action Net:
25%

32%
of beneficiaries of color... report having taken any action, compared to only 23% of white counterparts

Financial Actions Taken in Past 12 Months to Afford Needed Prescription Medication(s) (among those taking any prescription medication(s))

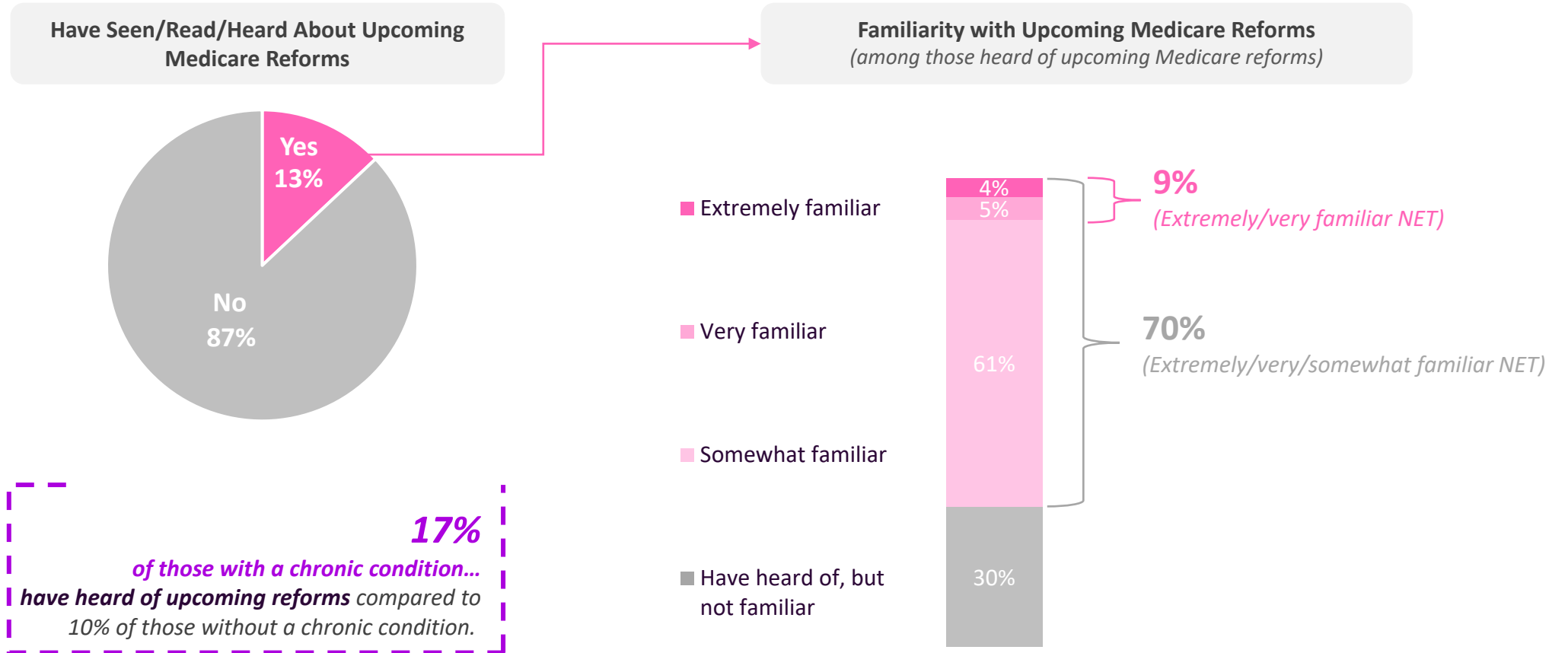


Any Action Net:
21%

26%
of those with a chronic condition... report having taken any financial action, compared to 15% of those without a chronic condition.

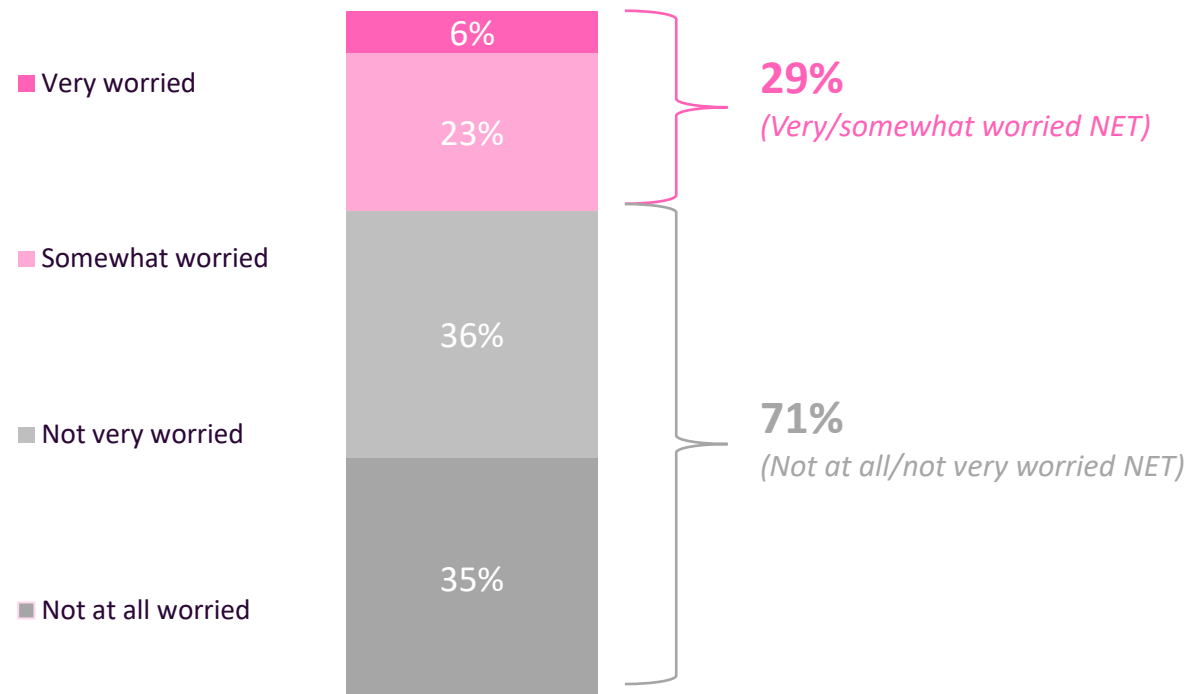
Familiarity with Medicare Reforms

Few Medicare beneficiaries have seen, read, or heard about the 2025 Medicare reforms - among these, strength of familiarity is low.



Nearly one in three are worried about their healthcare plans restricting access to needed Rx medications following upcoming reforms.

Worry About Healthcare Plans Restricting Access to Prescription Medications Over Next 2 Years Following Upcoming Medicare Reforms



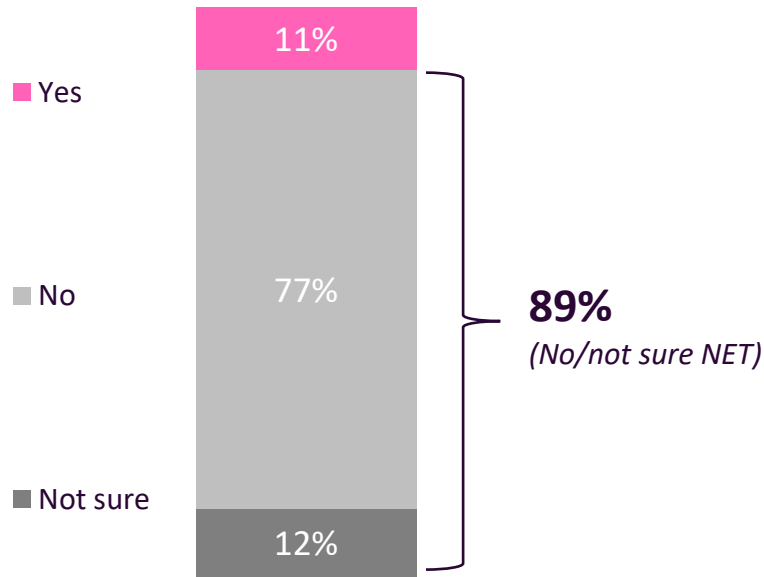
54%
*of those with a rare disease... are **very/somewhat worried** compared to 31% of those with a chronic condition, 29% with cancer, and 27% with no chronic condition.*

39%
*of those with a disability... are **very/somewhat worried** compared to 24% of those without a disability.*

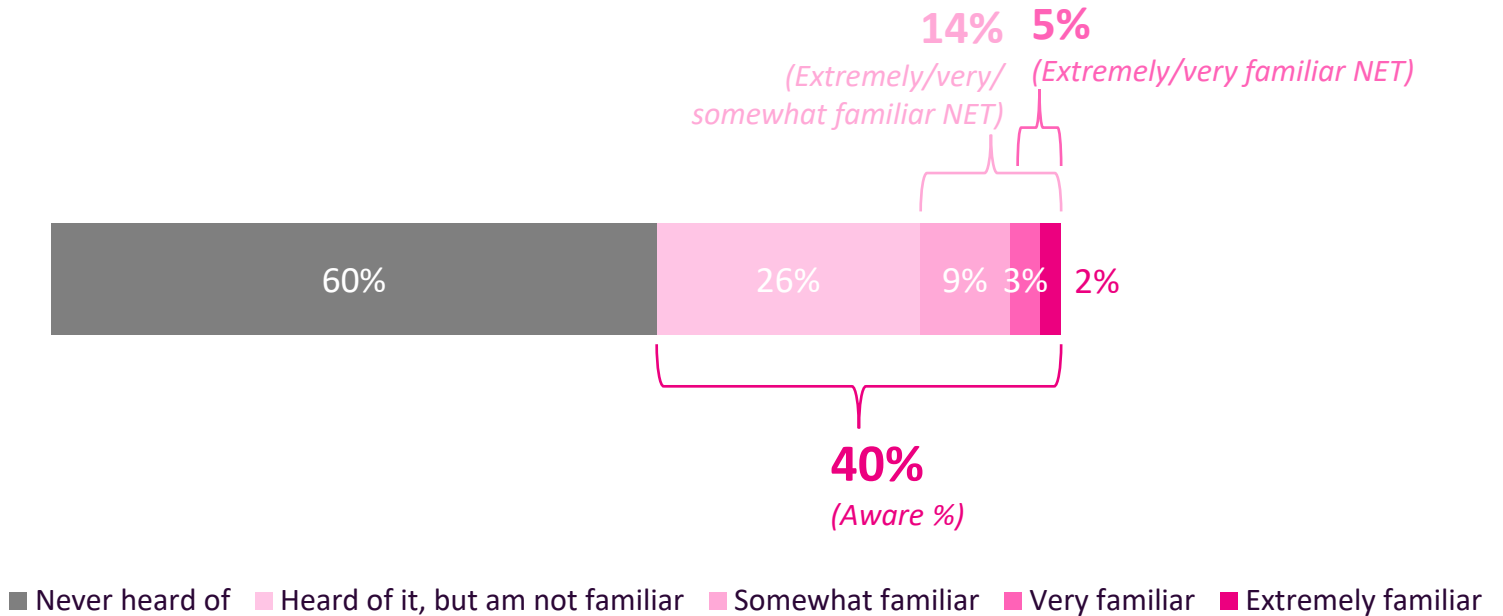
Medicare Part D Cap

Few report unaided awareness of the upcoming Medicare Part D Cap, however two in five report aided awareness of this reform.

Unaided Awareness
Has Read/Seen/Hear About Medicare Part D Cap



Aided Familiarity of Medicare Part D Cap*



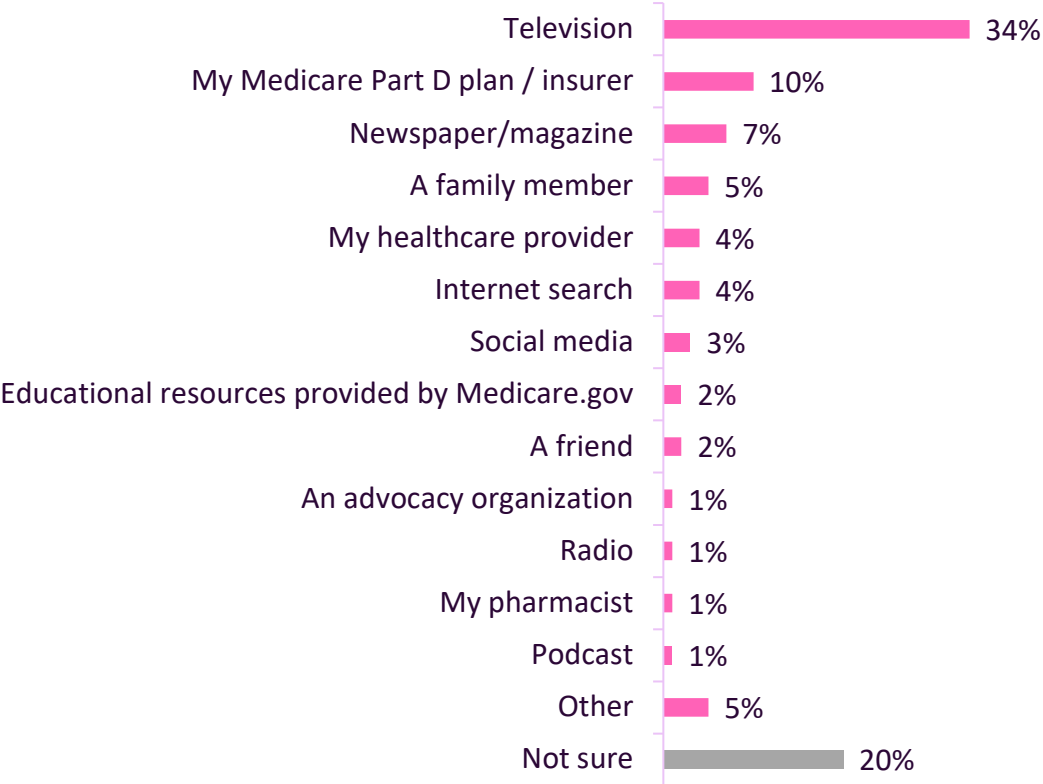
15%
of those with a chronic condition... have read/seen/heard of the Medicare Part D Cap compared to 8% of those with no chronic condition.



*In January 2025, people enrolled in Medicare Part D prescription drug plans will not pay more than \$2,000 out-of-pocket for their prescription medications during the calendar year (January – December). This is also known as the Medicare Part D cap.

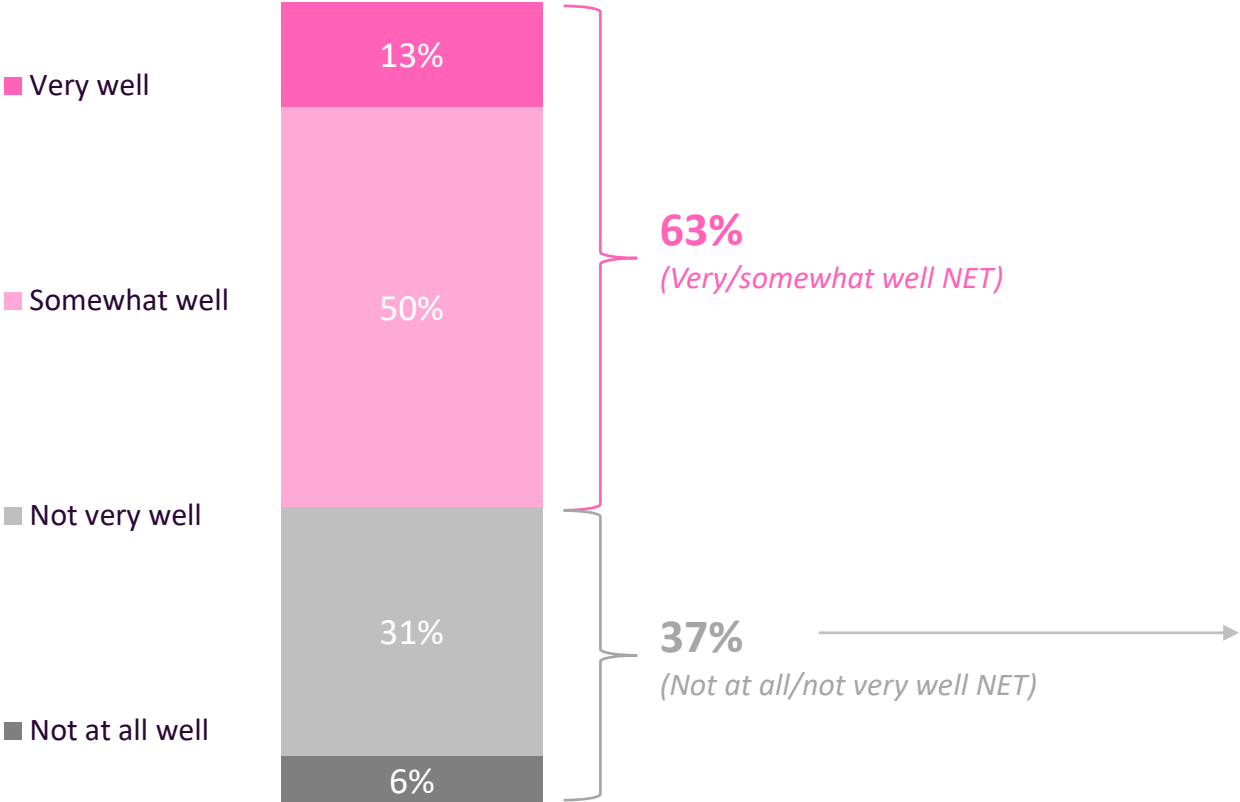
Most Medicare beneficiaries who are aware of the Medicare Part D Cap first heard about it via TV.

Method of Hearing About Medicare Part D Cap
(among those who have heard of Medicare Part D Cap)



Over a third of Medicare beneficiaries who have heard of the Medicare Part D cap do not feel that they understand it well.

Understanding of Medicare Part D Cap
(among those who have heard of Medicare Part D Cap)

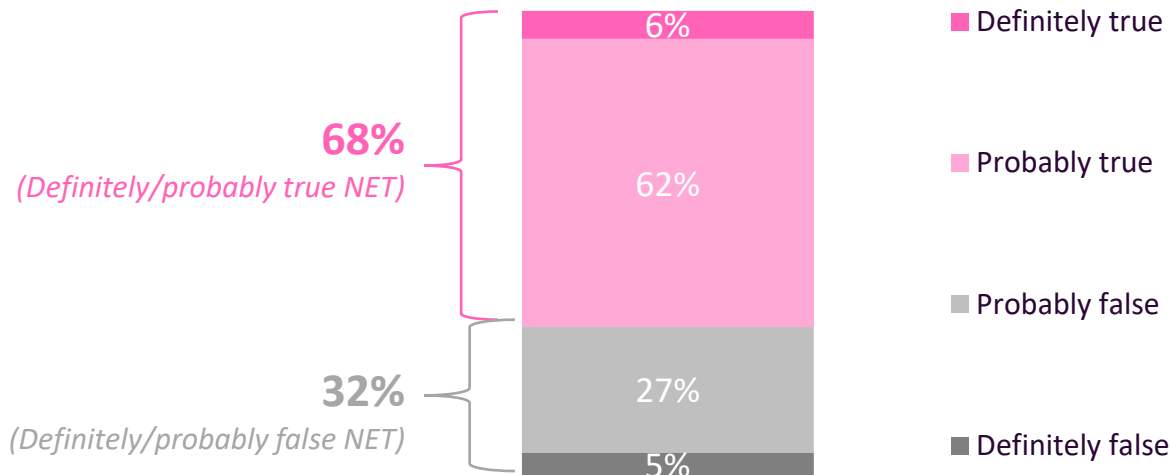


Gender	Male	51%
	Female	49%
Race/Ethnicity	POC	19%
	White	81%
Region	Northeast	19%
	Midwest	18%
	South	40%
	West	22%

Many do not seem to be aware of certain facts about the upcoming Medicare part D cap reform.

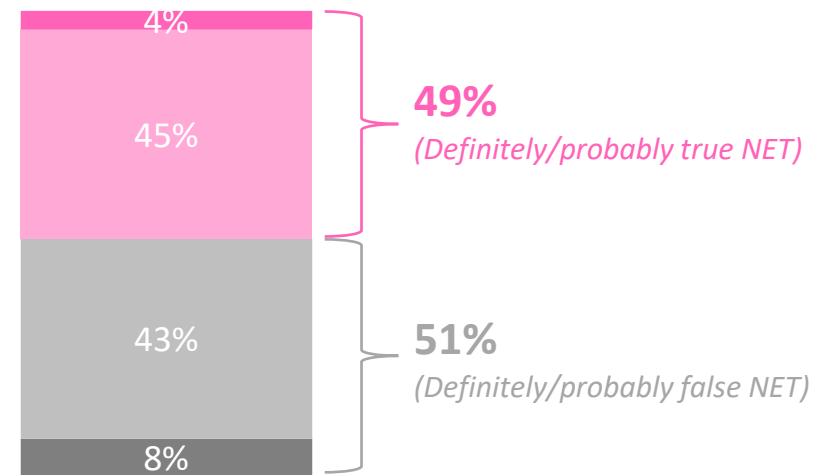
Knowledge Testing About Medicare Part D Cap

64%
of those extremely/somewhat familiar with the Med Part D Cap... answered correctly, compared to 49% of those who have never heard of it/have heard of it but are not familiar.



The Medicare Part D cap will ensure that those enrolled in Medicare Part D prescription drug plans will not pay more than \$500 out-of-pocket for their prescription medications during the calendar year.

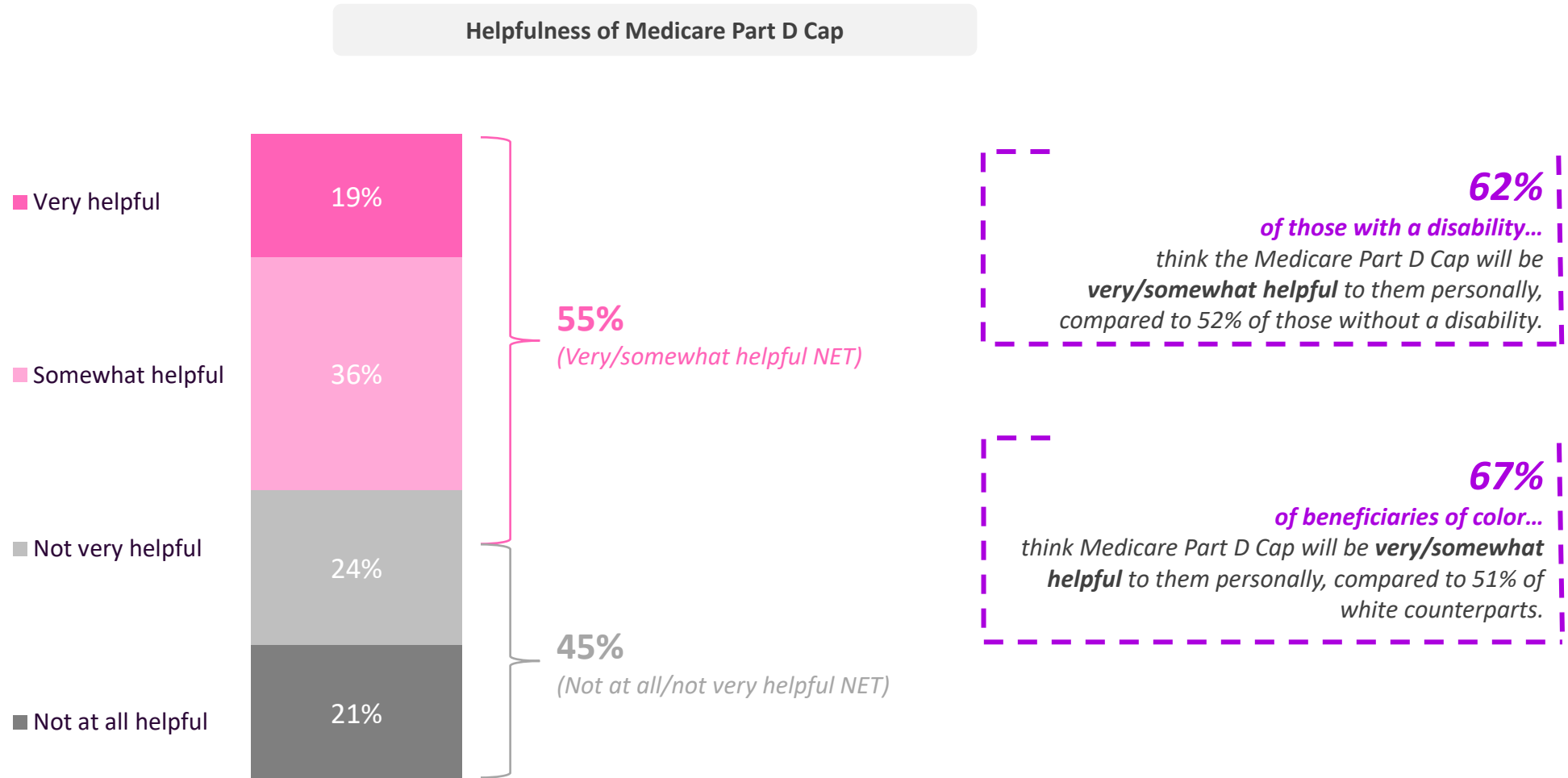
FALSE



The Medicare Part D cap does not apply to those enrolled in the Medicare Prescription Payment Plan.

FALSE

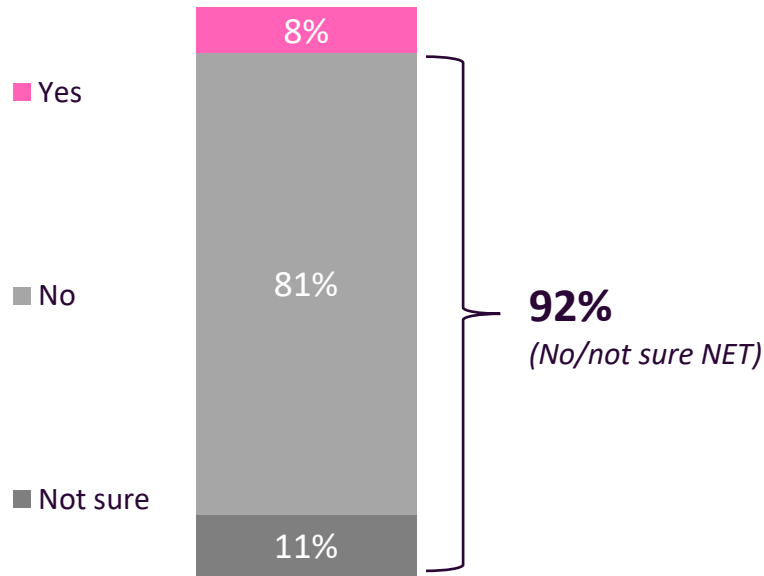
Over half of Medicare beneficiaries think the Medicare part D cap reform will be helpful to them personally.



Medicare Prescription Payment Plan

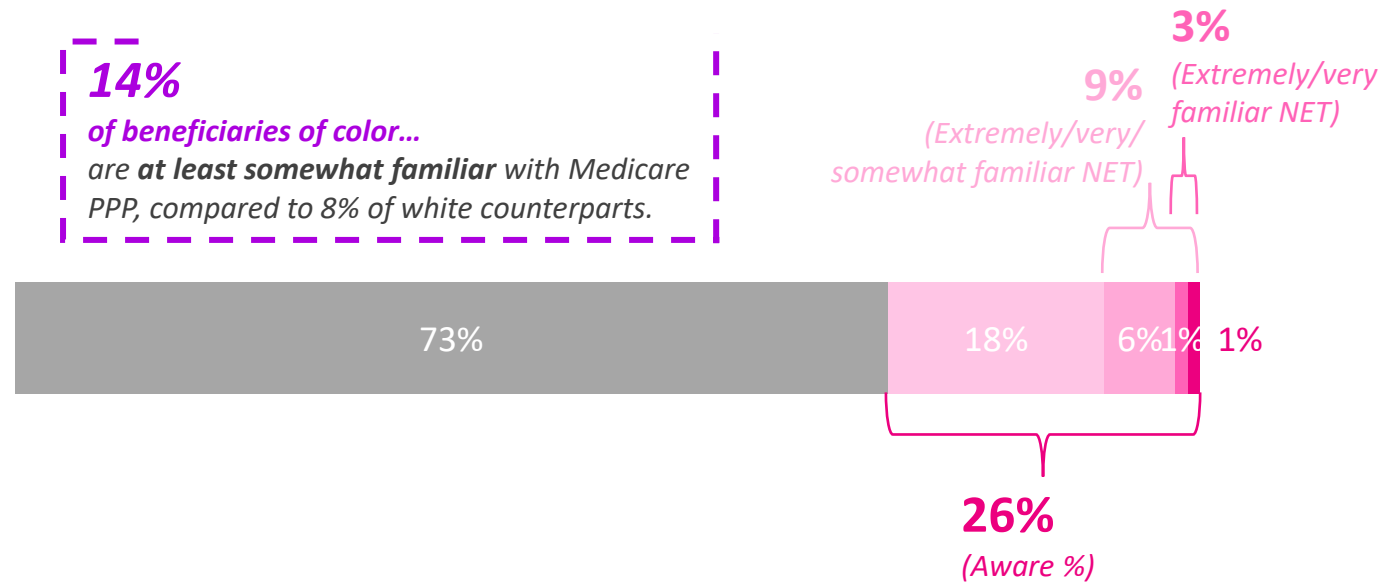
Few have seen, read, or heard anything about the upcoming Medicare Prescription Payment Plan.

Unaided Awareness
Has Read/Seen/Hear About
Medicare Prescription Payment Plan



16%
of beneficiaries of color...
have read/see/heard about Medicare
PPP, compared to 5% of white
counterparts.

Aided Awareness of Medicare Prescription Payment Plan*

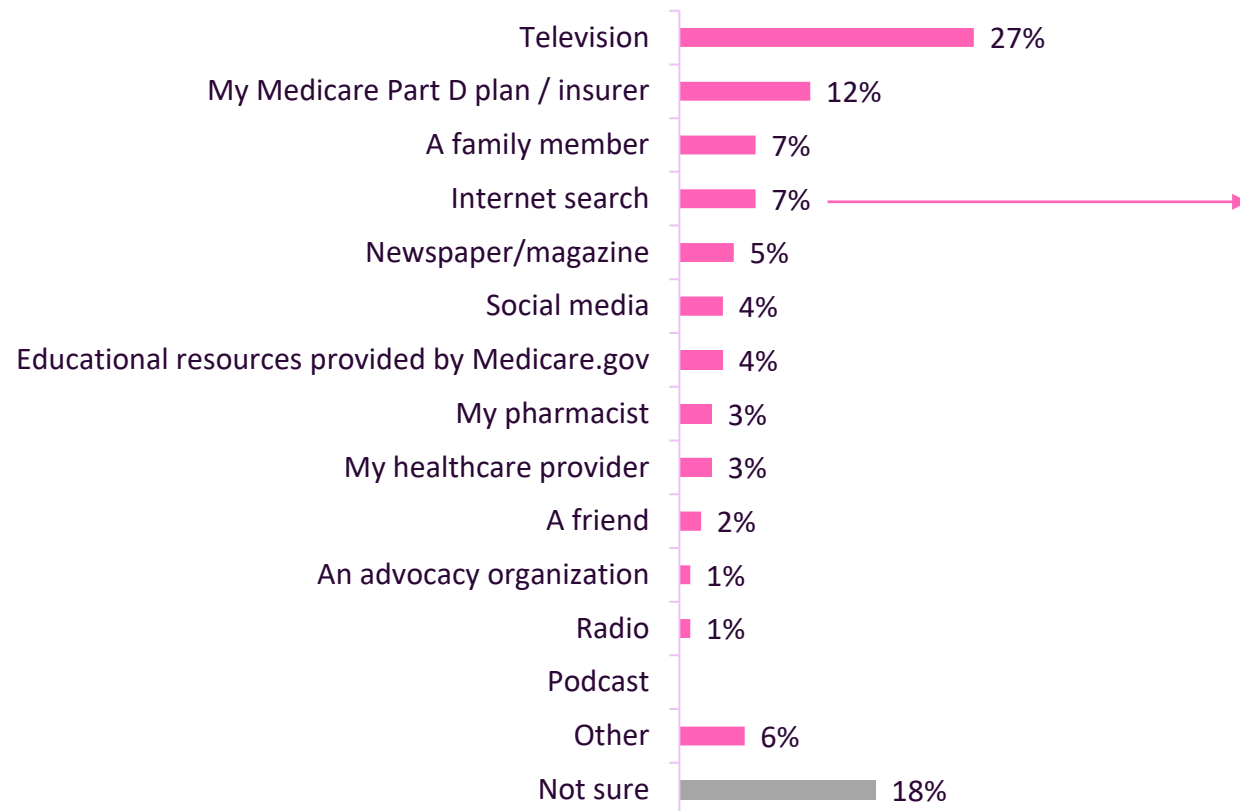


■ Never heard of ■ Have heard of it, but am not familiar ■ Somewhat familiar ■ Very familiar ■ Extremely familiar

*In January 2025, people enrolled in Medicare Part D prescription drug plans will not pay more than \$2,000 out-of-pocket for their prescription medications during the calendar year (January – December). This is also known as the Medicare Part D cap.

Most Medicare beneficiaries who are aware of the Medicare Part D Cap first heard about it via TV.

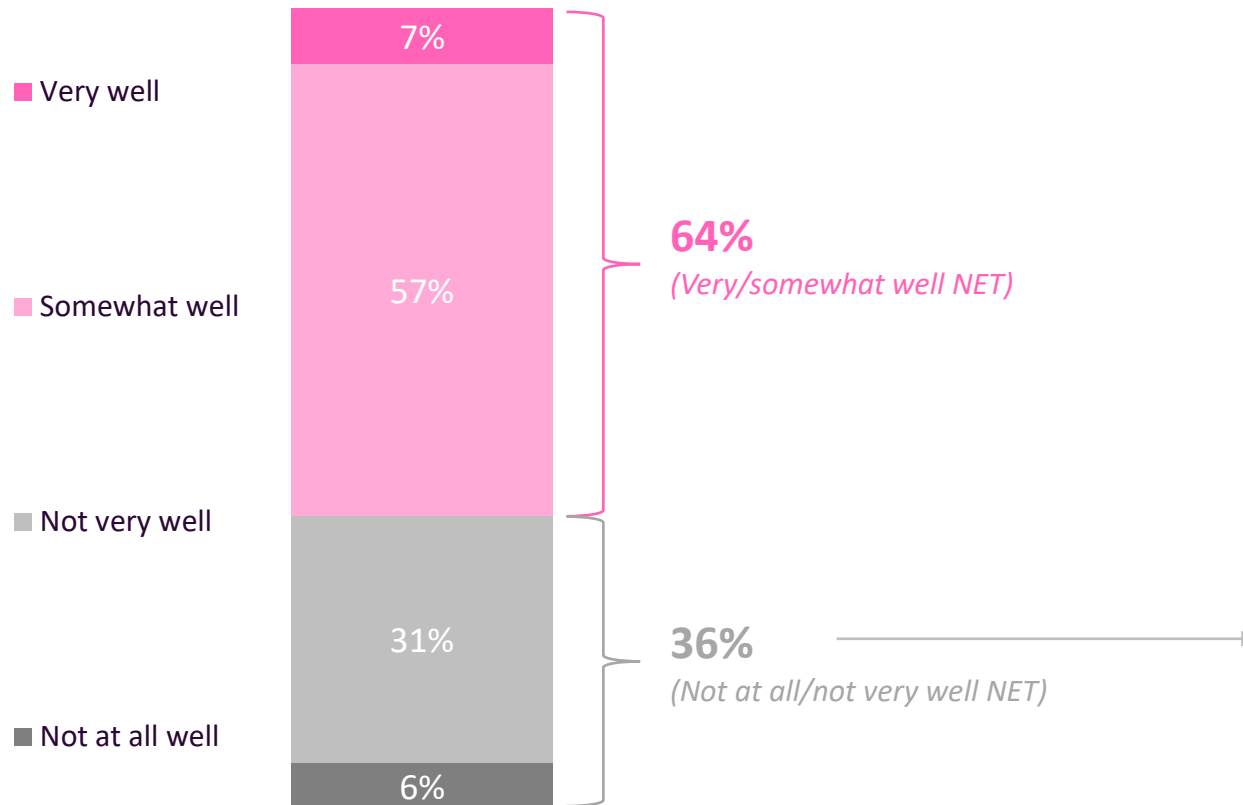
Method of Hearing About Medicare Prescription Payment Plan
(among those who have heard of the Medicare PPP)



67%
of those with a chronic condition...
report first hearing about Medicare
PPP through **internet search**,
compared to 3% of those without a
chronic condition.

A third of Medicare beneficiaries who have heard of the Medicare Prescription Payment Plan do not feel that they understand it well.

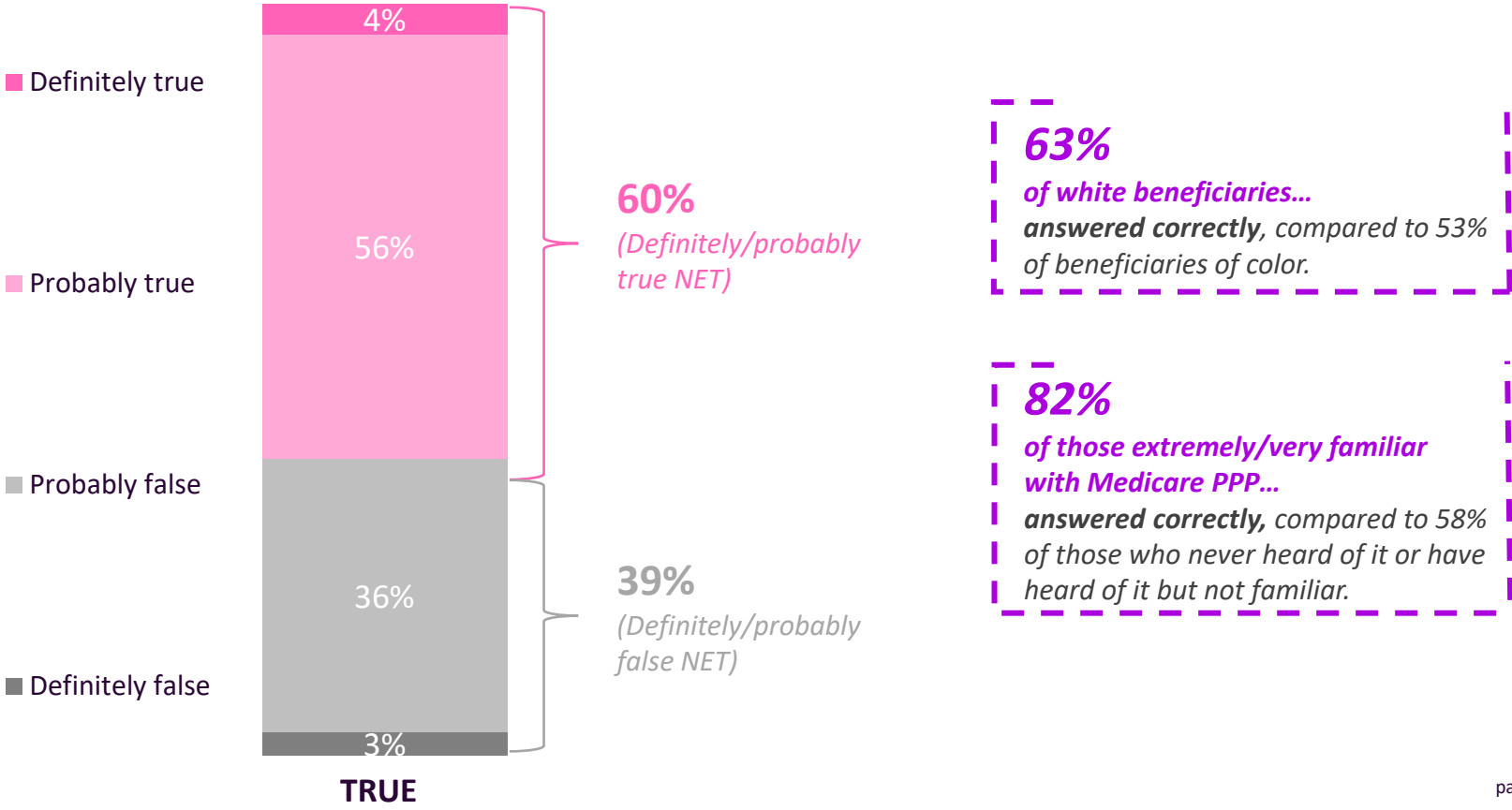
Understanding of Medicare Prescription Payment Plan
(among those who have heard of the Medicare PPP)



Demographic Profile of Those Who Do <u>Not</u> Understand At All / Very Well		
Gender	Male	57%
	Female	43%
Race/Ethnicity	POC	27%
	White	73%
Region	Northeast	13%
	Midwest	25%
	South	42%
	West	20%

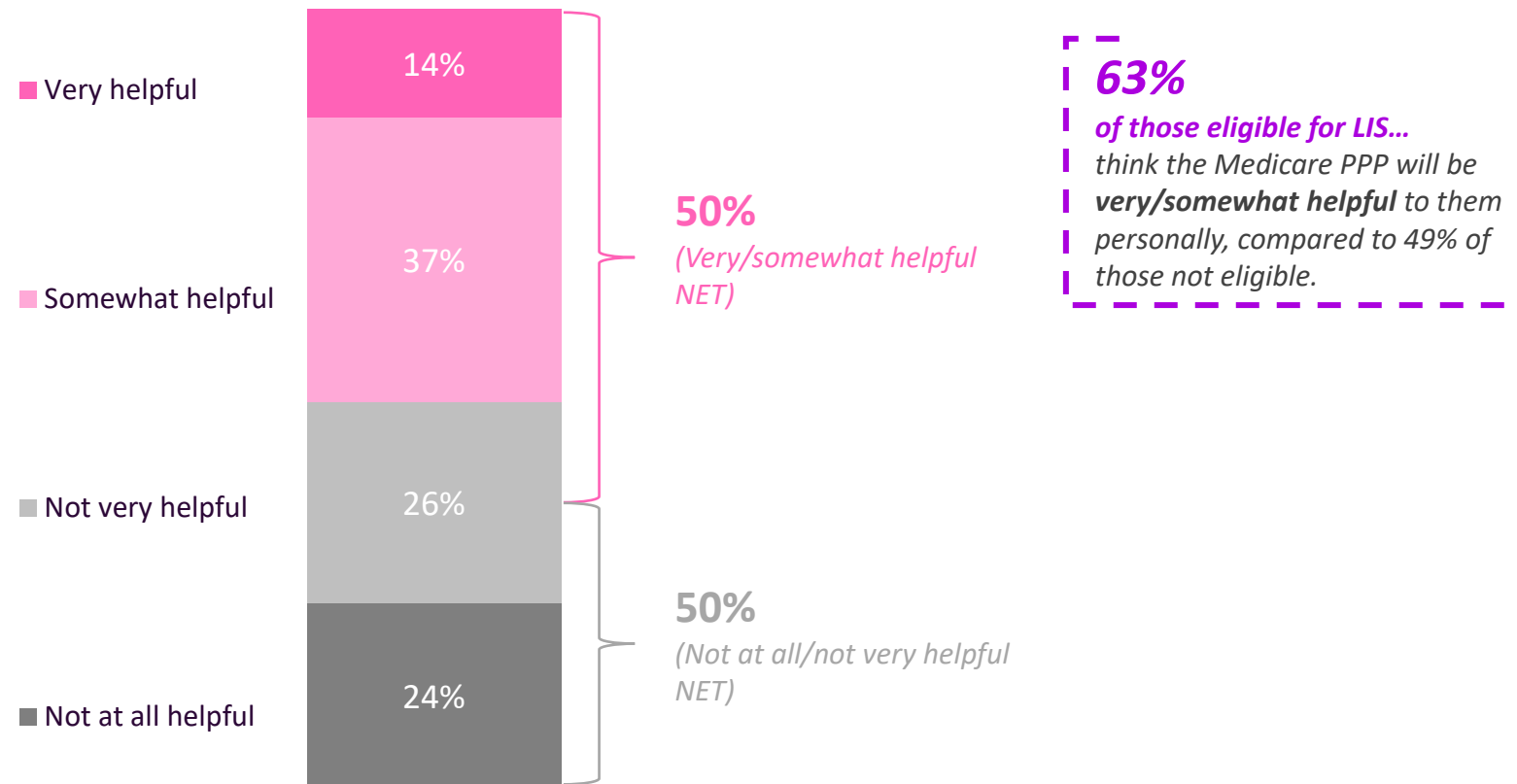
Nearly four in ten Medicare beneficiaries do not seem to understand the definition of the upcoming Medicare Prescription Payment Plan.

Knowledge Testing About Medicare Prescription Payment Plan



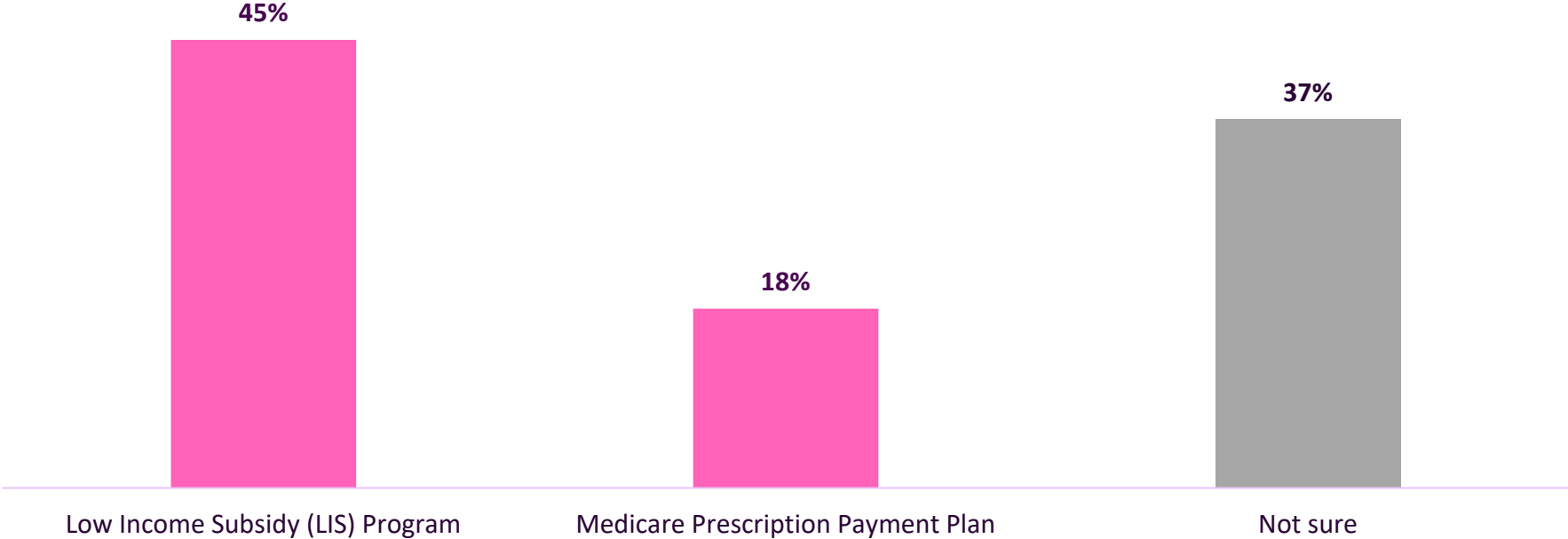
Half of Medicare beneficiaries think the Medicare Prescription Payment Plan will be helpful to them personally.

Helpfulness of Medicare Prescription Payment Plan



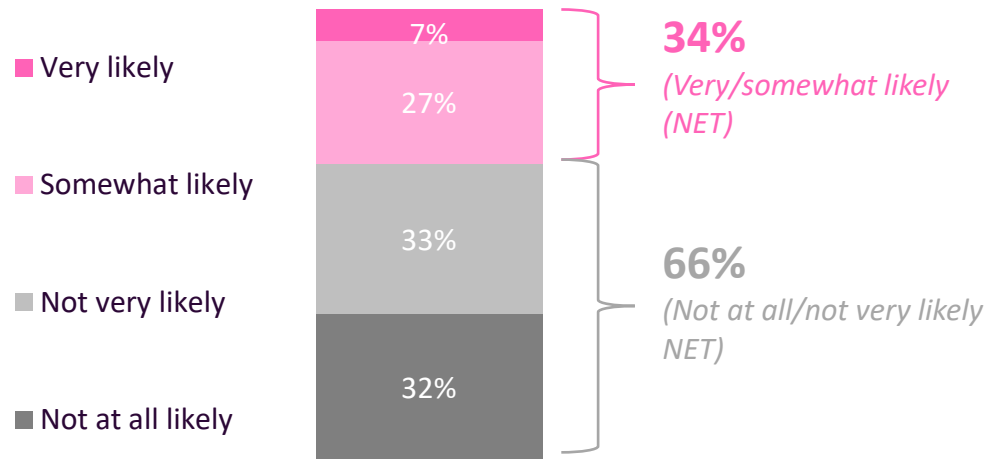
Nearly half of those eligible for LIS feel this program will be more helpful to them than the Medicare PPP, though some are not sure.

Helpfulness of Medicare Prescription Payment Plan vs. LIS
(among those eligible for LIS)

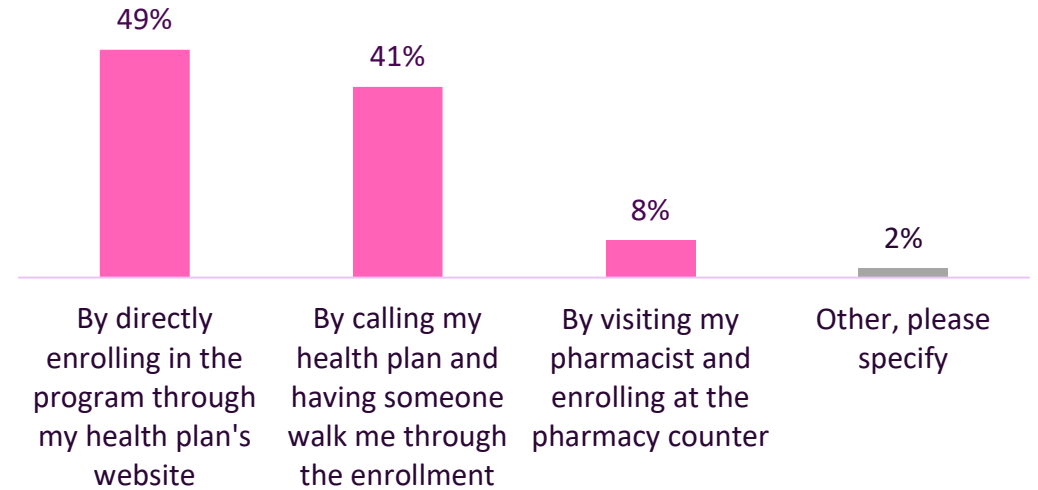


Only around a third of Medicare beneficiaries who currently take RX medications are likely to enroll in the Prescription Payment Plan.

Likelihood to Enroll in Medicare Prescription Payment Plan
(among those who take at least one prescription medication)



Preference for Enrolling in Medicare Prescription Payment Plan
(among those likely to enroll in Medicare PPP)



61%

extremely/somewhat familiar with Medicare PPP...*

report being very/somewhat likely to enroll compared to 32% of those who never heard of it or heard of it but are not familiar.

52%

of those who understand the Medicare PPP well...

*report being very/somewhat likely to enroll compared to 35% of those who do not understand well**

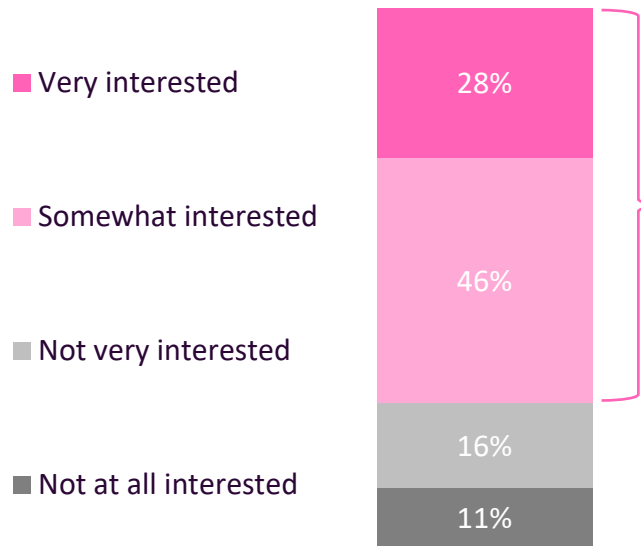
Education and Outreach

Most would be interested in learning more about these upcoming reforms – most commonly through their Medicare Part D plan / insurer.

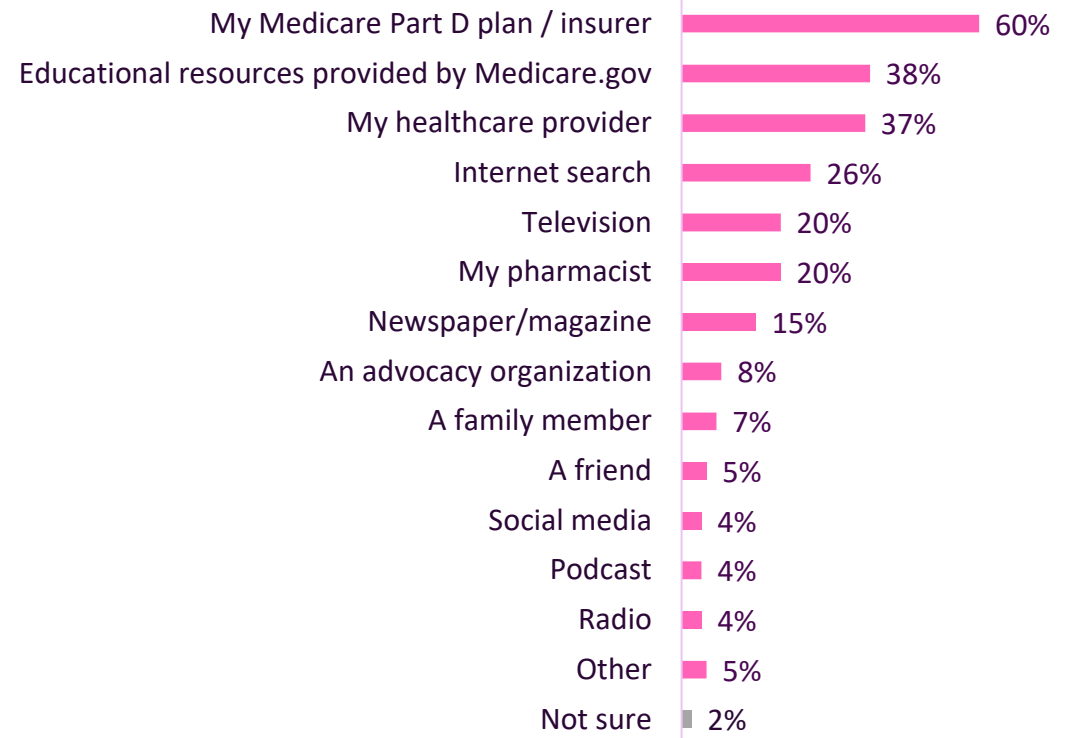
Level of Interest in Learning More About Upcoming Medicare Reforms

(Very/somewhat interested (NET))

34%



Preferred Method to Learn More About Upcoming Medicare Reforms (among those interested in learning more about Medicare reforms)



82%

of beneficiaries of color... are interested in learning more compared to 70% of white counterparts.

Appendix

Further Comments From Respondents

Further Comments From Respondents

"I find the Medicare programs to be some of the most confusing programs to figure out [...] It's hard to know who to trust."

Female, Age 65+

"A \$2000 cap on drug expenses will be such a blessing to thousands of the elderly who often have to skip doses or otherwise ration their medications."

Female, Age 65+

"I have never fully understood the Medicare System. I feel like I'm missing out on benefits I might be eligible for."

Female, Age 65+

Demographics

Demographics

Education

- 2% Less than HS degree
- 67% HS degree to less than 4-yr degree
- 31% 4-yr college degree or more

Employment Status

- 13% Employed (FT, PT, or Self)
- 87% All other

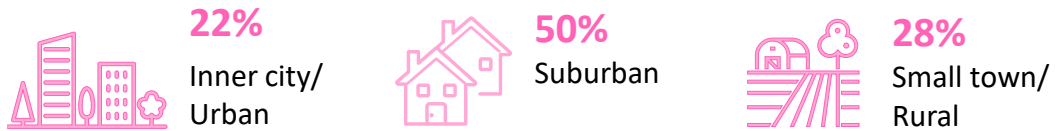
Voter Status

- 93% Yes
- 5% No
- 1% Not sure
- 0% Prefer not to answer

LGBTQ+ Status

- 96% Heterosexual
- 0% Lesbian
- 2% Gay
- 1% Bisexual
- Queer
- Pansexual
- 0% Fluid
- 0% Asexual
- Questioning
- 1% Other/Prefer not to say

Urbanicity



Children in HH

- 93% 0
- 3% 1
- 3% 2
- 0% 3
- 0% 4+

Adults in HH

- 29% 1
- 57% 2
- 10% 3
- 4% 4+

Political Party

- 34% Republican
- 38% Democrat
- 28% Independent/Other

Political Philosophy

- 22% Liberal
- 36% Moderate
- 39% Conservative

Frequency to Have Someone Help You Read Pamphlets from Doctor

