

Medicare Reform Awareness Research Among Medicare Beneficiaries

Wave 2 - Presentation of Results February 2025

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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 newly implemented reforms in 2025. The research involves two waves of data collection: the June results established a baseline awareness of the Medicare reforms that went into effect in January 2025. The post-wave of data collection, completed in January 2025, sought to measure the impact of the outreach undertaken by CMS. Results from both Wave 1 and Wave 2 are included in this report.

The overarching goal of this research to demonstrate awareness and knowledge levels among Medicare recipients before and after CMS conducting outreach with educational information. The working hypothesis has been that the information from CMS was inadequate to communicate the changes and benefits of the changes.



Wave 1 Methodology

200

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.



Wave 2 Methodology



Audience:

1,001 U.S. adults 18+ currently on Medicare/Medicare Advantage



Field Timing:

January 6 – 22, 2025 Note that open enrollment occurred between Oct. 15 – Dec. 7, 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 PAN Foundation among 1,001 U.S. adults age 18+ currently on Medicare/Medicare Advantage. The survey was conducted January 6-22, 2025.

Data are weighted where necessary 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 ±3.8 percentage points using a 95% confidence level. This credible interval will be wider among subsets of the surveyed population of interest.

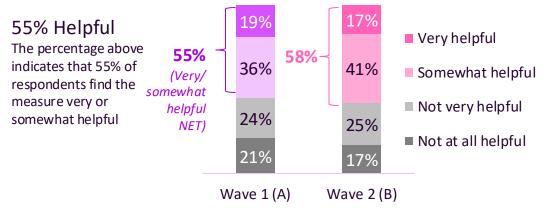
All sample surveys and polls, whether or not they use probability sampling, are subject to other multiple sources of error which are most often not possible to quantify or estimate, including, but not limited to coverage error, error associated with nonresponse, error associated with question wording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



Trending:

Results for Wave 1 (shown in purple) and Wave 2 (shown in pink) are shown side by side where relevant. Capital letters (A – Wave 1, B – Wave 2) are used to show significant differences at the 95% confidence interval between the two waves of data.

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 / Medicare Advantage 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.

On trended slides, we look within specific subgroups of interest for any differences over time:

	Chronic Con	dition Status	Disabili	ty Status	Eligible	e for LIS	Race/E	thnicity
	Has a chronic condition	Does not have a chronic condition	Has a disability	Does not have a disability	Yes^	No	POC	White
Wave 1	493	513	374	632	136	870	165	841
Wave 2	484	517	387	614	137	864	165	836

In addition to the above, on slides with new (Wave 2 content) we also look at the following subgroups:

Aware of Medicare Part D Cap		Aware of Medicare Prescription Payment Plan	
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
361	640	250	751



^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



Medicare beneficiaries are taking several prescription medications and pay an average of about \$40 a month for them.

- On average, Medicare beneficiaries are taking 4 prescription medications (in line with an average of 4 in Wave 1) and pay \$38 out-of-pocket each month for these medications (in line with \$43 in Wave 1).
- Average out of pocket cost for the single most expensive medication is only \$26 (in line with \$20 in Wave 1).
- Notably, these numbers fall far below the Medicare Prescription Payment Plan thresholds of \$600 for a single prescription or \$2,000 for all prescriptions in a given year.

2 in 5 Medicare beneficiaries have now seen, read, or heard anything about the 2025 Medicare reforms, up from just about 1 in 10 in Wave 1. However, strength of familiarity among those who are aware remains low.

- 40% of Medicare beneficiaries have now seen, read, or heard anything about the 2025 Medicare reforms, a 27 percentagepoint increase from 13% in Wave 1.
- That said, strength of familiarity among those who have heard of the reforms remains low, with three-quarters (74%, in line with 70% in Wave 1) saying they are at least somewhat familiar, but only 11% saying they are extremely or very familiar (in line with 9% in Wave 1).



Unaided awareness of the Medicare Part D cap has increased, with similar increases seen in both aided awareness and familiarity. However, understanding of and perceived helpfulness of the cap have not improved, despite increases in the proportion of beneficiaries who know certain facts about the reform. Beneficiaries are more likely to have heard about this reform from their insurer or Medicare.gov resources this wave, perhaps due to information received during 2024 open enrollment (October 15-December 7).

- Over 1 in 3 Medicare beneficiaries (35%) now report unaided awareness of the Medicare Part D cap, up from 11% in Wave 1. After being provided with a description of the reform, nearly 7 in 10 (69%) have heard of it, up from 40% in Wave 1, and 37% are now at least somewhat familiar – also up from 14% in Wave 1.
- Most Medicare beneficiaries who are aware of the Medicare Part D Cap first heard about it via TV (23%, significantly fewer than Wave 1, 34%) or their Medicare Part D plan / insurer (20%, up from 10% Wave 1). Further, beneficiaries this wave are more likely than last wave to say they heard about this reform from resources provided by Medicare.gov (6% vs. 2%).
- Similar to Wave 1, over a third of Medicare beneficiaries who have heard of the Medicare Part D cap do not feel that they understand it well (36%, in line with 37% Wave 1) and only 1 in 10 continue to feel they understand it very well (10% Wave 2, 13% Wave 1).
- While there have been improvements, many beneficiaries still are not aware of certain facts about the Medicare part D cap reform, such as:
 - More than half (56%, down from 68% Wave 1) do not realize that the following statement is FALSE: The Medicare Part D cap ensures that those enrolled in Medicare Part D prescription drug plans do not pay more than \$500 out-of-pocket for their prescription medications during the calendar year.
 - 2 in 5 (43%, down from nearly half (49%) in Wave 1) do not realize that the Medicare Part D cap applies to those enrolled in the Medicare Prescription Payment Plan.
- Beneficiaries are no more or less likely to think the Medicare part D cap reform will be helpful to them personally compared to Wave 1 (58% believe it will be very/somewhat helpful, in line with 55% in Wave 1).
- Nearly 1 in 5 beneficiaries (19%) changed their Part D plan during the 2024 open enrollment period, most commonly because the old plan's premiums were too high (26%), or the new plan offered more benefits (26%).



Foundation

Awareness of the Medicare Prescription Payment Plan has also increased but remains low, with almost no beneficiaries reporting to have already opted in and 3 in 4 unlikely to do so – primarily because they did not meet the minimum thresholds for individual or collective prescription amounts or they feel they can afford to pay for them all at once. In addition, very few have used the PlanFinder tool and understanding and perceived helpfulness of the reform have not improved.

- 1 in 4 Medicare beneficiaries (25%) now report unaided awareness of the Medicare PPP cap, up from 8% in Wave 1. After being provided with a description of the reform, 3 in 5 (60%) have heard of it, up from 27% in Wave 1, and 25% are now at least somewhat familiar – also up from 9% in Wave 1.
- Many more Medicare beneficiaries who are aware of the Medicare PPP first heard about it via their Medicare Part D plan / insurer this wave (24%, up from 12%). TV also remains a top information source (21%, directionally lower than 27% in Wave 1).
- Similar to Wave 1, around 2 in 5 Medicare beneficiaries who have heard of the Medicare PPP do not feel that they understand it well (41%, directionally higher than 36% in Wave 1) and less than 1 in 10 continue to feel they understand it very well (8% Wave 2, 7% Wave 1).
- While understanding of the definition of the Medicare PPP reform (i.e., that it allows those who have opted in to spread out their out-of-pocket costs for medications and pay in monthly installments over the remainder of the year) has increased from Wave 1, still, nearly 1 in 3 Medicare beneficiaries (31%, down from 40%) do not understand the definition.
- Beneficiaries are no more or less likely to think the Medicare PPP reform will be helpful to them personally compared to Wave 1 (52% believe it will be very/somewhat helpful, in line with 50% in Wave 1).
- When asked which program those eligible for LIS thought would be more helpful to them, around 1 in 3 (32%, directionally lower than 45% in Wave 1) selected the LIS program, while a similar proportion (29%, directionally higher than 18% in Wave 1) selected the Medicare PPP. The remaining third (39%, in line with 37% in Wave 1) are unsure.
- Only 1% of Medicare beneficiaries who currently take prescription medications have opted in to the Medicare PPP and only 1 in 4 (25%) are likely to do so, down from 1 in 3 (34%) in Wave 1.
- Among those unlikely to opt-in to the Medicare PPP, top reasons are not spending at least \$2,000 on prescriptions in 2024 (42%), not having a single prescription greater than \$600 in 2024 (39%), or feeling that they can afford to pay for all their prescriptions at once (35%).
- Over 9 in 10 beneficiaries that take prescription medications (93%) have not used Medicare's PlanFinder Tool to evaluate what their costs would be with the Medicare PPP. However, beneficiaries who are People of Color are more likely to have used the tool (12% vs. 6% White) as are those who are familiar with the Medicare PPP (19% vs. 3%), suggesting increasing familiarity with the reform in general could help boost the use of the tool. PAN

While still a majority, fewer Medicare beneficiaries are interested in learning more about the reforms than in Wave 1.

Two-thirds of Medicare beneficiaries (66%) are interested in learning more about these reforms, down from 73% in Wave 1.



Implications



Implications

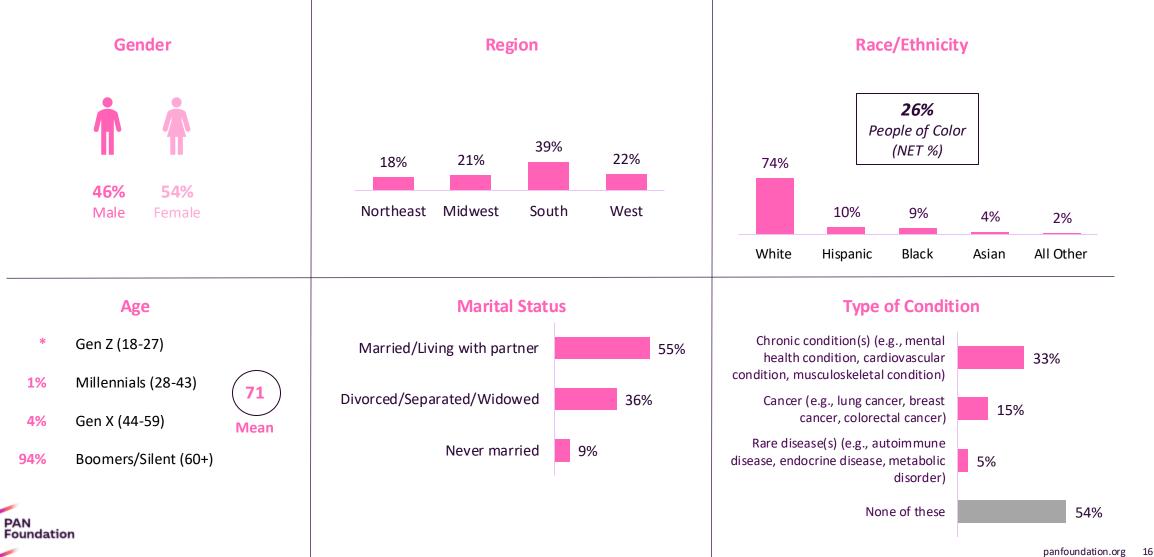
- While some progress has been made compared to June 2024, there is still an information gap now that the reforms are 'live,'
 as only a minority of beneficiaries are aware of or familiar with them suggesting continued educational efforts are
 warranted.
- Medicare beneficiaries continue to have greater awareness of the Medicare Part D Cap than the Prescription Payment plan, suggesting that more education about the latter is especially needed.
- Greater efforts are needed to promote the PlanFinder tool, which is currently highly underutilized.
- Most Medicare beneficiaries do not come close to the \$2,000 cap, nor do they feel they have prescription costs so high they
 can't afford to pay them all at once, likely contributing to such a low opt-in and likelihood to do so in the future. More targeted
 messaging to those most likely to benefit from this change is needed.
- The lack of improvement in understanding and perceived helpfulness of the reforms suggests that while beneficiaries are
 hearing about the reforms, they are lacking details and personal implications. Nuanced and targeted messaging that provides
 specific details and personal benefits will reduce confusion and encourage participation.



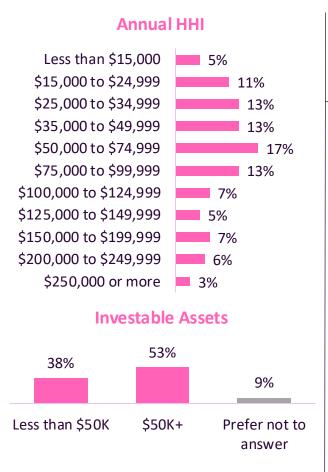
Audience Profile



Wave 2 Audience Profile

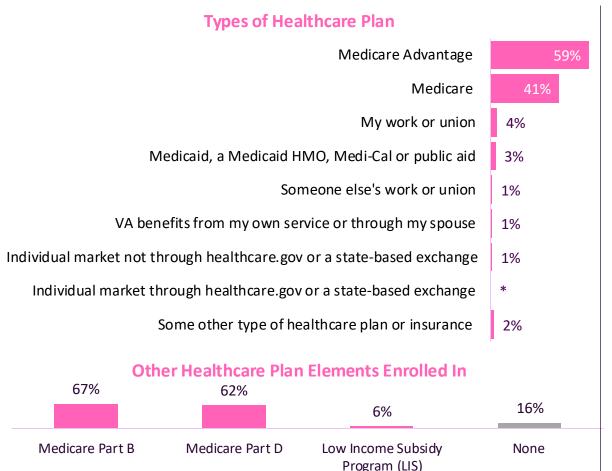


Wave 2 Audience Profile





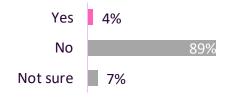




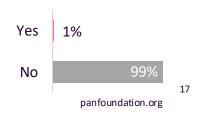


*Qualified for LIS if not married, making <\$1,900 per month, and have less than \$15,000 in HH total liquid investable assets **Qualified for LIS if married, making less than \$2,500 per month, and have less than \$35,000 in HH total liquid investable assets

Enrolled in LIS



Opted in to PPP



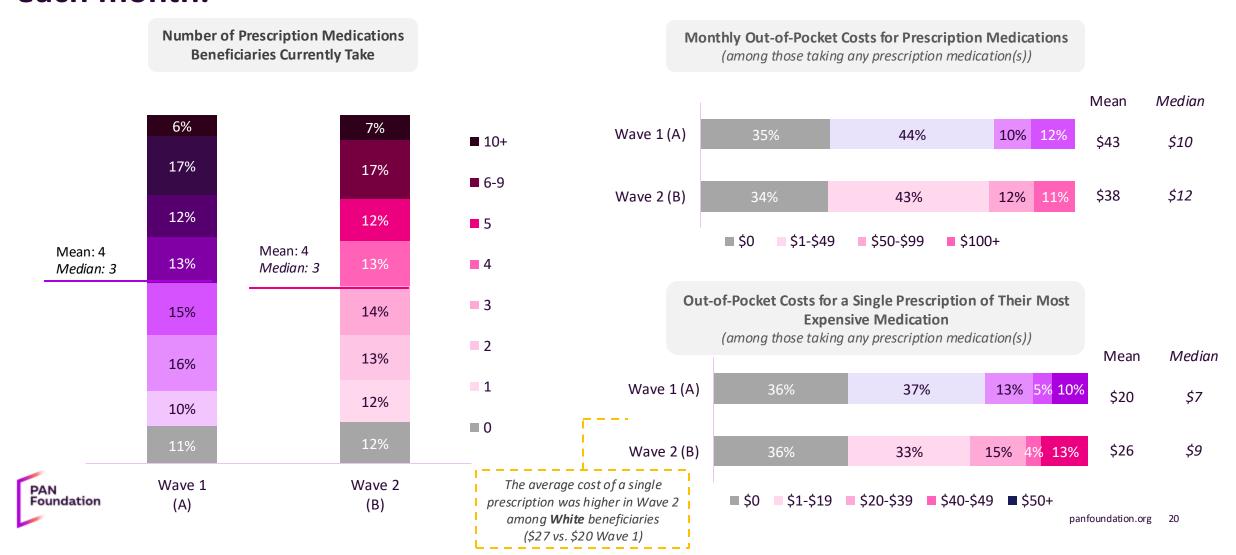
Detailed Findings



Medication Costs



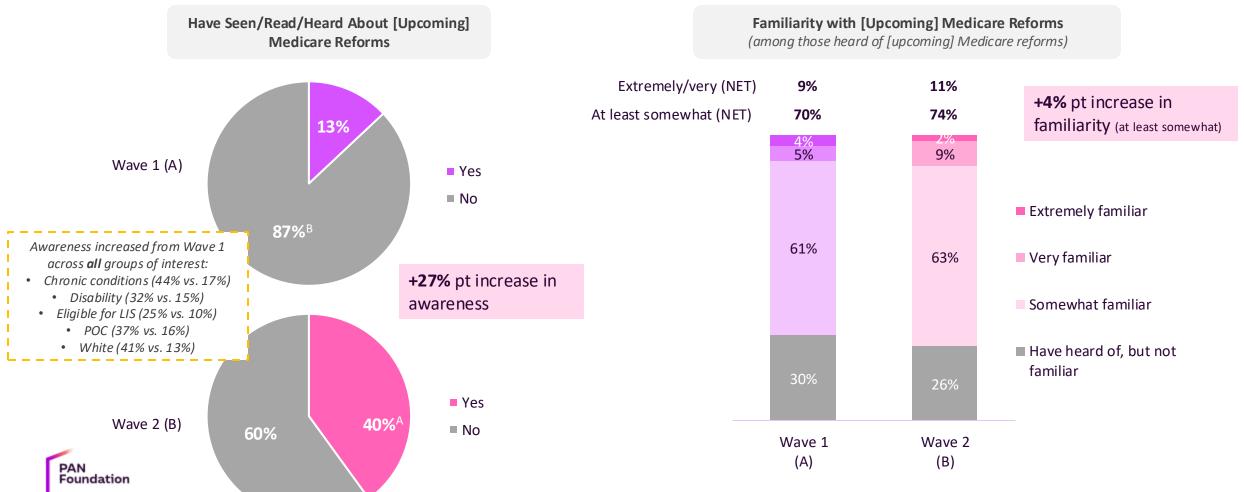
Similar to Wave 1, Medicare beneficiaries, on average, take 4 prescription medications for which they pay roughly \$40 out of pocket each month.



Familiarity with Medicare Reforms



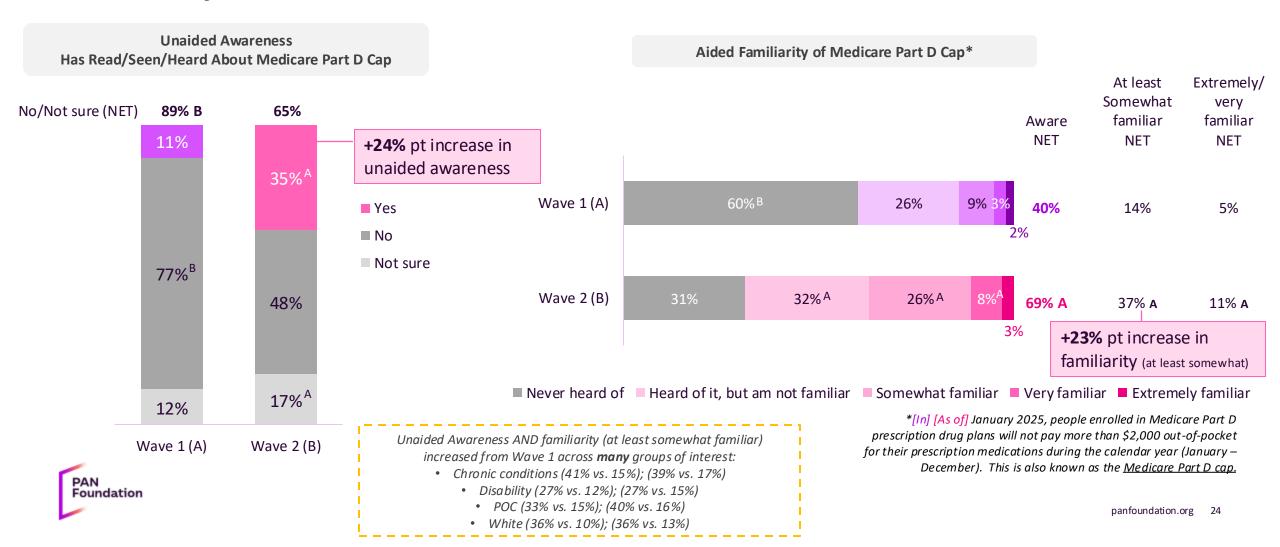
Awareness of the 2025 Medicare Reforms increased nearly 30 percentage points, though among those aware, strong familiarity remains low and relatively unchanged.



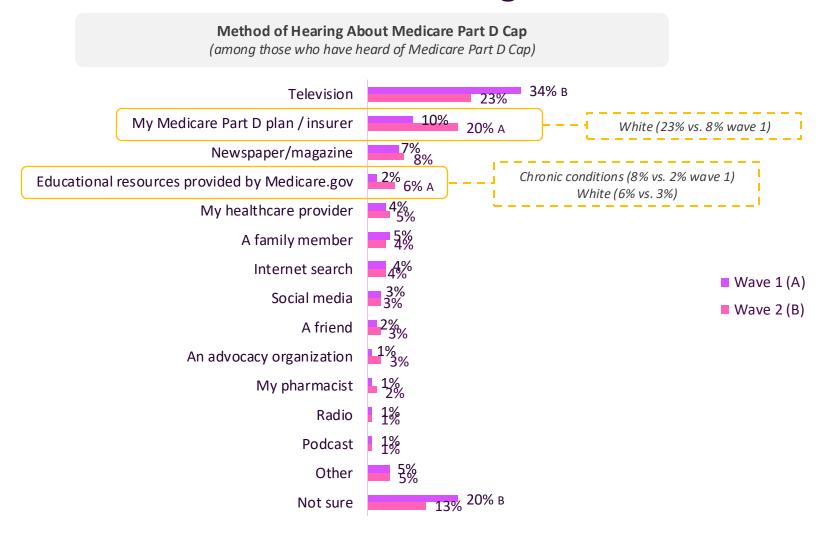
Medicare Part D Cap



Unaided awareness of the Medicare Part D Cap has increased to over 1 in 3 (from 1 in 10), with similar increases seen in aided awareness and familiarity.



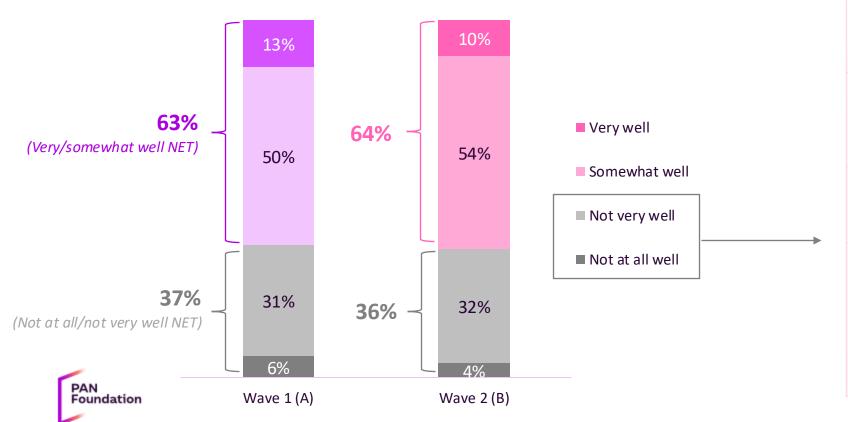
While TV remains the top source of Medicare Part D Cap awareness, more beneficiaries this wave have heard about it from their Medicare insurer and education resources on Medicare.gov.





Similar to Wave 1, over a third of Medicare beneficiaries who have heard of the Medicare Part D cap do not feel that they understand it well.



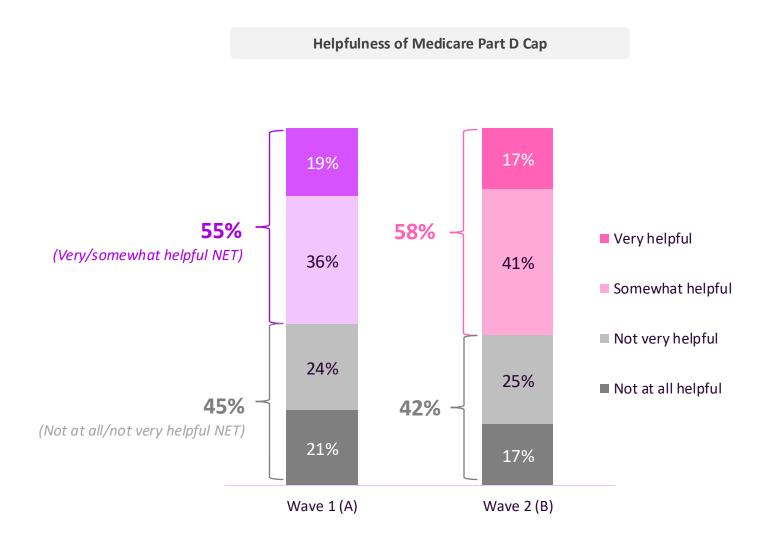


Demographic Profile of Those Who Do <u>Not</u> Understand At All / Very Well		Wave 1 (A)	Wave 2 (B)
Gender	Male	51%	42%
	Female	49%	58%
Race/Ethnicity	POC	19%	24%
	White	81%	76%
	Northeast	19%	21%
Region	Midwest	18%	25%
	South	40%	37%
	West	22%	17%

While many still hold misconceptions about the Medicare Part D Cap, the proportion who answer certain statements correctly has increased from Wave 1.

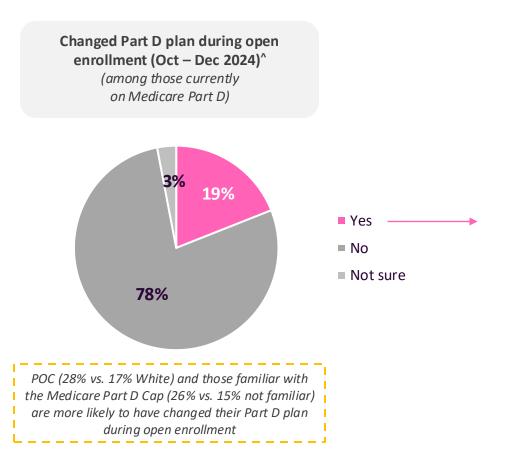
Definitely/ Definitely/ **Knowledge Testing About Medicare Part D Cap** probably probably **False NET** True NET (CORRECT) (INCORRECT) The Medicare Part D cap [will ensure] Wave 1 (A) 27% 62%B 32% 68% B [ensures] that those enrolled in Medicare Part D prescription drug plans [will] [do] not pay more than \$500 out-of-pocket for their 5% Wave 2 (B) 13% A 32% 50% 44% A 56% prescription medications during the calendar year. (FALSE) 4% The Medicare Part D cap does not Wave 1 (A) 43% 45% 51% 49% B apply to those enrolled in the Medicare Prescription Payment Plan. (FALSE) 57% A 43% Wave 2 (B) 16% A 42% 40% Probably false ■ Probably true ■ Definitely true Definitely false Groups that are more likely vs. Wave 1 to correctly answer BOTH statements: Foundation • Chronic conditions (49% vs. 33%); (59% vs. 52%) panfoundation.org 27 • White (44% vs. 33%); (59% vs. 53%)

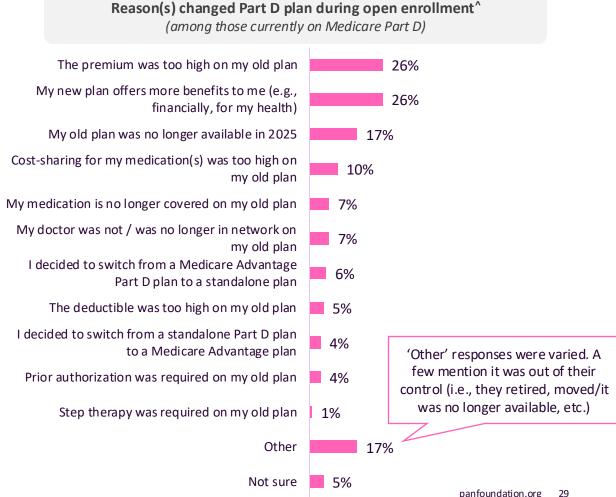
On par with Wave 1, over half of Medicare beneficiaries think the Medicare Part D Cap reform will be helpful to them personally.





1 in 5 beneficiaries changed their Part D plan during the 2024 open enrollment period, most commonly because the old plan's premiums were too high, or the new plan offered more benefits.

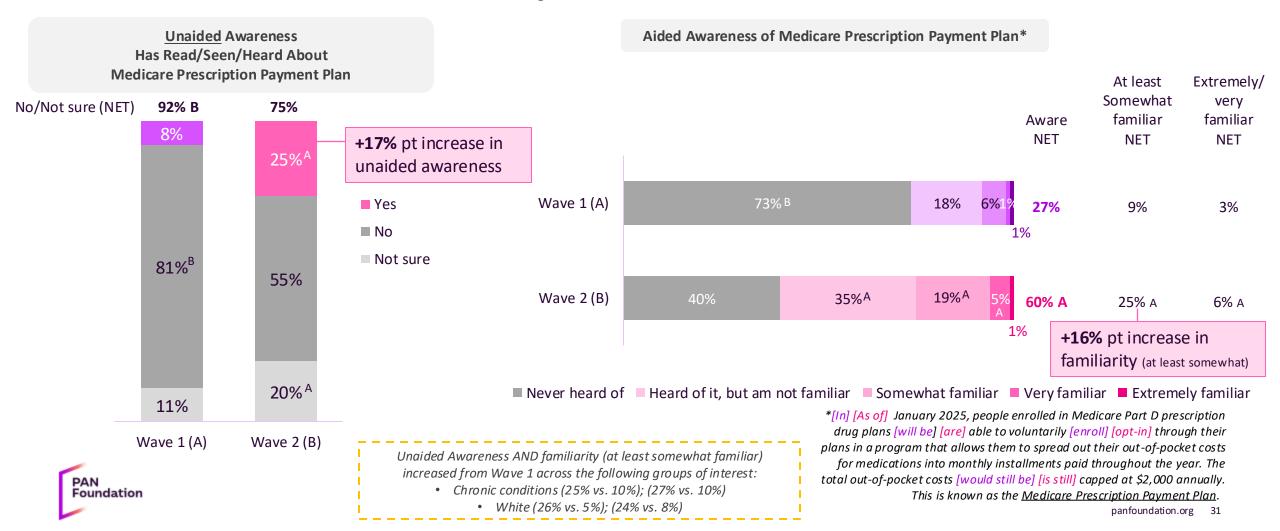




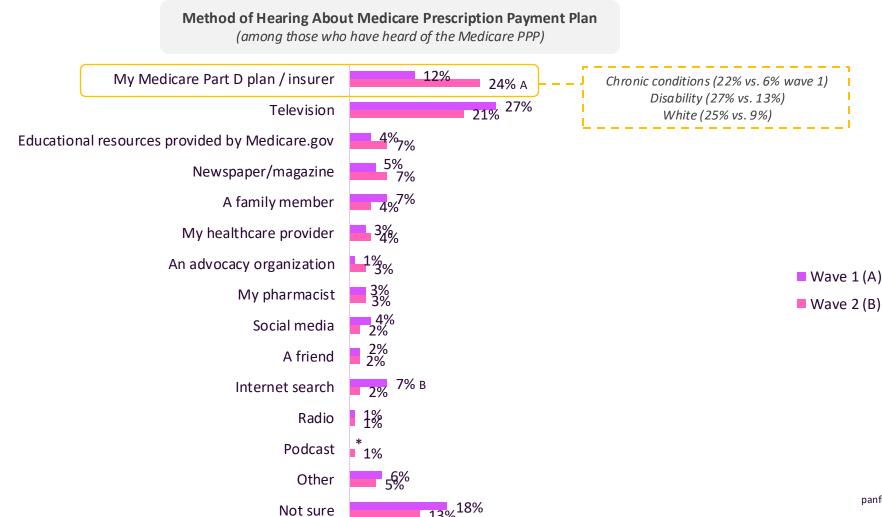
Medicare Prescription Payment Plan



Unaided awareness of the Medicare Prescription Payment Plan has increased to 1 in 4 (from less than 1 in 10), with similar increases seen in aided awareness and familiarity.



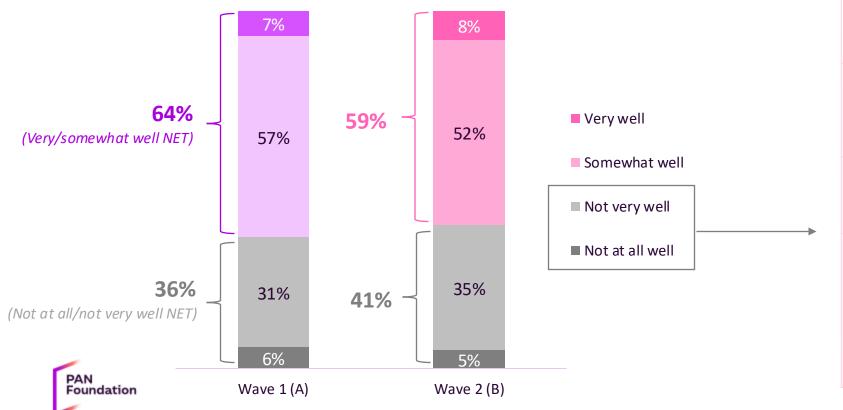
More beneficiaries heard about the Medicare PPP via their insurer this wave, making it the top source of awareness, closely followed by TV.





In line with Wave 1, around 2 in 5 beneficiaries who have heard of the Medicare PPP do not feel that they understand it well.

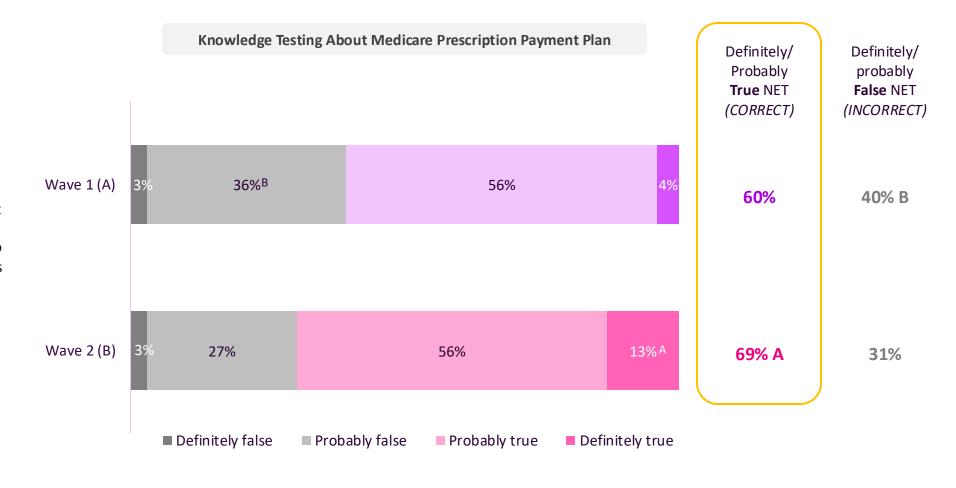
Understanding of Medicare Prescription Payment Plan (among those who have heard of the Medicare PPP)



Demographic Profile of Those Who Do <u>Not</u> Understand At All / Very Well		Wave 1 (A)	Wave 2 (B)
Gender	Male	57%	47%
	Female	43%	53%
Race/Ethnicity	POC	27%	23%
	White	73%	77%
	Northeast	13%	16%
	Midwest	25%	24%
	South	42%	35%
	West	20%	25%

7 in 10 beneficiaries now understand the definition of the Medicare Prescription Payment Plan, up from 6 in 10 in Wave 1.

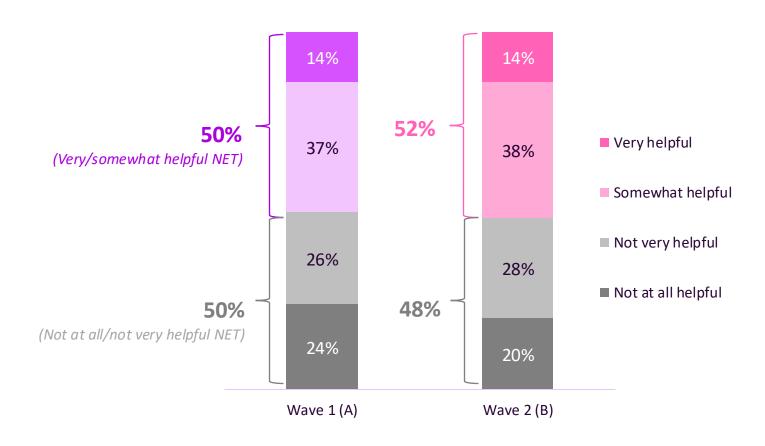
The Medicare Prescription Payment Plan [will allow those enrolled] [allows those who have opted in] to spread out their out-of-pocket costs for medications and pay in monthly installments over the remainder of the year. (TRUE)





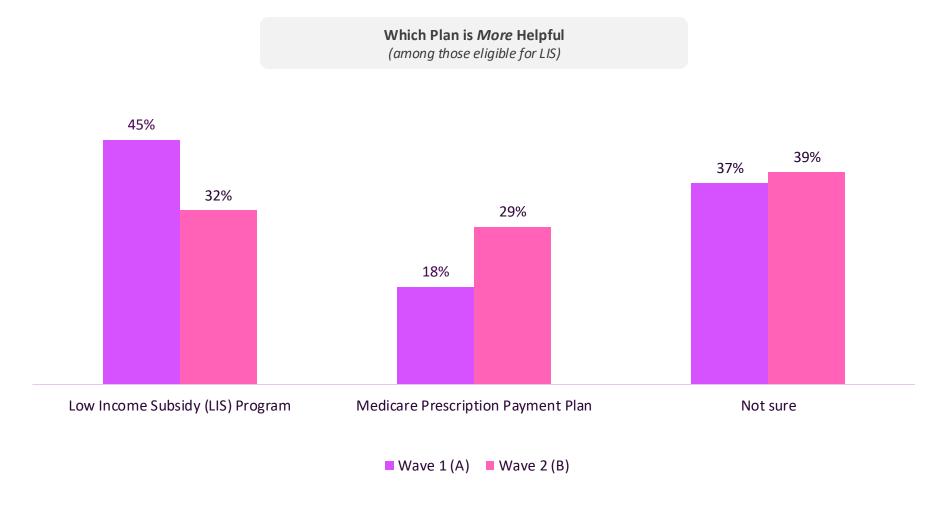
As in Wave 1, half of beneficiaries think the Medicare Prescription Payment Plan will be helpful to them personally.

Helpfulness of Medicare Prescription Payment Plan



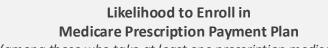


Compared to Wave 1, directionally fewer of those eligible for LIS feel this program will be more helpful to them than the Medicare PPP, but around 2 in 5 remain unsure.

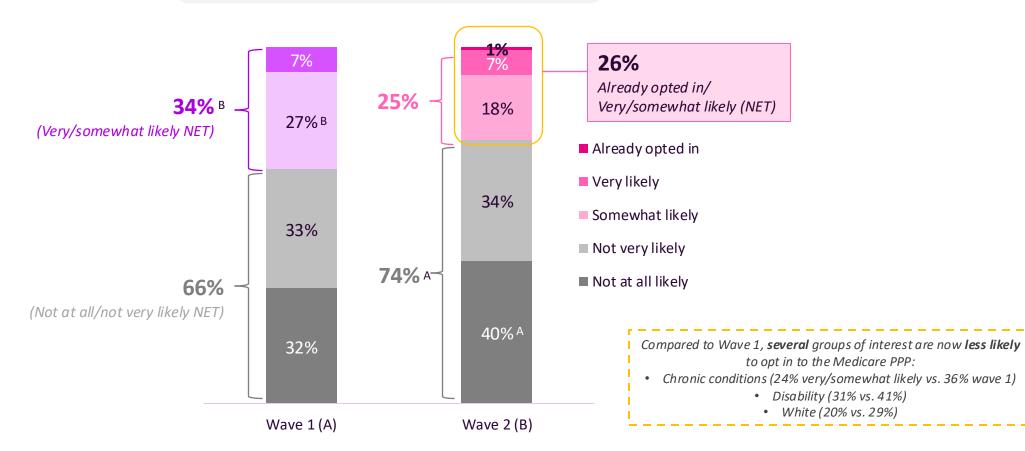




Only 1% of beneficiaries taking medications have already opted-in to the Medicare PPP, with 3 in 4 unlikely to do so, up from 2 in 3 in Wave 1.

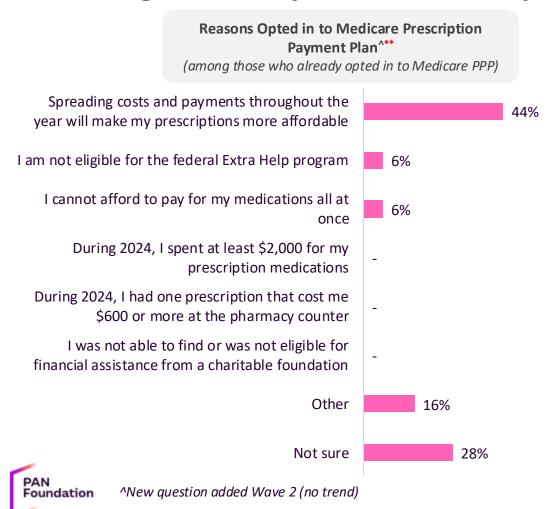


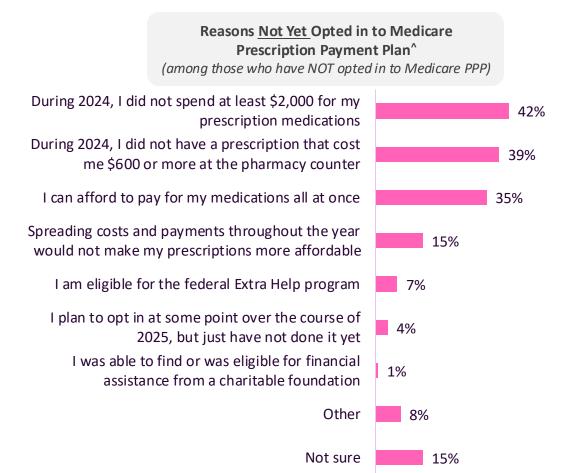
(among those who take at least one prescription medication)





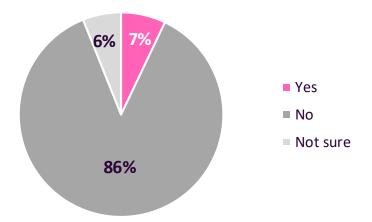
Top reasons for beneficiaries *not* opting in to the Medicare PPP are not meeting the minimum thresholds for individual or collective prescriptions or feeling that they can afford to pay for them all at once.





The majority of beneficiaries who take prescription medications have not used Medicare's PlanFinder Tool to evaluate what their costs would be with the Medicare PPP.

Used Medicare's PlanFinder Tool to Evaluate What Monthly Prescription
Costs Would Be With the Medicare Prescription Payment Plan^
(among those who take at least one prescription medication)



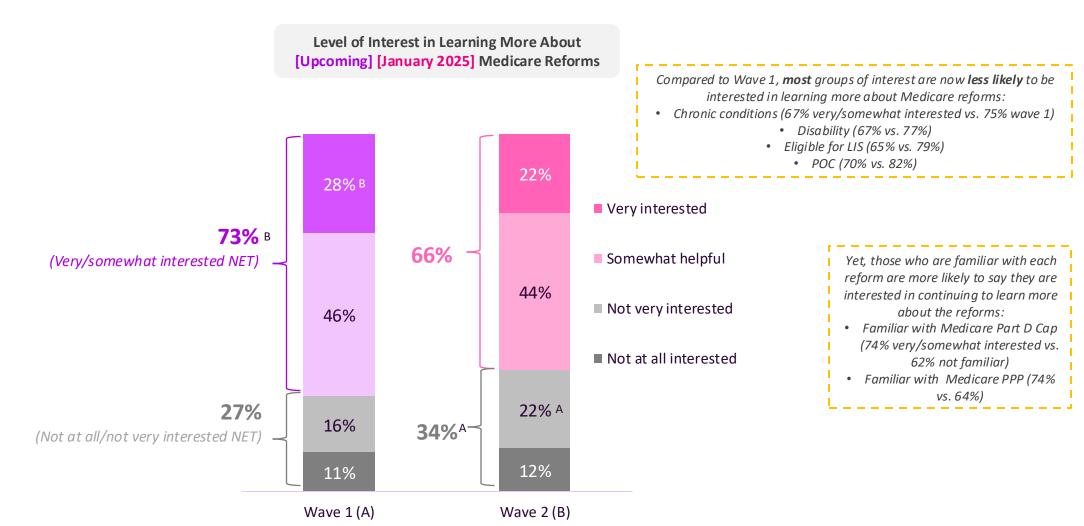
POC are twice as likely as White beneficiaries (12% vs. 6%) to say they have used the PlanFinder tool Beneficiaries who are familiar with the Medicare PPP are more likely than those who are not to say they have used the PlanFinder tool (19% vs. 3%)



Education and Outreach



2 in 3 beneficiaries are interested in learning more about the Medicare reforms, down from nearly 3 in 4 in Wave 1.



Appendix



Further Comments From Respondents

Further Comments From Respondents

"Too many new options to really understand."

"I am a nurse. I didn't know about the reforms nor do my patients. It should not be such a well kept secret."

"I didn't pay a lot of attention to the changes because I pay 0 out of pocket for the two prescriptions I am on."

"Insofar as I have NO prescriptions and no chronic medical conditions, some of the changes are quite irrelevant to me at this time... Further, Medicare.gov does a pretty poor job explaining anything."

"I should know more about this and plan on researching it more."

Man, Age 73

Woman, Age 75

Woman, Age 72

Man, Age 65

Woman, Age 68



Demographics



Wave 2 Demographics

Education Less than HS degree HS degree to less than 4-yr degree 4-yr college degree or more

Employment Status

Employed (FT, PT, or Self)

94%

Children in HH

1

2

3

4+

95% 0

4%

1%

Yes

No

Not sure

Prefer not to answer

85% All other

LGBTQ+ Status Voter Status

Heterosexual 96%

Lesbian 1%

1% Gay

Bisexual 1%

Queer

Asexual

Pansexual

Fluid

Questioning

Other/Prefer not to say 1%

Urbanicity



17%

Inner city/ Urban



53% Suburban



29% Small town/

Rural

Political Party

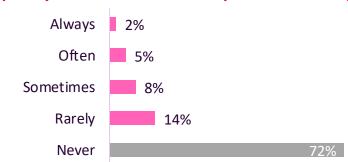
38%	Democrat
35%	Republican
27%	Independent/Other

Political Philosophy

41%	Moderate
35%	Conservative
22%	Liheral

41%	Moderate
35%	Conservative
22%	Liberal

Frequency to Have Someone Help You Read Pamphlets from Doctor



Adults in HH

29% 1

54% 2

11% 3

4+

5%

