

Issue Brief Resource Index

Directed toward a variety of stakeholders, the PAN Foundation's *Issue Briefs* provide an overview of key issues concerning cost sharing, Medicare Part D and other topics related to prescription medication access and affordability.

Issue Brief #1: Cost Sharing and Access to Prescription Medications

Cost sharing refers to healthcare expenses that are not covered by an individual's insurance plan and must be paid out-of-pocket (OOP). These OOP expenses come from deductibles, co-payments and coinsurance. There are significant concerns that cost sharing limits access to medically necessary prescription medications for some patients. **This Issue Brief describes how cost sharing is implemented for prescription medications and the resulting impact on economically vulnerable patients.**

Issue Brief #2: Access to Prescription Medications Under Medicare Part D

Medicare is a federal health insurance program that provides coverage for adults over the age of 65, as well as some people under 65 who are disabled or who have end-stage kidney disease. Under Medicare, "Part D" drug plans cover prescription medications that are typically purchased at pharmacies. **This Issue Brief describes the structure of Medicare Part D drug plans and how Medicare beneficiaries share in the cost of their prescription medications under these plans. It also shows how patients who need expensive medications can incur significant OOP costs that can hinder their access to needed treatments.**

Issue Brief #3: Patient Experiences with Out-of-Pocket Medication Expenses

Recognizing the importance of OOP cost burdens on patients and families, the PAN Foundation conducted a survey to learn more about how patients cope with their OOP medication expenses. **This Issue Brief details the results of the data that was gathered from nearly 1,900 patients who responded to PAN's survey. More**

than 25 percent of respondents reported being unable to cover \$500 in OOP medication expenses, an indication of the degree of economic vulnerability that some patients face. Other results provide insight on how many patients seek outside assistance for their medication expenses, how many receive this assistance, and the consequences for patients of not receiving support to cover their OOP drug costs.

Issue Brief #4: Out-of-Pocket Drug Costs Among Medicare Beneficiaries

The burden of paying OOP medication costs is increasing among Medicare beneficiaries: Only 24 percent of the Medicare population is economically secure and 16 percent live in poverty. **This Issue Brief describes how healthcare expenses contribute to the economic vulnerability of Medicare beneficiaries and how rapid increases in OOP drug costs have a disproportionate impact on beneficiaries with low incomes and those with multiple chronic conditions.**

Issue Brief #5: Links Between Financial Hardship and Out-of-Pocket Drug Costs

A 2015 report from the Kaiser Family Foundation showed that 24 percent of Americans reported having problems paying for their prescription drugs, a figure that increased to 33 percent among people with low incomes and to 43 percent among those in poor health. These patients must often choose between paying OOP costs for life-saving medications and covering the costs of basic needs like food, rent and utilities. **This Issue Brief examines how OOP drug costs cause financial hardship among economically vulnerable patients and how financial assistance and other support can help alleviate some of these challenges.**

Issue Brief #6: “Seasonality” of Out-of-Pocket Drug Costs for Medicare Beneficiaries

Medicare Part D drug plans follow a January–December cycle. Compared to patients who take less expensive medications and whose OOP costs are spread out more evenly over the course of the year, patients who need specialty medications often pay considerable OOP drug costs immediately after the start of each calendar year. **This Issue Brief explores how Medicare Part D drug plans can concentrate OOP costs at the beginning of the calendar year for some patients and how rapid accumulation of these OOP costs can hinder access to needed treatments.**

Issue Brief #7: Out-of-Pocket Costs and Specialty Medications

The list of drugs that is covered under a commercial or federal health insurance drug plan is known as the plan’s “formulary.” Formularies can contain hundreds of medications, including relatively inexpensive generic drugs, as well as extremely costly

brand-name drugs, often called “specialty medications.” Although many patients can be effectively treated with low-cost generic medications, in some cases, the only drug that is effective is a specialty medication, or a high-cost generic drug that is on the specialty tier. **This Issue Brief describes formulary tiers, explores the rationale for specialty drug tiers, and examines how OOP costs for specialty medications can reduce access to these drugs.**