



 MORNING CONSULT
+
PAN Foundation

Patient Access Network (PAN) Foundation

SNAPSHOT OF 2020 HEALTH CARE COSTS

January 2021

METHODOLOGY

Background

The research conducted by Morning Consult on behalf of Patient Access Network (PAN) among seniors on Medicare sought to understand their 2020 health care cost concerns, the impact 2020 health care costs had on their lifestyle, and their 2021 health care policy priorities.

Audience

This poll was conducted between January 5-9, 2021 among a national sample of 1,000 seniors taking prescription drugs on Medicare with prescription drug coverage and a chronic condition (referred throughout as seniors on Medicare). The interviews were conducted online and the data were unweighted. Results from the full survey have a margin of error of plus or minus 3 percentage points.

Screening Criteria

- Age 65+ on Medicare
- Currently take prescription drugs
- Currently have prescription drug coverage through Medicare
- Have a chronic condition

For simplicity, this audience is referred to as seniors on Medicare.

Key Findings

1. **Two in five (40%) seniors on Medicare spent \$200+ out-of-pocket on deductibles, copays, and coinsurance for their prescription drugs in 2020.**
2. **Low-income seniors on Medicare and seniors that spent \$200+ out-of-pocket for prescription drugs in 2020 expressed heightened *difficulty* about the prices they paid for their prescription drugs in 2020.** Seniors on Medicare that spent \$200+ out-of-pocket for prescription drugs in 2020 are 5x more likely than those that spent below \$200 out-of-pocket to say it was difficult to pay for prescription drugs.
3. **Similarly, low-income seniors on Medicare and seniors that spent \$200+ out-of-pocket for prescription drugs in 2020 expressed heightened *worry* about the prices they paid for their prescription drugs in 2020.** Low income (<\$50k) seniors on Medicare are twice as likely as high-income (\$100k+) seniors on Medicare to worry about the price they paid at the pharmacy counter or by mail order for their prescription drugs. A third (36%) of seniors on Medicare that spent \$200+ OOP for prescription drugs in 2020 were worried about the price they paid for their prescription drugs in 2020.
4. **Over half of seniors on Medicare say COVID-19 impacted the decisions they made in order to afford out-of-pocket costs for their prescription drugs in 2020.**
5. **There is bipartisan agreement on health care policy priorities for the Biden-Harris administration in its first 100 days.** A majority of seniors on Medicare (83%) agree that lowering out-of-pocket costs should be a priority for the Biden-Harris administration in its first 100 days, including 92% of Democrats and 75% of Republicans.

AGENDA

2020 HEALTH CARE COSTS & IMPACT

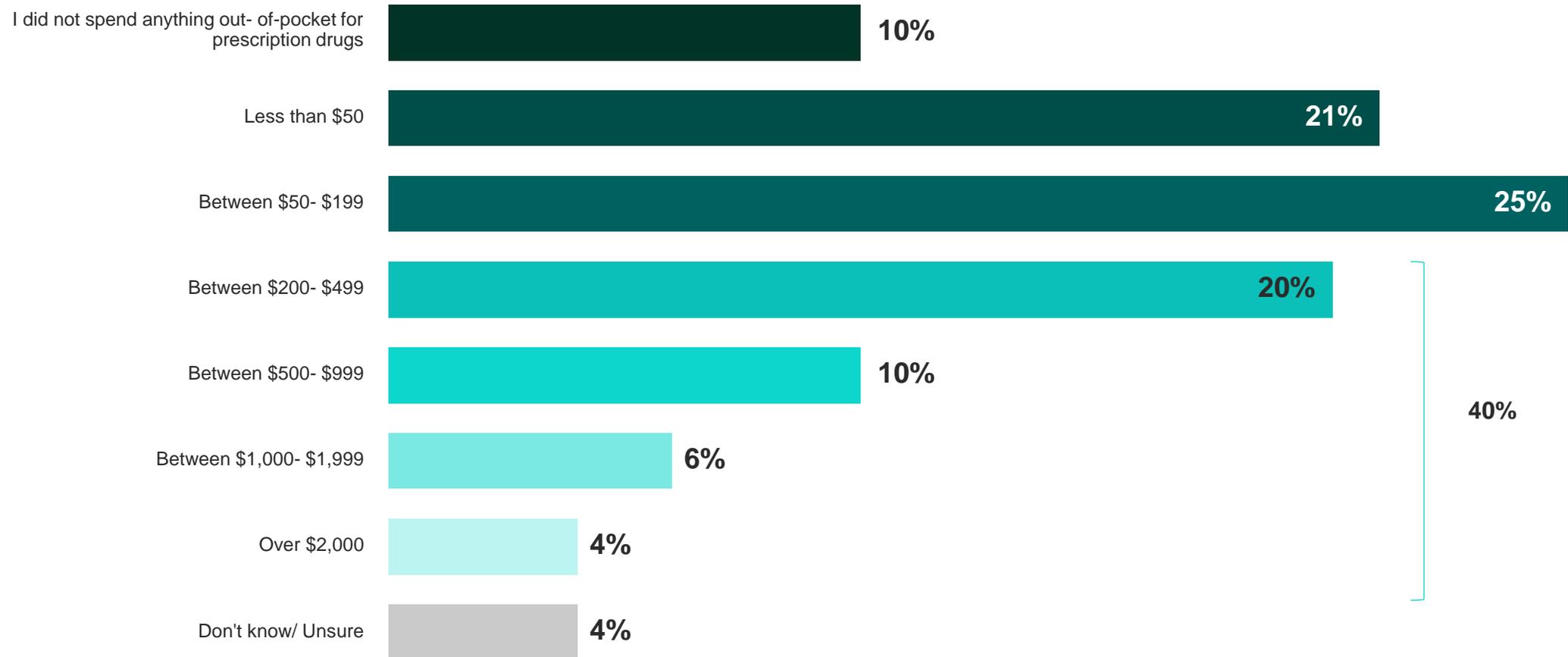
CONCERN OVER 2020 HEALTH CARE COSTS

2021 HEALTH CARE POLICY PRIORITIES



Thinking about 2020, 40% of seniors on Medicare spent \$200+ out-of-pocket on deductibles, copays, and coinsurance for their prescription drugs.

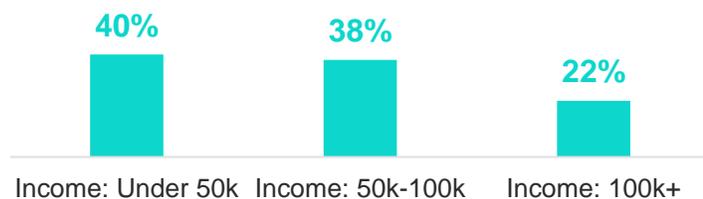
Thinking about 2020, how much did you spend out-of-pocket on deductibles, copays and coinsurance for your prescription drugs?



2020 HEALTH CARE COSTS & IMPACT

Seniors on Medicare Who Spent \$200+ OOP on Prescription Drugs in 2020*

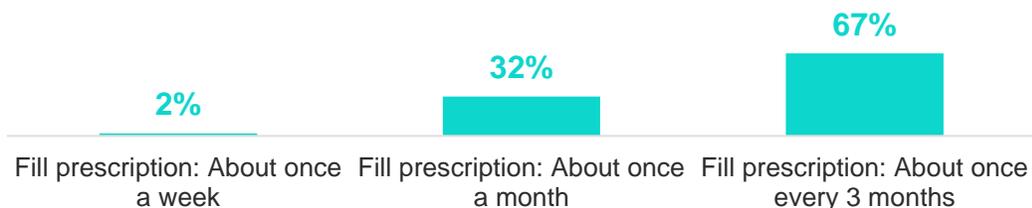
INCOME



NUMBER OF CHRONIC CONDITIONS



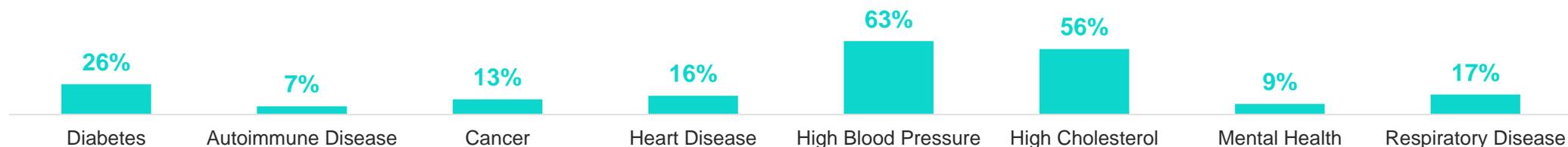
FREQUENCY OF FILLING PRESCRIPTION



OOP SPENT DURING 2020



CHRONIC CONDITION TYPE**



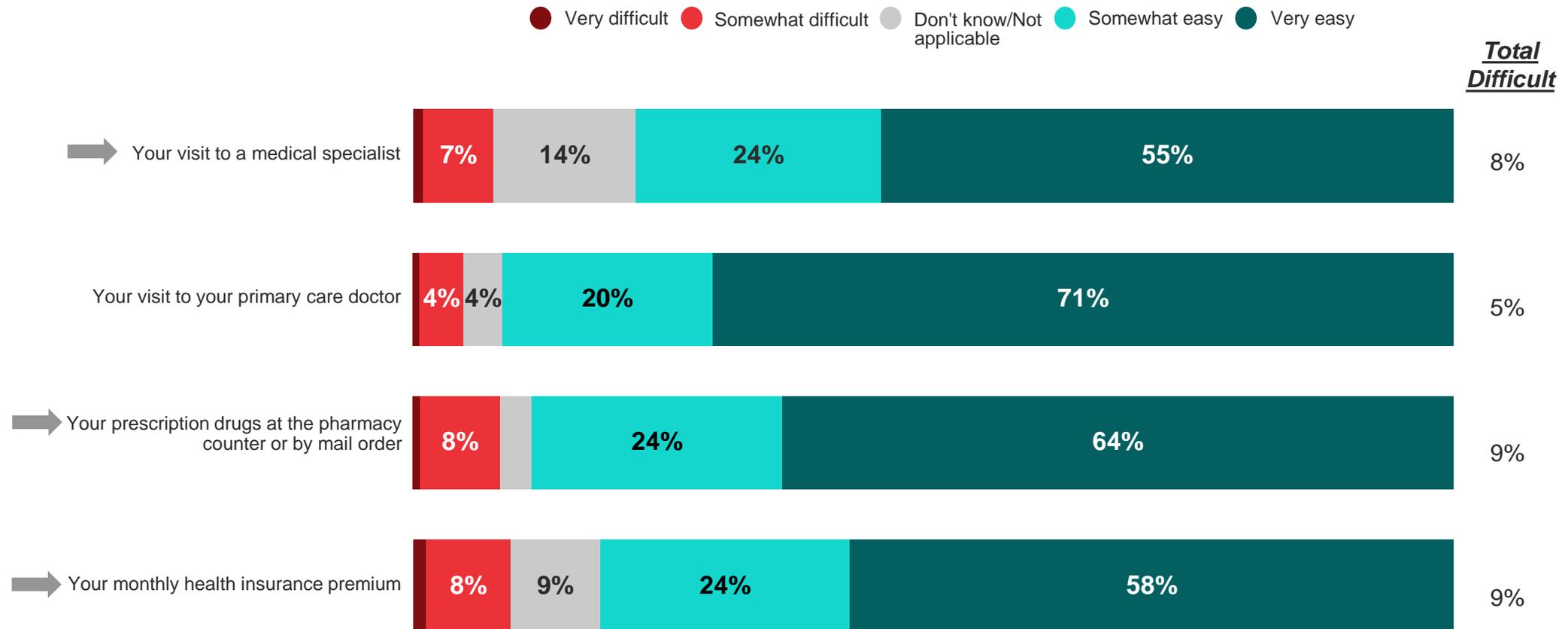
*N=400

**Could select more than one chronic condition

2020 HEALTH CARE COSTS & IMPACT

One in ten seniors on Medicare say it was difficult to pay for their visit to a medical specialist (8%), prescription drugs at the pharmacy counter or by mail order (9%), and their monthly health insurance premiums (9%) in 2020.

In 2020, how easy or difficult was it to pay for the following health care costs?



2020 HEALTH CARE COSTS & IMPACT

Low-income (<\$50k) seniors on Medicare are more likely than any other income groups to say it was difficult to pay for the tested health care costs in 2020

In 2020, how easy or difficult was it to pay for the following health care costs?

| <i>Total Difficult* to Pay Health Care Costs Across Key Demographic Groups</i> | | | | | | | |
|--|---------------------|---------------------|----------------------|-----------------|------------------|---------------------|------------------|
| | Seniors on Medicare | Income: Under \$50k | Income: \$50k-\$100k | Income: \$100k+ | Community: Urban | Community: Suburban | Community: Rural |
| Your monthly health insurance premium | 9% | 14% | 7% | 3% | 8% | 8% | 13% |
| Your prescription drugs at the pharmacy counter or by mail order | 9% | 12% | 5% | 5% | 10% | 7% | 10% |
| Your visit to a primary care doctor | 5% | 8% | 5% | 1% | 5% | 3% | 8% |
| Your visit to a medical specialist | 8% | 13% | 6% | 2% | 8% | 7% | 11% |

*Total difficult = very difficult + somewhat difficult

Seniors on Medicare that spent \$200+ OOP for prescription drugs in 2020 are 5x more likely than those that spent below \$200 OOP to say it was difficult to pay for prescription drugs.

In 2020, how easy or difficult was it to pay for the following health care costs?

| <i>Total Difficult* to Pay Health Care Costs Across Key Demographic Groups</i> | | | | | |
|--|----------------------------|------------------------------|-----------------------------|---|--|
| | <i>Seniors on Medicare</i> | <i>One Chronic Condition</i> | <i>2+ Chronic Condition</i> | <i>Spent <\$200 OOP for presc. drugs in 2020</i> | <i>Spent \$200+ OOP for presc. drugs in 2020</i> |
| Your monthly health insurance premium | 9% | 6% | 12% | 8% | 12% |
| Your prescription drugs at the pharmacy counter or by mail order | 9% | 6% | 10% | 3% | 16% |
| Your visit to your primary care doctor | 5% | 5% | 5% | 4% | 6% |
| Your visit to a medical specialist | 8% | 8% | 8% | 7% | 10% |

*Total difficult = very difficult + somewhat difficult

2020 HEALTH CARE COSTS & IMPACT

Seniors on Medicare with an autoimmune or respiratory disease are more likely than seniors on Medicare with other chronic conditions to say it was difficult to pay for their prescription drugs in 2020.

In 2020, how easy or difficult was it to pay for the following health care costs?

| <i>Total Difficult* to Pay Health Care Costs Across Chronic Condition Type</i> | | | | | | | | | |
|--|----------------------------|-----------------|---------------------------|---------------|----------------------|----------------------------|-------------------------|----------------------|----------------------------|
| | <i>Seniors on Medicare</i> | <i>Diabetes</i> | <i>Autoimmune Disease</i> | <i>Cancer</i> | <i>Heart Disease</i> | <i>High Blood Pressure</i> | <i>High Cholesterol</i> | <i>Mental Health</i> | <i>Respiratory Disease</i> |
| Your monthly health insurance premium | 9% | 10% | 20% | 15% | 10% | 10% | 10% | 16% | 17% |
| Your prescription drugs at the pharmacy counter or by mail order | 9% | 14% | 18% | 8% | 14% | 9% | 8% | 11% | 19% |
| Your visit to your primary care doctor | 5% | 6% | 4% | 11% | 7% | 5% | 5% | 6% | 8% |
| Your visit to a medical specialist | 8% | 10% | 4% | 15% | 14% | 8% | 8% | 11% | 8% |

*Total difficult= somewhat difficult + very difficult

AGENDA

2020 HEALTH CARE COSTS & IMPACT

CONCERN OVER 2020 HEALTH CARE COSTS

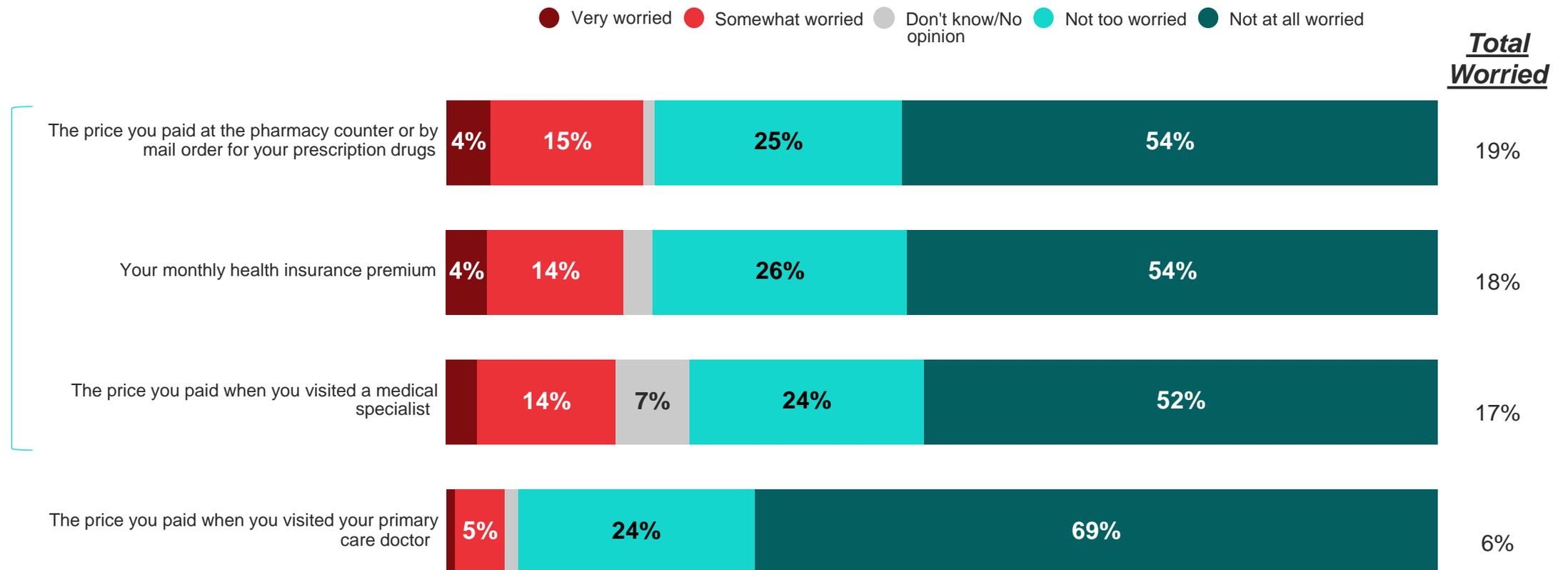
2021 HEALTH CARE POLICY PRIORITIES



CONCERN OVER 2020 HEALTH CARE COSTS

Thinking about 2020, nearly 1 in 5 seniors on Medicare were worried about the price they paid for their prescription drugs (19%), their monthly health insurance premium (18%), and their visits to a medical specialist (17%).

How worried were you, if at all, about each of the following health care costs in 2020?



CONCERN OVER 2020 HEALTH CARE COSTS

Low income (<\$50k) seniors on Medicare are twice as likely as high-income (\$100k+) seniors on Medicare to worry about the price they paid at the pharmacy counter or by mail order for their prescription drugs.

How worried were you, if at all, about each of the following health care costs in 2020?

| <i>Total Worry* About Health Care Costs Across Key Demographic Groups</i> | | | | | | | |
|--|----------------------------|----------------------------|-----------------------------|------------------------|-------------------------|----------------------------|-------------------------|
| | <i>Seniors on Medicare</i> | <i>Income: Under \$50k</i> | <i>Income: \$50k-\$100k</i> | <i>Income: \$100k+</i> | <i>Community: Urban</i> | <i>Community: Suburban</i> | <i>Community: Rural</i> |
| Your monthly health insurance premium | 18% | 22% | 17% | 20% | 16% | 17% | 21% |
| The price you paid at the pharmacy counter or by mail order for your prescription drugs | 19% | 25% | 18% | 13% | 19% | 20% | 20% |
| The price you paid when you visited your primary care doctor | 6% | 8% | 5% | 3% | 6% | 5% | 7% |
| The price you paid when you visited a medical specialist | 17% | 22% | 16% | 7% | 16% | 16% | 20% |

*Total worry = very worried + somewhat worried

CONCERN OVER 2020 HEALTH CARE COSTS

A third (36%) of seniors on Medicare that spent \$200+ OOP for prescription drugs in 2020 were worried about the price they paid for their prescription drugs in 2020.

How worried were you, if at all, about each of the following health care costs in 2020?

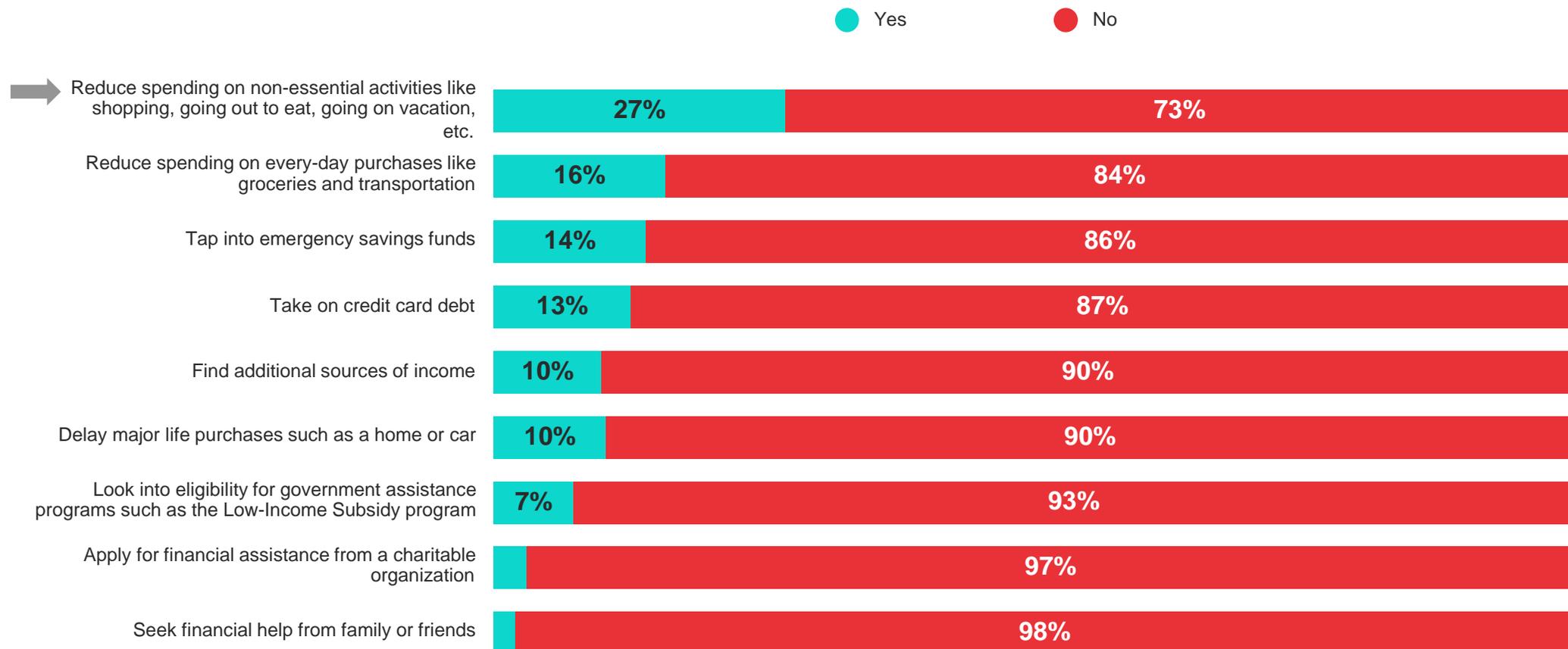
| <i>Total Worry* About Health Care Costs Across Key Demographic Groups</i> | | | | | |
|--|----------------------------|------------------------------|-----------------------------|---|--|
| | <i>Seniors on Medicare</i> | <i>One Chronic Condition</i> | <i>2+ Chronic Condition</i> | <i>Spent <\$200 OOP for presc. drugs in 2020</i> | <i>Spent \$200+ OOP for presc. drugs in 2020</i> |
| Your monthly health insurance premium | 18% | 14% | 20% | 14% | 24% |
| The price you paid at the pharmacy counter or by mail order for your prescription drugs | 19% | 15% | 23% | 9% | 36% |
| The price you paid when you visited your primary care doctor | 6% | 6% | 6% | 4% | 8% |
| The price you paid when you visited a medical specialist | 17% | 16% | 18% | 14% | 21% |

*Total worry = very worried + somewhat worried

CONCERN OVER 2020 HEALTH CARE COSTS

A quarter of seniors on Medicare (27%) had to reduce spending on non-essential activities in order to afford out-of-pocket costs for their prescription drugs in 2020.

In 2020, did you have to make any of the following changes in order to afford out-of-pocket costs for your prescription drugs?



CONCERN OVER 2020 HEALTH CARE COSTS

Low-income (<\$50) seniors on Medicare were more likely than other income groups to have made any of the tested changes to afford out-of-pocket costs for their prescription drugs in 2020.

In 2020, did you have to make any of the following changes in order to afford out-of-pocket costs for your prescription drugs?

| <i>Changes Made To Afford Out-Of-Pocket Costs For Prescription Drugs Across Demographic Groups</i> | | | | | | | |
|--|----------------------------|----------------------------|-----------------------------|------------------------|-------------------------|----------------------------|-------------------------|
| | <i>Seniors on Medicare</i> | <i>Income: Under \$50k</i> | <i>Income: \$50k-\$100k</i> | <i>Income: \$100k+</i> | <i>Community: Urban</i> | <i>Community: Suburban</i> | <i>Community: Rural</i> |
| Reduced spending on non-essential activities like shopping, going out to eat, going on vacation, etc. | 27% | 37% | 24% | 9% | 36% | 22% | 33% |
| Reduced spending on every-day purchases like groceries and transportation | 16% | 22% | 15% | 3% | 20% | 13% | 21% |
| Tap into emergency savings funds | 14% | 21% | 10% | 6% | 17% | 12% | 16% |
| Take on credit card debt | 13% | 19% | 10% | 3% | 21% | 10% | 14% |
| Find additional sources of income | 10% | 16% | 6% | 4% | 10% | 10% | 9% |
| Delay major life purchases such as a home or car | 10% | 16% | 8% | 3% | 11% | 9% | 13% |
| Look into eligibility for government assistance programs such as the Low-Income Subsidy program | 7% | 13% | 3% | 2% | 11% | 6% | 9% |
| Apply for financial assistance from a charitable organization | 3% | 6% | 1% | 1% | 4% | 3% | 3% |
| Seek financial help from family or friends | 2% | 3% | 1% | 1% | 0% | 2% | 3% |

CONCERN OVER 2020 HEALTH CARE COSTS

Thinking about 2020, seniors on Medicare with 2+ chronic conditions were twice as likely as seniors on Medicare with one chronic condition to tap into emergency savings funds or take on credit card debt to afford out-of-pocket costs for prescription drugs.

In 2020, did you have to make any of the following changes in order to afford out-of-pocket costs for your prescription drugs?

| <i>Changes Made To Afford Out-Of-Pocket Costs For Prescription Drugs Across Demographic Groups</i> | | | | | |
|--|----------------------------|------------------------------|-----------------------------|---|--|
| | <i>Seniors on Medicare</i> | <i>One Chronic Condition</i> | <i>2+ Chronic Condition</i> | <i>Spent <\$200 OOP for presc. drugs in 2020</i> | <i>Spent \$200+ OOP for presc. drugs in 2020</i> |
| Reduced spending on non-essential activities like shopping, going out to eat, going on vacation, etc. | 27% | 21% | 30% | 23% | 34% |
| Reduced spending on every-day purchases like groceries and transportation | 16% | 13% | 17% | 14% | 18% |
| Tap into emergency savings funds | 14% | 8% | 17% | 10% | 21% |
| Take on credit card debt | 13% | 9% | 15% | 9% | 18% |
| Find additional sources of income | 10% | 9% | 11% | 8% | 14% |
| Delay major life purchases such as a home or car | 10% | 7% | 12% | 8% | 14% |
| Look into eligibility for government assistance programs such as the Low-Income Subsidy program | 7% | 5% | 9% | 8% | 7% |
| Apply for financial assistance from a charitable organization | 3% | 2% | 4% | 3% | 4% |
| Seek financial help from family or friends | 2% | 1% | 2% | 1% | 3% |

CONCERN OVER 2020 HEALTH CARE COSTS

Additionally, seniors on Medicare who spent \$200+ OOP for prescription drugs in 2020 were more likely than those who spent <\$200 OOP to have made any of the tested changes to afford out-of-pocket costs for their prescription drugs in 2020.

In 2020, did you have to make any of the following changes in order to afford out-of-pocket costs for your prescription drugs?

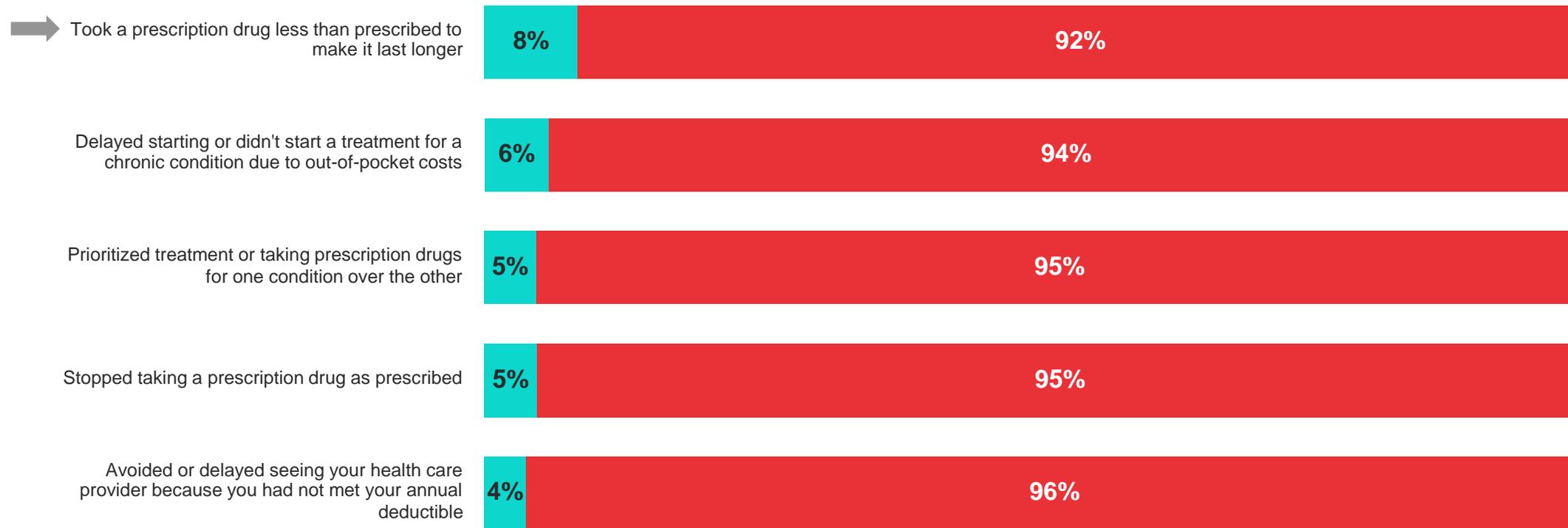
| <i>Changes Made To Afford Out-Of-Pocket Costs For Prescription Drugs Across Demographic Groups</i> | | | | | |
|--|----------------------------|------------------------------|-----------------------------|---|--|
| | <i>Seniors on Medicare</i> | <i>One Chronic Condition</i> | <i>2+ Chronic Condition</i> | <i>Spent <\$200 OOP for presc. drugs in 2020</i> | <i>Spent \$200+ OOP for presc. drugs in 2020</i> |
| Reduced spending on non-essential activities like shopping, going out to eat, going on vacation, etc. | 27% | 21% | 30% | 23% | 34% |
| Reduced spending on every-day purchases like groceries and transportation | 16% | 13% | 17% | 14% | 18% |
| Tap into emergency savings funds | 14% | 8% | 17% | 10% | 21% |
| Take on credit card debt | 13% | 9% | 15% | 9% | 18% |
| Find additional sources of income | 10% | 9% | 11% | 8% | 14% |
| Delay major life purchases such as a home or car | 10% | 7% | 12% | 8% | 14% |
| Look into eligibility for government assistance programs such as the Low-Income Subsidy program | 7% | 5% | 9% | 8% | 7% |
| Apply for financial assistance from a charitable organization | 3% | 2% | 4% | 3% | 4% |
| Seek financial help from family or friends | 2% | 1% | 2% | 1% | 3% |

CONCERN OVER HEALTH CARE COSTS

One in ten (8%) seniors on Medicare took a prescription drug less than prescribed to make it last longer in 2020.

In 2020, did you have to make any of the following decisions in order to afford out-of-pocket costs for your prescription drugs?

● Yes ● No



CONCERN OVER 2020 HEALTH CARE COSTS

Low income (<\$50k) seniors on Medicare are twice as likely as middle and high-income seniors on Medicare to have taken a prescription drug less than prescribed to make it last longer in 2020.

In 2020, did you have to make any of the following decisions in order to afford out-of-pocket costs for your prescription drugs?

| <i>Decisions Made To Afford Out-Of-Pocket Costs For Prescription Drugs Across Demographic Groups</i> | | | | | | | | |
|---|----------------------------|----------------------------|------------------------------|------------------------|------------------------------|-----------------------------|---|--|
| | <i>Seniors on Medicare</i> | <i>Income: Under \$50k</i> | <i>Income: \$50k- \$100k</i> | <i>Income: \$100k+</i> | <i>One Chronic Condition</i> | <i>2+ Chronic Condition</i> | <i>Spent <\$200 OOP for presc. drugs in 2020</i> | <i>Spent \$200+ OOP for presc. drugs in 2020</i> |
| Took a prescription drug less than prescribed to make it last longer | 8% | 12% | 6% | 5% | 6% | 10% | 5% | 14% |
| Delayed starting or didn't start a treatment for a chronic condition due to out-of-pocket costs | 6% | 8% | 4% | 4% | 4% | 7% | 4% | 9% |
| Prioritized treatment or taking prescription drugs for one condition over the other | 5% | 7% | 3% | 2% | 2% | 6% | 2% | 8% |
| Stopped taking a prescription drug as prescribed | 5% | 7% | 4% | 3% | 4% | 5% | 2% | 8% |
| Avoided or delayed seeing your health care provider because you had not met your annual deductible | 4% | 6% | 3% | 2% | 3% | 4% | 2% | 6% |

CONCERN OVER 2020 HEALTH CARE COSTS

Seniors on Medicare who spent \$200+ out-of-pocket for prescription drugs in 2020 are most likely to have taken a prescription drug less than prescribed to make it last longer in 2020.

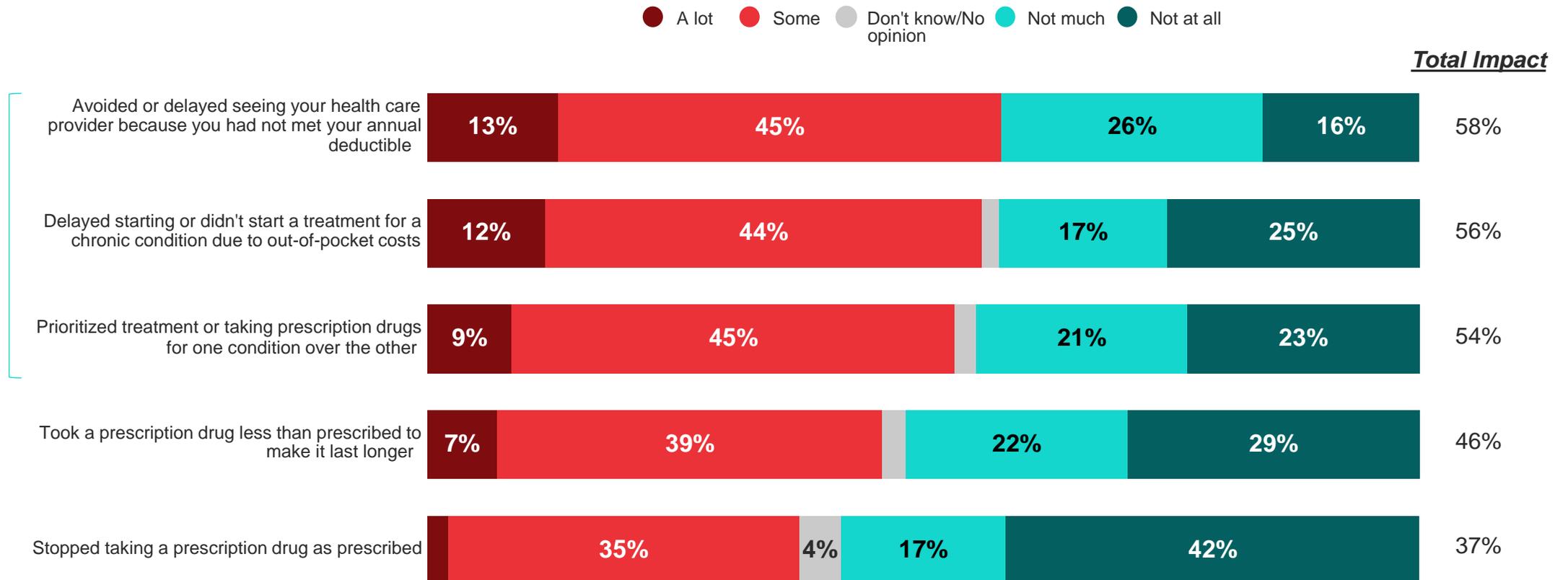
In 2020, did you have to make any of the following decisions in order to afford out-of-pocket costs for your prescription drugs?

| <i>Decisions Made To Afford Out-Of-Pocket Costs For Prescription Drugs Across Demographic Groups</i> | | | | | | | | |
|---|----------------------------|----------------------------|-----------------------------|------------------------|------------------------------|-----------------------------|---|--|
| | <i>Seniors on Medicare</i> | <i>Income: Under \$50k</i> | <i>Income: \$50k-\$100k</i> | <i>Income: \$100k+</i> | <i>One Chronic Condition</i> | <i>2+ Chronic Condition</i> | <i>Spent <\$200 OOP for presc. drugs in 2020</i> | <i>Spent \$200+ OOP for presc. drugs in 2020</i> |
| Took a prescription drug less than prescribed to make it last longer | 8% | 12% | 6% | 5% | 6% | 10% | 5% | 14% |
| Delayed starting or didn't start a treatment for a chronic condition due to out-of-pocket costs | 6% | 8% | 4% | 4% | 4% | 7% | 4% | 9% |
| Prioritized treatment or taking prescription drugs for one condition over the other | 5% | 7% | 3% | 2% | 2% | 6% | 2% | 8% |
| Stopped taking a prescription drug as prescribed | 5% | 7% | 4% | 3% | 4% | 5% | 2% | 8% |
| Avoided or delayed seeing your health care provider because you had not met your annual deductible | 4% | 6% | 3% | 2% | 3% | 4% | 2% | 6% |

CONCERN OVER 2020 HEALTH CARE COSTS

Over half of seniors on Medicare say COVID-19 impacted their decisions to avoid or delay seeing their health care provider (58%), delay starting or not start a treatment for a chronic condition (56%) and prioritize treatment or taking a prescription drug for one condition over the other (54%).

You previously indicated you had to make one of the following decisions in order to afford out-of-pocket costs for your prescription drugs in 2020. How much, if at all, did COVID-19 impact the following decisions?



AGENDA

2020 HEALTH CARE COSTS & IMPACT

CONCERN OVER 2020 HEALTH CARE COSTS

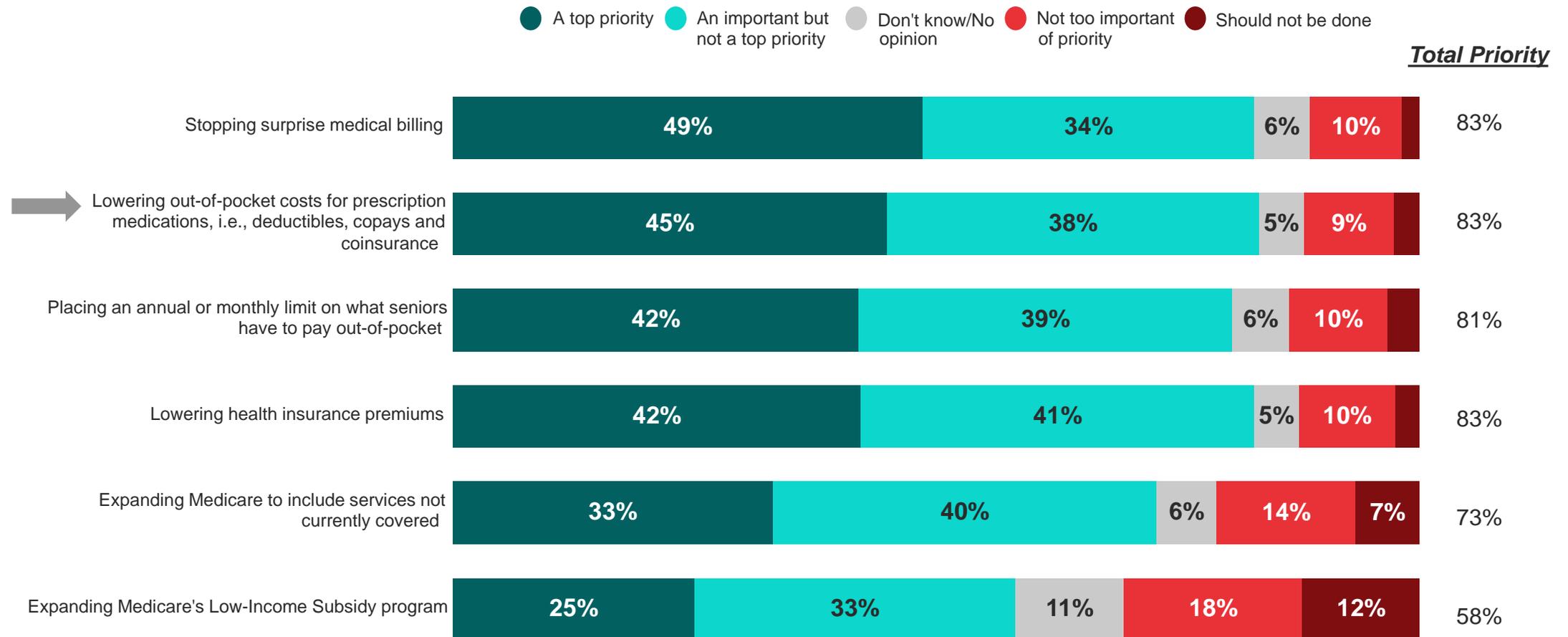
2021 HEALTH CARE POLICY PRIORITIES



2021 HEALTH CARE POLICY PRIORITIES

Nearly half (45%) of seniors on Medicare say lowering OOP costs for prescription medications should be a *top priority* for the Biden-Harris Administration in its first 100 days.

How much of a priority, if at all, should each of the following health care policies be for the Biden-Harris Administration in its first 100 days?



2021 HEALTH CARE POLICY PRIORITIES

A bipartisan majority of seniors on Medicare say lowering out-of-pocket costs for prescription medication should be a priority for the Biden-Harris Administration in its first 100 days, although the sentiment is higher among Democrat seniors on Medicare.

How much of a priority, if at all, should each of the following health care policies be for the Biden-Harris Administration in its first 100 days?

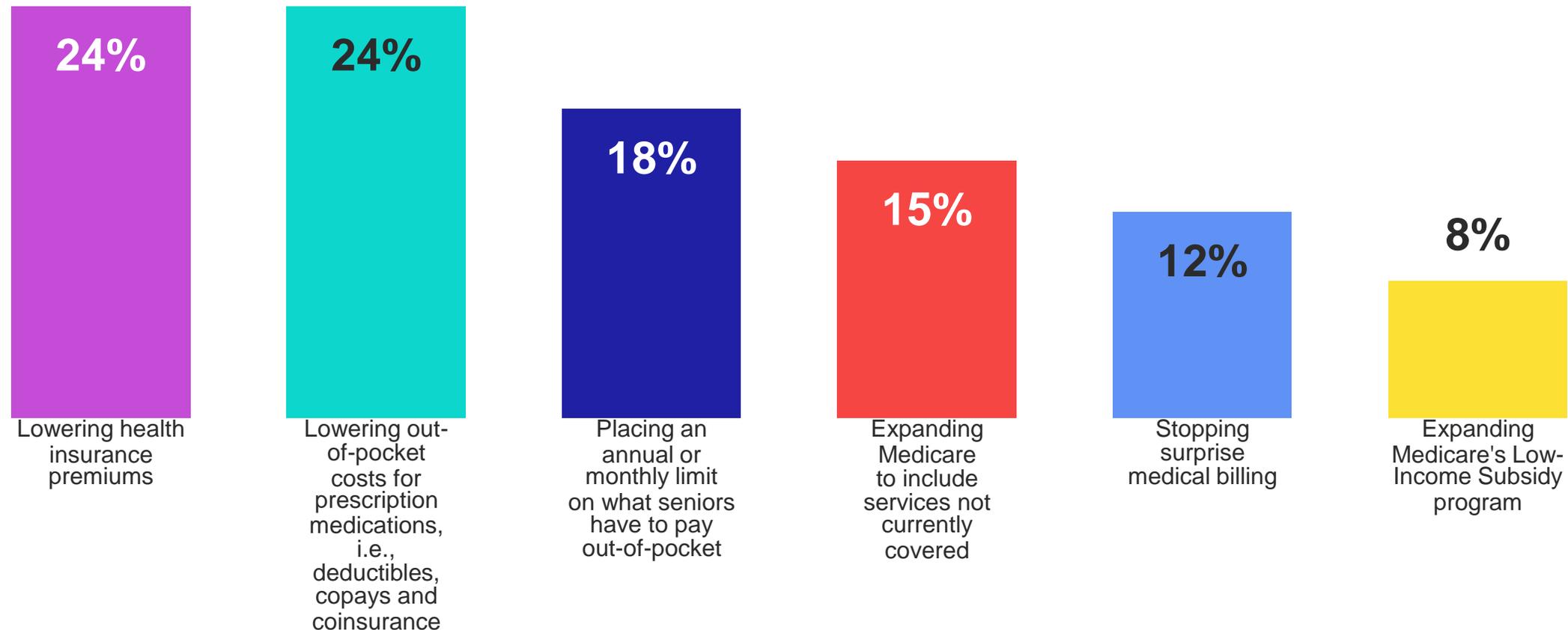
| <i>Total Priority* for the Biden-Harris Administration in its first 100 days</i> | | | | | | | | |
|---|----------------------------|----------------------|-------------------------|------------------------|------------------------------|-----------------------------|---|--|
| | <i>Seniors on Medicare</i> | <i>PID: Democrat</i> | <i>PID: Independent</i> | <i>PID: Republican</i> | <i>One Chronic Condition</i> | <i>2+ Chronic Condition</i> | <i>Spent <\$200 OOP for presc. drugs in 2020</i> | <i>Spent \$200+ OOP for presc. drugs in 2020</i> |
| Lowering health insurance premiums | 83% | 92% | 82% | 74% | 78% | 85% | 82% | 85% |
| Lowering out-of-pocket costs for prescription medications, i.e., deductibles, copays and coinsurance | 83% | 92% | 82% | 75% | 80% | 85% | 82% | 87% |
| Placing an annual or monthly limit on what seniors have to pay out-of-pocket | 81% | 88% | 81% | 72% | 76% | 83% | 80% | 83% |
| Stopping surprise medical billing | 83% | 92% | 83% | 74% | 81% | 84% | 82% | 85% |
| Expanding Medicare to include services not currently covered | 73% | 86% | 70% | 61% | 70% | 74% | 74% | 72% |
| Expanding Medicare's Low-Income Subsidy program | 58% | 78% | 59% | 38% | 54% | 61% | 61% | 55% |

*total priority = a top priority + an important but not a top priority

2021 HEALTH CARE POLICY PRIORITIES

A quarter of seniors on Medicare say that lowering health insurance premiums (24%) and lowering out-of-pocket costs (24%) should be the *most important* health care priority for the Biden-Harris administration in its first 100 days.

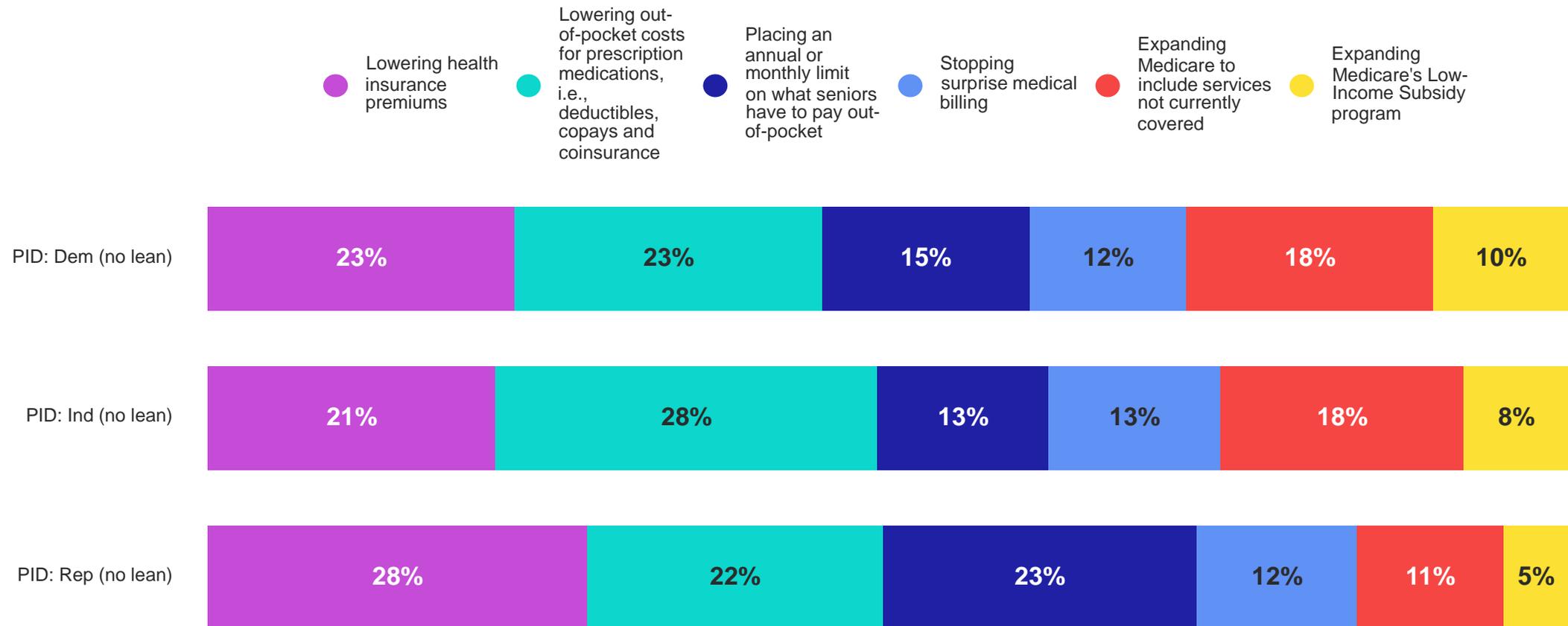
Which of the following should be the most important health care priority for the Biden-Harris Administration in its first 100 days?



2021 HEALTH CARE POLICY PRIORITIES

Republicans are more likely than Democrats and independents to prioritize placing an annual or monthly limit on what seniors have to pay out-of-pocket over other initiatives.

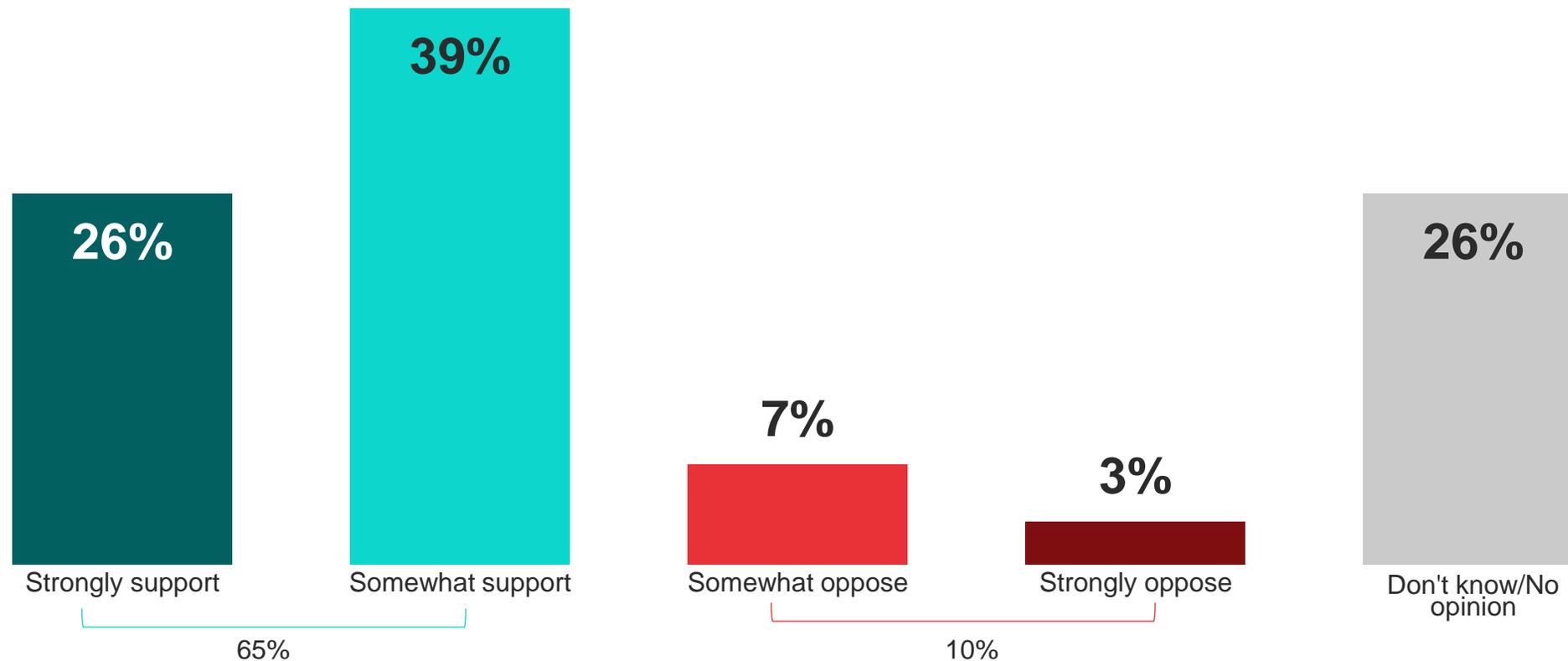
Which of the following should be the most important health care priority for the Biden-Harris Administration in its first 100 days?



2021 HEALTH CARE POLICY PRIORITIES

Two thirds (65%) of seniors on Medicare support legislation that would evenly distribute out-of-pocket costs for prescription medications for Medicare beneficiaries throughout the year.

Currently, Medicare beneficiaries pay a large percent of their out of pocket costs for prescription medications in January of each year when deductibles reset. Congress is considering legislation that would evenly distribute these costs throughout the year. Do you support or oppose legislation that would evenly distribute out of pocket costs for prescription medications for Medicare beneficiaries throughout the year?

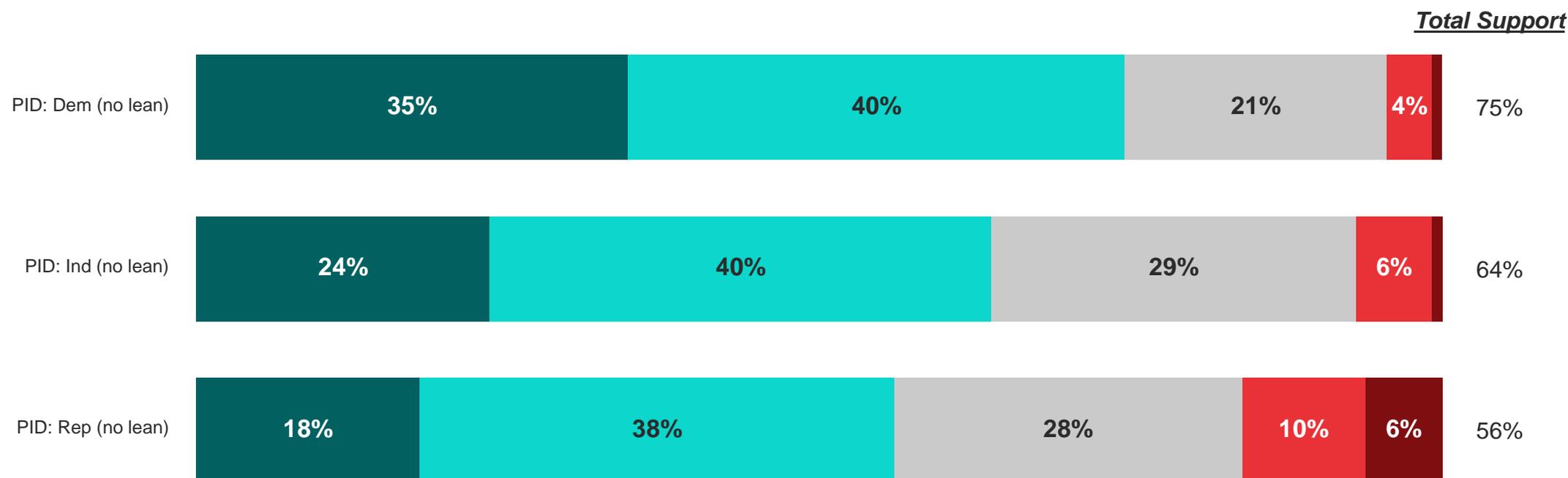


2021 HEALTH CARE POLICY PRIORITIES

A bipartisan majority of seniors on Medicare support legislation that would evenly distribute out-of-pocket costs for prescription medications for Medicare beneficiaries throughout the year, although support is higher among Democrat seniors on Medicare.

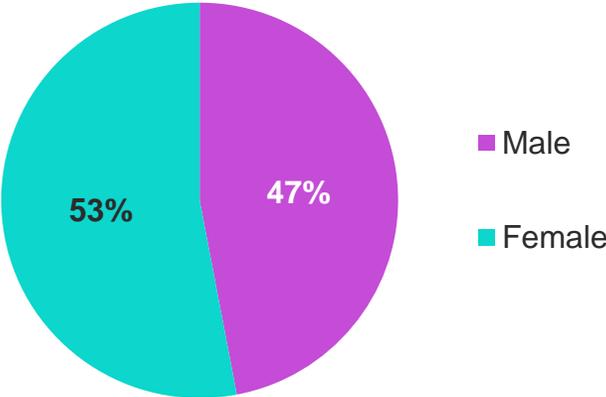
Currently, Medicare beneficiaries pay a large percent of their out-of-pocket costs for prescription medications in January of each year when deductibles reset. Congress is considering legislation that would evenly distribute these costs throughout the year. Do you support or oppose legislation that would evenly distribute out of pocket costs for prescription medications for Medicare beneficiaries throughout the year?

● Strongly support
 ● Somewhat support
 ● Don't know/No opinion
 ● Somewhat oppose
 ● Strongly oppose

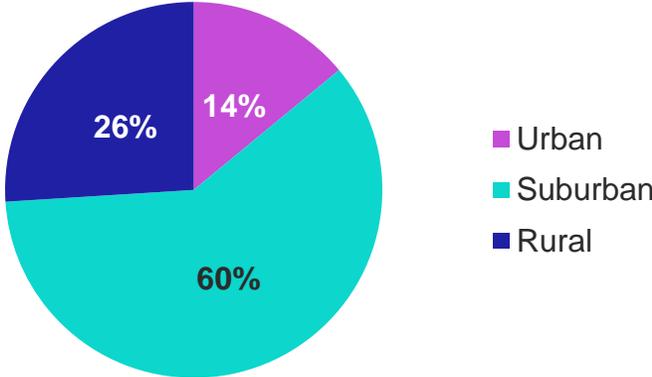


Respondent Profile

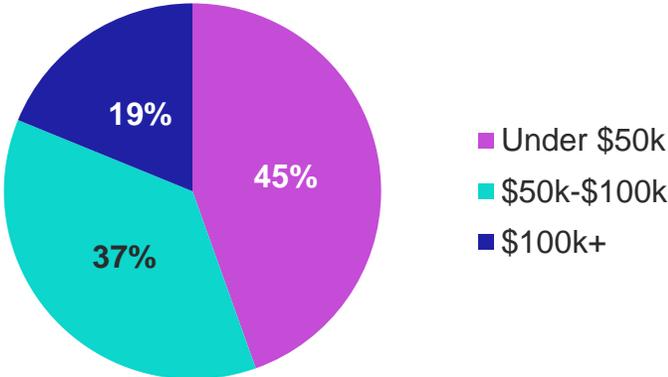
Gender



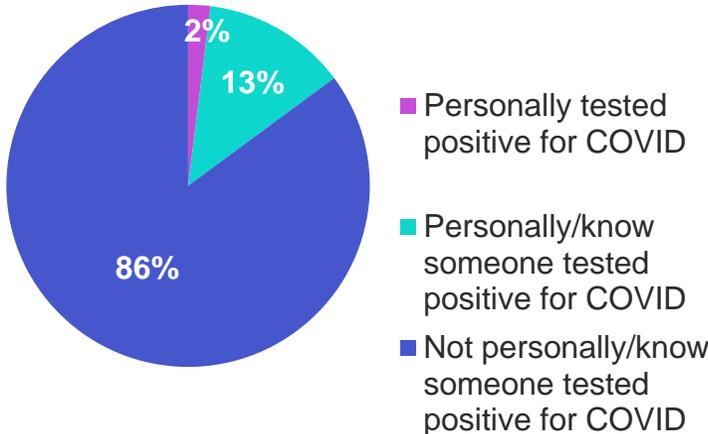
Community Type



Income Levels

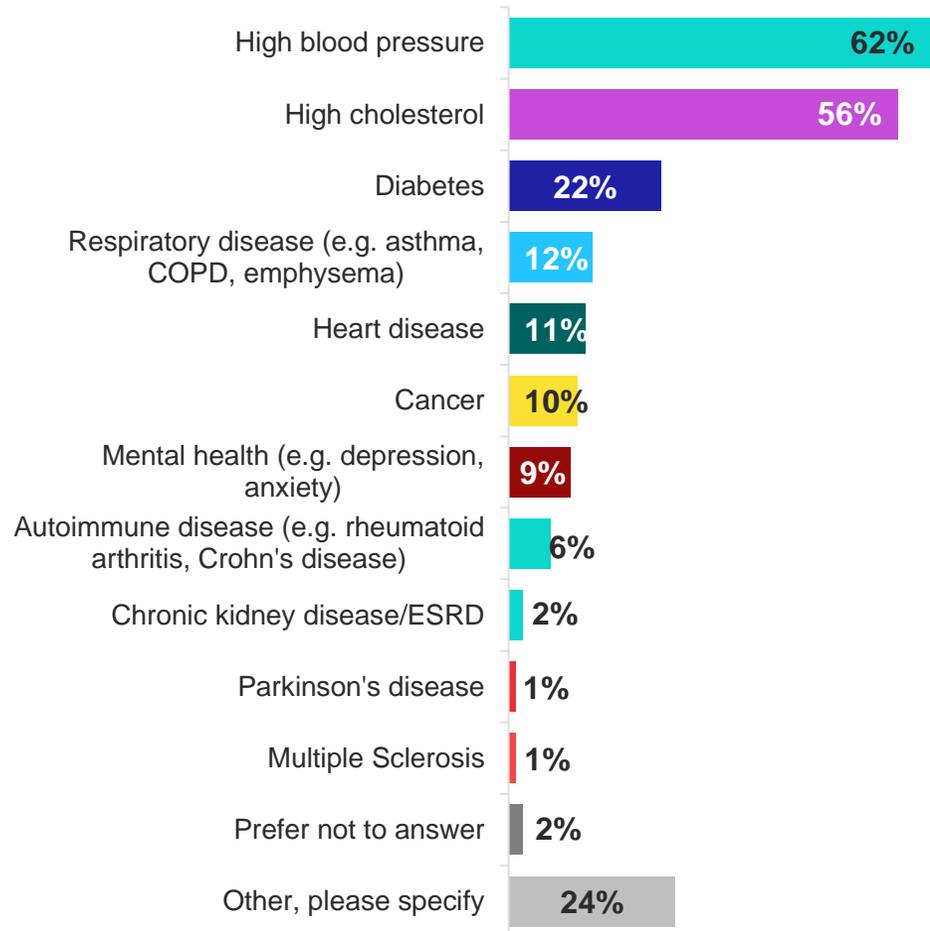


Proximity to COVID

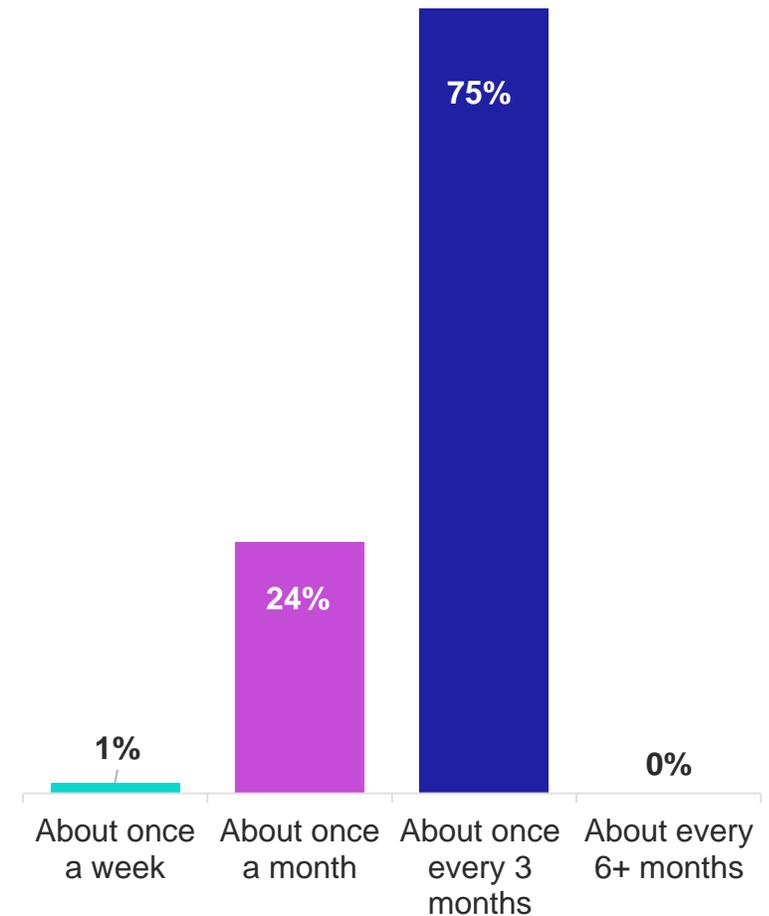


Respondent Profile

Type of Chronic Condition*



Frequency of Filling Prescription Drugs



*Could select more than one chronic condition



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