



Medicare Part D Benefit Design – Survey Results

Prepared For PAN Foundation

July 31, 2020

Survey Description: BRG Developed An Online Survey Focused On Medication Affordability Reaching Over 10,000 Respondents



Medication survey covered five topic areas – affordability, Part D out of pocket caps, experience with charity assistance, health, and sociodemographic – included 29 survey items.

- Survey focused on understanding Medicare beneficiaries’ strategies to affording their prescription drugs, and better understanding the impact of an out of pocket cap on Part D costs
 - Branching was used to limit unnecessary questions
 - Individuals receiving other governmental assistance were excluded
- Online survey was fielded from June 22 to July 10, 2020
 - Survey responses were clustered on Mondays reflecting email communication about the survey to PAN Foundation grant recipients
- Survey provides new insights into the benefits of a monthly out of pocket cap compared to an annual out of pocket cap for Medicare beneficiaries with high Part D drug costs
 - Half of survey respondents were randomized to receive a set of questions asking about a monthly cap or an annual cap

Individuals that opened survey link	Surveys fully completed	Surveys partially completed
15,200	7,299	3,500

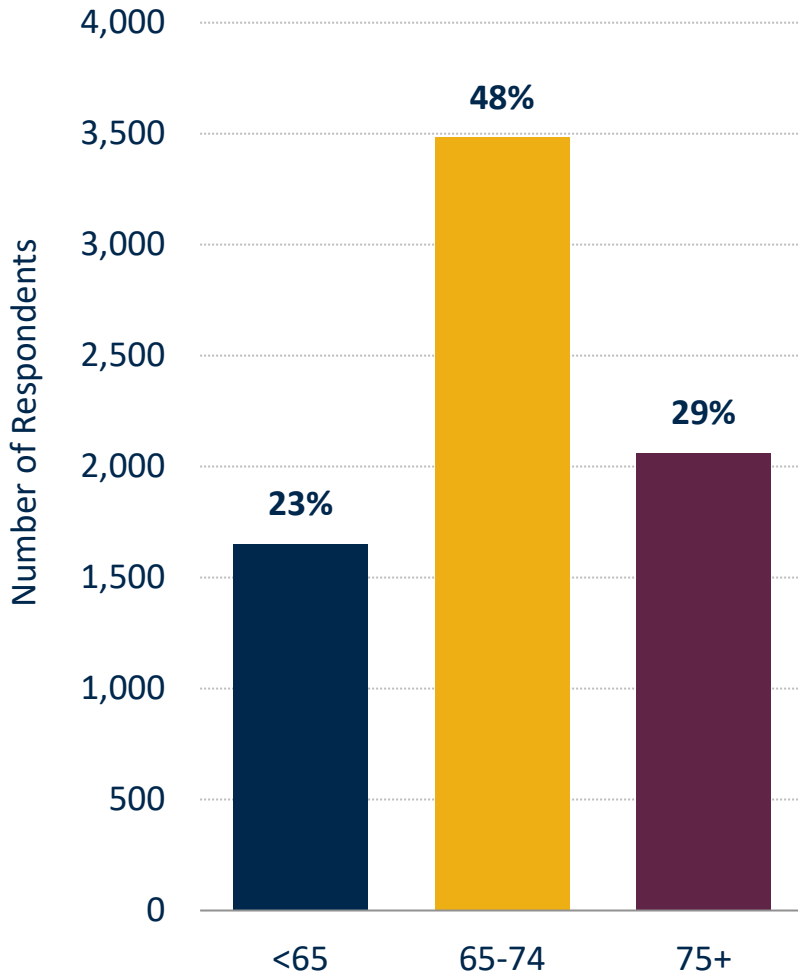
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I | *Survey Respondents*

Respondent Demographics: Mostly Aged 65-74, Non-Hispanic White

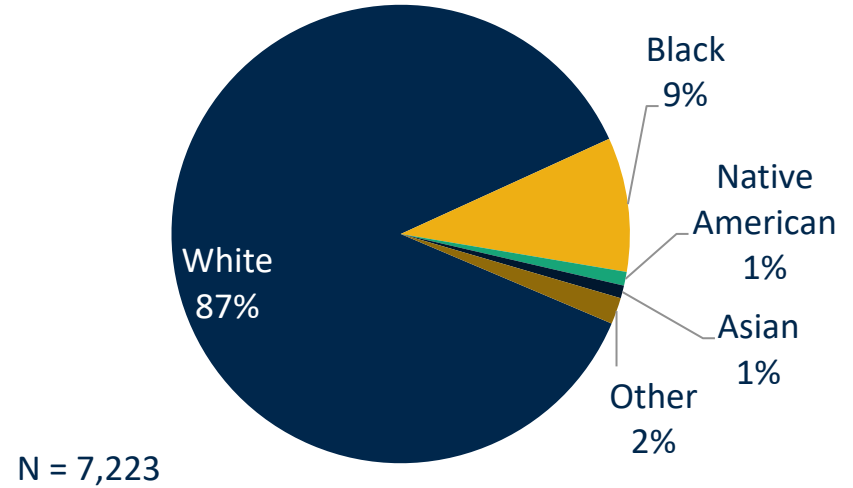


Distribution of Respondents by Age Group

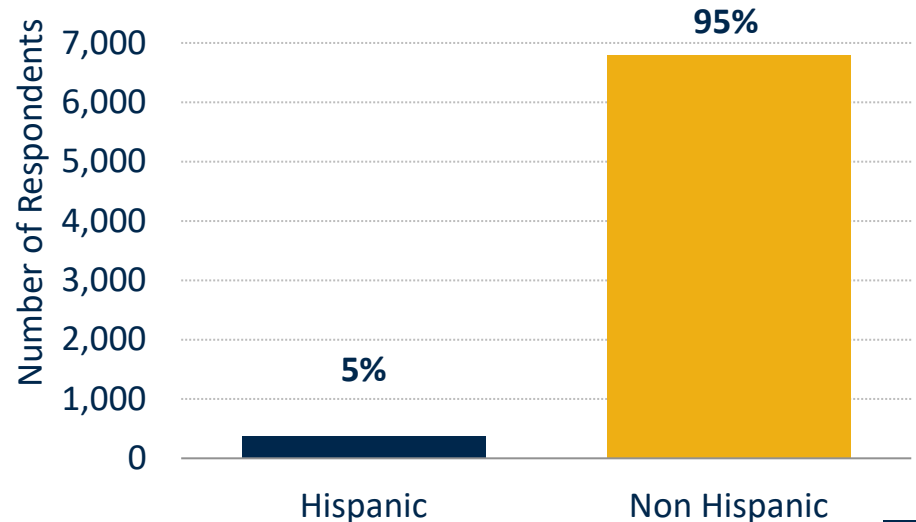


N = 7,198

Distribution of Respondents by Race



Distribution of Respondents by Ethnicity

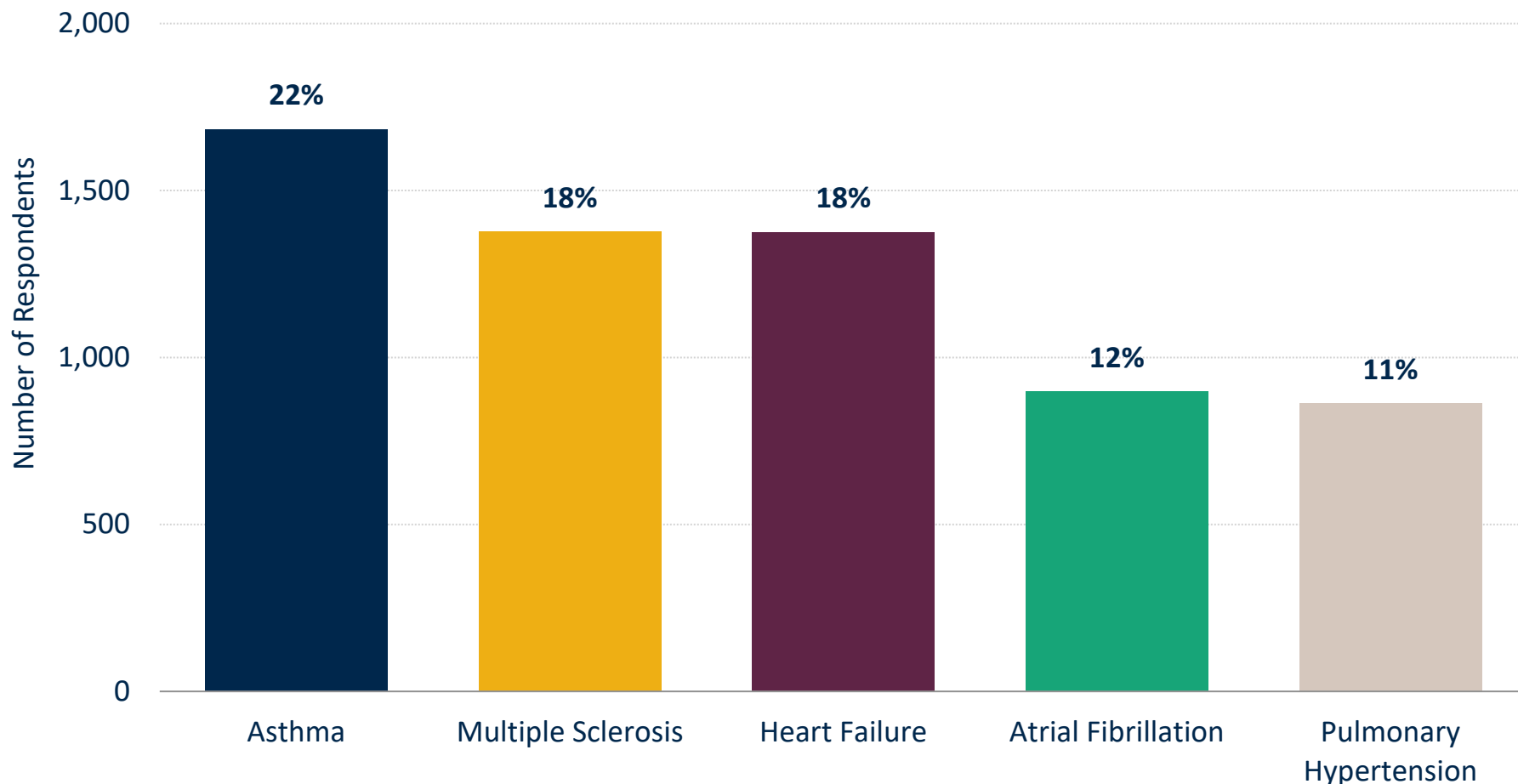


N = 7,166

Respondent Medical Conditions: Top 5 Were Asthma, MS, Heart Failure, Atrial Fibrillation, and Pulmonary Hypertension



For which medical condition(s) are you currently taking medications?



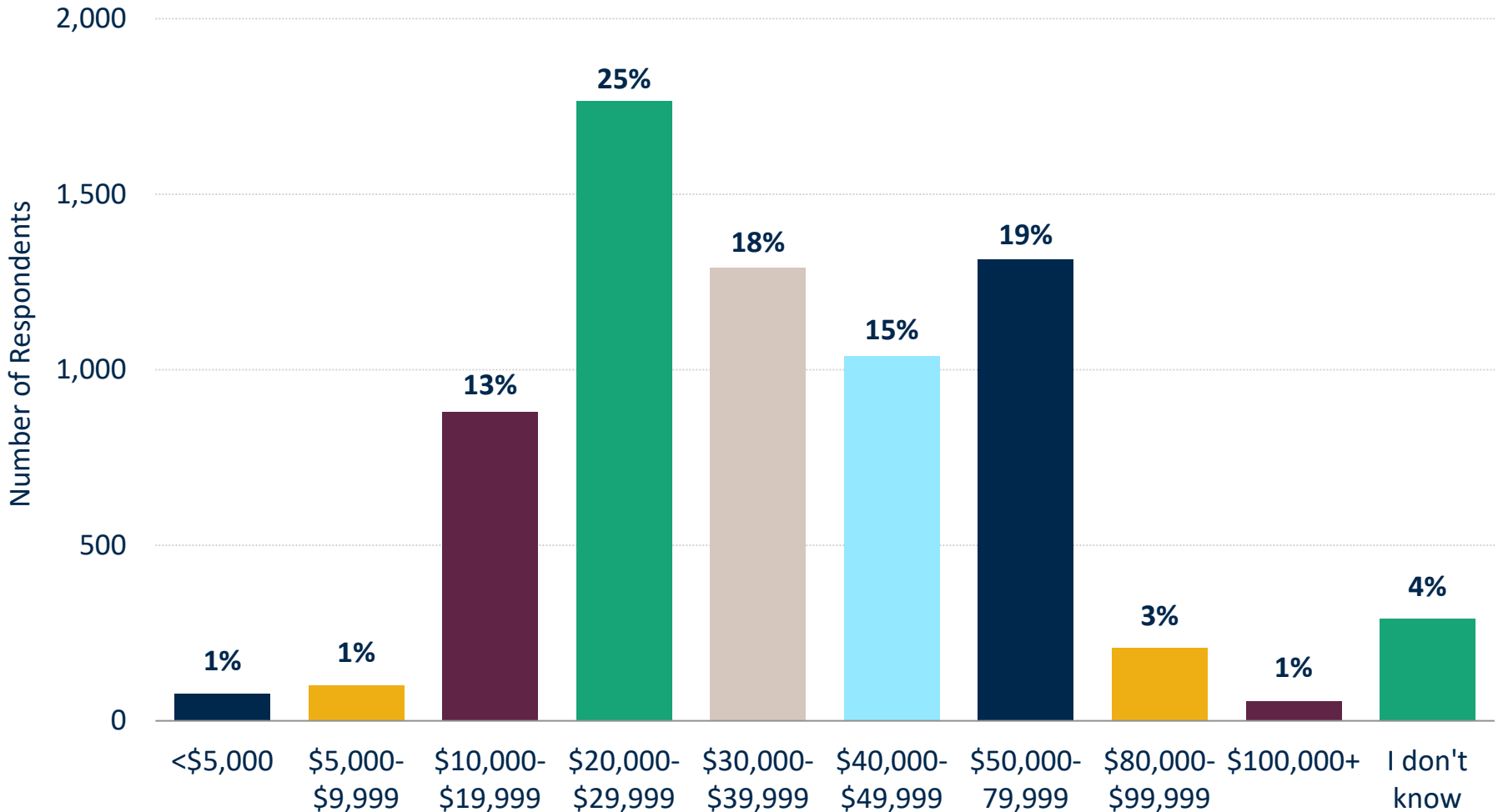
N = 7,604

*Percentages do not add to 100% because respondents could select multiple conditions

Respondent Household Income: Broad Range Of Combined Household Annual Income, Median Falls Between \$30k-\$40k



PAP Beneficiaries by Combined Annual Income



N = 7,029

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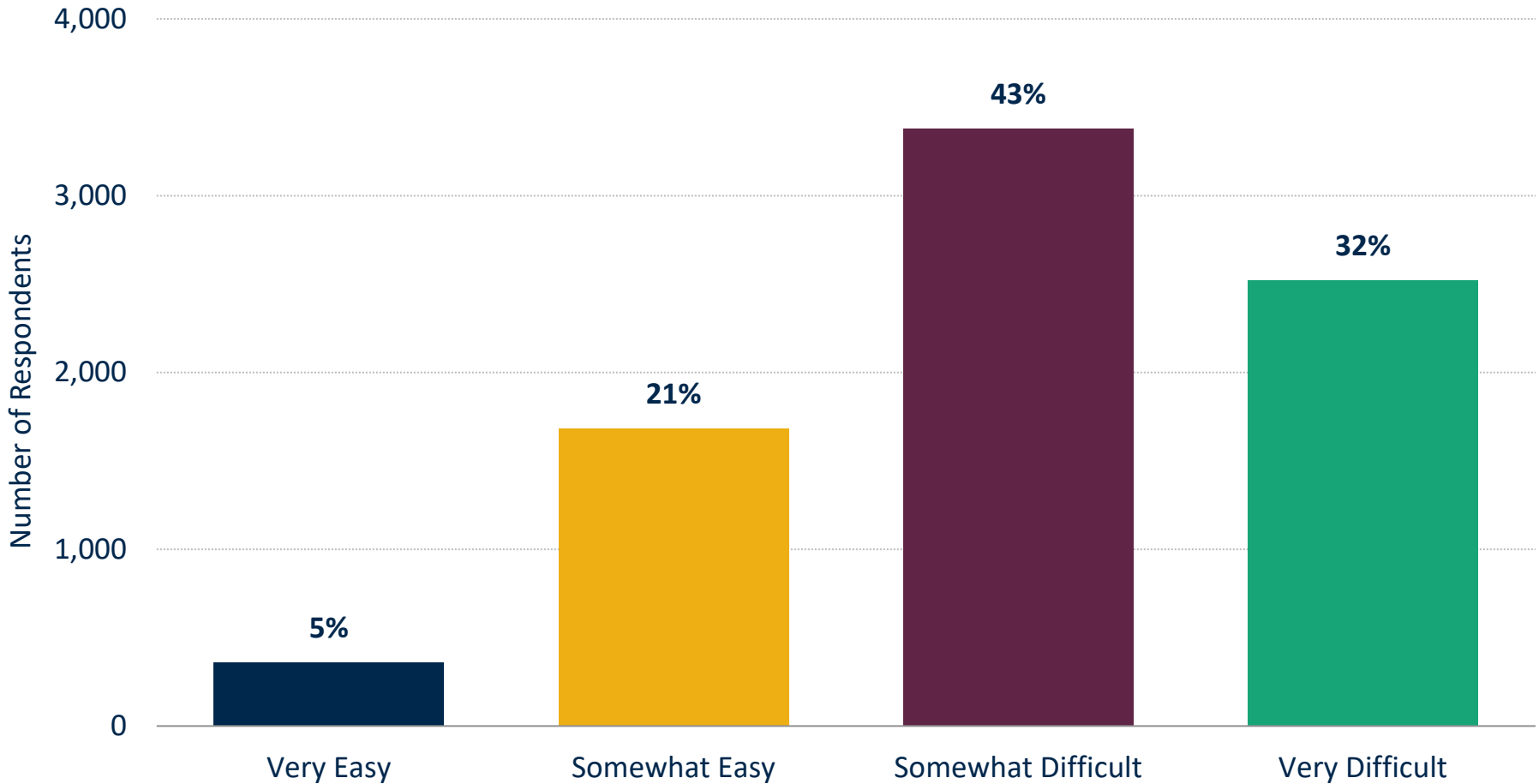
II

Survey Responses

3/4 Of Respondents Report It Is Somewhat Or Very Difficult To Afford Prescription Medications



In general, how easy or difficult is it for you to afford your prescription medication(s)?

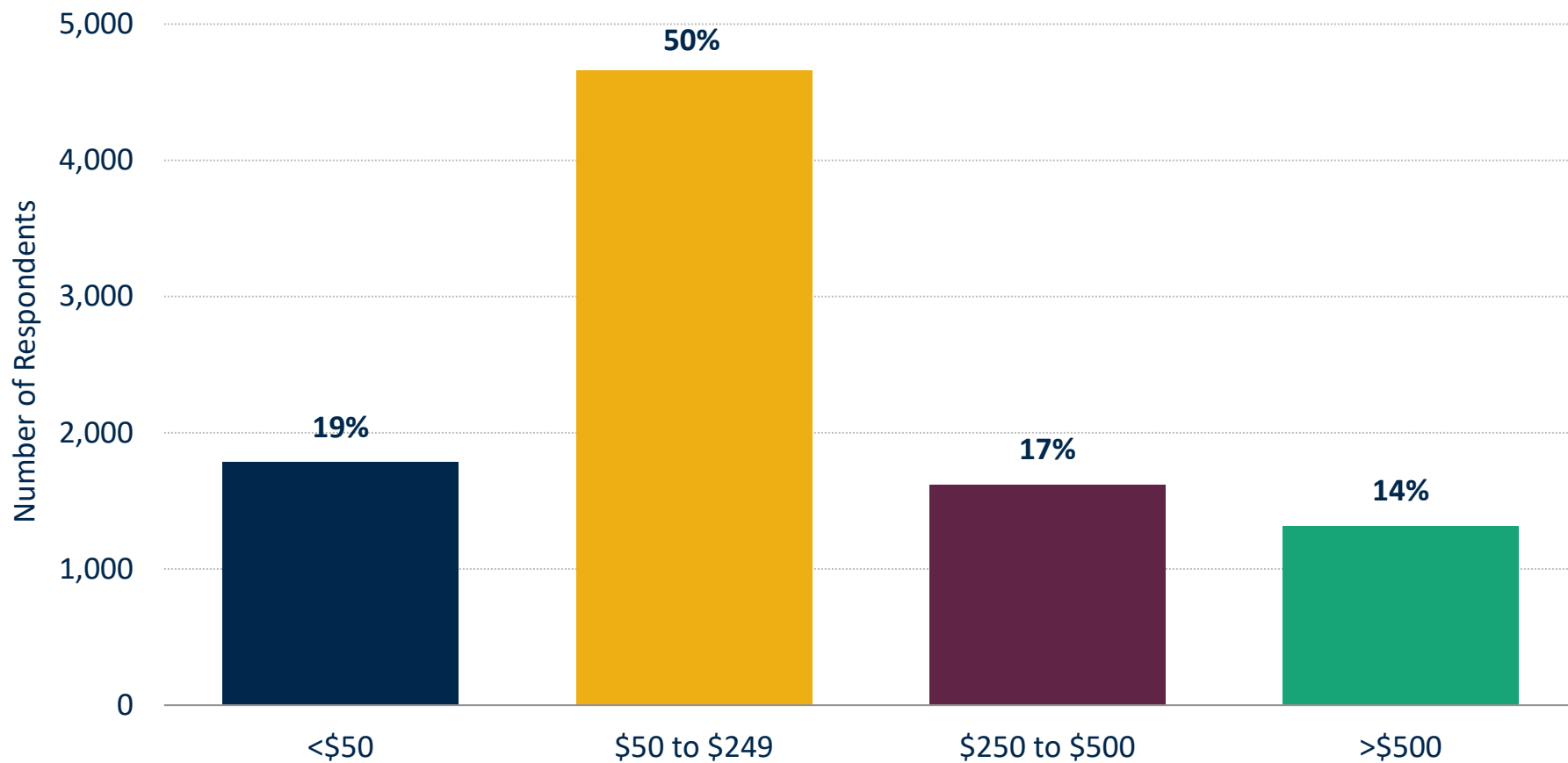


N = 7,946

70% Of Respondents Spend Less Than \$250 Per Month On Prescription Medications



About how much do you usually spend a month on all of your prescription medicines, including any up-front costs (out of pocket expenses)?

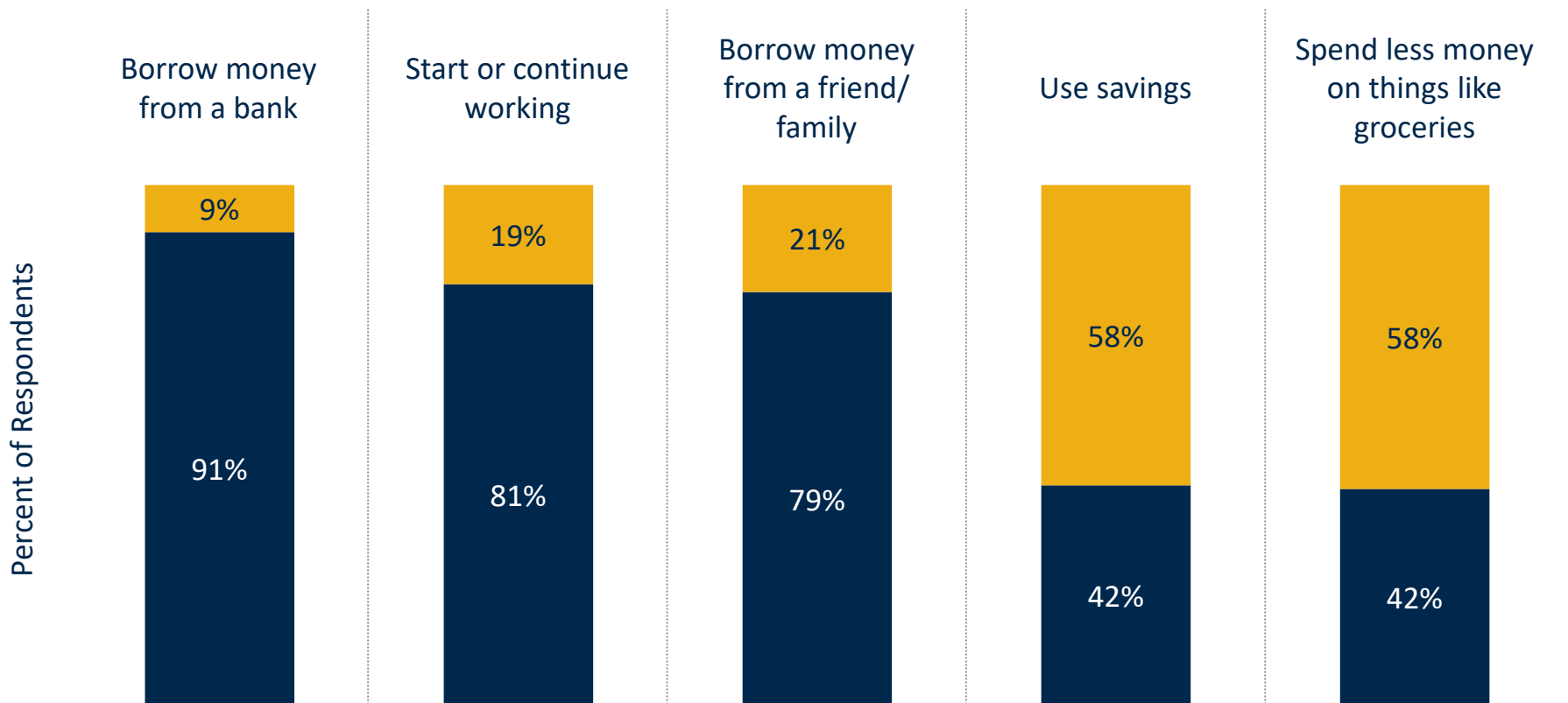


N = 9,372

Over Half Of Respondents Likely To Reduce Grocery Spending, Use Savings To Afford Medications



How often will you need to do the following this year so that you can afford your medications?



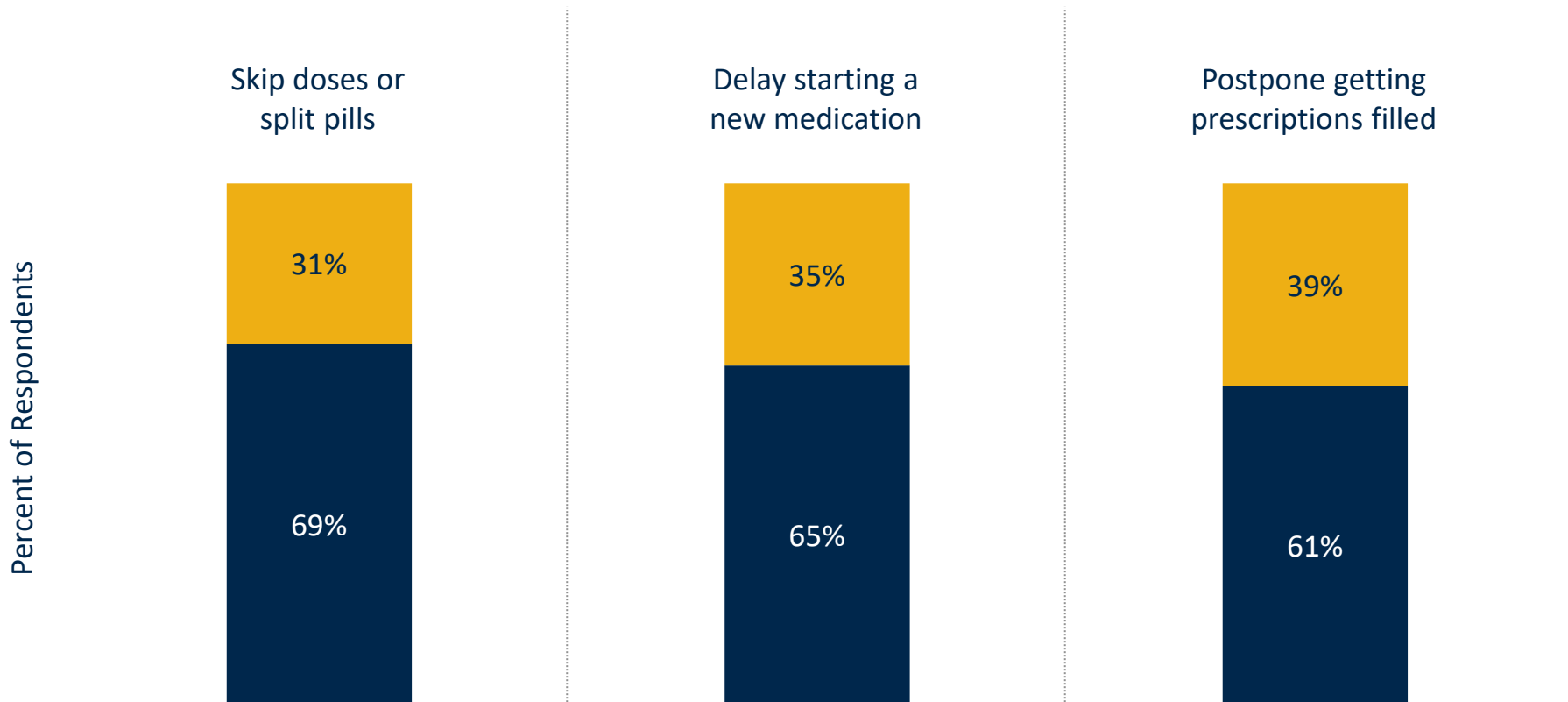
N = 8,531-8,562

■ Rarely or Never ■ Sometimes or Often

One Third Of Respondents Likely To Skip Doses, Delay Filling Or Starting New Prescriptions To Afford Medications



How often will you need to do the following this year so that you can afford your medications?



N = 8,534-8,539

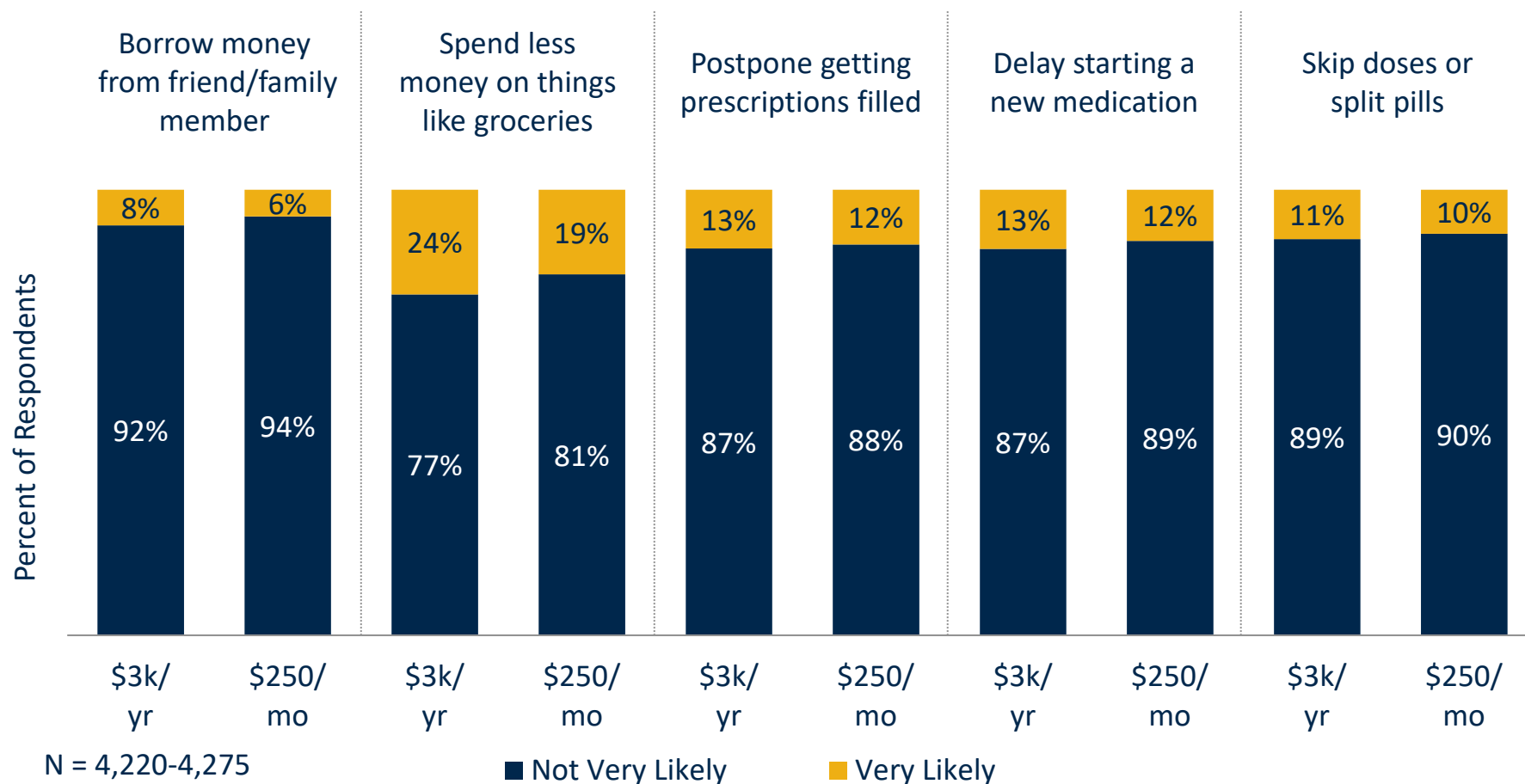
■ Rarely or Never ■ Sometimes or Often

Even With An Out Of Pocket Cap 1 In 10 Respondents Would Still Struggle To Afford Medications



Across all respondents an out of pocket cap would reduce the financial burden, but some respondents still worried about affording their medications.

If Medicare started a program that limited the amount you pay for prescription medicine to \$3,000/year, how likely would you be to do the following? What if it was \$250/month?

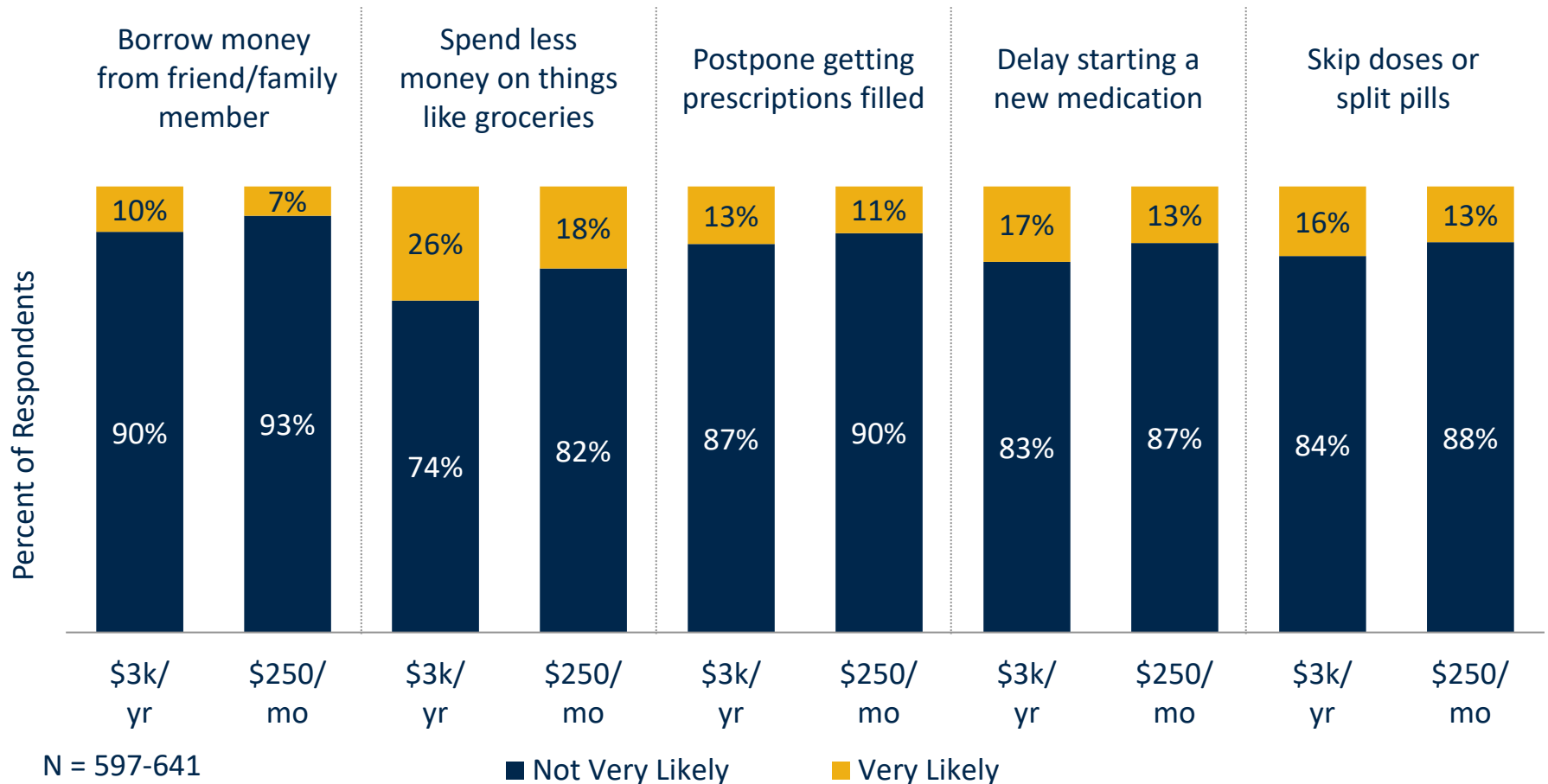


Non-PAP Recipients Reported Being More Likely To Spend Less Money On Groceries Under Annual Cap



Non-PAP recipients reported the monthly out of pocket cap would reduce the financial burden of the prescription drug costs.

If Medicare started a program that limited the amount you pay for prescription medicine to \$3,000/year, how likely would you be to do the following? What if it was \$250/month?

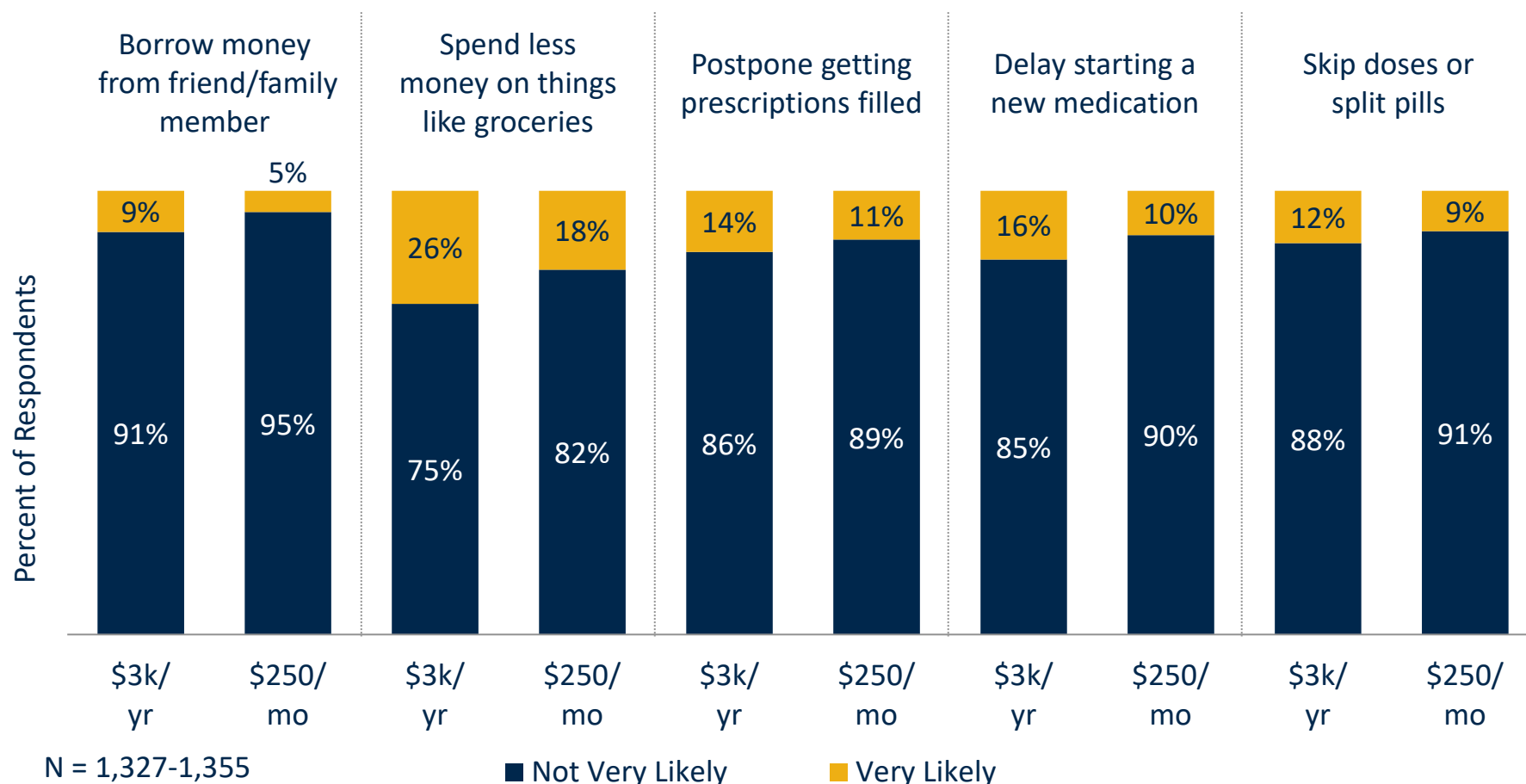


High Spenders Reported Being More Likely To Spend Less Money On Groceries Under Annual Cap



High spenders were more likely to take financial measures under the annual cap, with largest difference in grocery spend and delay starting a new medication.

If Medicare started a program that limited the amount you pay for prescription medicine to \$3,000/year, how likely would you be to do the following? What if it was \$250/month?



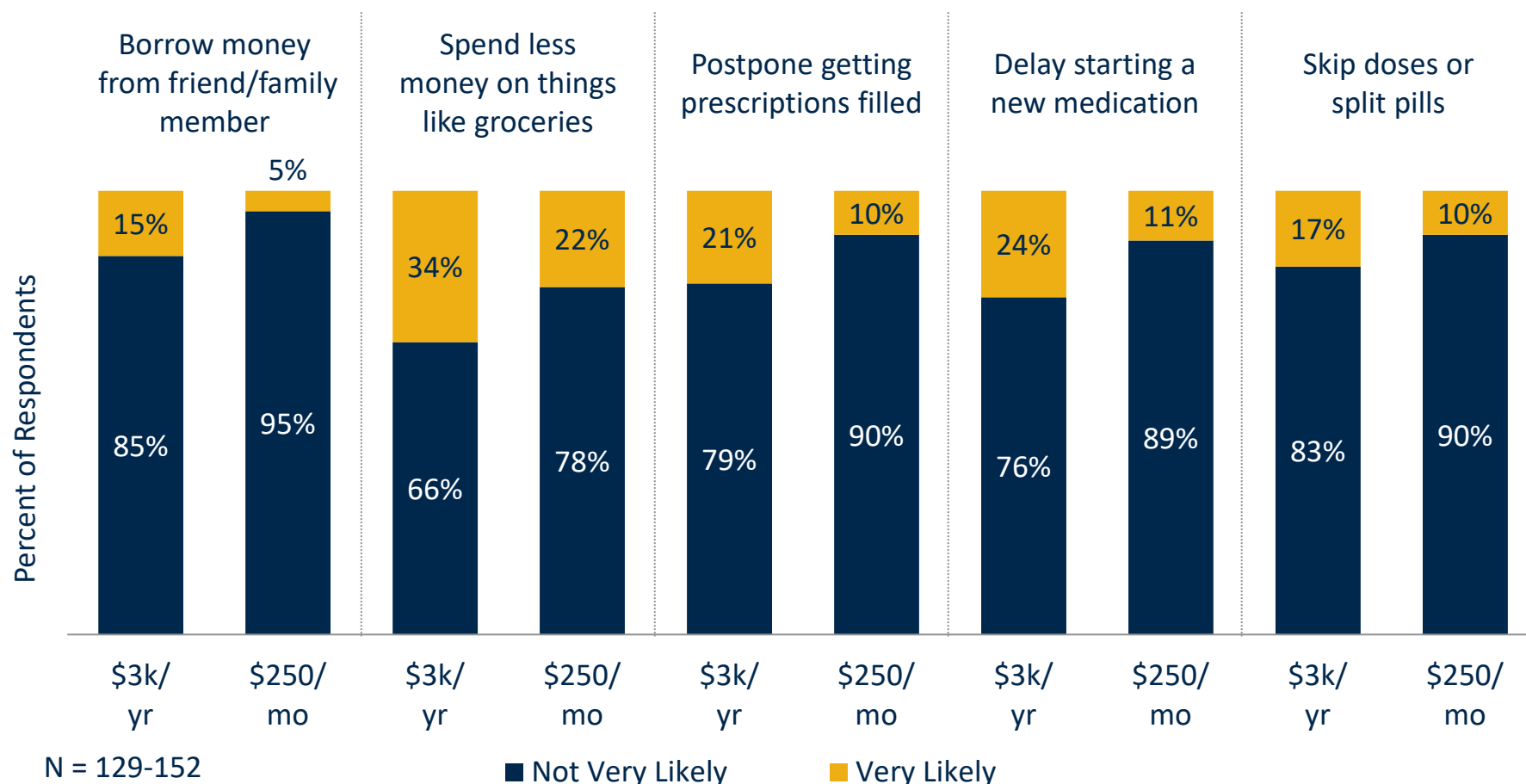
Note: high spender = >\$250 per month on medications

High Spending Non-PAP Recipients Favored Out Of Pocket Smoothing Compared To Annual Part D Cap



High spending non-PAP recipients were more likely to take financial measures under annual cap, including 3X less likely to borrow money from friend or family and 2X less likely to postpone filling or starting a medication.

If Medicare started a program that limited the amount you pay for prescription medicine to \$3,000/year, how likely would you be to do the following? What if it was \$250/month?



N = 129-152

■ Not Very Likely

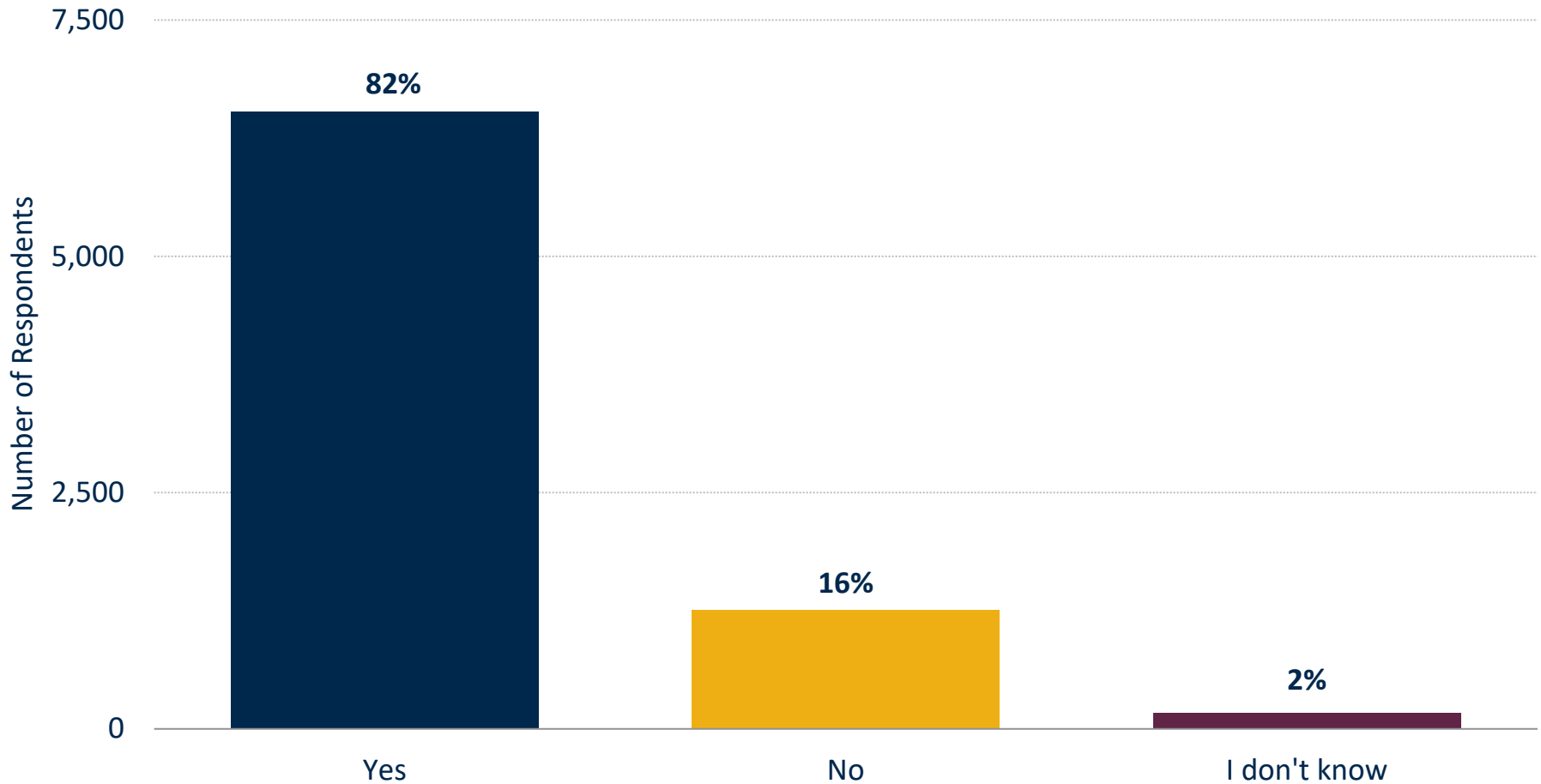
■ Very Likely

Note: high spender = >\$250 per month on medications

82% Of Total Respondents Reported Receiving Help From A Charity



In the last year, have you received any financial help from a charity to help you pay for the out of pocket costs of your prescription medications?

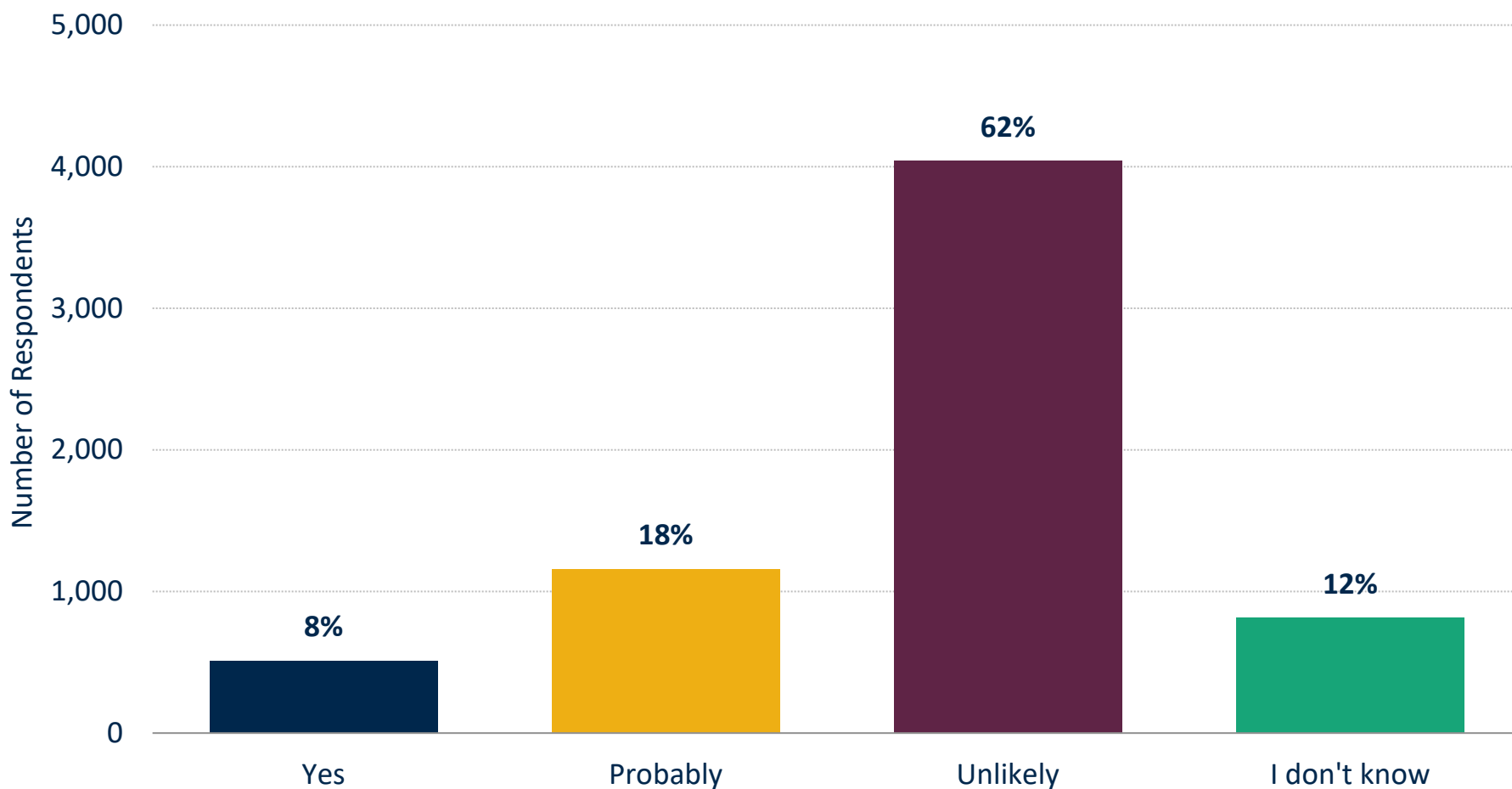


N = 7,950

62% Of Respondents Answered That They May Not Have Filled Prescriptions Without Help



Would you have filled the prescriptions without financial help from the charity?



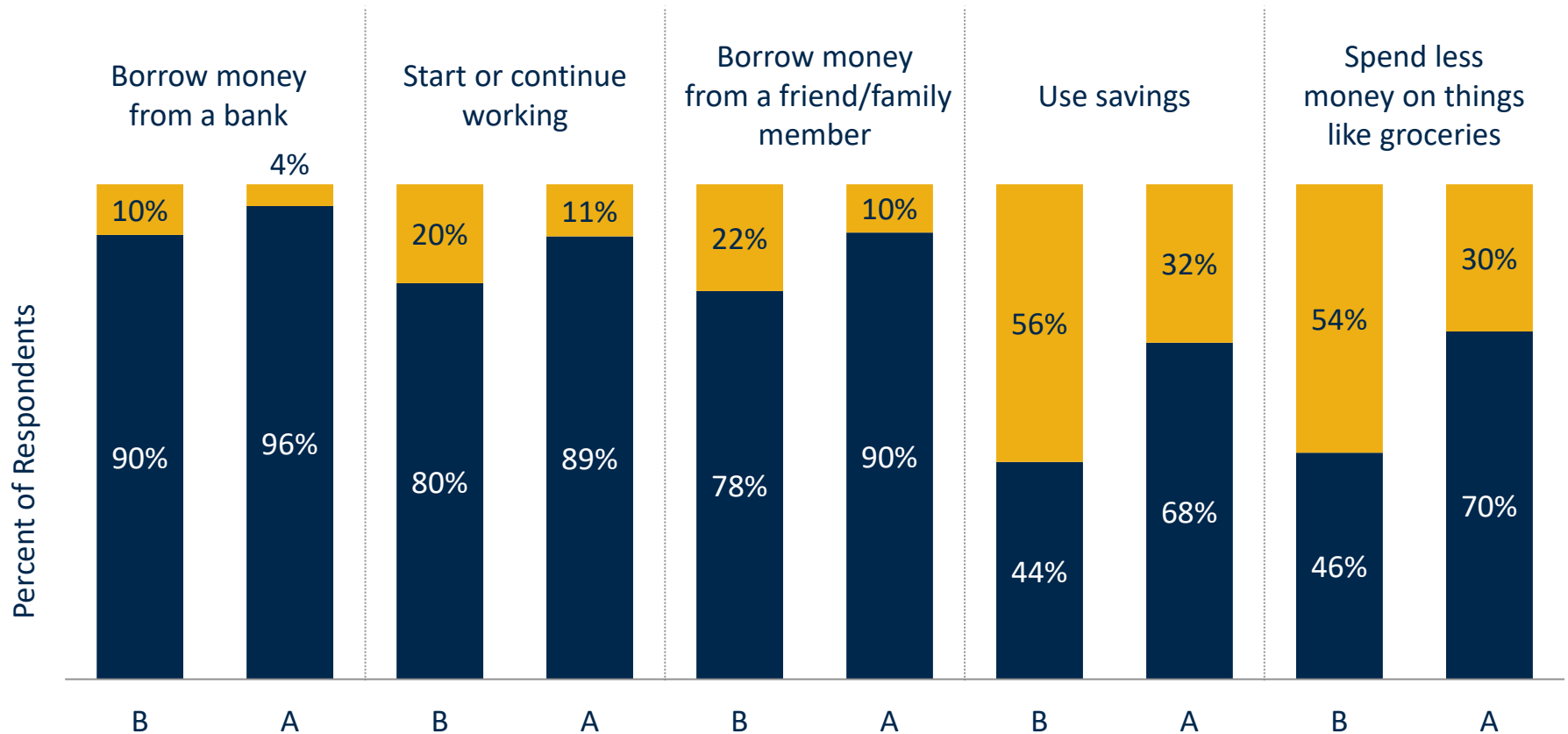
N = 6,525

Before Receiving Help, 56% Of PAP Recipients Used Savings To Afford Medications, Down To 32% After Assistance



PAP beneficiaries reported were less likely to spend less on groceries or use savings to afford their medications after receiving financial assistance.

To cover the out of pocket costs for your prescription medications, how often do you do the following (before/after receiving financial assistance)?



N = 6,179-6,495

*B: before; A: after

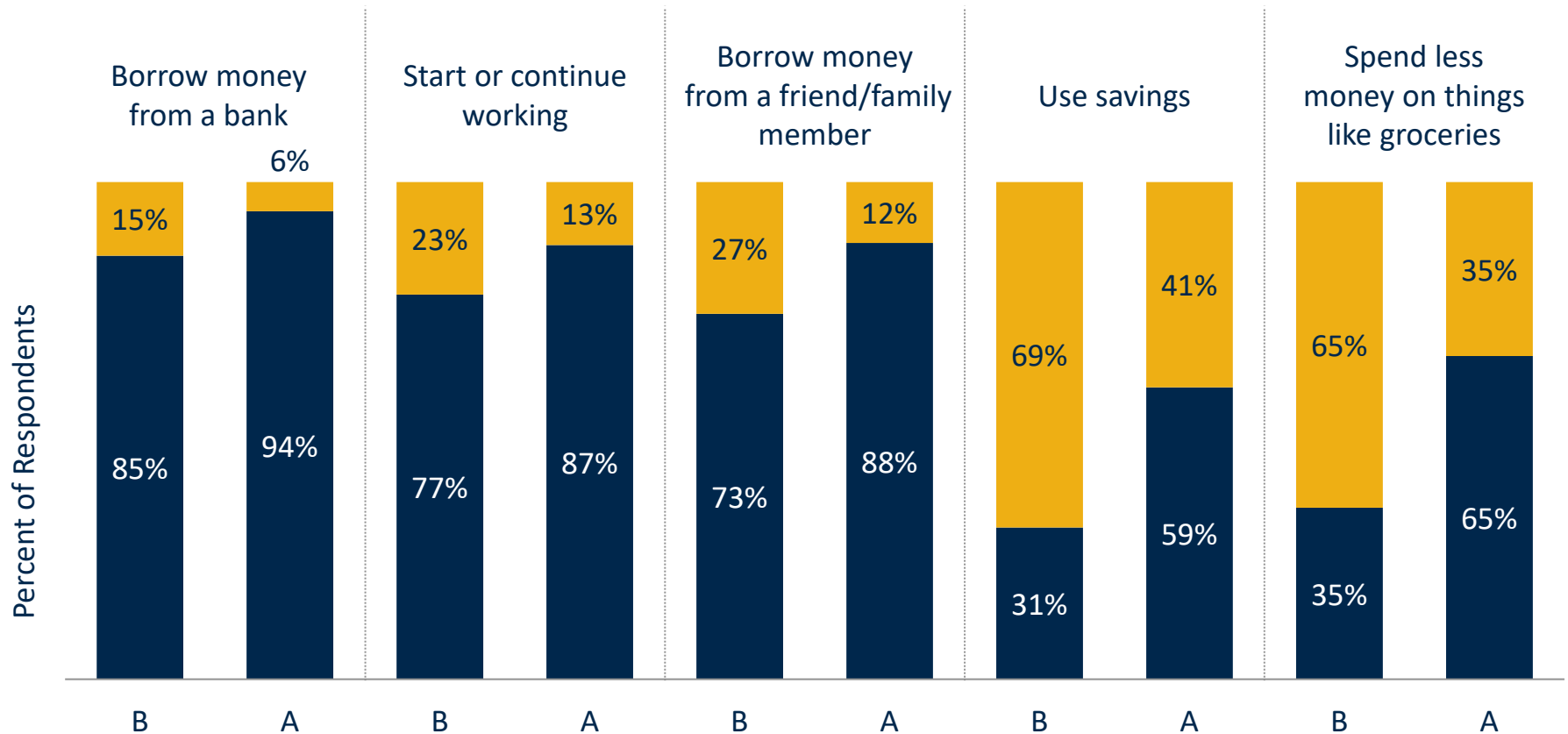
■ Rarely or Never ■ Sometimes or Often

Among High Spenders, Charity Care Reduced Reliance On Savings And Borrowing



PAP beneficiaries that spend over \$250 per month on medications were better able to afford groceries or use savings to afford their medications after receiving financial assistance.

To cover the out of pocket costs for your prescription medications, how often do you do the following (before/after receiving financial assistance)?



N = 2,195-2,198

*B: before; A: after

■ Rarely or Never ■ Sometimes or Often

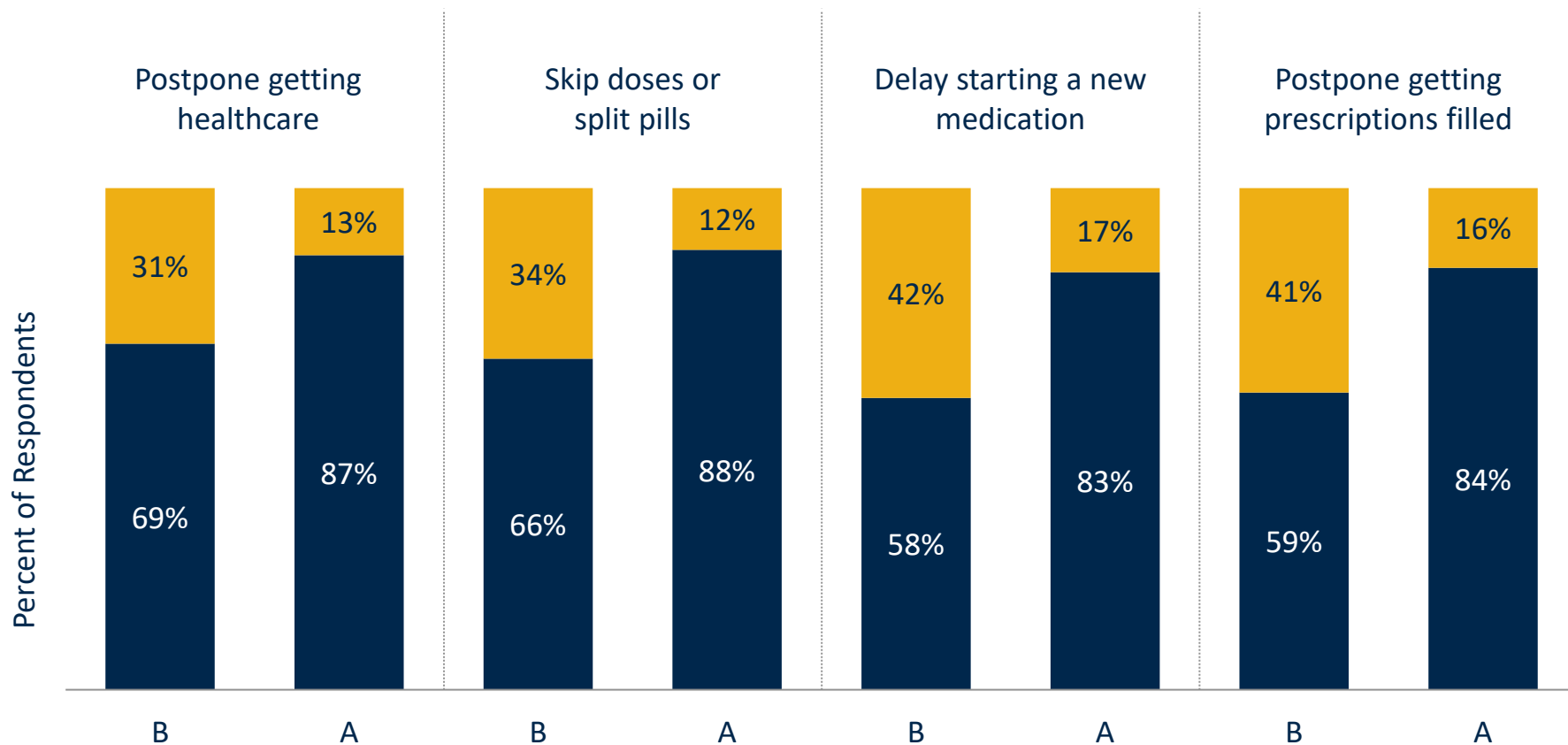
Note: high spender = >\$250 per month on medications

Overall, PAP Beneficiaries Were Less Likely To Postpone Healthcare And/or Medications After Receiving Assistance



PAP beneficiaries reported being less likely to delay starting a new medication and postpone getting a prescription filled after receiving financial assistance.

To cover the out of pocket costs for your prescription medications, how often do you do the following (before/after receiving financial assistance)?



N = 6,179-6,495

*B: before; A: after

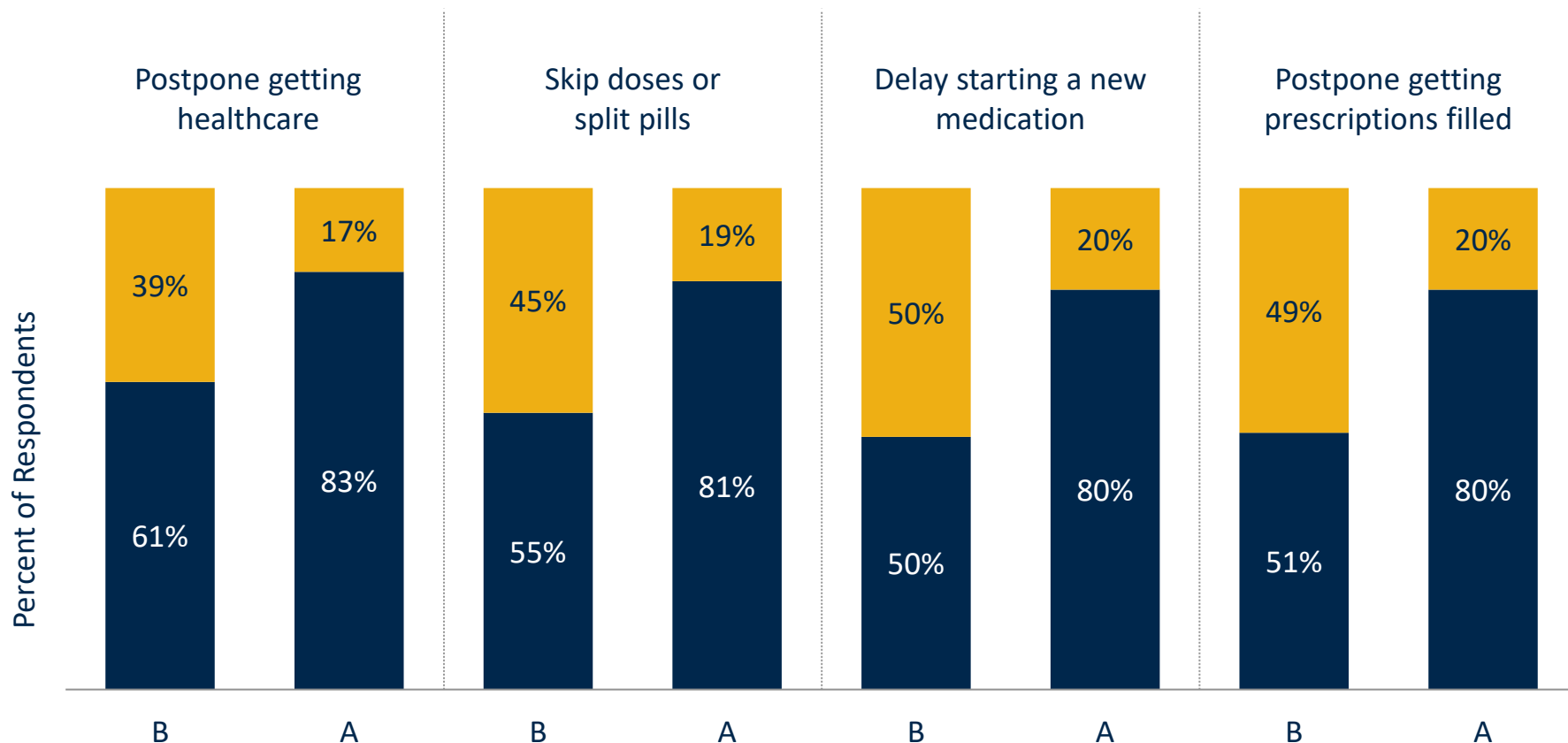
■ Rarely or Never ■ Sometimes or Often

High Spenders Were Even Less Likely To Postpone Healthcare And/or Medications After Receiving Assistance



PAP beneficiaries that spend over \$250 per month on medications were 30% less likely to delay starting a new medication and postpone getting a prescription filled after financial assistance.

To cover the out of pocket costs for your prescription medications, how often do you do the following (before/after receiving financial assistance)?



N = 2,195-2,198

*B: before; A: after

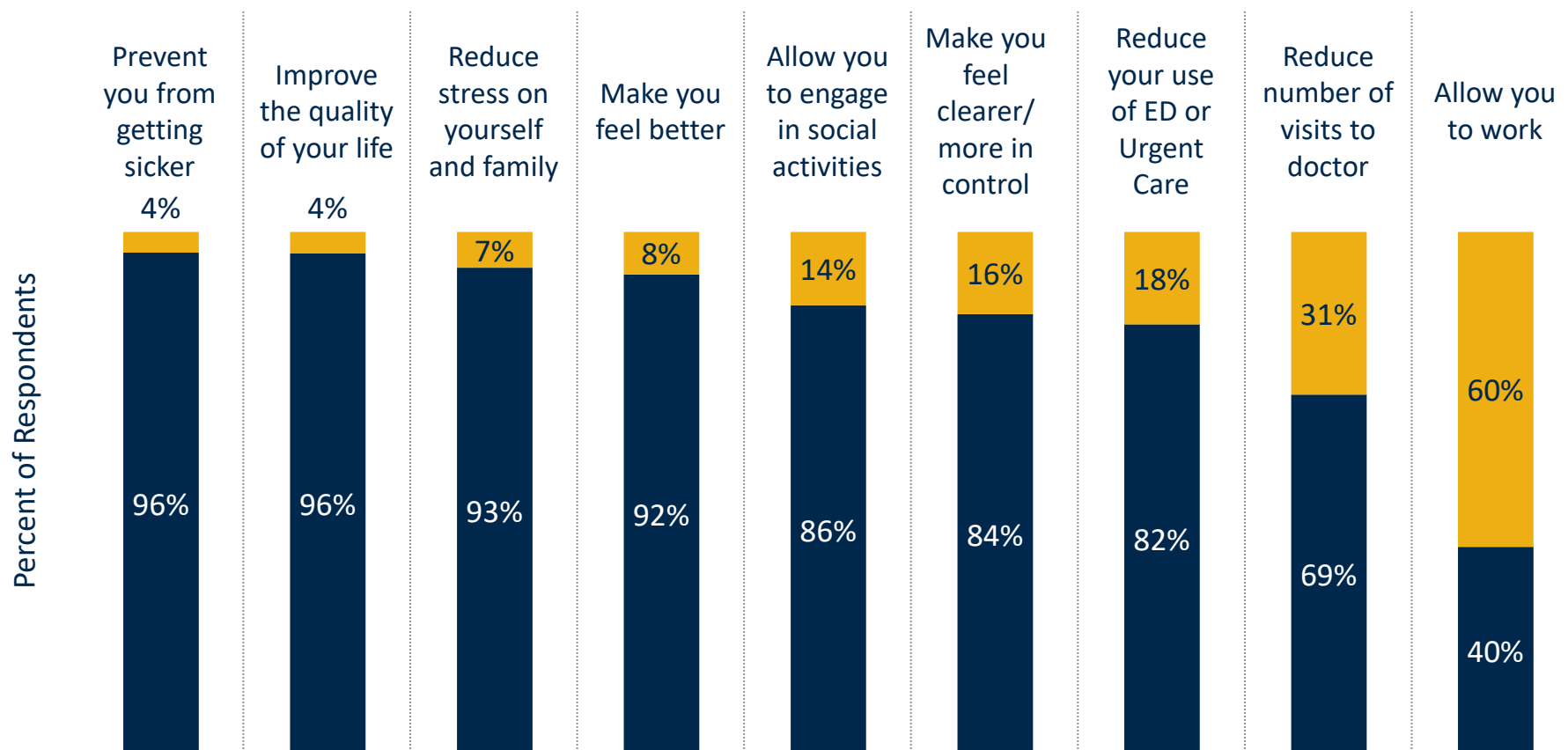
■ Rarely or Never ■ Sometimes or Often

Note: high spender = >\$250 per month on medications

More than 90% of Patient Assistance Program Respondents Reported Prescription Medications Improved Health And Quality of Life



Do the medicines you take for which you get financial help from the charity...



N = 6,492-6,504

■ True ■ False



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