Medicare Financial Burden Survey

Conducted by Patient Advocate Foundation

PATIENT INSIGHT
— INSTITUTE —

About the survey

Overview:
National cross-sectional survey of patients who received assistance from Patient Advocate Foundation or PAN Foundation in 2025

About the patients:
4,229 patients (most living with chronic and serious conditions)

Fielded:
November 2025 – January 2026

Study population:
English speaking, Medicare patients who did not qualify for Extra Help (Low-Income Subsidy program)

Goals:
- Explore financial burden associated with out-of-pocket medical services, prescriptions, and premium assistance
- Evaluate cost-related behaviors affecting healthcare access and utilization

Demographics

Gender
53% male

Location
21% rural

Race
84% white

Income
65% under $50,000

Age
94% aged 55+

Insurance
43% Medicare Advantage

Data Source: 2026 Medicare Financial Burden Survey (Preliminary Results N =4,229)

Main Diagnoses

1. Cancer (24%)
2. HIV/AIDS (16%)
3. Multiple Sclerosis (7%)

Cancer Types

1. Prostate (27%)
2. Multiple Myeloma (17%)
3. Breast (13%)

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Medicare patients struggle to manage medical and daily expenses

93% of patients live in a household of 1 or 2 people

44% report an annual income of less than $35,000

86% live at or BELOW 400% of the federal poverty level (FPL)

83% of patients rely on fixed income as their primary source of household income

39% of patients have no secondary source of income

Primary Income Source

65% Social Security Retirement Income

18% Disability Payment

Secondary Income Source
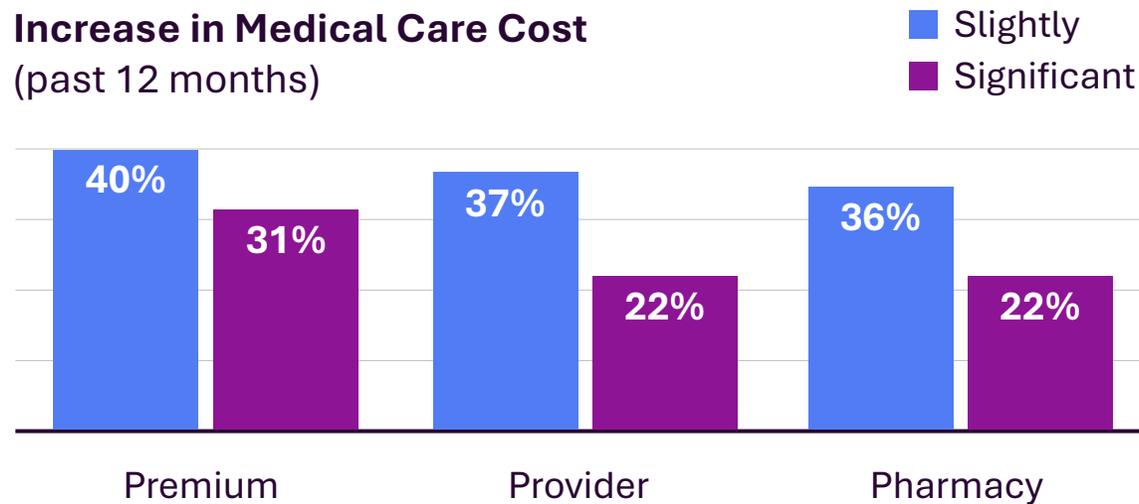
47% Retirement Assets

18% Part-Time Employment

Data Source: 2026 Medicare Financial Burden Survey (Preliminary Results N =4,229)

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Individuals needing medical care face excessive financial burden

63% of patients have seen **no change** in their household income in the past 12 months

16% reported a **decrease** in household income in the past 12 months

Increase in Medical Care Cost (past 12 months)

■ Slightly
■ Significant

	Slightly	Significant
Premium	40%	31%
Provider	37%	22%
Pharmacy	36%	22%

Data Source: 2026 Medicare Financial Burden Survey (Preliminary Results N =4,229)

CY 2025 Median monthly healthcare costs

$151
Direct care from a provider
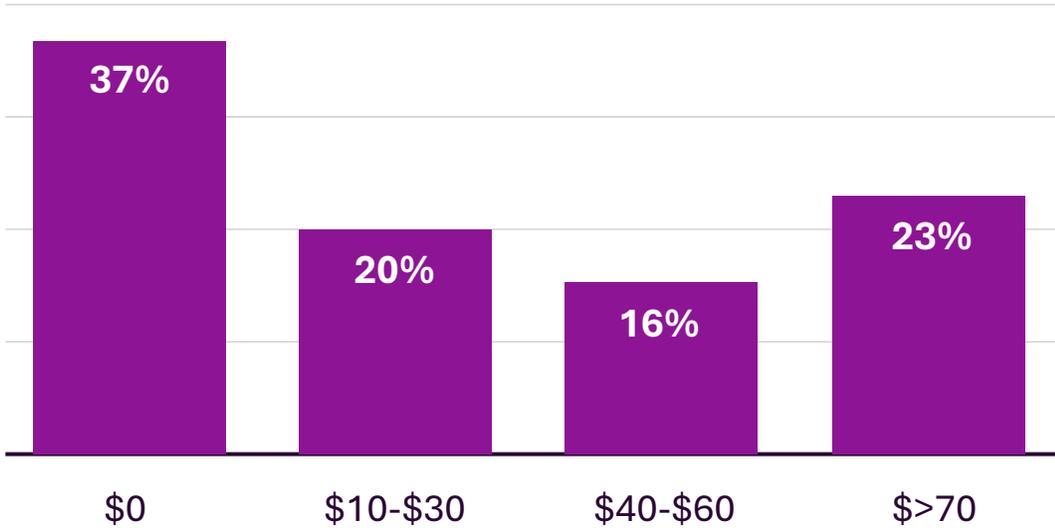
$228
Health insurance premiums

$109
Pharmacy & prescription costs

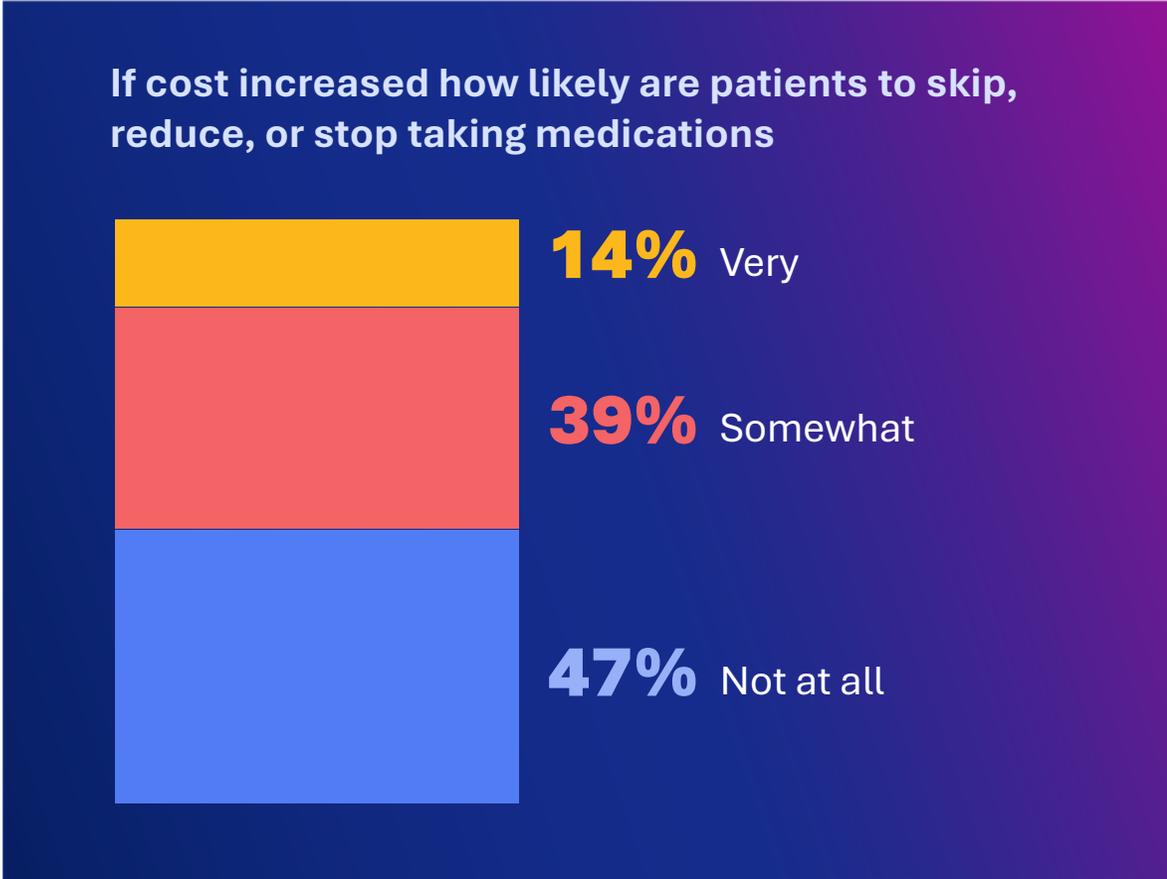Patient Advocate Foundation | PATIENT INSIGHT INSTITUTE

Most patients cannot afford higher healthcare costs

5% of patients **already** skip, delay, or reduce care & treatment

Feasible monthly costs increase for Medicare patients

Cost	Percentage
$0	37%
$10-$30	20%
$40-$60	16%
$>70	23%

If cost increased how likely are patients to skip, reduce, or stop taking medications

14% Very

39% Somewhat

47% Not at all

Data Source: 2026 Medicare Financial Burden Survey (Preliminary Results N =4,229)

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"**I'd reduce my dosage to once every other day until I could plead for support from somewhere else. No way we can afford a $1100/month copay on Social Security and combined retirement income of $3200/month.**"

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Financial challenges drive healthcare behavior change

33%

of patients experienced challenges in accessing prescribed care or treatment due to copay, coinsurance or deductible cost in past 12 months

Cost Related Access Issues (CRAI) Behaviors in past 12 months (Often/Sometimes)

31%
Delayed filling prescription

30%
Did not fill a prescription

26%
Took a smaller dose

23%
Skipped a dose of medication

66%
Requested generic brand

40%
Stopped or substituted medication

41%
Spent less on nonmedical needs

Data Source: 2026 Medicare Financial Burden Survey (Preliminary Results N =4,229)

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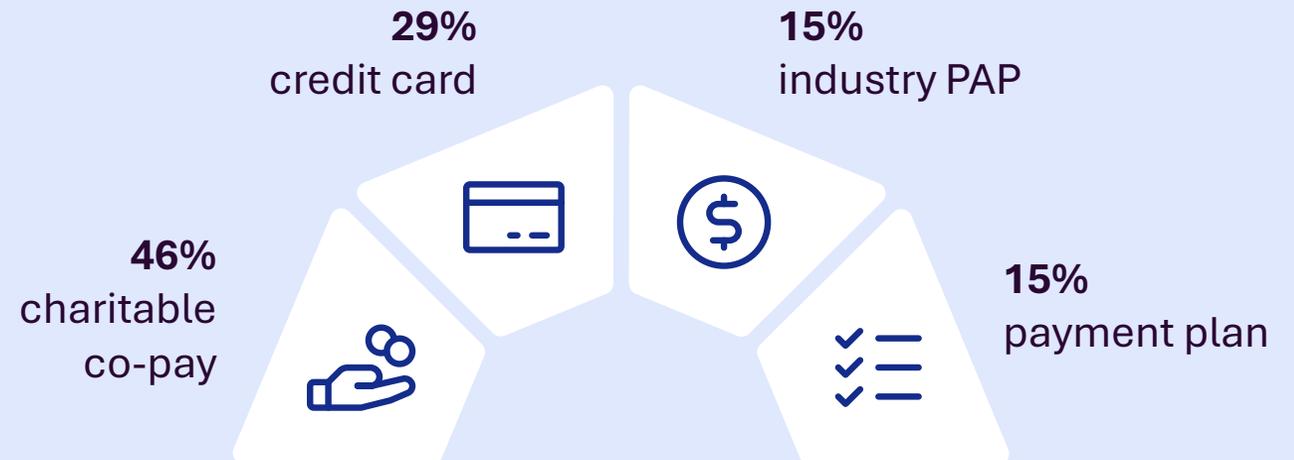# Medicare patients adopt coping strategies to manage rising costs

62%
of patients reported that their monthly insurance premium increased ($0 - $50)

85%
of patients use at least one or more coping mechanisms to deal with rising healthcare and medication costs

Data Source: 2026 Medicare Financial Burden Survey (Preliminary Results N =4,229)

Financial

29% credit card

15% industry PAP

46% charitable co-pay

15% payment plan

14% delaying care

23% lifestyle change

16% switching medication

15% cut supportive medication

Behavioral

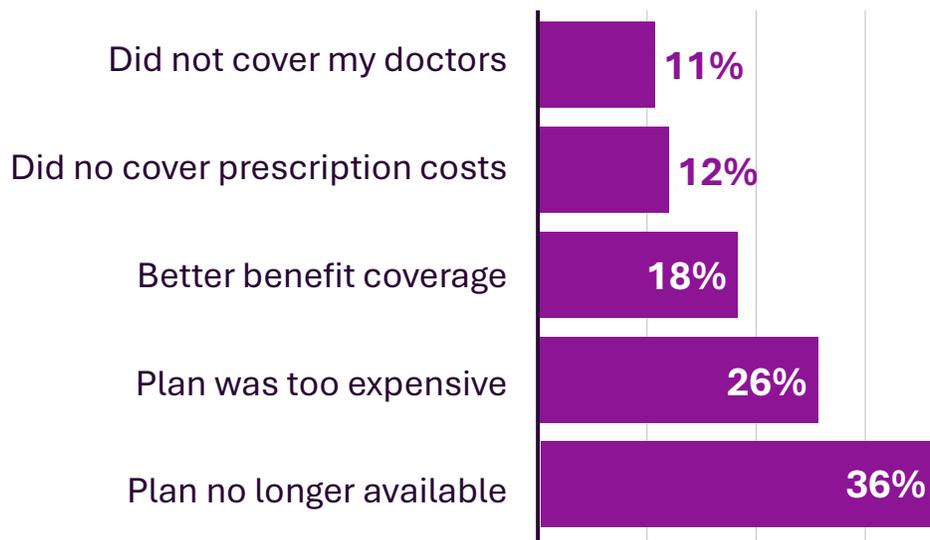Patient Advocate Foundation | PATIENT INSIGHT INSTITUTE

In the words of those we serve:

"Financial choices would have to be made. Our available funds have to cover all living expenses, ie., taxes, food, transportation, medications, co-pays, etc. The financial support I have received has been invaluable in making our limited income go further."

2026 Medicare options: Open enrollment & prescription coverage

26% of patients **changed their plan** during open enrollment

Reasons for Plan Change (n = 1,046)

Reason	Percentage
Did not cover my doctors	11%
Did no cover prescription costs	12%
Better benefit coverage	18%
Plan was too expensive	26%
Plan no longer available	36%

Important factors for patients when considering options for **prescription drug coverage** for 2025

28%
The dollar amount you would pay for prescribed medicines

19%
The cost of the plans monthly premium

22%
The plans list of medicines or formulary

8%
The plans deductible

7%
Convenience of pharmacies that the plan allows

Data Source: 2026 Medicare Financial Burden Survey (Preliminary Results N =4,229)

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Part D cap offsets rising out-of-pocket prescription costs

59% Of patient paid more OOP for prescription in CY 2025 than CY 2024

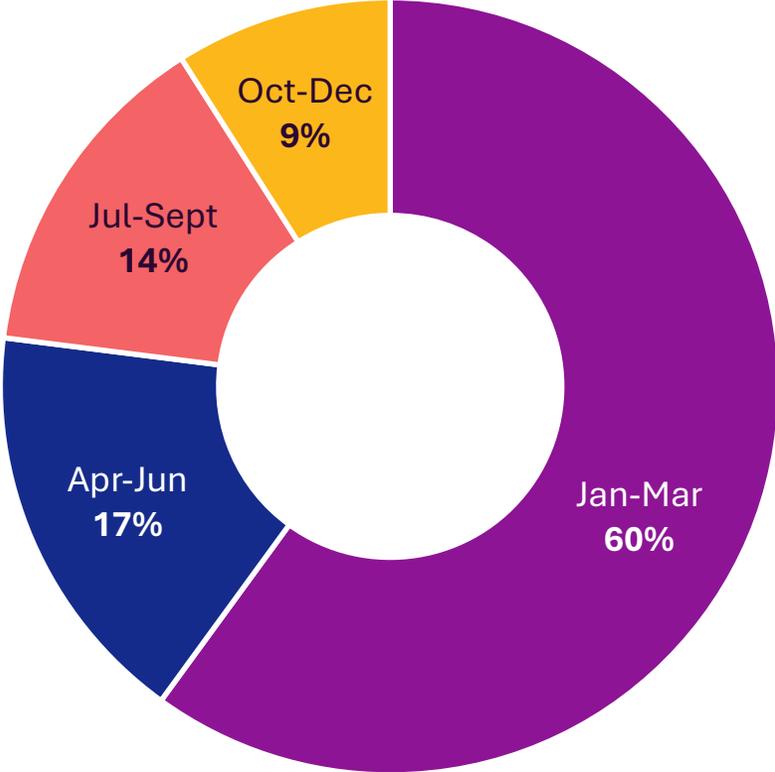**31%** of patients spent 20-40% of their OOP healthcare costs on prescription drugs

69% of patients were aware that they could benefit from the Part D cap

67% of patients hit the $2,000 cap in 2025

57% stated that the Part D cap allowed them to afford other healthcare costs

52% stated that the Part D cap allowed them to afford other nonmedical expenses

$2,000 OOP Cap: When Was It Reached?

Oct-Dec 9%

Jul-Sept 14%

Apr-Jun 17%

Jan-Mar 60%

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" **I would have to put the $2100 charge on a credit card. Normally the cost of my medication would be >$7000 per month. If the government hadn't established the maximum $2100 out of pocket limit for medications, I would not be able to afford these life saving medications."**

Medicare Prescription Payment Plan (MPPP)

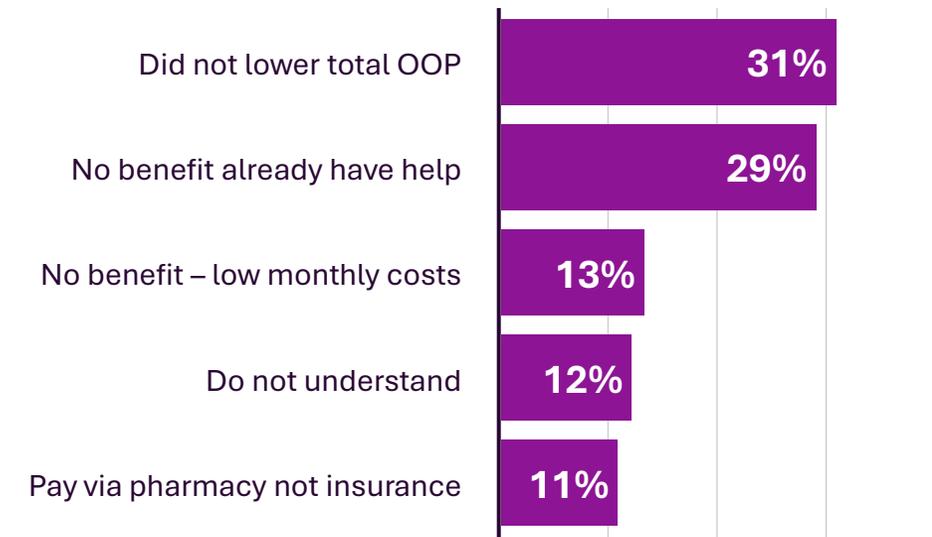**56%** of patients heard about MPPP in 2025

Key Reasons for MPPP Participation
(n = 254)

Reason	Percentage
OOP >$2,000 per year	43%
Prescription costs $600+/month	37%
Affordability by spreading $	36%
Do not qualify for Extra Help	31%
Budget & predictability	29%

Key Reasons for Not Participating
(n = 2,002)

Reason	Percentage
Did not lower total OOP	31%
No benefit already have help	29%
No benefit – low monthly costs	13%
Do not understand	12%
Pay via pharmacy not insurance	11%

Data Source: 2026 Medicare Financial Burden Survey (Preliminary Results N =4,229)

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Key Findings

Patients face significant challenges affording healthcare and basic needs, despite having insurance

Financial challenges drive behavior changes

The Medicare Part D cap has helped many patients limit prescription drug spending and afford other health and non-health related costs

Awareness and uptake of the Medicare Prescription Payment Plan is low

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Appendix

IQVIA utilizes claims from the Longitudinal Access and Adjudication Dataset to conduct analyses

IQVIA's LAAD™ can capture product claims no matter the path of acquisition

What	Where	Why	How	When
The Longitudinal Access and Adjudication Data (LAAD) is an all-inclusive patient centric dataset, which integrates IQVIA's pharmacy, lifecycle and medical claims	IQVIA collects prescription and lifecycle data from retail, mail, LTC facilities, a-typical pharmacies, switch clearinghouses, as well as collecting medical claims, remit data other medical procedures that are being administered to patients	LAAD is a comprehensive patient longitudinal dataset, which provides one source of the truth for all patient data needs	LAAD extracts Longitudinal prescription, diagnosis and procedure data, applies business logic and provides analytical synergies across claims	Data are collected daily from some suppliers, but typically reported weekly or monthly. The LAAD Rx master asset is refreshed weekly

IQVIA LAAD data along with Experian Data has been used in this engagement.

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Limitations of Financial Burden Survey

- Data are self-reported, which may introduce recall or social desirability bias (e.g., income, healthcare use, adherence)

- Sample is limited to Patient Advocate Foundation & PAN Foundation patients who participated in the survey - limiting generalizability

- Findings may best represent the low-income, non-LIS Medicare population rather than all Medicare beneficiaries

- Online, English-only survey may underrepresent individuals with limited digital access, lower literacy, or non-English speakers

- Cross-sectional design captures a single point in time and cannot assess causality or changes over time

Case studies

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Case Study 1: Single Retiree

SSA income: $2,000/mo

*Bureau of labor statistics

Average of **$375/mo** on food at home*

Medicare (A/B/D) insurance costs
$0 + $185 + $55 = **$240**

Average housing (all) costs
$1,350/mo*

→ Remaining monthly budget

= **$35**

before medication costs or transportation, phone, internet, credit card debt

Case Study 2: Retired Couple

SSA income: $3,000/mo

Average of **$550/mo** on food*

Medicare (A/B/D) insurance costs
$0 + $185 + $55 = $240
($240) x 2 = **$480**

Average housing (all) costs **$1,350/mo***

Transportation (car: fuel, insurance, maintenance, loan payment) = **$500***

Remaining monthly budget

= $160

before medication or other costs (phone, internet, credit card debt)