

# ALLIANCE FOR AGING RESEARCH

Older Adults (60+) on Health Insurance

SEPTEMBER 2021

# KEY FINDINGS

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1. Most adults on health insurance **view direct negotiation as back-and-forth** negotiation between a drug company and the government, in which the price ends somewhere in the middle (59%).
2. When it comes to allowing the government to directly negotiate drug process, older adults on health insurance are **particularly concerned about decisions** regarding medication coverage **being made based on a person's age and medical condition.**
  - Half of older adults on health insurance say **they are very concerned about decisions regarding medication coverage being made based on the 'value' of a patient's life (47%)**, including half of older adults on Medicare (51%) and Medicare Part D (50%).
3. Thinking about prescription drug plans, **most older adults on health insurance say they would prefer paying a slightly higher monthly premium for comprehensive prescription drug coverage but then have a lower deductible, and lower co-pays throughout the year (57%)** rather than the other way around.
4. Thinking about the VA health care model, **only 20% of older adults on health insurance say they somewhat agree or strongly agree that they would trade their current coverage in favor of a system that resembles the VA.**
  - A plurality of older adults on health insurance **disagree with the statement that "veterans receive the most cutting-edge care and latest medications and treatments" (39%)**, while a third (32%) are unsure whether they agree or not.

*Methodology:*

This poll was conducted between September 16-19, 2021 among a sample of 1000 Older Adults (60+) on Healthcare. The interviews were conducted online and the data were weighted to approximate a target sample of American Adults over 60 who had health insurance over the last 12 months based on gender, age, educational attainment, race, ethnicity, and region. Results from the full survey have a margin of error of plus or minus 3 percentage points.

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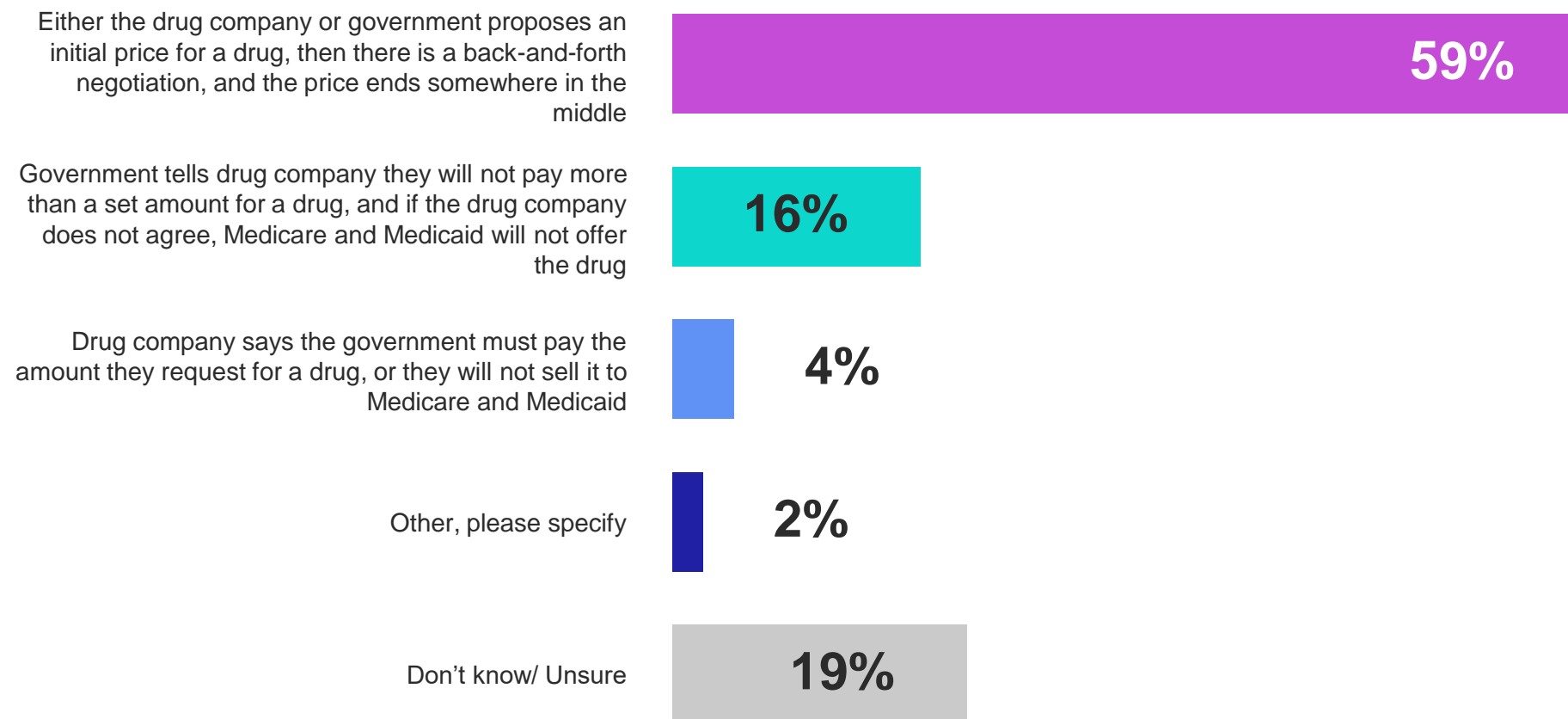
VA HEALTH CARE MODEL



DIRECT NEGOTIATION

Most older adults on health insurance view direct negotiation as back-and-forth negotiation between a drug company and the government, in which the price ends somewhere in the middle (59%).

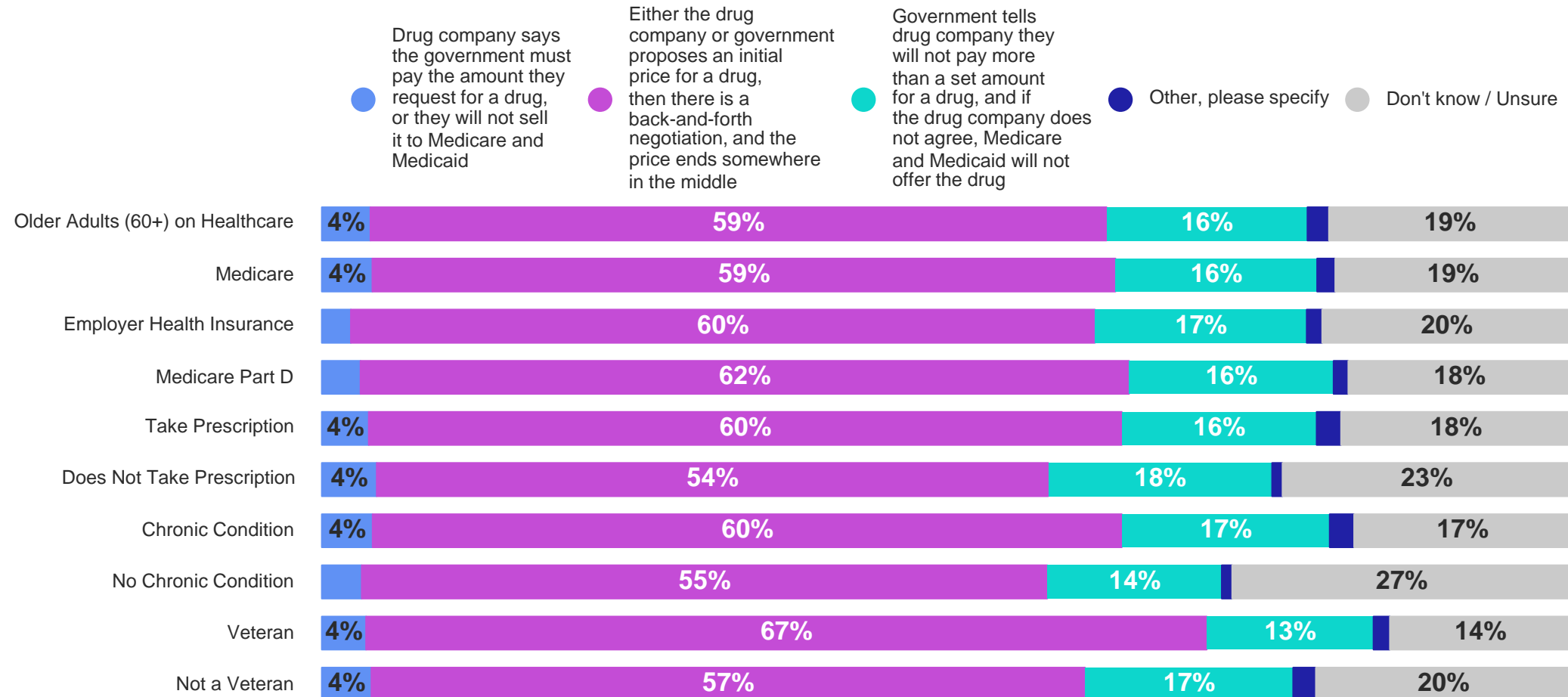
Now, which of the following options most closely matches your view of what direct negotiation means to you?



DIRECT NEGOTIATION

Similarly, most older adults on Medicare (59%) and Medicare Part D (62%) view direct negotiation as back-and-forth negotiation between a drug company and the government where the price ends somewhere in the middle.

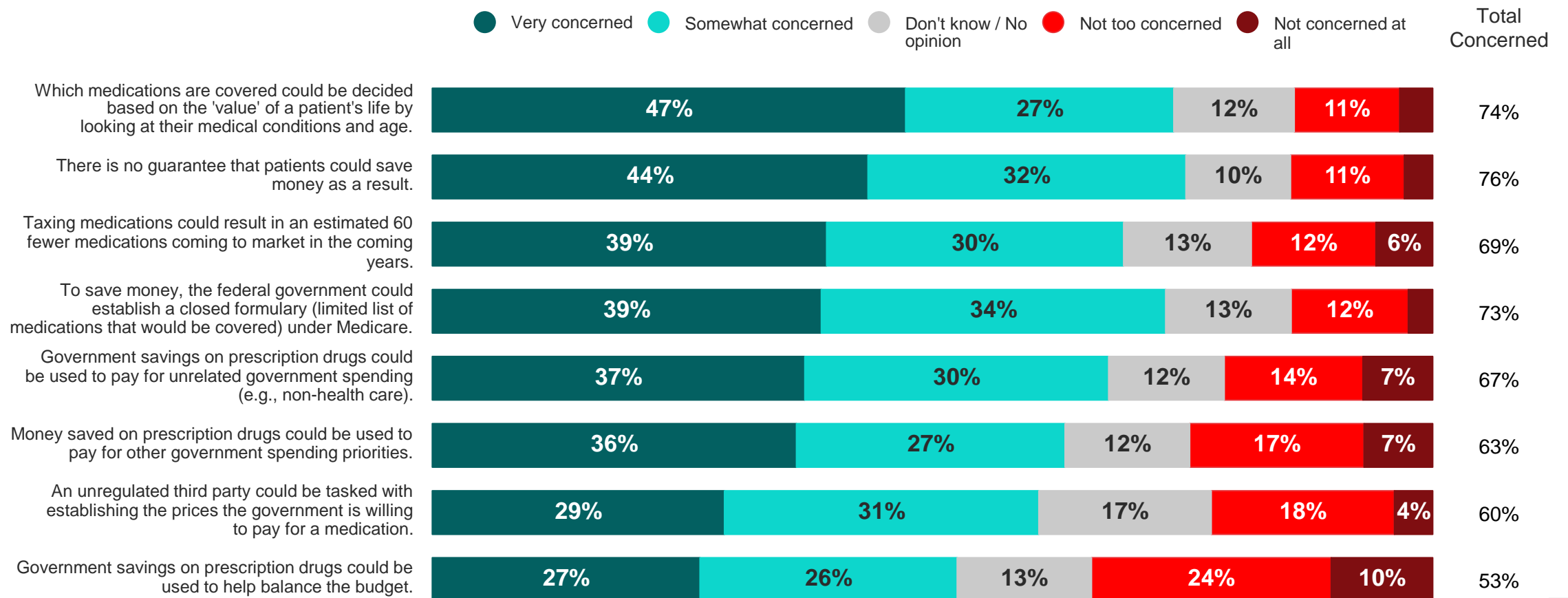
Now, which of the following options most closely matches your view of what direct negotiation means to you?



DIRECT NEGOTIATION

Half of older adults on health insurance say they are very concerned about decisions regarding medication coverage being made based on the ‘value’ of a patient’s life (47%).

Allowing the government to directly negotiate may reduce prescription drug prices, but other effects may occur as well. How concerned are you, if at all, about each of the following?



## DIRECT NEGOTIATION

And, half of older adults on Medicare (51%) and Medicare Part D (50%) say they are *very concerned* about decisions regarding medication coverage being made based on the ‘value’ of a patient’s life.

Allowing the government to directly negotiate may reduce prescription drug prices, but other effects may occur as well. How concerned are you, if at all, about each of the following?

Very concerned / Total concerned	Older Adults on Health Insurance	Medicare	Employer Insurance	Medicare Part D	Chronic Condition	No Chronic Condition
Which medications are covered could be decided based on the ‘value’ of a patient’s life by looking at their medical conditions and age.	47% / 74%	51% / 75%	38% / 69%	50% / 73%	50% / 78%	37% / 60%
There is no guarantee that patients could save money as a result.	44% / 76%	44% / 75%	44% / 78%	44% / 73%	44% / 78%	44% / 68%
Taxing medications could result in an estimated 60 fewer medications coming to market in the coming years.	39% / 69%	41% / 71%	34% / 60%	41% / 73%	41% / 72%	32% / 57%
To save money, the federal government could establish a closed formulary (limited list of medications that would be covered) under Medicare.	39% / 73%	42% / 74%	32% / 76%	44% / 74%	41% / 76%	30% / 62%
Government savings on prescription drugs could be used to pay for unrelated government spending (e.g., non-health care).	37% / 67%	38% / 69%	35% / 65%	41% / 71%	38% / 69	35% / 61%
Money saved on prescription drugs could be used to pay for other government spending priorities.	36% / 63%	39% / 65%	30% / 60%	41% / 64%	37% / 63%	33% / 63%
An unregulated third party could be tasked with establishing the prices the government is willing to pay for a medication.	29% / 60%	30% / 62%	28% / 54%	31% / 61%	29% / 63%	31% / 53%
Government savings on prescription drugs could be used to help balance the budget.	27% / 53%	28% / 54%	25% / 50%	30% / 56%	27% / 53%	26% / 52%

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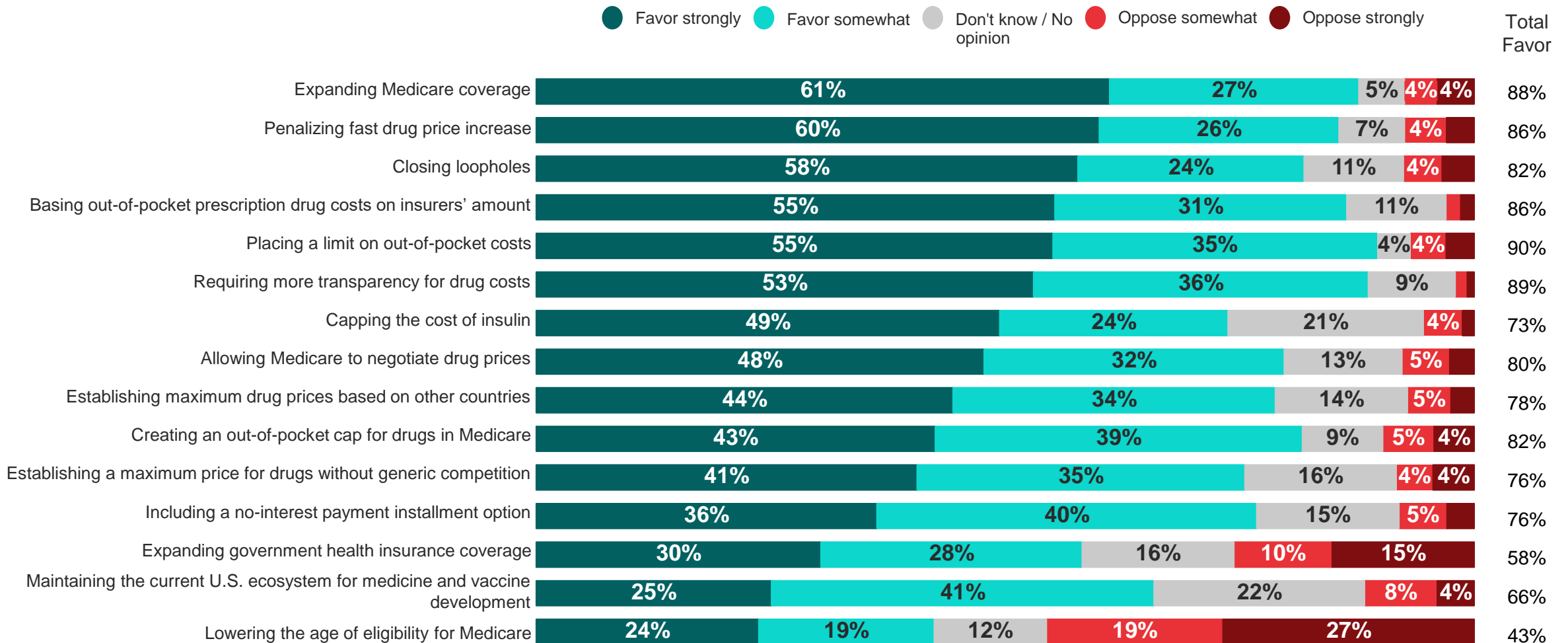
## HEALTH CARE POLICY PRIORITIES

Shorthand	Full Statement
<b>Expanding Medicare coverage</b>	Expanding Medicare coverage to include hearing aids, dental, and vision coverage
<b>Penalizing fast drug price increase</b>	Financially penalizing drug companies for raising prices faster than inflation
<b>Closing loopholes</b>	Closing loopholes that allow drug companies to extend their patents or prevent generic competition
<b>Basing out-of-pocket prescription drug costs on insurers' amount</b>	Basing out-of-pocket prescription drug costs for older adults on the lower amount that insurers pay for a drug, rather than the higher list price (e.g. sticker price)
<b>Placing a limit on out-of-pocket costs</b>	Placing a limit on out-of-pocket costs, such as co-pays, that older adults have to pay each year for things like prescription drugs
<b>Requiring more transparency for drug costs</b>	Requiring more transparency for drug costs so people understand the percentage of a drug's cost that is attributable to middlemen
<b>Capping the cost of insulin</b>	Capping the maximum out-of-pocket cost per month for insulin at \$50
<b>Allowing Medicare to negotiate drug prices</b>	Allowing Medicare to negotiate drug prices that do not have competition or exclusivity in the Part B program
<b>Establishing maximum drug prices based on other countries</b>	Establishing a maximum price for the most-used prescription drugs based on prices from other countries
<b>Creating an out-of-pocket cap for drugs in Medicare</b>	Creating an out-of-pocket cap for drugs in Medicare for low-income beneficiaries
<b>Establishing a maximum price for drugs without generic competition</b>	Establishing a maximum price for drugs that no longer have patent protections, but for which there is no generic competition
<b>Including a no-interest payment installment option</b>	Including a no-interest payment installment option that allows seniors to evenly spread out-of-pocket expenses throughout the calendar year instead of requiring them to pay all at once
<b>Expanding government health insurance coverage</b>	Expanding government health insurance coverage for lower-income people in states that have not expanded their Medicaid program
<b>Maintaining the current U.S. ecosystem for medicine and vaccine development:</b>	Maintaining the current U.S. ecosystem for medicine and vaccine development
<b>Lowering the age of eligibility for Medicare</b>	Lowering the age of eligibility for Medicare from 65 to 60

HEALTH CARE POLICY PRIORITIES

Three in five older adults on health insurance *strongly favor* expanding Medicare coverage to include hearing aids, dental, and vision coverage (61%).

The following is a list of potential policies Congress is considering related to health care and prescription drug prices. Based on what you know, would you favor or oppose the following?



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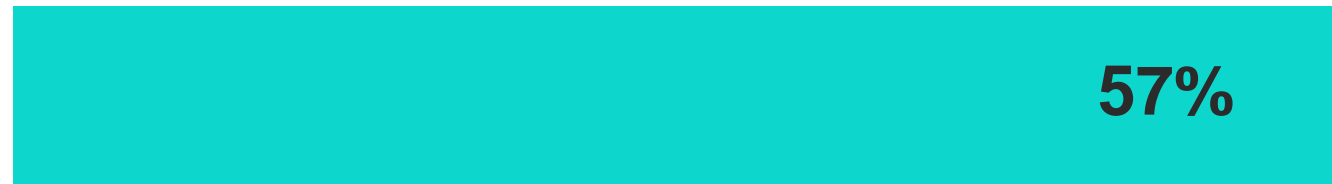


INSURANCE COVERAGE PREFERENCES

A majority of older adults on health insurance say they would prefer paying a slightly higher monthly premium for comprehensive prescription drug coverage but then have a lower deductible, and lower co-pays throughout the year (57%).

Thinking specifically about your prescription drug plan, which would you prefer?

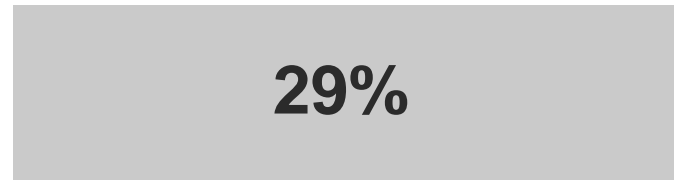
You pay a slightly higher monthly premium (between \$1 to \$10 more) for comprehensive prescription drug coverage but then have a lower deductible, and lower co-pays throughout the year.



You pay a lower monthly premium for basic prescription drug coverage but have a higher deductible, and higher co-pays throughout the year.



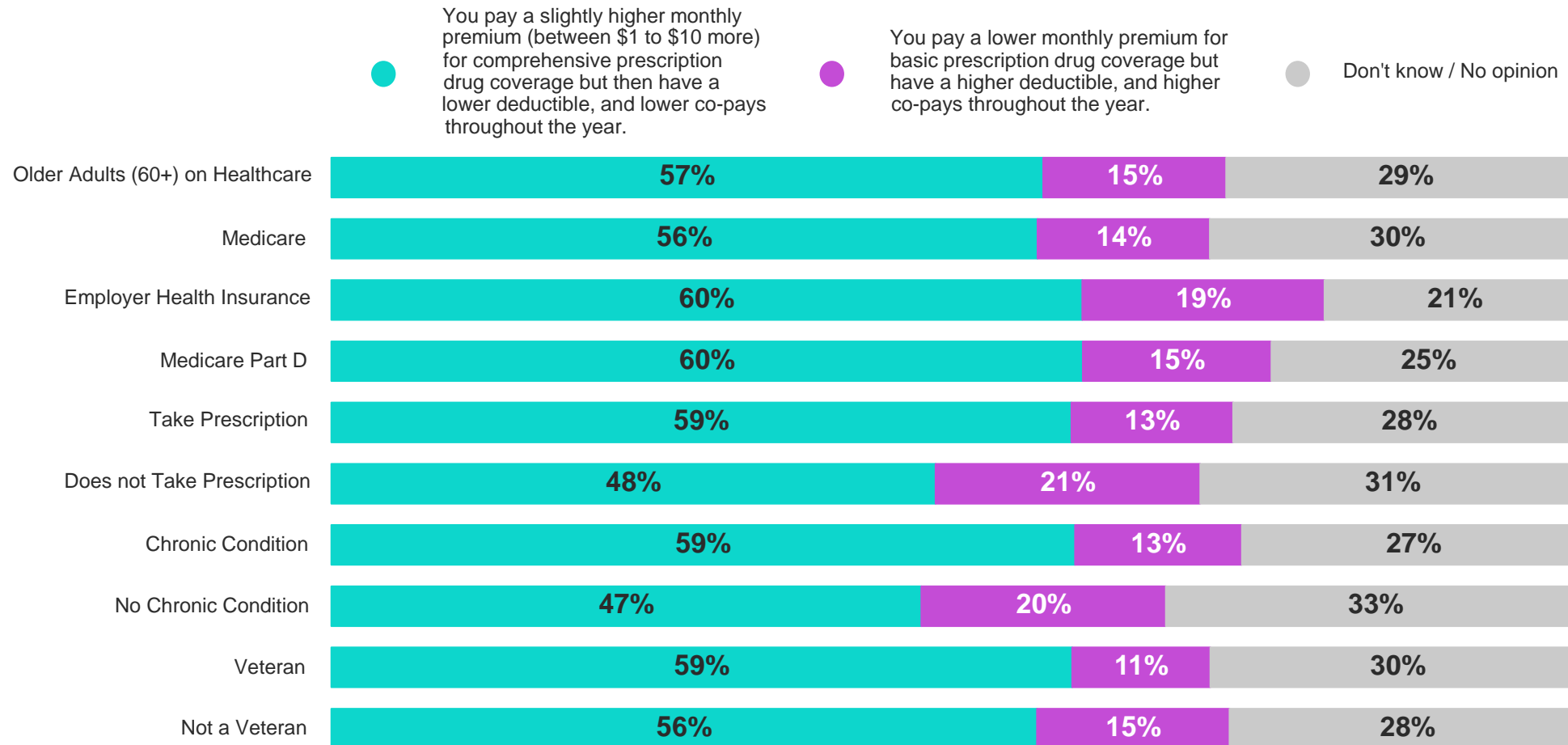
Don't know / No opinion



INSURANCE COVERAGE PREFERENCES

Similarly, most older adults on Medicare (56%) and Medicare Part D (60%) say they would prefer paying a slightly higher monthly premium for comprehensive prescription drug coverage but then having a lower deductible, and lower co-pays throughout the year.

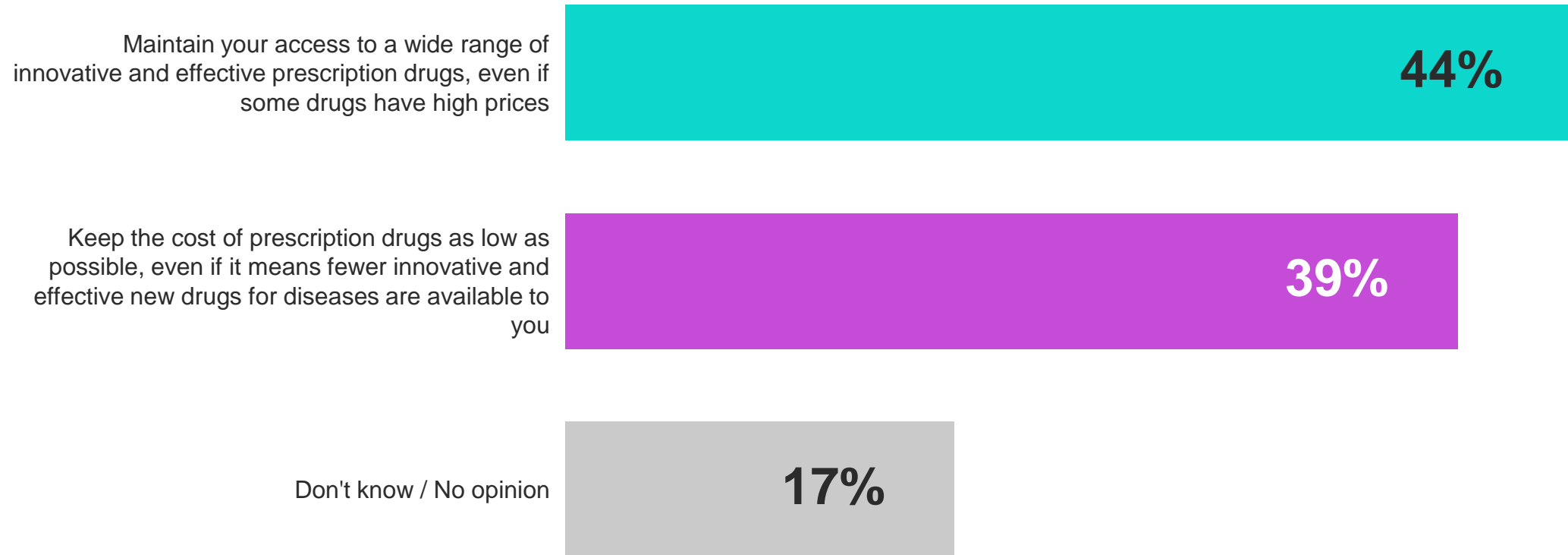
Thinking specifically about your prescription drug plan, which would you prefer?



INSURANCE COVERAGE PREFERENCES

A plurality of older adults on health insurance say they would prefer maintaining access to a wide range of innovative and effective prescription drugs, even if some drugs have high prices (44%).

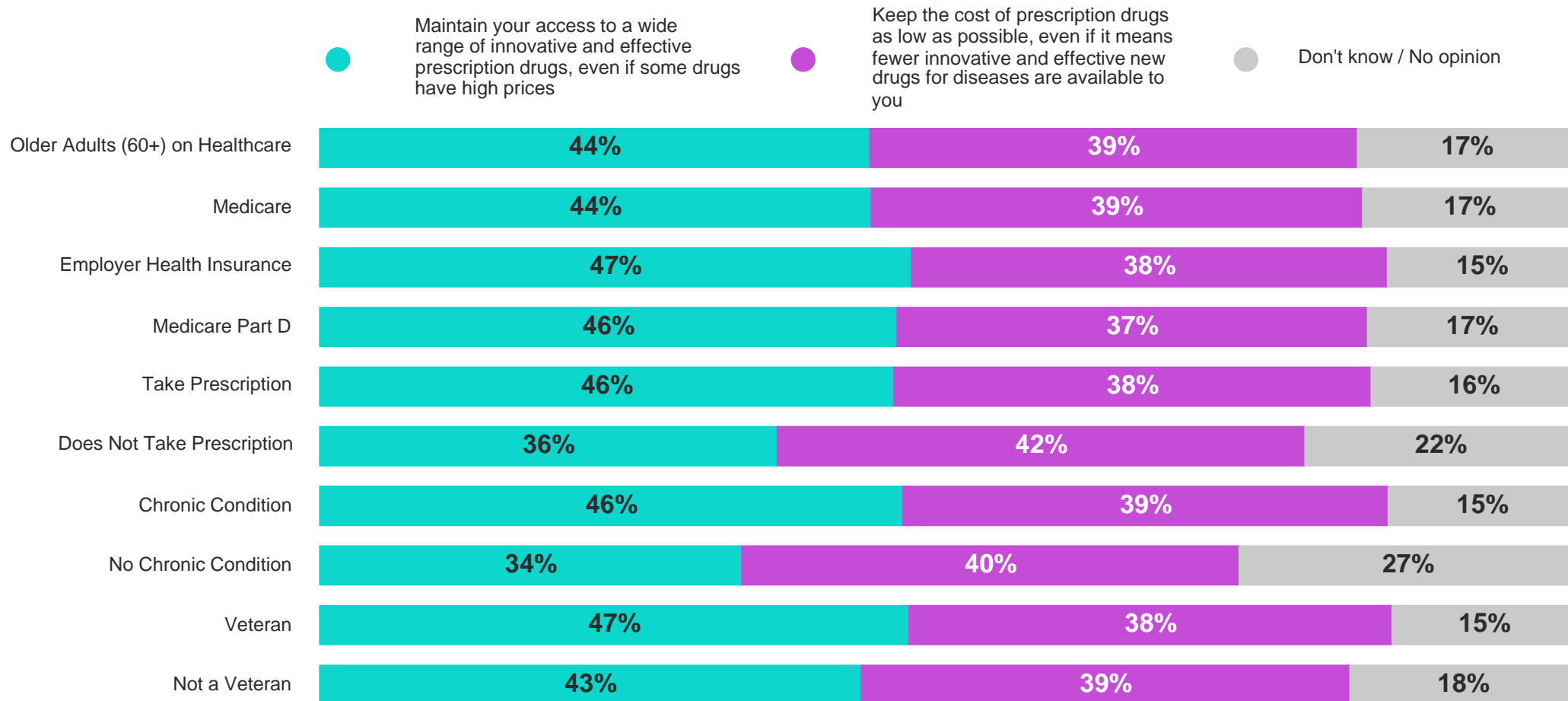
Which scenario for your prescription drug plan would you prefer?



INSURANCE COVERAGE PREFERENCES

And, a plurality of older adults on health insurance with a chronic condition (46%) say they would prefer maintaining access to a wide range of innovative and effective prescription drugs, even if some drugs have high prices.

Which scenario for your prescription drug plan would you prefer?



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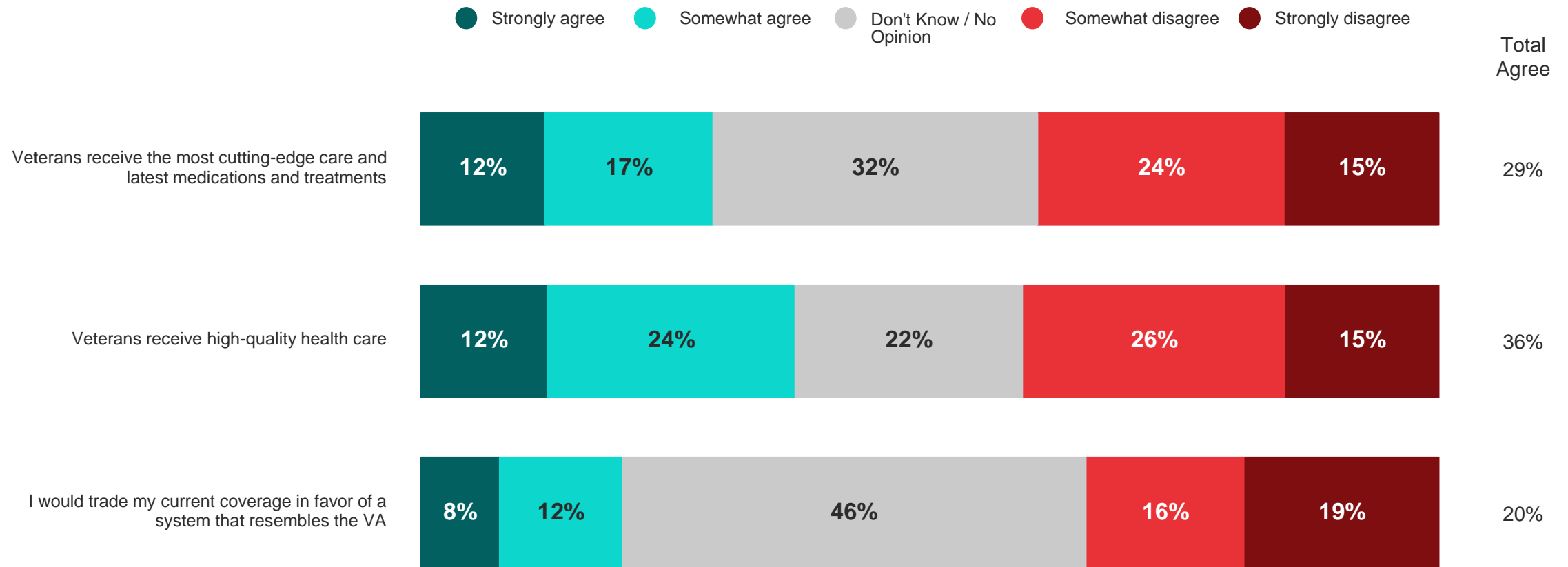




VA HEALTH CARE MODEL

The plurality of older adults on health insurance say they don't know if they would trade their coverage in favor of a system that resembles the VA (46%).

Do you agree or disagree with the following statements?



## VA HEALTH CARE MODEL

One fifth of older adults on Medicare (20%) and Medicare Part D (19%) say they agree with the statement “I would trade my current coverage in favor of a system that resembles the VA.”

Do you agree or disagree with the following statements?

Strongly agree / Total agree	Older Adults on Health Insurance	Medicare	Employer Insurance	Medicare Part D	Chronic Condition	No Chronic Condition
Veterans receive the most cutting-edge care and latest medications and treatments	12% / 29%	13% / 32%	8% / 21%	12% / 30%	13% / 29%	11% / 28%
Veterans receive high-quality health care.	12% / 36%	13% / 40%	11% / 26%	12% / 40%	12% / 38%	14% / 33%
I would trade my current coverage in favor of a system that resembles the VA	8% / 20%	7% / 20%	8% / 15%	8% / 19%	7% / 19%	9% / 20%



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