NEWS RELEASE

New Survey: Americans are Confident They Understand Medicare but the Data Suggests Otherwise

2026-08-20

Many Americans underestimate the financial risks and complexity of Original Medicare

42% of beneficiaries are unaware of Original Medicare's standard 20% cost-sharing, and 88% of adults approaching age 65 are unaware of potential late enrollment penalties

INDIANAPOLIS, Aug. 20, 2026 /PRNewswire/ -- With a record number of Americans soon making Medicare coverage decisions for 2027, **new original research** from **eHealth** (Nasdaq: EHTH) found most beneficiaries are confident in their knowledge of how the federal program works. Yet when asked for specifics about how Medicare works, most current beneficiaries — and even more Americans soon eligible for the program — struggle, with many unaware of the potential penalties for delayed enrollment or of cost-sharing requirements under Original Medicare.

Based on a survey of more than 1,000 Americans, the new report from eHealth, a leading private online health insurance marketplace, found many people approaching Medicare age — and many already enrolled in the program— do not have a well-informed understanding of how Medicare works.

Key findings from the report:

- 89% of Medicare beneficiaries are confident they understand their Medicare coverage options.

Yet most beneficiaries are unaware of the financial risks when enrolled solely in Original Medicare and struggle to fully understand their different coverage options.

- 88% of Medicare beneficiaries are unaware there is no annual cap on out-of-pocket costs under Original Medicare.
- 42% of Medicare beneficiaries do not know or underestimate the 20% out-of-pocket costs they will typically have to pay for all covered medical charges if enrolled solely in Original Medicare[1].
- 82% of Americans approaching eligibility age for Medicare are unaware of the 20% coinsurance for covered medical services.
- Only 13% of Medicare beneficiaries could accurately identify the definitions of the primary Medicare coverage options, specifically Original Medicare, Medicare Advantage, Medicare Supplement, and Medicare Part D.

"The new survey shows that consumer confidence doesn't always translate into actual understanding," said **Derrick Duke**, CEO of **eHealth**. "Enrolling in Medicare isn't just about selecting a health plan — it's about understanding how different coverage options affect your access to healthcare and financial security. Our survey shows many Americans are making those decisions without fully understanding how their various Medicare coverage options work, or the potential tradeoffs of each one."

Additional key findings among current Medicare beneficiaries:

- 89% of Medicare beneficiaries say they are either "very confident" (43%) or "confident" (46%) in their understanding of their Medicare coverage options.
- 13% of Medicare beneficiaries can correctly identify the definitions for all four types of Medicare coverage:
  - 42% of current Medicare beneficiaries can correctly identify the definition of Original Medicare.
  - 44% of current Medicare beneficiaries can correctly identify the definition of a Medicare Part D plan.
  - 45% of current Medicare beneficiaries can correctly identify the definitions of Medicare Advantage and Medicare Supplement (Medigap) plans.

Additional key findings among Americans not yet enrolled in Medicare:

- 24% of adults ages 55 to 64 who are not yet enrolled in Medicare are confident about their coverage options.
- 88% of adults ages 55 to 64 who are not yet enrolled in Medicare are unaware that a 10% penalty may be added to their Medicare Part B premium for every 12-month period they were eligible to enroll but did not.[2]
- 80% of pre-Medicare adults ages 55 to 64 do not know they may incur a late enrollment penalty if they delay enrollment in Medicare Part D coverage beyond their initial enrollment period[2].
- 71% of pre-Medicare adults ages 55 to 64 are unaware they may be declined or charged more for Medicare Supplement if they apply beyond their initial enrollment period.[2]

Read the **full report**.

eHealth's report is based on nationwide surveys of more than 1,000 American adults drawn from the general population. The surveys were conducted by a third-party survey vendor between July 15 and 25, 2026. The overall margin of error is +/- 3%.

[1] 20% coinsurance cost-sharing does not apply for covered preventive care.
[2] Penalties typically do not apply when an individual has another form of qualifying coverage, such as employer-based coverage.

About eHealth

For nearly 30 years, eHealth, Inc. (Nasdaq: EHTH) has helped millions of Americans find the healthcare coverage that fits their needs at a price they can afford, using data, artificial intelligence and a consumer-first approach to help people quickly and effectively compare insurance options. As a leading independent licensed insurance agency and advisor, eHealth offers access to plans from more than 180 health insurers, including national and regional companies, supporting consumers during their working years and retirement. eHealth's licensed insurance agents help match consumers with the insurance plans, services, and support they need to live healthier, more financially secure lives. For more information, visit **eHealth** or follow us on **LinkedIn**, **Facebook**, **Instagram**, and **X**.

eHealth media inquiries: **pr@ehealth.com**

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