



# Navigating the Medicare Coverage Maze: Challenges and Policy Solutions

Friday, September 22, 2023  
12 p.m. ET

## Presenters:

- Introduction: **Harriet Komisar**, Ph.D., Senior Policy Advisor, Public Policy Institute, AARP
- **Gretchen Jacobson**, Ph.D., Vice President of Medicare, Commonwealth Fund
- **Teresa Keenan**, Ph.D., Director, Consumer Insights, Health and Health Security, AARP
- **Faith Leonard**, M.P.H., Program Associate, Commonwealth Fund

# Panelists:

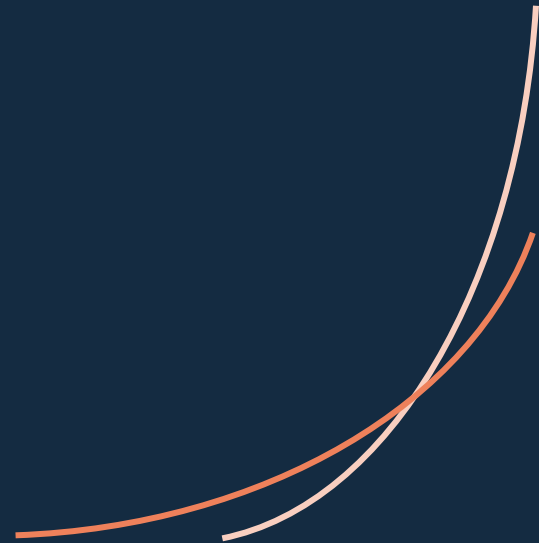
- Moderator: **Julie Rovner**, Chief Washington Correspondent at KFF Health News
- **Rebecca Kinney**, Director, Office of Healthcare Information and Counseling, Administration for Community Living (ACL)
- **Sarah Murdoch**, M.S.W., Director of Client Services, Medicare Rights Center
- **Maricruz Rivera-Hernandez**, Ph.D., Assistant Professor of Health Services, Policy and Practice, Brown University

# The Private Plan Pitch: Seniors' Experiences with Medicare Marketing and Advertising

Gretchen Jacobson, Ph.D.  
Vice President, Medicare  
The Commonwealth Fund  
September 2023

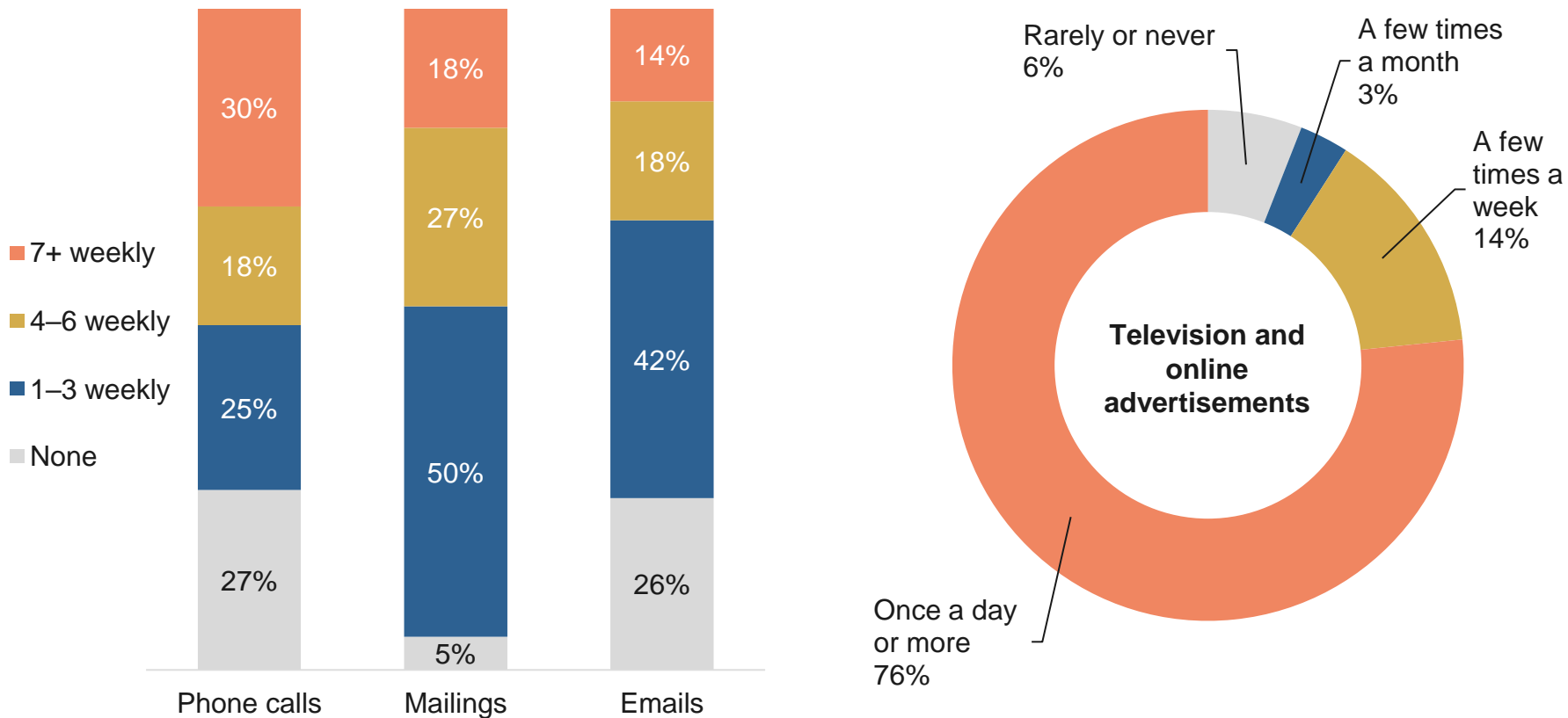


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# During Medicare open enrollment, Americans ages 65 and older receive many phone calls, mailings, emails, and advertisements about plan choices each week.

Frequency of solicitations about Medicare plans that people ages 65 and older reported receiving or viewing during Medicare open enrollment

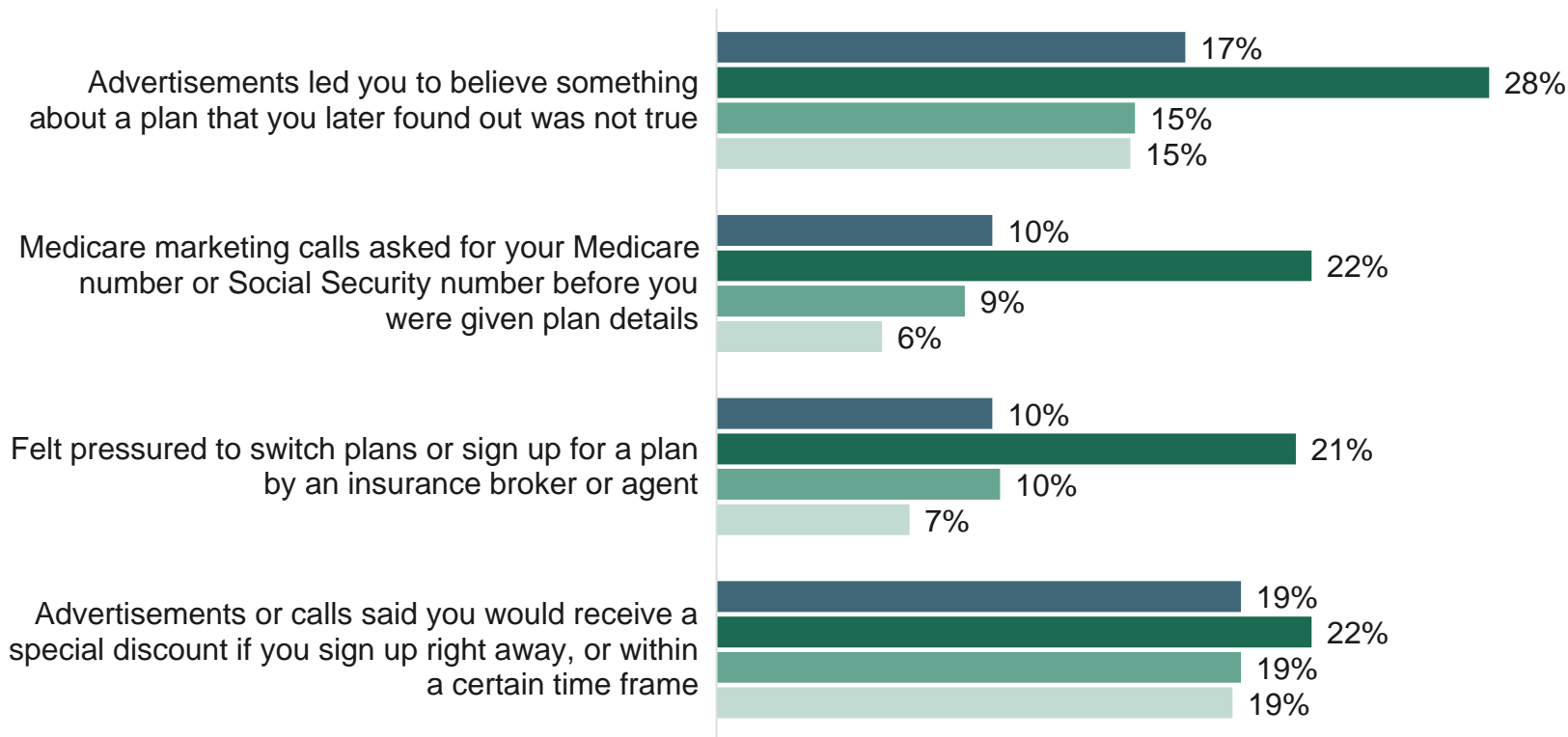


Note: Survey respondents were asked the following questions: About how many Medicare marketing phone calls do you receive per week, if any? About how many Medicare marketing mailings do you receive per week, including from your current Medicare plan, insurers, Silver Sneakers, doctor and hospital groups, and other organizations, about Medicare plans? About how many Medicare marketing emails do you receive per week, including from your current Medicare plan, insurers, Silver Sneakers, doctor and hospital groups, and other organizations, about Medicare plans? Since the beginning of October when open enrollment began, ads for Medicare may have appeared on TV, streaming services, or online. How often, if at all, do you see these ads?

# Some seniors reported experiences with marketers that should not occur, including misleading advertising, violations of federal rules, and even fraud.

Percentage of people ages 65 and older who reported the experience, by income

■ All respondents ■ Income <\$25,000 ■ Income \$25,000 to <\$50,000 ■ Income >=\$50,000

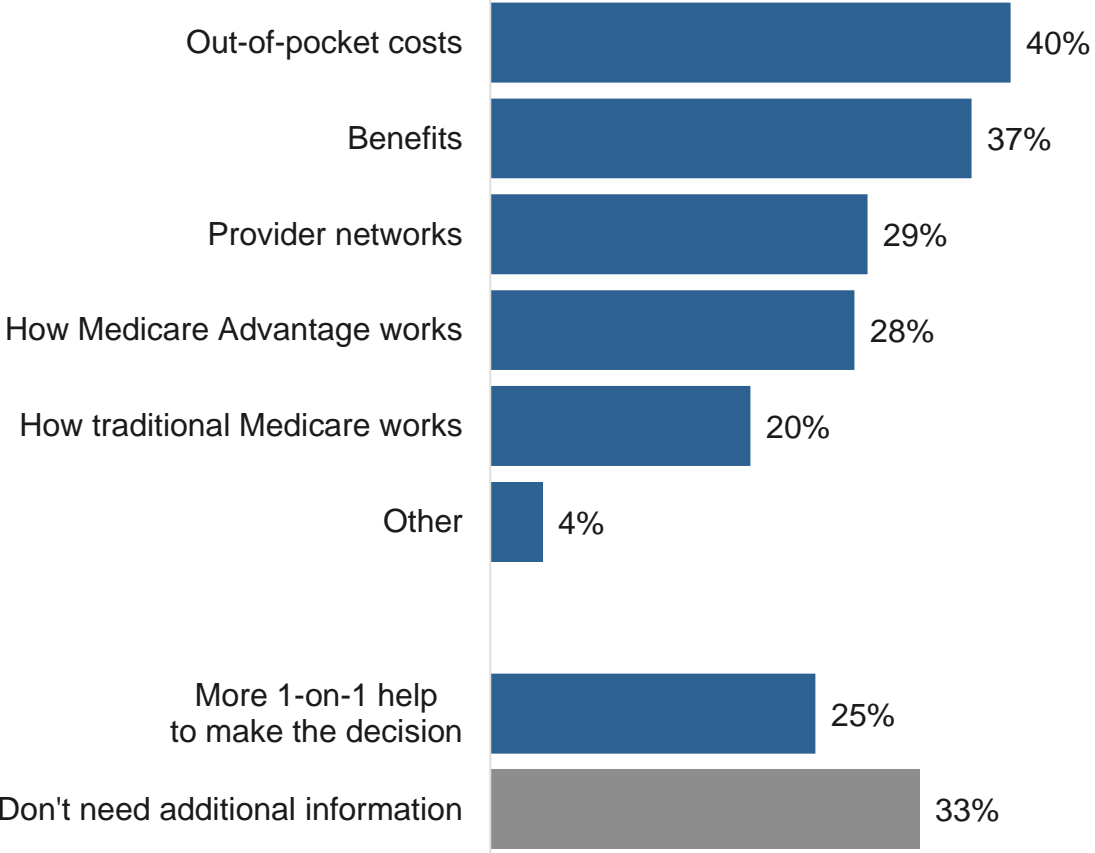


Notes: \* indicates statistically significant difference at the  $p < 0.05$  level from people with income <\$25,000. Income is defined as reported annual household income. Survey respondents were asked the following questions: Thinking about the Medicare phone calls you've received, were you asked for your Medicare number or Social Security number before you were given plan details? Thinking about the Medicare advertisements you've seen or Medicare phone calls you've received, have they ever told you that you receive a special discount if you sign up right away, or within a certain time frame?

When asked what additional information would help them choose their coverage, more than one in three seniors said they would like to know more about out-of-pocket costs or benefits, and one in four wanted more one-on-one help.

*What additional information, if any, would help you choose a Medicare plan?*

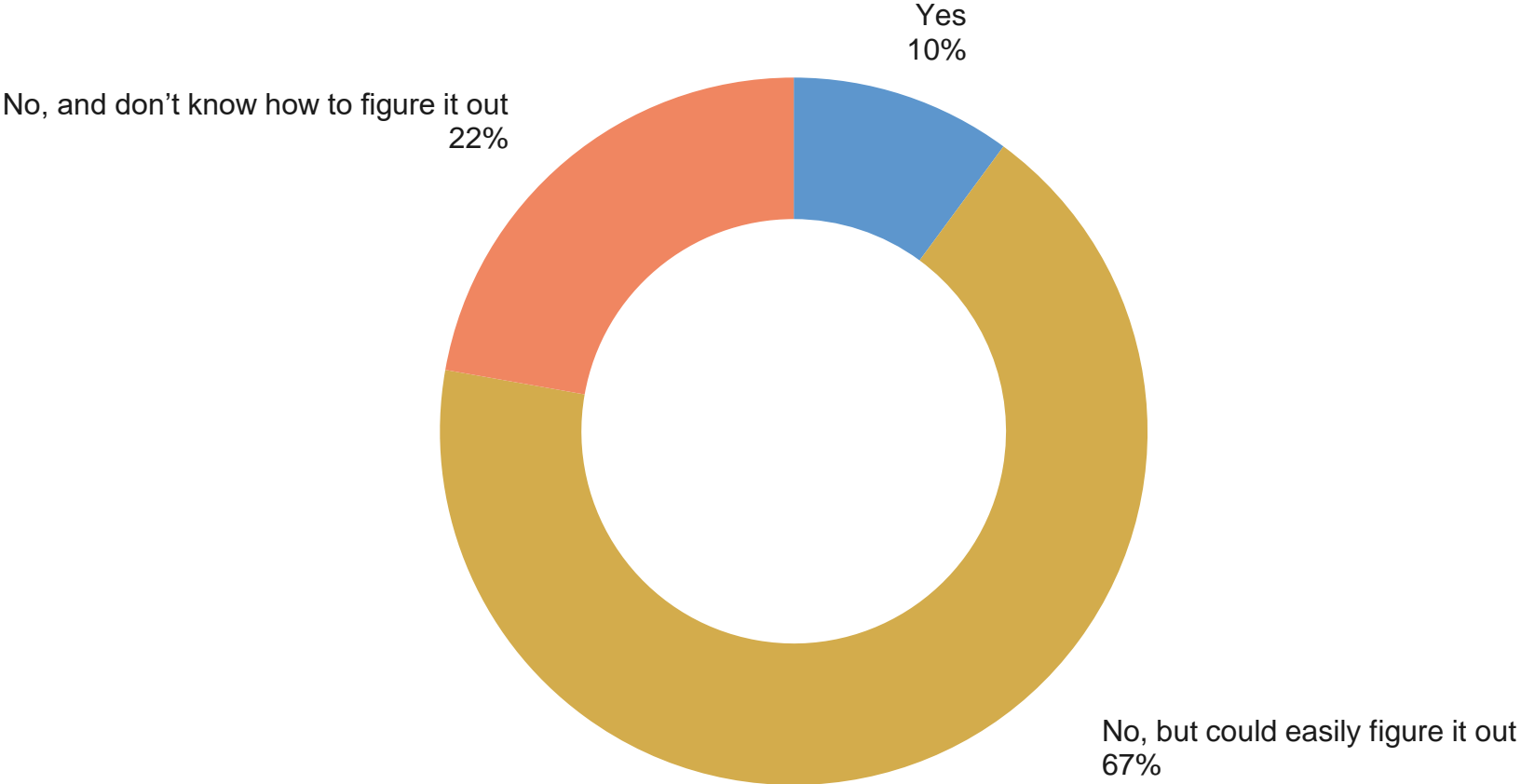
*Would like more information about:*



Notes: Respondents could choose more than one option. Survey respondents were asked the following question: What additional information, if any, would help you choose a Medicare plan?

# About one in five seniors said they did not know how to file a complaint about Medicare marketing and didn't think they could figure out how.

*If you needed to file a complaint about Medicare marketing materials with the government, would you know how to file it?*



Notes: Segments may not sum to 100% because of rounding. Survey respondents were asked the following question: If you needed to file a complaint about Medicare marketing materials with the government, would you know how to file it?



## Key Takeaways

- Nearly all people ages 65 and older reported receiving some phone calls, mailing, emails, or television ads each week during Open Enrollment.
- Most people said they would like more information or help to make their coverage decision, which suggests that the marketing information they were receiving was not the information they wanted.
- Some people reported experiences with marketing that were misleading, violated federal rules, or were possibly fraud, including more than 1 in 5 people with low incomes.
- Most people said that they did not know how to file a complaint, and more than 1 in 5 said they didn't think they could figure it out.

## Policy Implications

Choosing coverage that meets their needs has important health and financial implications for Medicare beneficiaries. They want help and more information to make their decisions, while having clear instructions about how to flag incorrect information and unlawful actions.



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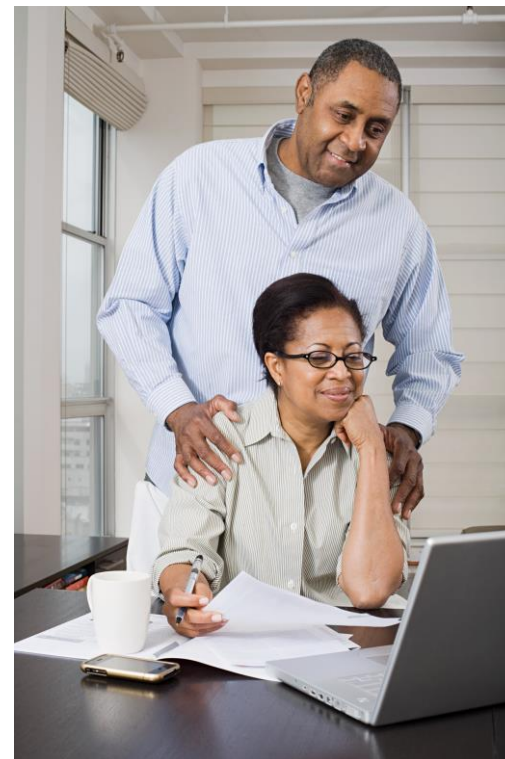


## CHOOSING MEDICARE

Teresa A. Keenan, Ph.D.

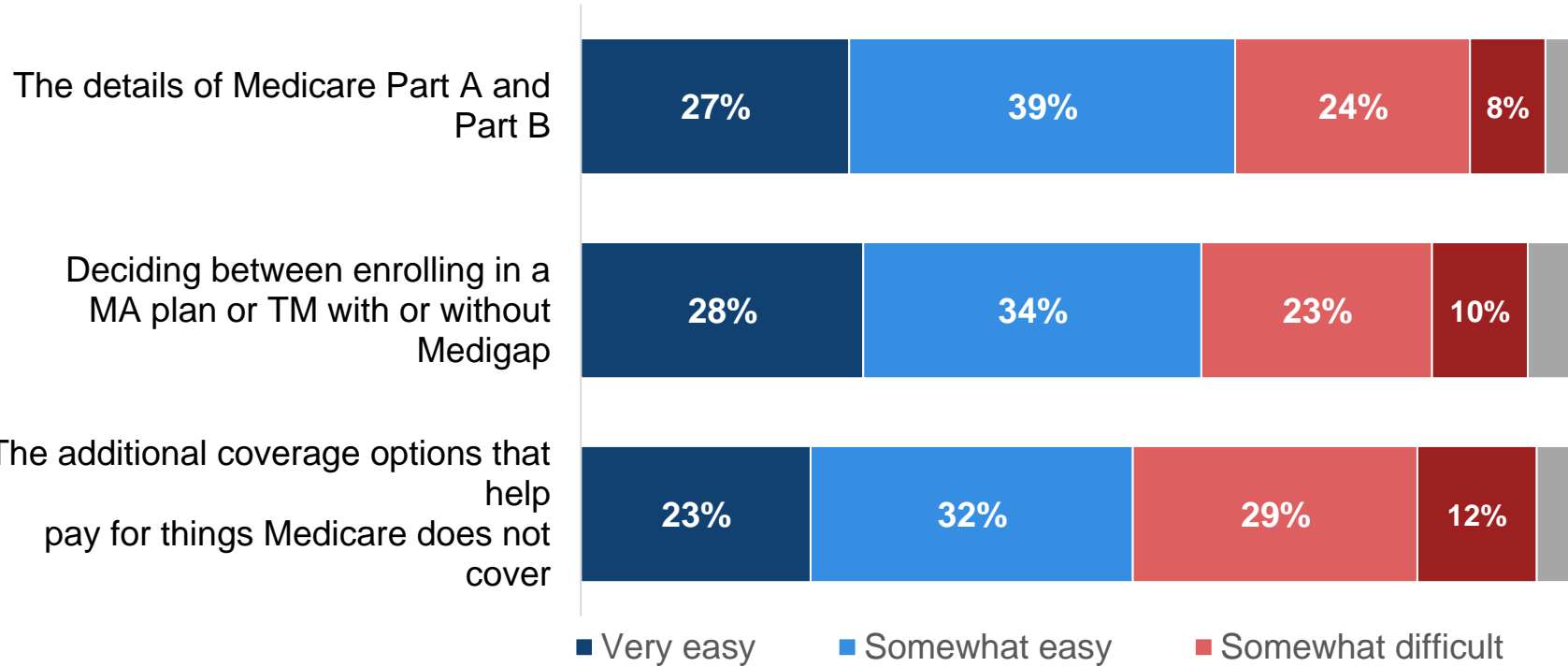
# Background and Methodology

- **Study population:** U.S. adults ages 65-80 who have Traditional Medicare or Medicare Advantage.
- **Exclusions:** It does not include individuals who have retiree coverage from employer-sponsored plans, from Veterans benefits, or those who are more than 80 years of age.
- **Sample:** n=1,210 current Medicare beneficiaries (ages 65-80)
- **Methodology:** Landline, cell phone, and online sampling
- **Interviewing Dates:** February 23-March 16, 2023



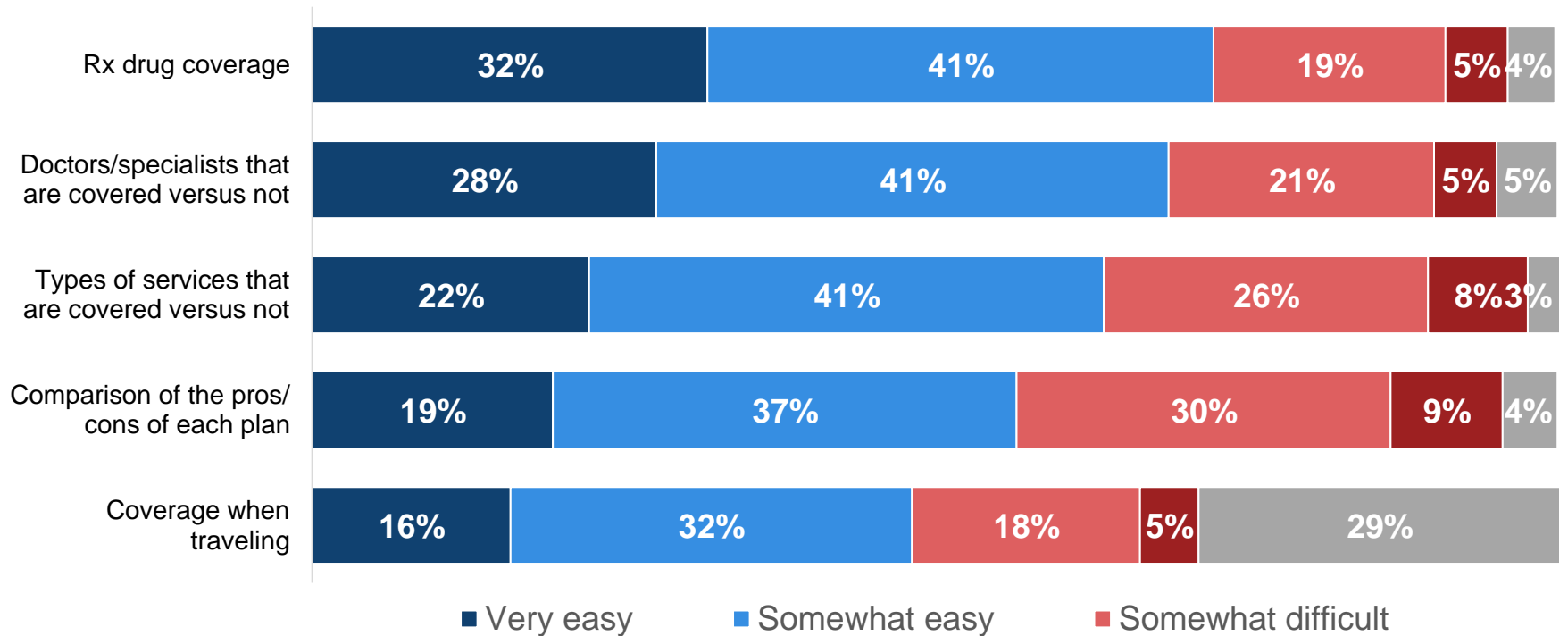
# Medicare beneficiaries are mixed on their initial understanding of Medicare.

How easy or difficult was it to learn and understand...?



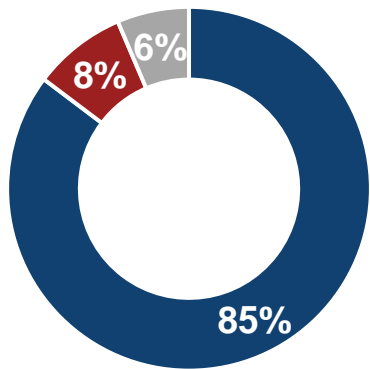
# Medicare beneficiaries had uneven experiences when looking for information.

When you were considering various Medicare coverage options, how easy or difficult was it to find helpful information on...?



# Most believe they chose the right plan type for their initial enrollment.

Made the Right Decision on Initial Plan Type?



■ Yes ■ No ■ Don't know

Initially enrolled in Medicare Advantage

93%

Initially enrolled in Traditional Medicare with Medigap

89%

Initially enrolled in Traditional Medicare without Medigap

54%

## Top reasons for enrolling vary somewhat by chosen coverage type.

Main Reason for Choosing Plan Type (Unaided – Coded Top Reasons)	Original Plan Type Selected		
	MA	TM w/ Medigap	TM w/out Medigap
	<i>n</i> =393	<i>n</i> =465	<i>n</i> =134
Better coverage	36%	31%	<1%
General comments of the best plan/coverage for them	13%	21%	9%
Low cost	15%	8%	20%
Broker/SHINE counselor/other professional advice	8%	6%	4%
Can keep current doctors/more choices	4%	7%	1%
Didn't know enough about other options	0%	3%	23%
Rx coverage	6%	2%	0%
Employer/union advice	2%	2%	10%
Can't afford or don't know enough about supplements	0%	1%	9%

Top reason(s) for choosing each plan are shaded in blue

## Importance of different factors in choosing a plan also varies by current plan type.

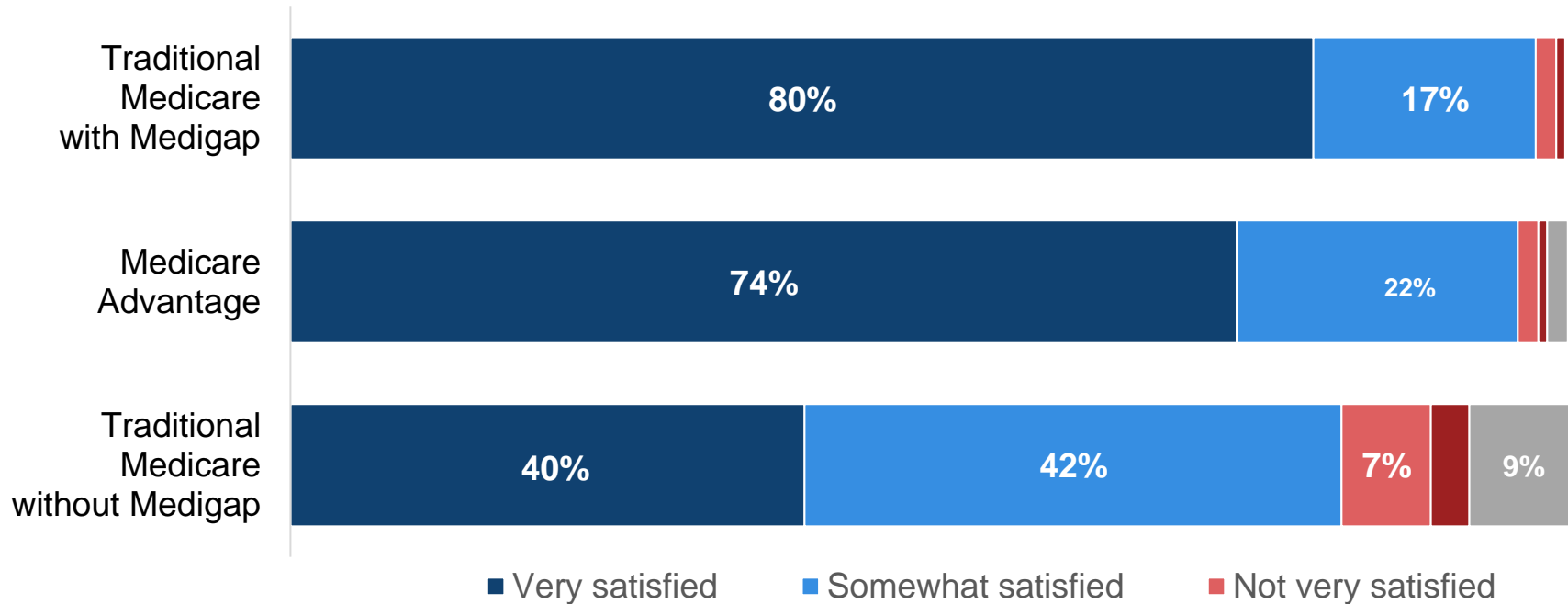
What factors were most important to you when choosing a Medicare plan?

	Medicare Advantage	TM with Medigap	TM without Medigap
Monthly cost	138	146	158
You can see any doctor	104	179	112
Includes vision and dental coverage	132	36	77
No co-pays	99	99	122
Has a maximum out of pocket cost	100	99	115
Includes coverage when traveling	27	41	16



# Satisfaction is highest for Traditional Medicare with Medigap and for Medicare Advantage plans.

How satisfied are you with your current plan?



# Medicare's Affordability Problem: A Look at the Cost Burdens Faced by Older Enrollees

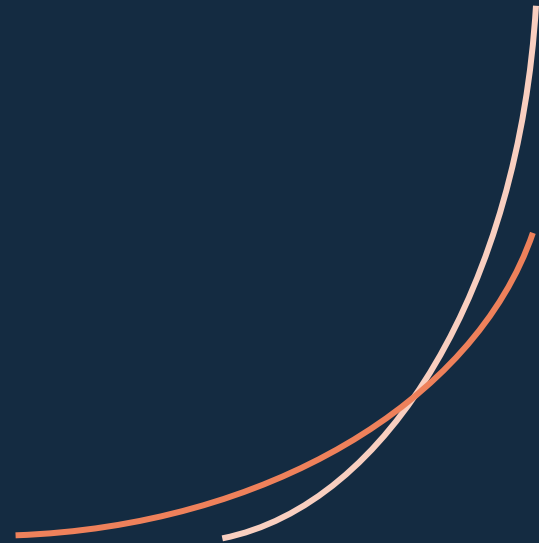
Commonwealth Fund 2022 Biennial Survey

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Faith Leonard, MPH  
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September 2023



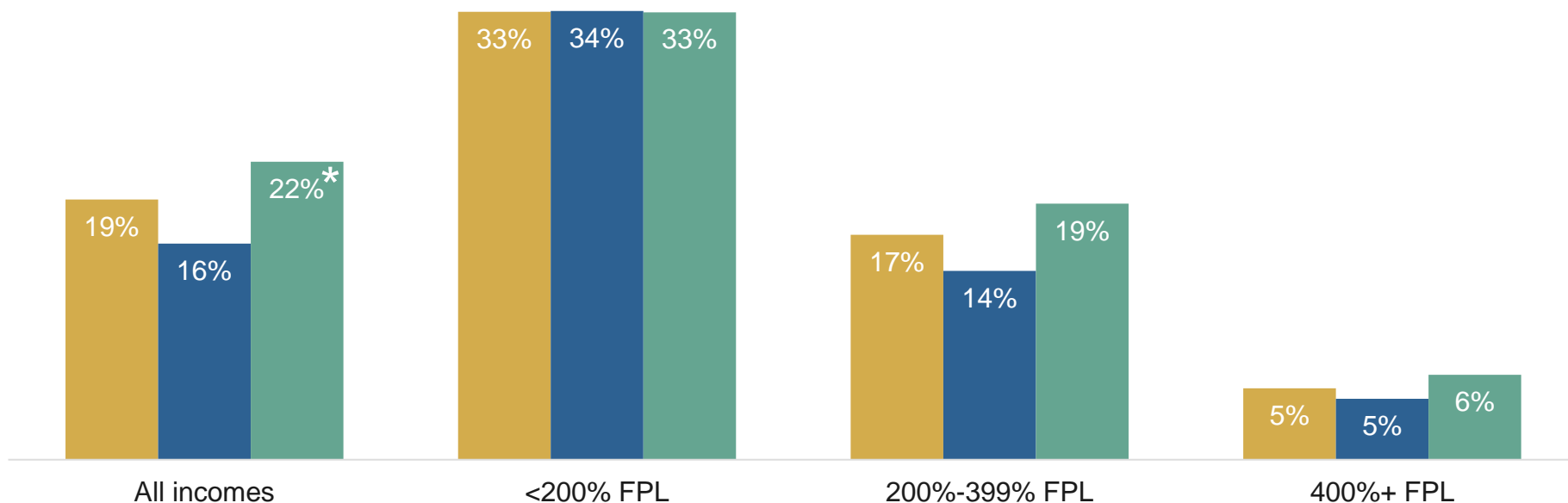
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# About 1 in 5 adults ages 65 and older with Medicare coverage reported high health care costs that make them underinsured.

Percentage of adults ages 65+ with Medicare coverage who reported high health care costs, by income

■ All Medicare beneficiaries      ■ Traditional Medicare      ■ Medicare Advantage



Base: Adults age 65+ with Medicare coverage and insured all year.

Notes: Coverage type given at time of survey. FPL = federal poverty level; annual income of \$13,590 for an individual in 2022. "Insured all year" refers to respondents who indicated they had coverage for the 12 months preceding the survey, but they may not have had the same coverage for the full year. "Underinsured" refers to adults who were insured all year but experienced one of following: out-of-pocket costs, excluding premiums, equaled 10 percent or more of income; out-of-pocket costs, excluding premiums, for those with low income (<200% of poverty) equaled 5% or more of income; or deductibles equaled 5% or more of income. "Medicare" excludes those adults who indicated they were also working full-time and had employer-sponsored insurance (ESI).

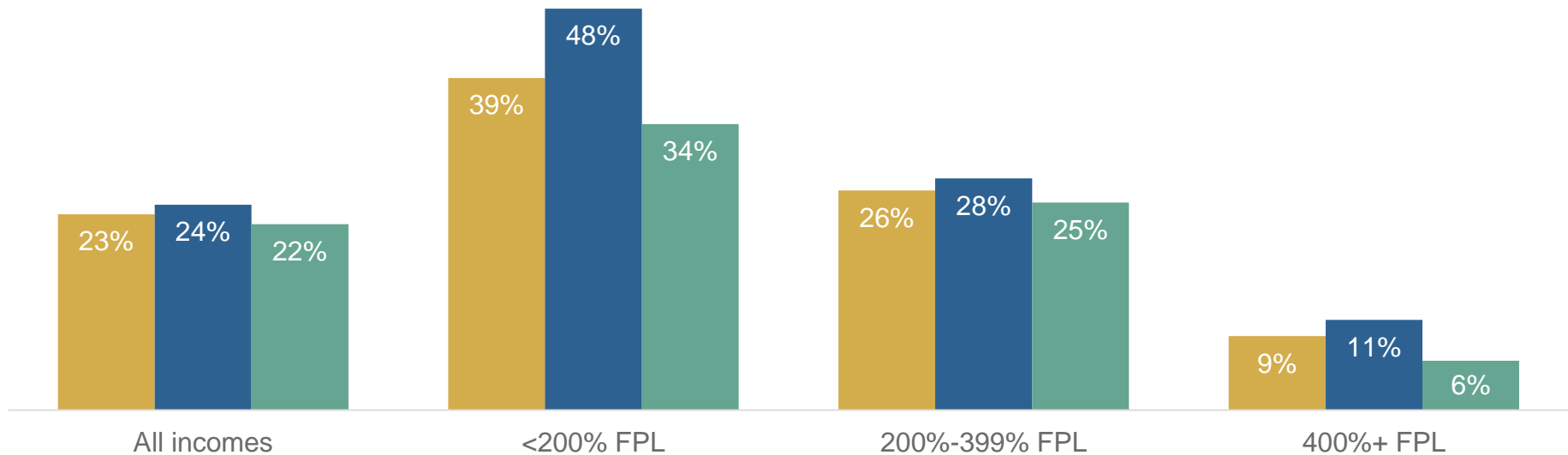
\* Difference statistically different at the  $p < 0.05$  level for people with Medicare Advantage compared to those with traditional Medicare.

Data: Commonwealth Fund Biennial Health Insurance Survey (2022).

# More than 1 in 3 older adults with low incomes reported struggling to afford their premiums for Medicare coverage.

Percentage of adults ages 65+ with Medicare coverage who said it was somewhat or very difficult to afford the premium costs for their health insurance, by income and coverage type

■ All Medicare beneficiaries ■ Traditional Medicare ■ Medicare Advantage



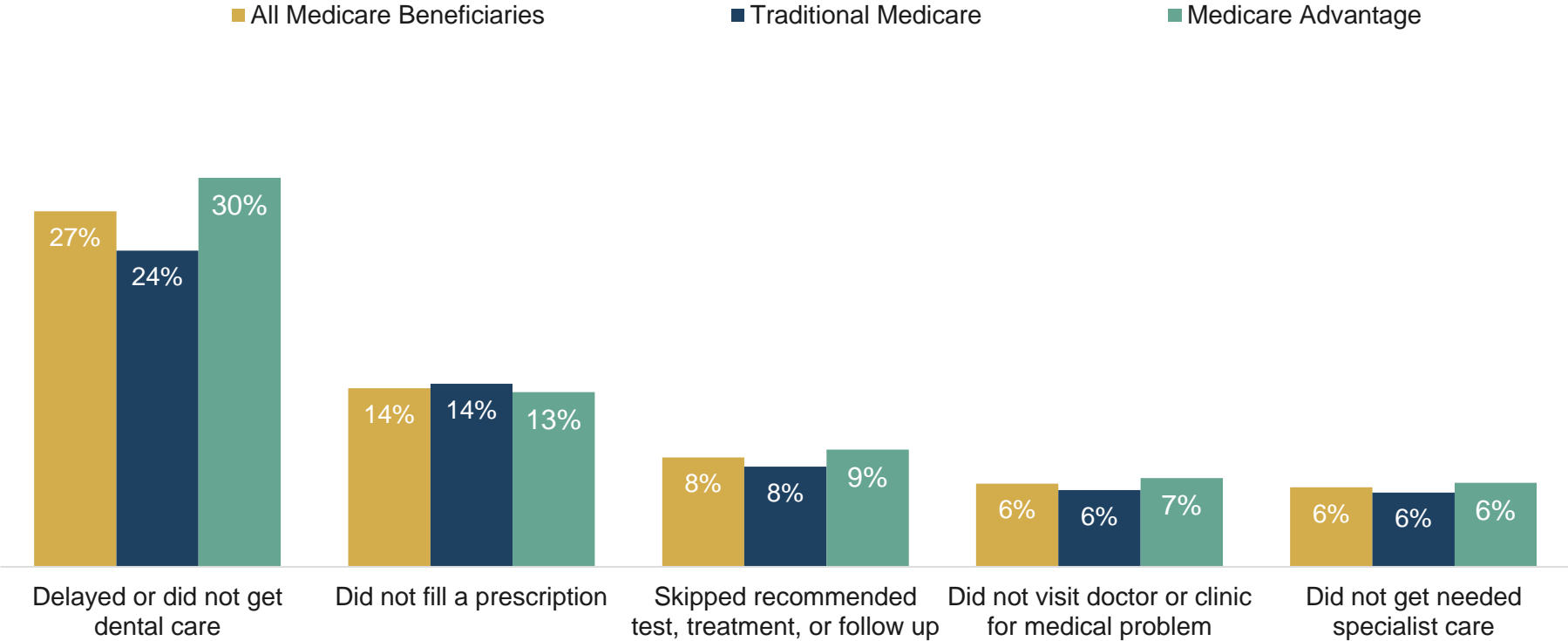
Base: Adults age 65+ with Medicare coverage who were insured all year and paid health insurance premiums.

Notes: Coverage type given at time of survey. FPL = federal poverty level; annual income of \$13,590 for an individual in 2022. "Medicare" excludes those adults who indicated they were also working full-time and had employer-sponsored insurance (ESI). "Traditional Medicare + Supplemental Coverage" refers to respondents who did not report Medicare Advantage and met one of the following criteria: dual eligible; had Medicare and ESI but were unemployed or working part-time; or had Medicare and had another type of coverage such as TRICARE. "Traditional Medicare (total)" combines respondents in the two other TM categories. FPL = Federal Poverty Level.

Data: Commonwealth Fund Biennial Health Insurance Survey (2022).

# More than 1 in 4 older adults with Medicare coverage reported not getting dental care, and more than 1 in 10 reported not filling a prescription, because of the cost.

Percentage of adults age 65+ with Medicare coverage who in past year reported any of five problems accessing care because of cost, by coverage type



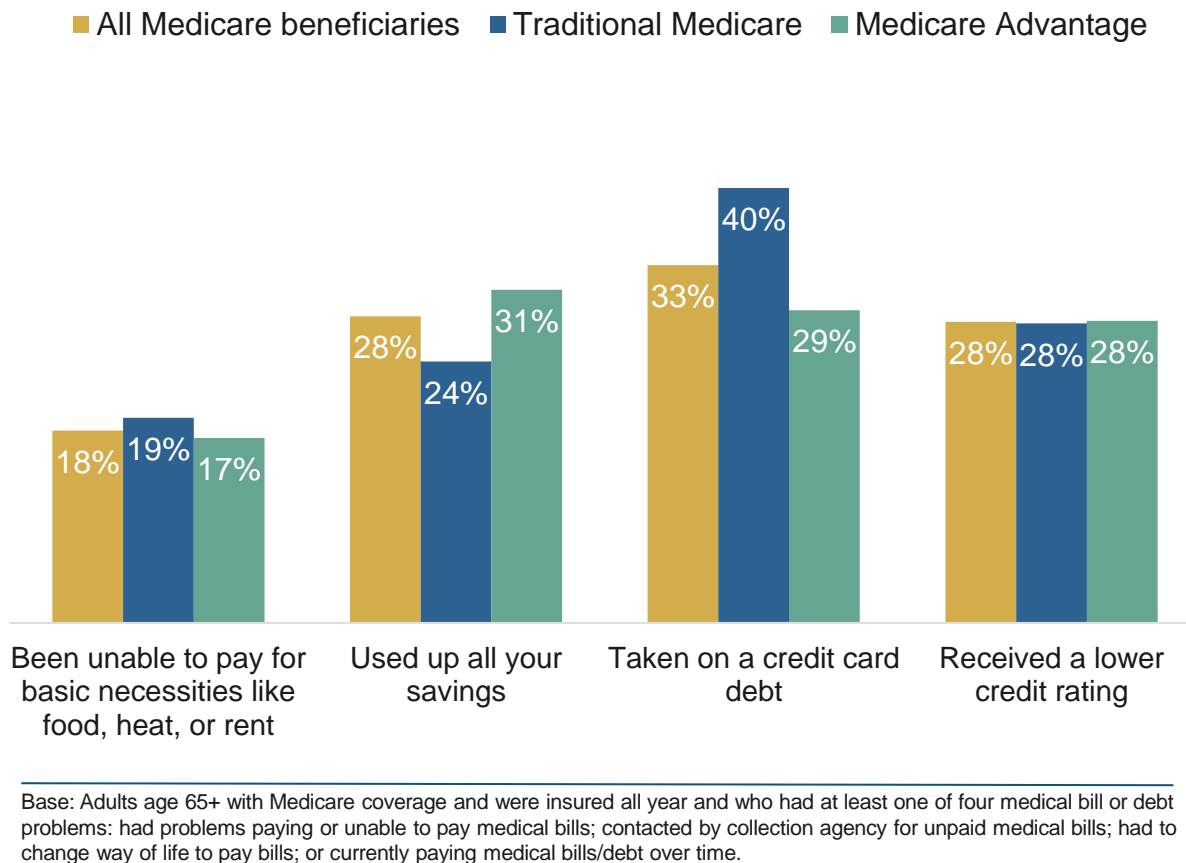
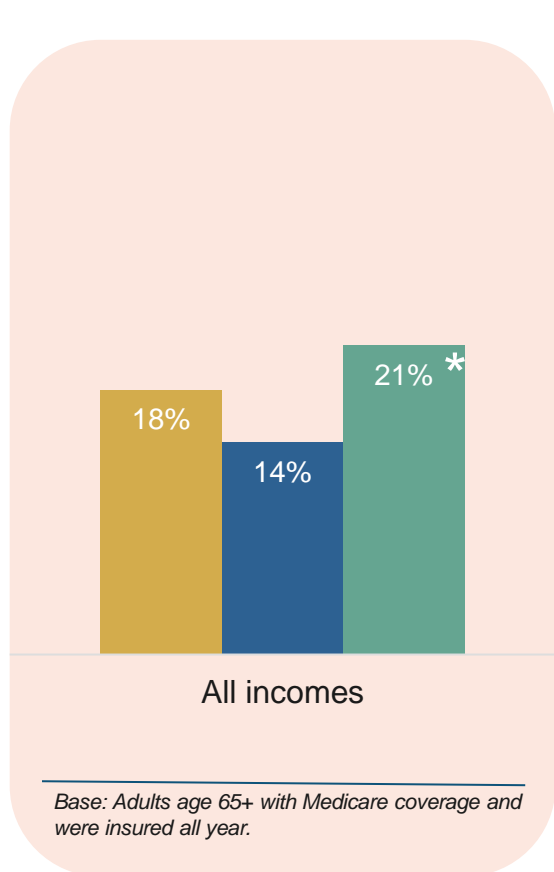
Base: Adults age 65+ with Medicare coverage and were insured all year.

Notes: Coverage type given at time of survey. "Medicare" excludes those beneficiaries who indicated they were also working full-time and had employer-sponsored insurance (ESI).

Data: Commonwealth Fund Biennial Health Insurance Survey (2022).

# About 1 in 6 adults with Medicare coverage reported they had financial problems due to medical debt, with 1 in 3 reporting they took on credit card debt as a result.

Percentage of adults ages 65+ with Medicare coverage who reported financial problems resulting from medical debt, by coverage type and consequence of medical bill problems



Notes: Medical bill or debt problems include: had problems paying or unable to pay medical bills; contacted by collection agency for unpaid medical bills; had to change way of life to pay bills; or currently paying medical bills/debt over time. Coverage type given at time of survey. "Medicare" excludes those beneficiaries who indicated they were also working full-time and had employer-sponsored insurance (ESI). "Asterisks (\*) indicate differences statistically different at the p<0.05 level for people with Medicare Advantage compared to those with traditional Medicare.

## Key Takeaways

- 1 in 5 adults ages 65 and older with Medicare coverage are reporting high enough health care costs to qualify as underinsured, including 1 in 3 people with low incomes.
- High Medicare costs are leading some to skip needed care, and 1 in 6 reported financial problems as a result of medical debt.
- Both those with traditional Medicare and those with Medicare Advantage plans are reporting difficulties affording their health care, with few differences by type of coverage.

## Policy Implications

The high costs of health care is leading older adults to skip needed care and accumulate medical debt, which may have long-term implications for the health and financial security of older Americans.



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## Resources:

- Gretchen Jacobson, et al., *The Private Plan Pitch: Seniors' Experiences with Medicare Marketing and Advertising* (Commonwealth Fund, Aug. 2023). <https://doi.org/10.26099/a9bz-by48>
- Faith Leonard et al., *Medicare's Affordability Problem: A Look at the Cost Burdens Faced by Older Enrollees — Findings from the Commonwealth Fund Biennial Health Insurance Survey, 2022* (Commonwealth Fund, Sept. 2023). <https://doi.org/10.26099/ptam-tw11>
- Teresa Keenan, *The Need to Do the Medicare Homework: Starting Out and Ongoing* (AARP, Sept. 2023) <https://www.aarp.org/pri/topics/health/coverage-access/choosing-medicare-decision-making.html>