

# People with Medicare

Demystifying Medicare: 2013 Summer Academy

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# People with Medicare

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- ❖ Susan (age 65) was recently hospitalized for a hip replacement and is now home recovering. On top of her monthly Medicare premiums, Susan is paying **\$400** per month for anti-rejection drugs and physical therapy. Susan's income totals **\$1,382** per month, and she has just over **\$13,000** in personal savings. Her modest income and assets make her ineligible for federal assistance programs to help pay for health care costs.

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- ❖ 51 million people with Medicare
- ❖ Half live on \$22,500 or less
- ❖ Half have less than \$77,500 in personal savings
- ❖ 4 in 10 with three or more chronic conditions
- ❖ 1 in 4 with a cognitive or mental impairment
- ❖ 1 in 4 live on \$14,000 or less

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- ❖ Average Medicare household spends 15% of income on health care vs. 5% among non-Medicare households
- ❖ Spending on premiums is rising: 26% of average Social Security benefit in 2010 vs. 6% in 1970

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- ❖ Medicare does not cover many long-term care needs and dental, vision or hearing services.
- ❖ Most (72%) enrolled in Traditional Medicare
  - Most with supplemental insurance to cover gaps
- ❖ Sizable share enrolled in Medicare Advantage (MA) plans—over one quarter (28%)

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## **Common challenges facing our callers:**

1. Difficulty affording health care costs
2. Denied prescribed treatments or medications
3. Help with enrollment

# Facts to Remember

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- ❖ Most cannot afford to pay more
- ❖ Many have high health needs
- ❖ Out-of-pocket costs are already high
- ❖ Medicare does not cover all health needs

- ❖ Visit us at [www.medicarerights.org](http://www.medicarerights.org)
- ❖ Call our helpline at **1-800-333-4114**
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