

# People with Medicare

Demystifying Medicare: 2015 Summer Academy

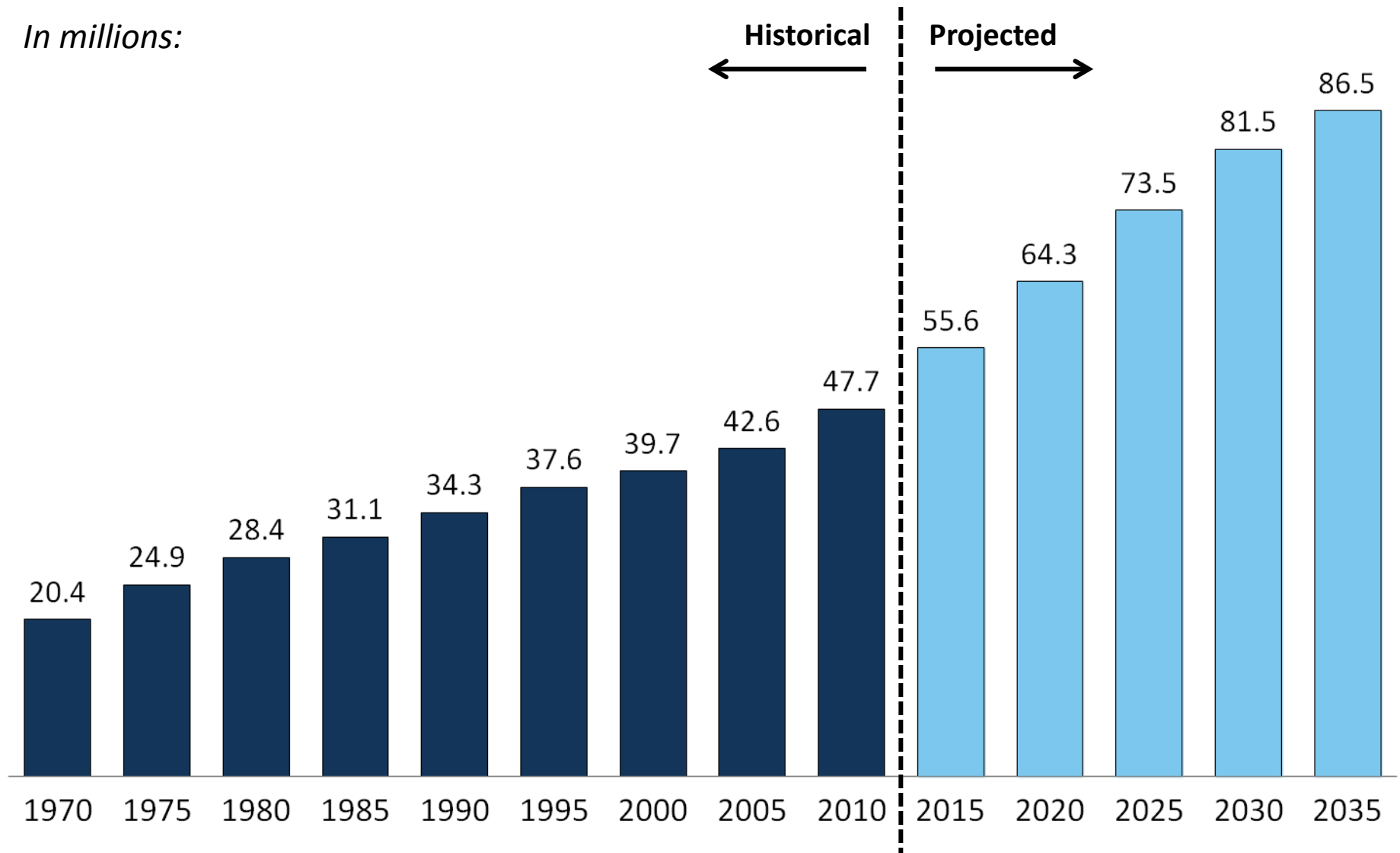
July 23, 2015

**Stacy Sanders**

Federal Policy Director

# Medicare Enrollment, 1970-2035

*In millions:*



SOURCE: 2013 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds.

# People with Medicare

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- ❖ Half live on annual incomes of **\$23,500** or less
- ❖ **1 in 4** live on annual incomes of **\$14,400** or less
- ❖ Half have **\$61,400** or less in personal savings
- ❖ In 2030, half with incomes of **\$28,250** or less
- ❖ In 2030, half with savings of **\$101,150** or less

# People with Medicare

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- ❖ **26%** report being in fair or poor health
- ❖ **30%** enrolled in a Medicare Advantage plan
- ❖ **31%** with a cognitive or mental impairment
- ❖ **34%** with at least one functional impairment
- ❖ **45%** with 4 or more chronic conditions

# People with Medicare

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- ❖ Average Medicare households spends **14%** 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

# People with Medicare

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**No “one size fits all” for people with Medicare.**

Cost is only one variable in selecting optimal coverage for a person’s needs. Others include:

- ❖ The network—provider and pharmacy access
- ❖ The coverage rules—including restrictions
- ❖ The premium and other cost sharing
- ❖ Year-to-year changes are commonplace

# People with Medicare

## 2012 HELPLINE HIGHLIGHTS

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**33%** of all questions—the largest single category of problems handled by the Medicare Rights Center helpline in 2012—involved insurance denials and appeals

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The majority of appeals calls related to Medicare Advantage and Part D denials

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## 2012 HELPLINE HIGHLIGHTS

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**23%** of callers to Medicare Rights' helpline in 2012 had questions about transitioning to Medicare

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**Nearly all** of these callers needed help enrolling in or disenrolling from Medicare Part B, or determining how Medicare works with other types of insurance

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## 2012 HELPLINE HIGHLIGHTS

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**21%** of all questions fielded by the helpline are related to low-income program enrollment

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More than **half** of low-income calls were related to Medicare Savings Programs (MSP), and one-quarter of calls involved the Extra Help program

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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 about **\$1,400** per month, and she has just over **\$13,000** in personal savings. Her modest income and assets make her ineligible for federal assistance programs.



[www.medicarerights.org/50wishes](http://www.medicarerights.org/50wishes)



50 Wishes for  
Medicare's Future



Add a dental benefit

Medicare Rights routinely h  
caregivers—does Medicare  
Medicare Advantage (MA) p  
limited and includes only re  
increasingly linked to overa  
this long-standing gap in he  
Con should add a con  
M d for all.

**#50MedicareWishes**

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- ❖ Visit us at [www.medicarerights.org](http://www.medicarerights.org)
  - ❖ Call our helpline at **1-800-333-4114**
  - ❖ Learn online at [Medicare Rights University](#)
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  - ❖ Celebrate with us! **#50Medicarewishes**