

MEDICARE TRENDS AND RECOMMENDATIONS

ANALYSIS OF 2012 HELPLINE DATA

Trend – Transitioning to Medicare

Navigating Medicare eligibility, enrollment and benefits coordination can be a confusing process, with significant health and financial consequences for individuals who make decisions based on insufficient or inaccurate information. People who do not realize when they should sign up for Medicare benefits may face lifelong financial penalties for late enrollment—penalties that many beneficiaries cannot afford. Further, missing the appropriate enrollment period can mean going months without health insurance coverage until the next opportunity to enroll arrives. And coordinating Medicare with other types of insurance—including coverage through an employer or spouse, retiree coverage and COBRA—raises questions for many beneficiaries and must be handled properly to avoid penalties and gaps that can strain family finances and result in declines in health if treatment is delayed.

Policy Recommendations

- 1. Alleviate late enrollment penalties by:**
 - ✓ Actively involving employers
 - ✓ Strengthening education on late enrollment penalties
 - ✓ Expanding equitable relief
 - ✓ Restructuring the Part B Initial Enrollment Period (IEP)
- 2. Improve consumer information on Medicare Advantage by:**
 - ✓ Encouraging meaningful variation among plans
 - ✓ Improving plan star ratings
 - ✓ Supporting consumer counseling services
- 3. Strengthen the online Medicare Plan Finder tool**



Getting Medicare right

2012 HELPLINE HIGHLIGHTS

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

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

CASE STORY

Ms. K, a 51-year-old Massachusetts woman, became eligible for Medicare several years ago owing to a disability. However, her health care providers advised her not to enroll because her COBRA plan offered better coverage for her needs. After 36 months of COBRA, she enrolled in a private insurance plan on the advice of a physician who told her not to enroll in Medicare since he expected her to recover sufficiently to return to work soon. Instead, her condition deteriorated. Ultimately, she enrolled in Medicare—six years after she was eligible—incurring a 60 percent late-enrollment penalty, or nearly \$60 added to her monthly Part B premium in 2012.