
Medicare vs. Medicare Advantage: Trends and Challenges for Older Adults in Navigating Medicare Enrollment Decisions

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Executive Summary

For older adults, the process of enrolling in Medicare coverage is a decision that significantly affects the long-term health and financial well-being of the individual. Over the past few decades, the Medicare landscape has shifted drastically as Medicare Advantage plan options have increased exponentially. As of 2022, in addition to the option for enrolling in traditional Medicare, the average Medicare beneficiary has access to 39 Medicare Advantage plan options to choose from (Ochieng et al., 2022). The rapid growth of Medicare Advantage plan options has further exacerbated the challenges and struggles Medicare beneficiaries face in navigating and interpreting the vast amounts of information available to make well-informed enrollment decisions. This policy brief explores some of the challenges Medicare beneficiaries face during both the initial enrollment period as well as the annual enrollment period. While there are resources available to help beneficiaries navigate the Medicare enrollment process, research has shown beneficiaries tend to rely on advice and support from insurance brokers, family, and friends, while unbiased resources tend to be underutilized. This has led to an environment where beneficiaries feel unequipped to compare and contrast plan options, which can lead to circumstances where many beneficiaries fail to compare plans effectively and enroll in suboptimal coverage. More research is needed to better understand the challenges beneficiaries face in accessing the information and support needed to make informed decisions, and determining how existing resources can be improved upon to meet this need.



Find this report on the web [here](#). For more information about the report, contact:

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Acknowledgments

The Harkin Institute appreciates the feedback provided for drafts of this policy brief by Kristin Griffith and Karen S. Schechter. Any errors and omissions remain the responsibility of the authors.

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Introduction

Since 1965, older adults have been afforded the opportunity to enroll in Medicare coverage within the “original” Medicare program which included Part A (hospital insurance) and Part B (medical insurance). The Medicare program changed substantially in 2003 with the Medicare Prescription Drug Improvement and Modernization Act, which led to the creation of Medicare Advantage (Part C) plans and the prescription drug benefit (referred to as Part D). This legislation also led to the creation of special needs plans (SNPs) in Medicare, such as dual eligible SNPs¹ and chronic condition SNPs. While these program changes have greatly expanded the influence of Medicare in supporting the health and financial well-being of older adults, these changes have led to an environment where older adults are challenged to navigate increasingly complex and confusing plan requirements and coverage options with minimal guidance and support.

The primary decision older adults face is regarding the option to enroll in traditional Medicare or Medicare Advantage. Traditional Medicare, also referred to as government insurance or “original” Medicare, provides greater flexibility for access to care. However, traditional Medicare contains notable gaps in coverage in comparison to Medicare Advantage and also lacks an out-of-pocket maximum provision, which can lead to the need for Medigap coverage to protect against heightened costs and spending. Medicare Advantage plans tend to function as “pay as you go” models, whereas Medigap policies contain monthly premium payments. For older adults on fixed incomes, established (and predictable) monthly premiums may be more appealing than unpredictable “pay as you go” arrangements.

Medicare Advantage plans are administered by private insurers and tend to contain provisions similar to that of an HMO and/or PPO, where enrollees have limited provider networks and must comply with managed care features, such as prior authorization requirements. However, Medicare Advantage provides access to supplemental services not covered under traditional Medicare (such as dental, vision, and hearing) and many MA plans include out-of-pocket maximums. Additionally, Medicare Advantage plans frequently include Part D coverage (whereas those with traditional

¹Dual Eligible Special Needs Plans (D-SNPs) enroll individuals who are entitled to both Medicare and Medicaid coverage.

Medicare would be required to purchase separate Part D coverage in order to receive the prescription drug benefit). Provider access tends to be a strong deciding factor for older adults, as beneficiaries residing in rural communities or health professional shortage areas (HPSAs) may find available Medicare Advantage plans do not have providers in their network that are geographically accessible, which might result in traditional Medicare being a more viable option.

The popularity of Medicare Advantage plans has grown in recent years, with recent projections estimating Medicare Advantage will account for half of total Medicare enrollment by the year 2025 (Commonwealth Fund, 2022). Medicare Advantage penetration varies by state, but in 2022 one in five (21%) Medicare beneficiaries lived in a county where at least 60% of beneficiaries were enrolled in a Medicare Advantage plan (as compared to 3% for the same metric in 2010) (Freed et al., 2022). Research is mixed in describing the reason for this rapid increase in Medicare Advantage enrollment, but the primary factors that have been identified include that Medicare Advantage enrollees are interested in the additional coverage and out-of-pocket maximum protections, whereas traditional Medicare enrollees prefer having the flexibility to see their preferred provider and avoiding the need for pre-authorizations.

When older adults become eligible for Medicare coverage, the difficult decision must be made about which plan option meets their unique needs. Once the initial enrollment is completed, there is an opportunity to continuously compare plans and make changes (if needed) during the annual enrollment period. Research has shown older adults struggle with understanding the many complexities associated with Medicare enrollment and report inadequate support for meaningfully comparing plans to better assess things like total plan cost, provider networks, and covered services. While resources are available to provide unbiased support, these resources tend to be underutilized as beneficiaries rely on insurance agents/brokers or unofficial sources (e.g. providers, family, and friends) to make enrollment decisions. This can lead to situations where beneficiaries are enrolling in suboptimal plans due to these challenges which impact the ability to function as an informed consumer.

This policy brief will explore the challenges Medicare beneficiaries face with both the initial enrollment and the

annual enrollment period. The brief will provide an overview of the current official and unofficial resources leveraged by beneficiaries for navigating the current Medicare environment, while exploring what current data trends in the Medicare Current Beneficiary Survey (MCBS) indicate for beneficiary self-reported knowledge of Medicare. Policy recommendations will be proposed for better supporting existing resources to improve the overall experience for beneficiaries in evaluating and enrolling in Medicare plan coverage.

Challenges for Initial Medicare Enrollment

Limited Timeframe for Making Enrollment Decisions

Once older adults qualify for Medicare at age 65, they are typically confronted with a short window of time to evaluate plan options and make an enrollment decision. The initial Medicare enrollment period is typically a seven-month window that starts three months before the enrollee's 65th birthday and extends through three months following their birthday month. Medicare beneficiaries consistently describe stress and confusion when challenged with making this significant decision within the short period of time they become eligible for Medicare, as this tends to be a complex decision affecting both their long-term health and financial well-being (Better Medicare Alliance, 2020).

The stress and frustration associated with the limited initial enrollment window is exacerbated by the potential consequences for enrollees should they fail to make an enrollment decision within that timeframe. Errors during initial enrollment can carry a wide range of consequences, such as lifelong late enrollment penalties, higher out-of-pocket expenses for the beneficiary, and gaps in coverage and/or access to preferred treatment providers (Murdoch et al., 2022). When faced with these consequences, older adults may feel overwhelmed by the process and choose to default into traditional Medicare to avoid navigating the complexities of Medicare Advantage plan options (Better Medicare Alliance, 2020).

Number of Plan Options

One of the primary challenges new Medicare beneficiaries face when making initial enrollment decisions is the number of available plan options to choose from. In addition to traditional Medicare, the average Medicare beneficiary has access to 39 Medicare Advantage plans, a number that

has steadily increased over the past decade (Ochieng et al., 2022). This number varies widely based on geographic location, as some beneficiaries may have access to 60 or more plan options (Ochieng et al., 2022).

See the [Figure 1](#) map in Appendix for a detailed breakdown of MA plan options by county.

In addition to navigating the choice between traditional Medicare and Medicare Advantage enrollment, older adults also need to understand the complex nuances associated with their decision. If the Medicare beneficiary chooses to enroll in traditional Medicare, there is likely a need for purchasing a separate Part D plan for prescription drug coverage, in addition to a Medigap policy to protect against high unexpected out-of-pocket costs. Should the beneficiary elect to enroll in a Medicare Advantage plan, each plan is unique in regard to premiums and covered services. Additionally, beneficiaries must consider provider networks when enrolling in Medicare Advantage plans, should the beneficiary wish to continue seeing their current provider.² For some populations (particularly those in rural locations with limited provider options), there may be challenges with finding providers that accept the Medicare Advantage plans they are considering.

Additionally, even though Medicare Advantage plans have been promoted as an available option since the early 2000s (and private plans have been available since the 1970s), general awareness about these plans tends to be lacking among older adults. According to a 2019 poll from the Better Medicare Alliance, 45% of enrollees in traditional Medicare stated they were not aware there was an option to enroll in a Medicare Advantage Plan during their initial Medicare enrollment period (Better Medicare Alliance, 2019). If Medicare enrollees are not aware of the plan options available to them, it is unlikely these individuals are able to make an enrollment decision that best meets their needs.

While the sheer number of plan options can be daunting, it is important to note having a wide range of plan options to consider would be a positive for older adults. This results in an environment where there is competition between insurers to provide high-quality, low-cost plan options. However, there

²Medicare Advantage plans may have limited provider networks in comparison to traditional Medicare, where the patient could likely receive treatment with any provider or organization contracted with Medicare.

is a need for providing resources and support which would allow older adults to operate as informed consumers in this environment, meaningfully evaluating plan options to make well-informed enrollment decisions.

Complexity for Comparing Plans

In addition to the high volume of plan options older adults are tasked with navigating when making initial Medicare enrollment decisions, another frequent challenge cited in the literature is the inability to efficiently and effectively compare plan options. In prior research studies, beneficiaries have reported struggles with comparing traditional Medicare against Medicare Advantage and navigating complexities such as total cost, covered services, and provider networks (Jacobson et al., 2014). Older adults are challenged with absorbing a wide range of information when comparing plan options, and the process can be frustrating for determining which plan option aligns with their unique needs from both a cost and coverage perspective.

The significant barriers older adults face in comparing plan options leads to a range of consequences. Rather than relying on the resources the federal government has made available (such as the Medicare plan finder and various published materials, such as the Medicare & You handbook), older adults tend to rely on both official and unofficial sources for making enrollment decisions (Jacobsen et al., 2014). Official sources that tend to be used include the Centers for Medicare and Medicaid Services (CMS), Administration for Community Living (ACL), State Health Insurance Assistance Programs (SHIPs), and insurance brokers, while unofficial sources tend to include recommendations provided by family, friends, and providers (Better Medicare Alliance, 2020). Additionally, research has shown older adults may also be influenced by factors not related to elements of Medicare coverage, such as health plan name recognition and marketing (Jacobsen et al., 2014). In these instances, older adults are making enrollment decisions based on familiarity rather than evaluating which coverage option meets their unique needs.

Inconsistencies with Plan Enrollment Advising

While Medicare enrollment decisions are complex, beneficiaries do have several options for plan enrollment advising. However, knowledge of (and access to) these resources tends to be mixed. According to recent research

from the Commonwealth Fund (2022), roughly 45% of traditional Medicare enrollees (and 37% of Medicare Advantage enrollees) did not receive help when making their enrollment decision. These percentages can be viewed as a potential concern, when current research suggests Medicare beneficiaries struggle with evaluating plan options and making optimal enrollment decisions.

For those who do seek out enrollment and advising support, there are a wide range of official and unofficial resources available to assist beneficiaries with making enrollment decisions. Federal sources, such as CMS and ACL, tend to be underutilized by Medicare beneficiaries. While there is limited research exploring this issue, one challenge noted in a resource from the Better Medicare Alliance was the lack of coordination amongst these entities for supporting beneficiaries. For example, Medicare plans are administered by CMS, but Medicare Part A and Part B enrollment applications are funneled through the Social Security Administration (SSA). The SSA is ill equipped to answer questions from beneficiaries going through the Medicare enrollment process, which creates confusion and results in beneficiaries seeking information elsewhere (Better Medicare Alliance, 2020).

State Health Insurance Assistance Programs (SHIPs) are government-funded programs which provide unbiased, one-on-one assistance for those who seek additional education and support for Medicare enrollment decisions. SHIPs vary by state and tend to face significant funding shortages, which leads to many SHIPs being staffed by unpaid volunteers. SHIP stakeholders have reported significant variation in level of engagement, training, and quality of services provided by these volunteers and staff (Better Medicare Alliance, 2020).

While SHIPs are perhaps the most accessible option for unbiased support, SHIPs tend to be underutilized. According to a recent research study from the Commonwealth Fund (2022), 5% of traditional Medicare enrollees surveyed (and 4% of Medicare Advantage enrollees surveyed) reported using SHIP programs for assistance. This trend of underutilization is likely the result of many factors, such as funding shortages which affect the ability of SHIPs to maintain both paid and volunteer staff, lack of capacity for SHIP satellite offices to connect with beneficiaries, and lack of awareness from Medicare beneficiaries (Commonwealth Fund, 2022).

Another potential contributing factor for lower-than-expected utilization of SHIPs could be associated with low levels of funding from the federal government in comparison to similar non-Medicare support programs, such as the ACA marketplace navigator program. In fiscal year 2023, the Affordable Care Act (ACA) provided \$99 million for the marketplace navigator program, which far exceeded the federal contribution of \$49 million to federal SHIPs in 2020 (Miller, 2022). Total enrollment in Medicare (64.8 million) greatly exceeded total enrollment in ACA marketplace plans (14.5 million) during that period, yet SHIP funding was significantly lower than marketplace navigator funding (Miller, 2022). The challenges SHIPs face in acquiring staff (both paid and unpaid) may be a direct result of this funding discrepancy, but additional research is needed to explore this issue.

For those who choose to seek out enrollment advice, insurance brokers are frequently cited as the most common resource used by Medicare beneficiaries. Insurance brokers are a no-cost option for beneficiaries; however, they are not considered unbiased sources. Insurance brokers are certified at the state level and must complete annual exams to continue offering Medicare Advantage plan options (Better Medicare Alliance, 2020). Insurance brokers are then paid commissions by insurers based on enrollment in either Medicare Advantage plans, or Medigap and Part D plans (for beneficiaries that elect to enroll in traditional Medicare).

While insurance brokers provide a valuable service for enrollment decision-making, there are several concerns with how this affects initial enrollment. Brokers are not required to offer all plans available in a county/region, which can result in beneficiaries potentially being unaware of all options available to them (Commonwealth Fund, 2023). According to a research study by PerryUndem, participating insurance brokers reported they make decisions on which plans to offer based on a mixture of factors including responsiveness from insurers for questions/concerns, feedback from clients, and assessment of plan benefits (Commonwealth Fund, 2023). Additionally, brokers tailor the options they discuss with beneficiaries based on socioeconomic factors. For those participating in the PerryUndem study, it was reported that brokers tend to sell the combination of traditional Medicare and Medigap policies to beneficiaries with higher incomes,

while those with lower incomes are typically directed to Medicare Advantage plans (Commonwealth Fund, 2023).

It is also important to consider the conflict of interest that can arise due to the compensation structure for insurance brokers. Insurance brokers are compensated via commissions which are paid based on contracts with insurance carriers for Medicare Advantage, Medigap, and Part D policies. Brokers within the PerryUndem study reported receiving higher commissions for enrolling people in Medicare Advantage plans, compared to Medigap and Part D drug plans for those enrolling in traditional Medicare (Commonwealth Fund, 2023). This phenomenon is likely associated with the payment model for commissions, which tends to be a percentage of plan premiums, where plans with lower premiums would result in lower commissions for the broker (Commonwealth Fund, 2023). This conflict of interest could result in situations where beneficiaries are being directed towards plans which offer higher commissions for insurance brokers, rather than plans that optimally meet the needs of the beneficiary, however additional research is needed to study this issue.

Challenges for Changing Medicare Plan Enrollment

After the initial enrollment, there is an opportunity to compare plans and make changes during the annual enrollment period (AEP), which is available for traditional Medicare enrollees from October 15th through December 7th. For Medicare Advantage enrollees, the open enrollment period is available from January 1st through March 31st. The AEP provides an opportunity for beneficiaries to explore changes to plan options and, if necessary, change their enrollment to better meet their needs. While it is in their best interests to evaluate plan options each year, research shows limited engagement in AEP by Medicare beneficiaries.

According to a research study from eHealth (2022) focusing on the AEP, 45% of beneficiaries surveyed reported they have not reviewed coverage options in the past year, and 53% of beneficiaries surveyed stated they have maintained the same coverage for three or more years. Only 64% of beneficiaries knew the AEP runs from October 15th through December 7th, indicating roughly one-third of beneficiaries reported an incorrect timeframe for the AEP or reported not knowing when the AEP occurs (eHealth, 2022).

In addition to a general lack of awareness of the AEP, some additional challenges associated with Medicare enrollment changes are described in detail below.

Frustration from Initial Plan Enrollment Challenges

While the AEP provides an opportunity to switch into a more favorable plan, many beneficiaries elect to not change plans due to the frustration and stress associated with their initial plan enrollment (Jacobsen et al., 2014). Older adults may be resistant to reengaging in the processes necessary to evaluate and compare plan options, instead electing to stay with the current plan while avoiding the stress and frustration altogether. Oftentimes, older adults will only consider switching plans during the AEP if they experience an unfavorable situation or change with their current plan, such as significantly increased costs, changes to the provider network, or frustration with noncovered services (Jacobsen et al., 2014).

Fear of the Unknown

Another challenge for changing plans would be the fear and anxiety associated with making a change. Switching plans is a significant adjustment with many implications for both the physical and financial well-being of the beneficiary, thus beneficiaries may feel inclined to stay with their current plan due to the fear of unexpected consequences associated with plan changes (Jacobson et al., 2014). Beneficiaries have had the opportunity to become familiar with their current plan throughout the year, learning more about the costs of care and their provider network. Making a change would result in moving away from that familiarity, which can be a significant barrier for beneficiaries that feel ill-equipped to compare the complexities of plan options during the AEP.

In some circumstances, switching plans can lead to unexpected financial consequences. For example, with Medigap policy changes older adults may be subject to medical underwriting if the change is voluntary and occurs outside of the guidelines provided for guaranteed issue protections. Older adults may be denied a Medigap policy if the medical underwriting process identifies pre-existing conditions, or the beneficiary may face higher premiums in the new Medigap plan due to their health status (Boccuti et al., 2018). If an individual resides in a state that allows medical underwriting for Medigap policies, Medicare Advantage enrollees with pre-existing conditions (or complex

health status) may find it too risky to switch to a traditional Medicare plan without the ability to purchase a Medigap policy, as this could lead to exposure to high cost-sharing requirements (Boccuti et al., 2018).

Inequity in Program Design

Research has shown it is relatively rare for beneficiaries to make enrollment changes during the AEP, with one study showing between 9% and 11% of beneficiaries voluntarily switch plans each year (Commonwealth Fund, 2022). It is even less common for beneficiaries to switch from a Medicare Advantage plan into a traditional Medicare plan – which may be attributed to the challenges Medicare Advantage beneficiaries with pre-existing conditions would face in going through medical underwriting for a supplemental Medigap policy. Socioeconomic standing has also been highlighted as an influencing factor for comparing plan options during the AEP, as one study from the Kaiser Family Foundation found lower income beneficiaries were less likely to compare their current plan with other plan options during the AEP than higher income beneficiaries (Ochieng et al., 2022). However, for those who do make the decision to switch, those decisions tend to be driven by potential inequities in how these programs are designed and administered.

Those who seek to enroll in Medicare Advantage plans (either via initial enrollment or change during the AEP) tend to be younger patients and are more likely to represent members of racial minority groups (Rahman et al., 2015). This is likely attributed to Medicare Advantage plans being more favorable to these populations, as the younger population is less likely to be high utilizers of healthcare services. Additionally, research from Weinick et al. (2014) found racial/ethnic minority populations with lower incomes are more likely to choose Medicare Advantage plans over traditional Medicare due to the additional benefits provided under these plans, such as coverage for additional services (e.g. vision, dental, hearing) and supplemental benefits such as gym memberships and fitness programs.

Individuals who switch from Medicare Advantage to traditional Medicare plans tend to be dually eligible for Medicare/Medicaid, in poorer health, and higher utilizers of healthcare services than individuals who do not switch plans (Commonwealth Fund, 2022). This finding is likely reflective of the fact Medicaid enrollment eliminates the need for a

Medigap (supplemental) policy, making the transition from Medicare Advantage to traditional Medicare less risky for the beneficiary in comparison to those that are not dually eligible. These individuals also tend to be located in rural areas and require additional assistance with activities of daily living (Commonwealth Fund, 2022). It is reasonable to understand how these circumstances lead to the need for switching from Medicare Advantage to traditional Medicare plans – for example, Medicare Advantage plans tend to have more limited provider networks in comparison to traditional Medicare, which would reasonably result in rural populations seeking out traditional Medicare plans for the wider provider network to address access to care concerns. Additionally, those who report poorer health and higher rates of utilization and spending are more likely to switch from Medicare Advantage to traditional Medicare, likely due to differences in program design as it relates to prior authorization/managed care requirements and covered benefits (Rahman et al., 2015).

One final equity-related factor which can influence one’s decision to switch plans is related to the onset of significant medical conditions. Older adults that are newly engaged in dialysis treatment or multimorbidity requiring high-cost medical services switch from Medicare Advantage to traditional Medicare at higher rates than their counterparts (Ankuda et al., 2020). Additionally, national trends show older adults with the onset of a disability are more likely to switch from Medicare Advantage to traditional Medicare than vice versa (Ankuda et al., 2020). These findings raise concern about the program design for Medicare Advantage plans and potential inequities in how these plans are structured to meet the needs of underserved and/or disadvantaged populations, as traditional Medicare appears to be where these individuals are directed to when experiencing higher-cost medical conditions or socioeconomic challenges.

Analysis of Trends from MCBS Survey Data

The Medicare Current Beneficiary Survey (MCBS) is one of the primary sources of data researchers can use for better understanding the experiences of Medicare beneficiaries. The MCBS was first initiated in 1991 and the survey is issued on an annual basis with a nationally representative sample of the Medicare population. CMS contracts with NORC at the University of Chicago to conduct the surveys and analyze the data, and over 140,000 Medicare beneficiaries have participated in the survey since 1991 (NORC at the University

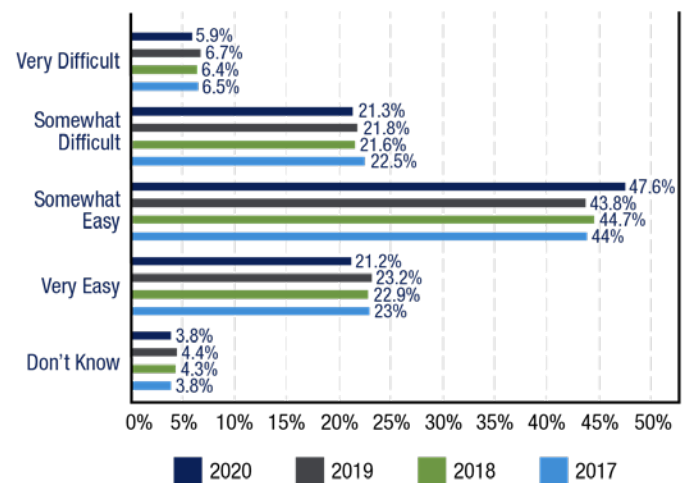
of Chicago, n.d.). Since 2013, CMS has offered a public use file (PUF) online that includes select data items from the MCBS to support research. More detailed limited data set (LDS) files are available as well for research; however, this policy brief was developed using the freely available PUF resource.

In 2017, a new section was added to the MCBS to evaluate Medicare beneficiary knowledge and information needs. The question set was designed to learn more about how Medicare beneficiaries obtain information about the Medicare program and to assess how beneficiaries self-report their knowledge of Medicare. This policy brief includes analysis of data trends from the MCBS PUF reports from 2017 through 2020 (which is the most recent data available as of the date this policy brief was drafted).

Minimal Growth in Self-Reported Knowledge of Medicare

Although many options exist for beneficiaries to access and improve their knowledge of the Medicare program, the analysis of MCBS data shows minimal growth and improvement in this area over time. In 2020, when asked how easy (or difficult) beneficiaries think the Medicare program is to understand, 27.2% stated it is “very difficult” or “somewhat difficult” (compared to 29% in 2017). Only 21.2% reported this as “very easy” (compared to 23.0% in 2017).

Graph 1: MCBS Question: Overall, how easy or difficult do you think the Medicare program is to understand?

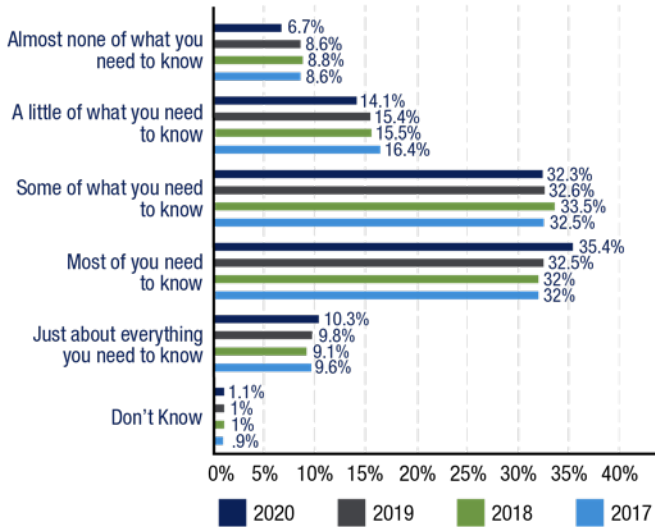


See [Table 1](#) in the appendix for table version of this graph data.

In 2020, when asked how much one knows about the Medicare program, only 35.4% of respondents reported

“most of what one needs to know”, with 20.8% reporting “a little...” or “almost none of what one needs to know”.

Graph 2: MCBS Question: How much do you think you know about the Medicare program?



See [Table 2](#) in the appendix for table version of this graph data.

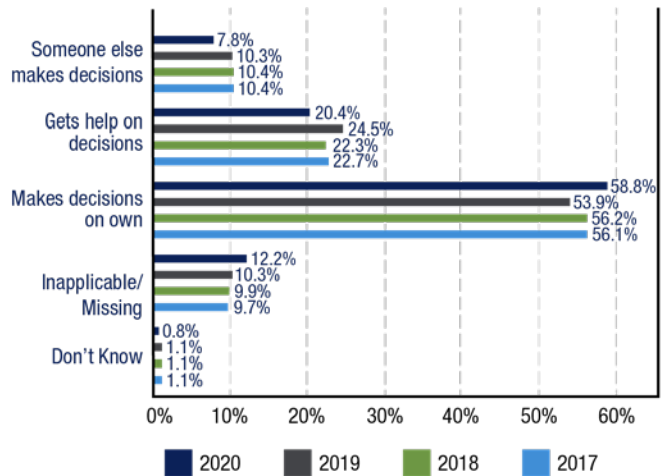
While analysis of the MCBS PUF data files demonstrates beneficiary knowledge of Medicare has minimally improved over time, there are concerns regarding the knowledge deficiencies for a significant portion of older adults surveyed. Over the four-year period included in this analysis, the percentage of beneficiaries surveyed that report Medicare is “somewhat easy” or “very easy” to understand has hovered around two-thirds of the population surveyed (67% in 2017 and 68.8% in 2020), which indicates just under one-third of the population finds the Medicare program to be difficult or challenging (or they aren’t sure).

In looking at the question where beneficiaries self-report their knowledge of Medicare, the percentage of beneficiaries that report they know “most of what you need to know” has hovered around the one-third mark for the past four years (ranging from 32% to 35.4%), with another third of the population reporting “some of what you need to know” (ranging from 32.3% to 33.5%). These data findings seem to reflect what has been discovered in prior literature and research on the topic, where beneficiaries report challenges with understanding the complexities of the Medicare program and their plan options.

Older Adults are Becoming More Independent for Plan Enrollment

An additional question on the MCBS survey asks beneficiaries about their use of support resources for making Medicare health insurance enrollment decisions. An analysis of the responses to this question from 2017 through 2020 shows older adults reported higher levels of independence in making Medicare enrollment decisions, with 58.8% of beneficiaries reporting they make decisions on their own. This change is accompanied by a decrease in the number of beneficiaries reporting they received help on decisions (20.4%) or someone else makes the decision for them (7.8%).

Graph 3: MCBS Question: Most of the time, do you make decisions about Medicare health insurance on your own, do you get help from someone else in making these decisions, or do you rely on someone else to make decisions about health insurance for you?



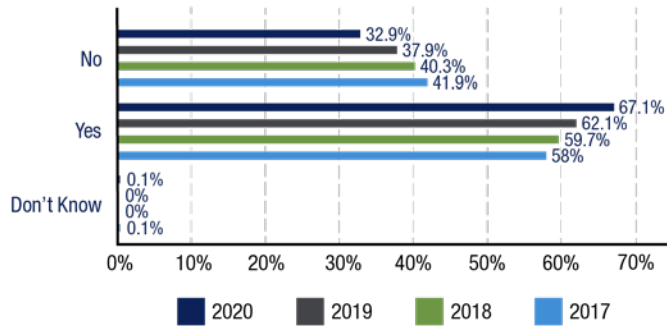
See [Table 3](#) in the appendix for table version of this graph data.

The increased independence in making Medicare enrollment decisions can be a result of a myriad of different factors. As noted in the literature review for this policy analysis, beneficiaries have reported frustration and confusion about the Medicare enrollment process and knowledge of available resources to support them, such as SHIP program offices, appears to be mixed across the population. Additional research is needed to better understand why beneficiaries reported higher levels of independence in making decisions and to determine whether that increase will be sustained into the future.

Beneficiaries Report Increased Levels of Technology Use/Access

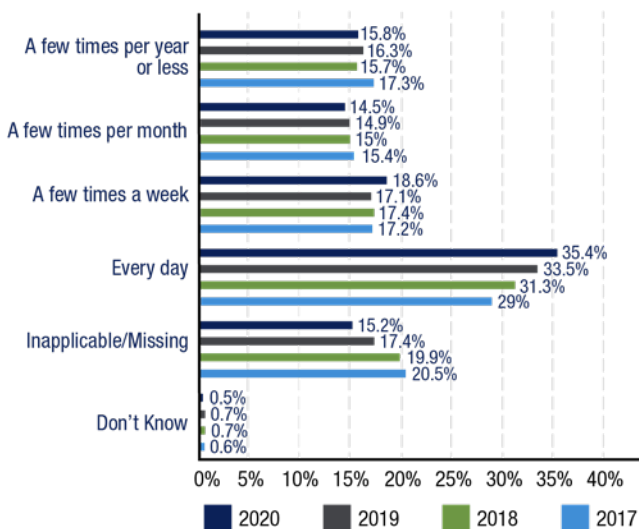
The beneficiary knowledge and information needs question set within the MCBS survey also assess the level of beneficiary engagement with computers and internet usage. An analysis of the survey data from 2017 through 2020 shows Medicare beneficiaries have reported significant increases in the use of the internet to obtain information, with 67.1% of beneficiaries in 2020 reporting they personally use the internet to get information (in comparison to 58% in 2017). In evaluating the frequency of internet use, 35.4% of beneficiaries in 2020 reported using the internet every day (in comparison to 29% in 2017).

Graph 4: MCBS Question: Do you personally ever use the internet to get information of any kind?



See [Table 4](#) in the appendix for table version of this graph data.

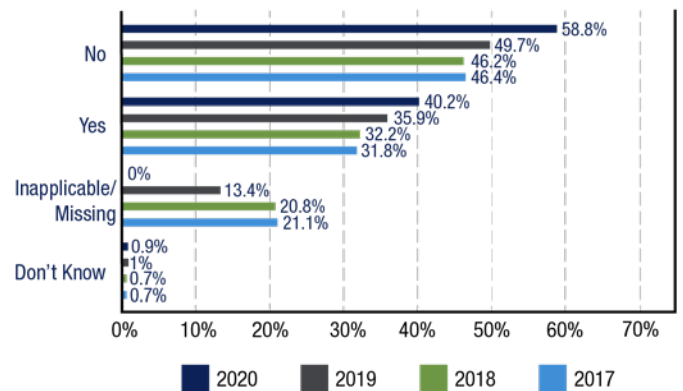
Graph 5: MCBS Question: How often do you access the internet to seek information, either on your own or with someone else's help?



See [Table 5](#) in the appendix for table version of this graph data.

Although Medicare beneficiaries are reporting higher levels of engagement in using the internet as a resource to find information and answers about questions they have, the use of the [Medicare.gov](#) website has not experienced similar improvements over time. Within the 2020 survey, 58.8% of beneficiaries reported they have not visited the [Medicare.gov](#) website to access Medicare information, compared to only 40.2% that reported they have visited the website.

Graph 6: MCBS Question: Have you ever visited or ever accessed the official website for Medicare information – [www.medicare.gov](#)?



See [Table 6](#) in the appendix for table version of this graph data.

In analyzing the MCBS data set, it is apparent beneficiaries are more engaged in the use of technology as a resource for obtaining information, but a significant portion of the population surveyed did not access the official Medicare website as a resource for making enrollment decisions. This finding aligns with what was discovered in the literature review for this policy brief, as older adults reported minimal use of official Medicare resources for making enrollment decisions, instead relying on the use of other official (and unofficial) sources of information, primarily insurance brokers and recommendations from trusted sources.

Discussion and Policy Recommendations

Older adults bear a significant burden in navigating and interpreting complex plan features when comparing traditional Medicare and Medicare Advantage plan options. This decision has a long-term impact on the physical, emotional, and financial well-being of the individual, and there is a need for reimagining the official resources that are available to advise and support older adults in making this decision. In particular, there is a need for further developing

unbiased resources to help beneficiaries better understand their plan options for initial enrollment, while also improving the user experience for comparing plan options and making adjustments (if needed) during the annual enrollment period.

While SHIP programs have been successful in providing unbiased one-on-one support to Medicare beneficiaries, these programs are currently underfunded. SHIP offices and volunteers possess valuable knowledge and insight into the questions and challenges beneficiaries face when making enrollment decisions, and there is a need to partner with SHIP to conduct research to better understand the trends observed in the MCBS data set as it relates to how beneficiaries make enrollment decisions. Additionally, there are opportunities for developing shared training and education resources to refine and enhance the skill set of SHIP volunteers to reduce the variation as it relates to the types and quality of services provided to beneficiaries.

While the official resources provided by CMS are a good starting point for education and support, there are opportunities to further enhance the resources available to support the individual's ability to function as an informed consumer. MCBS trends show engagement in technology and the internet is increasing for older adults, yet a significant portion of the population surveyed reported not being engaged in (or aware of) available online resources, such as the [Medicare.gov](https://www.medicare.gov) webpage. Older adults appreciate having options to choose from during enrollment periods but feel unequipped for finding the information they need to make informed decisions (Jacobson et al., 2014). In following the trends of the MCBS findings, technology can be a valuable resource for supporting the increasing percentage of beneficiaries making enrollment decisions on their own rather than relying on support from insurance agents/brokers or unofficial sources. Entities that provide support for Medicare beneficiaries should consider opportunities to leverage technology and artificial intelligence in a way that provides one-on-one support for comparing plan options and features, rather than solely relying on informational web pages which tend to be underutilized per MCBS data results.

Appendix

Tables

Table 1: MCBS Question: Overall, how easy or difficult do you think the Medicare program is to understand?

| | 2017 | 2018 | 2019 | 2020 |
|---------------------------|-------|-------|-------|-------|
| Very Difficult | 6.5% | 6.4% | 6.7% | 5.9% |
| Somewhat Difficult | 22.5% | 21.6% | 21.8% | 21.3% |
| Somewhat Easy | 44% | 44.7% | 43.8% | 47.6% |
| Very Easy | 23% | 22.9% | 23.2% | 21.2% |
| Don't Know | 3.8% | 4.3% | 4.4% | 3.8% |

Table 2: MCBS Question: How much do you think you know about the Medicare program?

| | 2017 | 2018 | 2019 | 2020 |
|---|-------|-------|-------|-------|
| Almost none of what you need to know | 8.6% | 8.8% | 8.6% | 6.7% |
| A little of what you need to know | 16.4% | 15.5% | 15.4% | 14.1% |
| Some of what you need to know | 32.5% | 33.5% | 32.6% | 32.3% |
| Most of what you need to know | 32% | 32% | 32.5% | 35.4% |
| Just about everything you need to know | 9.6% | 9.1% | 9.8% | 10.3% |
| Don't Know | 0.9% | 1% | 1% | 1.1% |

Table 3: MCBS Question: Most of the time, do you make decisions about Medicare health insurance on your own, do you get help from someone else in making these decisions, or do you rely on someone else to make decisions about health insurance for you?

| | 2017 | 2018 | 2019 | 2020 |
|-------------------------------------|-------|-------|-------|-------|
| Someone else makes decisions | 10.4% | 10.4% | 10.3% | 7.8% |
| Gets help on decisions | 22.7% | 22.3% | 24.5% | 20.4% |
| Makes decisions on own | 56.1% | 56.2% | 53.9% | 58.8% |
| Inapplicable/ Missing | 9.7% | 9.9% | 10.3% | 12.2% |
| Don't Know | 1.1% | 1.1% | 1.1% | 0.8% |

Table 4: MCBS Question: Do you personally ever use the internet to get information of any kind?

| | 2017 | 2018 | 2019 | 2020 |
|-------------------|-------|-------|-------|-------|
| No | 41.9% | 40.3% | 37.9% | 32.9% |
| Yes | 58% | 59.7% | 62.1% | 67.1% |
| Don't Know | 0.1% | 0% | 0% | 0.1% |

Table 5: MCBS Question: How often do you access the internet to seek information, either on your own or with someone else's help?

| | 2017 | 2018 | 2019 | 2020 |
|----------------------------|-------|-------|-------|-------|
| A few times a year or less | 17.3% | 15.7% | 16.3% | 15.8% |
| A few times per month | 15.4% | 15% | 14.9% | 14.5% |
| A few times per week | 17.2% | 17.4% | 17.1% | 18.6% |
| Every day | 29% | 31.3% | 33.5% | 35.4% |
| Inapplicable/Missing | 20.5% | 19.9% | 17.4% | 15.2% |
| Don't Know | 0.6% | 0.7% | 0.7% | 0.5% |

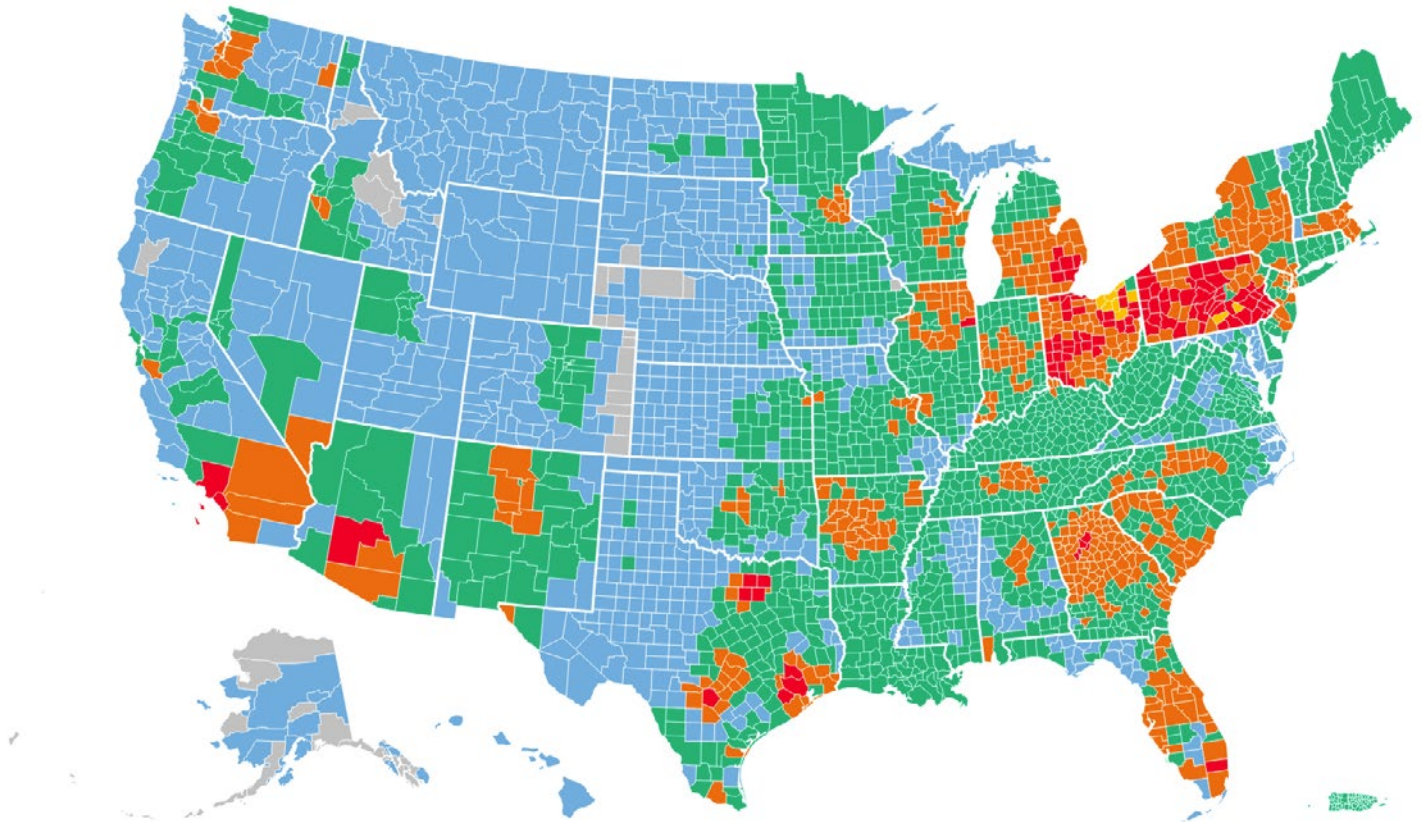
Table 6: MCBS Question: Have you ever visited or ever accessed the official website for Medicare information – www.medicare.gov?

| | 2017 | 2018 | 2019 | 2020 |
|----------------------|-------|-------|-------|-------|
| No | 46.4% | 46.2% | 49.7% | 58.8% |
| Yes | 31.8% | 32.2% | 35.9% | 40.2% |
| Inapplicable/Missing | 21.1% | 20.8% | 13.4% | 0% |
| Don't Know | 0.7% | 0.7% | 1% | 0.9% |

Figure

Figure 1: According to Freed et al. (2022), in 2023 the average Medicare beneficiary could choose from 43 Medicare Advantage plans, with beneficiaries in metropolitan areas having access to 46 Medicare Advantage plan options on average (compared to 29 plan options for those in non-metropolitan areas). Medicare Advantage plans in 2023:

0 plans (40 counties)
 1-20 plans (986 counties)
 21-40 plans (1572 counties)
 41-60 plans (511 counties)
 61-80 plans (104 counties)
 81 or more plans (9 counties)



NOTE: Excludes SNPs, EGHPs, HCPPs, PACE plans, cost plans, and MMPs.
 SOURCE: KFF analysis of CMS Landscape files for 2023.



[Map Source](#)

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