Medicare: What It Means to Seniors

Lina Walker, Ph.D.
Vice President, AARP
The 24th Princeton Conference
How are Seniors Reacting to AHCA

• Seniors are worried; concerned that AHCA may affect them

• Watchful – does it open way for bigger Medicare changes

• Low-income Medicare beneficiaries – can they get the care/support they need
Medicare To Seniors

Percent who say Medicare is Very Important

77%

Is Medicare working well for most seniors?

Total

- Yes, working well: 60%
- No, not working well: 30%
- Don't know/Refused: 10%

Covered by Medicare

- Yes, working well: 75%
- No, not working well: 22%
- Don't know/Refused: 3%

Source: Kaiser Family Foundation, Medicare and Medicaid at 50 survey, conducted April 23-May 21, 2015
Under the Radar
Actual & Potential Changes

• No major overall proposal on the table now
• Some changes, not catch public attention
• But, could have major implications for beneficiaries

Examples:
  o “Doc fix” and paying for value
  o Private Contracting/Balance Billing
Need to Ask: Is It Good Policy for People

Q1: Goal?
- Reduce spending, improve health/quality

Q2: How Accomplished?
- Cutting benefits, shifting costs, better for less
• Q3: How Evaluated?
  o Federal savings, beneficiary impact
  o Short- vs long-run effects
  o Do small changes open way to larger changes “outside the CBO window”
How Much Can We Put on Beneficiaries

• Income:
  o Median: $26,200; 25% have < $15,300

• Savings (excludes home equity):
  o Median: $74,500; 25% have < $14,600

• Liable for: Medicare cost-sharing, LTC costs, dental, hearing, vision
Already Carry Significant Burden

- 27% of Medicare enrollees spent 20% or more of income on health care + premiums

Kaiser 2015 Survey:
Last 12 months, spent less on food, heat, other basic needs to pay for health care

14% Yes
85% No
Some Promising Policies

• A bipartisan bill to improve care for people with chronic conditions
  o Address high-need and high-cost population

• Improve enrollment for Medicare beneficiaries
Thank you!

For more information:
Lina Walker
lwalker@aarp.org