



*GoHealth*<sup>®</sup>

## 2021 Annual State of Medicare

Enrollment, Financial Challenges and a Changing  
Confidence Among Older Adults

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# SURVEY METHODOLOGY

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The GoHealth 2021 Annual Report is the foundation to providing a high-level overview of the state of Medicare. The survey and analysis aim to understand Americans' concerns, behavior and responses to Medicare, including:

- Medicare Enrollment, e.g., fears, concerns and confusion
- Healthcare Outlook, e.g., access, cost and virtual care
- Current Issues, e.g., politics, the pandemic and healthcare equity

N = 2,000 online interviews were conducted from June 9 to June 17, 2021.

The respondents were selected based on these criteria:

- Medicare Beneficiaries: n=1,000 (ages 65+ and currently enrolled in Medicare).
- Nearing Medicare Eligibility: n=1,000 (ages 62+ and currently not enrolled in Medicare).

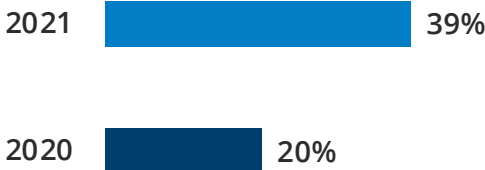
# OVERVIEW

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Confidence among older Americans in the country’s ability to bounce back from the COVID-19 pandemic has grown since GoHealth conducted its first [Annual State of Medicare](#) survey.

But in the aftermath of the pandemic’s darkest days, the financial impact is still being felt.

Since the original survey in July of 2020, the percentage of older Americans nearing Medicare eligibility who are concerned that a COVID-19 surge will disrupt healthcare has been cut in half. Yet, among that same group, 50% more people are having difficulty paying all of their medical bills.



Percentage of those nearing Medicare eligibility not concerned about COVID-19 disrupting healthcare, 2021 vs. 2020



Percentage of those nearing Medicare eligibility unable to pay their healthcare expenses each month, 2021 vs. 2020

## Could Medicare offer a remedy for those struggling to pay their medical bills?

Fewer Medicare beneficiaries (9%) reported having difficulty paying healthcare expenses each month. And half of beneficiaries said Medicare is a bargain, while 2 in 3 believe their Medicare coverage is at least as good, if not better, than their previous coverage.

Still, 49% of those on Medicare said they picked their plan “based on what I could afford,” and the same group indicated that prescription medication was the top skipped healthcare item due to cost.

Costs and enrollment in Medicare can be confusing. In 2021, 46% of Medicare beneficiaries worked with a Medicare specialist or agent for help, an increase from 37% in 2020.



## Financial Challenges & Aspects



**1 in 10**

Medicare beneficiaries cannot or are unsure if they can pay all their healthcare expenses.



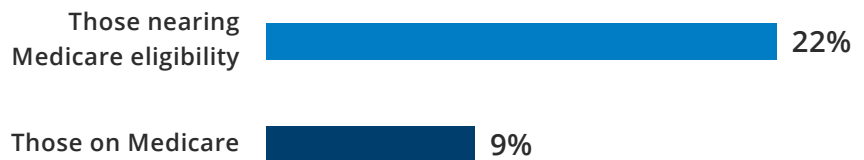
Prescription drugs was the most commonly neglected item to save money on healthcare




## KEY FINDINGS

It's a new year for the Annual State of Medicare survey. In 2021, older adults reacted to changes that affected Medicare's benefits and costs. The primary costs of Original Medicare increased in 2021, while many Medicare Advantage Plans expanded benefits.

The survey highlighted a troubling trend; in 2021, those nearing Medicare eligibility were 2.5 times more likely than Medicare beneficiaries to have difficulty paying their healthcare expenses on a monthly basis.

### Individuals Unable to Pay Medical Expenses Each Month

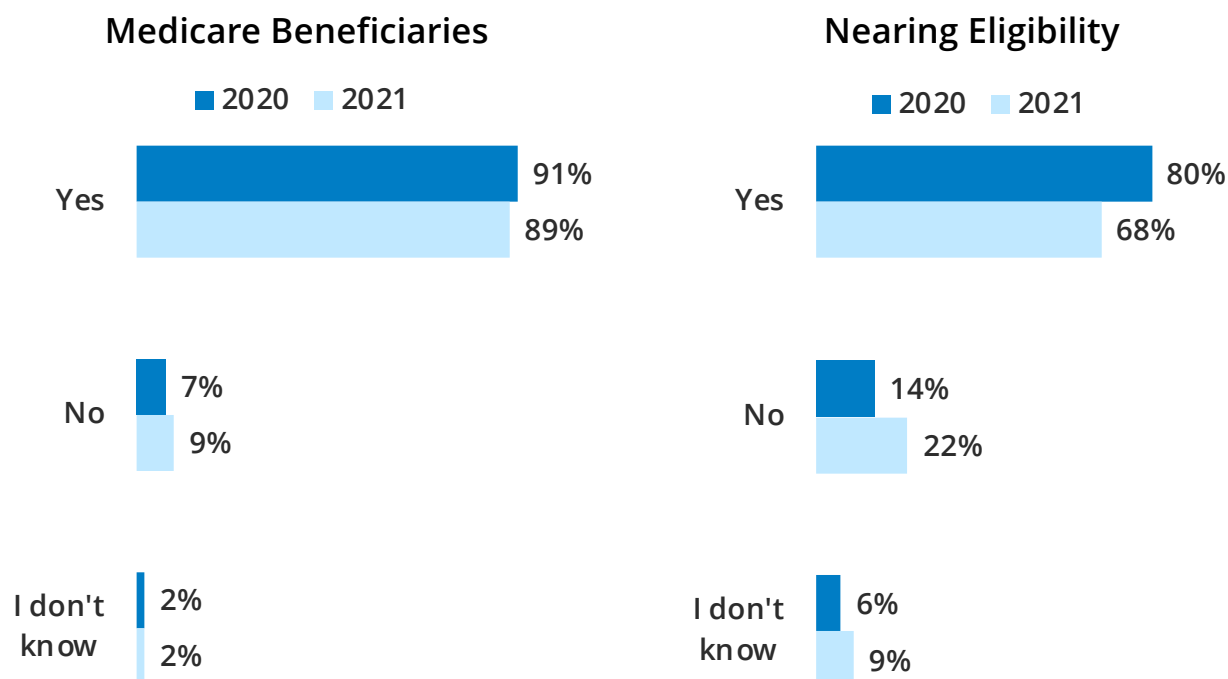


-  Twenty-four percent of those nearing Medicare eligibility admitted having to choose between paying a medical bill or a household bill, up from 15% last year.
-  Fifteen percent of Medicare beneficiaries this year said the same.
-  Forty-nine percent of those on Medicare said they picked their plan “based on what I could afford,” and the same group indicated that prescription medication was the top skipped healthcare item due to cost.

These findings also suggest the Medicare program offers a needed lifeline with options that provide assistance to those who can't afford coverage. According to the survey, half of Americans 65+ said their Medicare coverage is a bargain and two-thirds labeled their Medicare coverage as better than (33%) or as good as (33%) their previous coverage.

## GENERAL FINDINGS

Are you able to pay all of your healthcare expenses each month (i.e. prescriptions, appointments, treatments, etc.)?

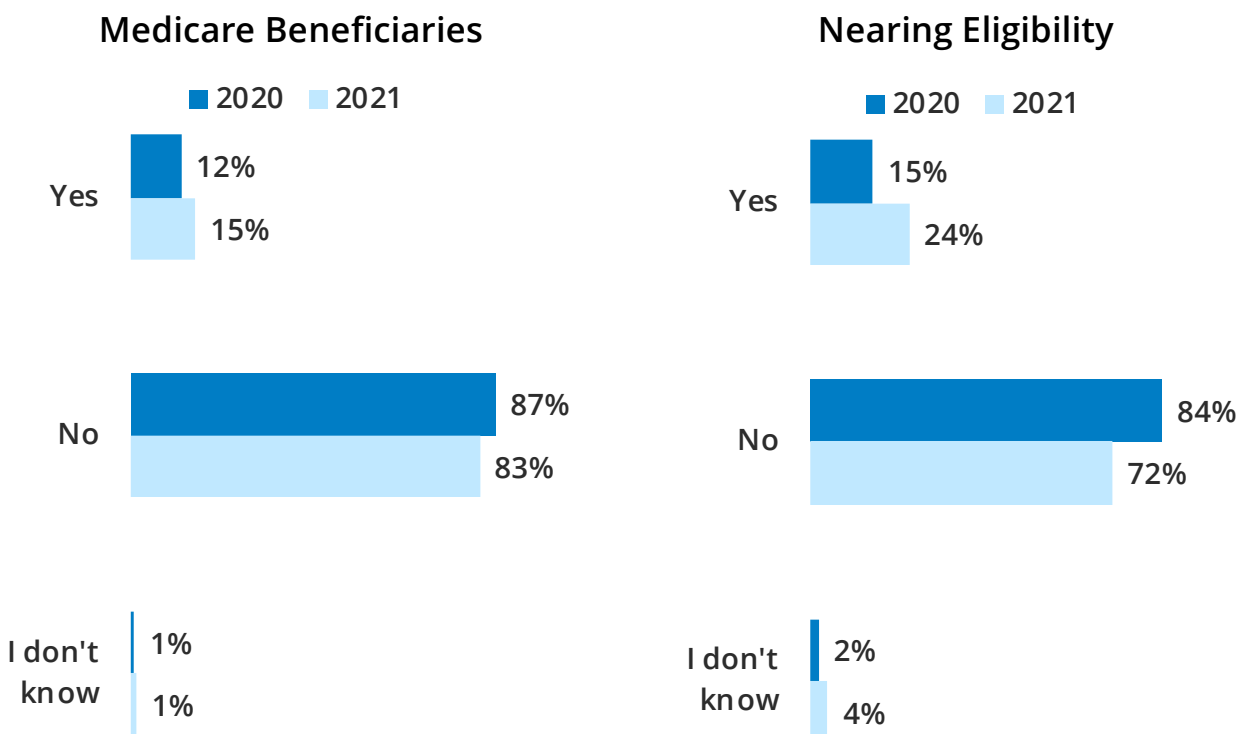


### Adults Not on Medicare Have Trouble Paying Monthly Healthcare Bills

- Nearly 1 in 4 (22%) adults not on Medicare report an inability to pay all of their healthcare expenses each month, an increase from 1 in 7 (14%) who said the same last year.
- Almost 1 in 10 (9%) non Medicare adults are currently uncertain about their ability to keep up with their healthcare expenses each month.

## GENERAL FINDINGS

Have you ever had to decide between paying a medical bill or buying groceries/paying household bills?



### Deciding Between Paying Medicare Bills and Household Bills Trending Up

- One in 4 (24%) adults not on Medicare say they have had to decide between paying their Medical bills and paying for groceries or another household bill, up from fewer than 1 in 8 (15%) who said the same in 2020.

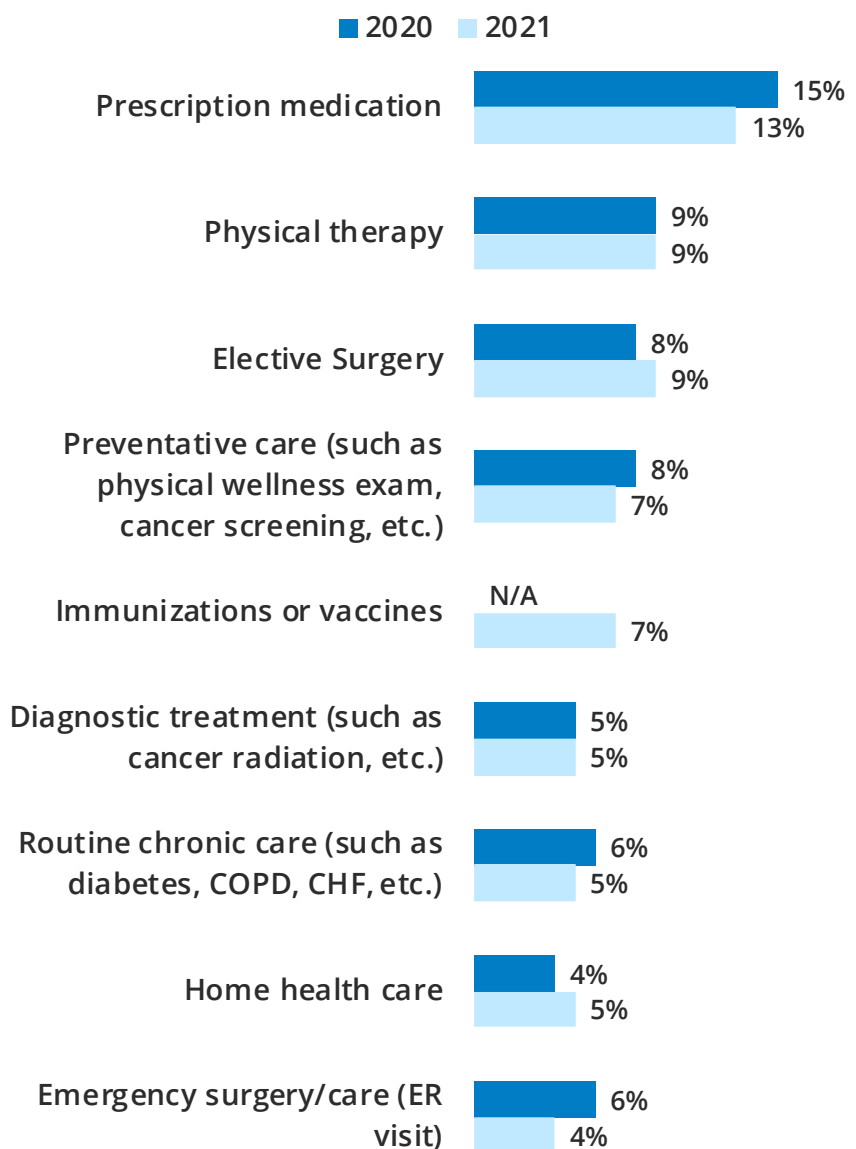


*Prescription medication remains the aspect of healthcare current beneficiaries are most likely to go without due to cost.*

## GENERAL FINDINGS

Has cost or not being able to afford specific healthcare services ever stopped you from getting the following healthcare treatments?

(Current Medicare beneficiaries)

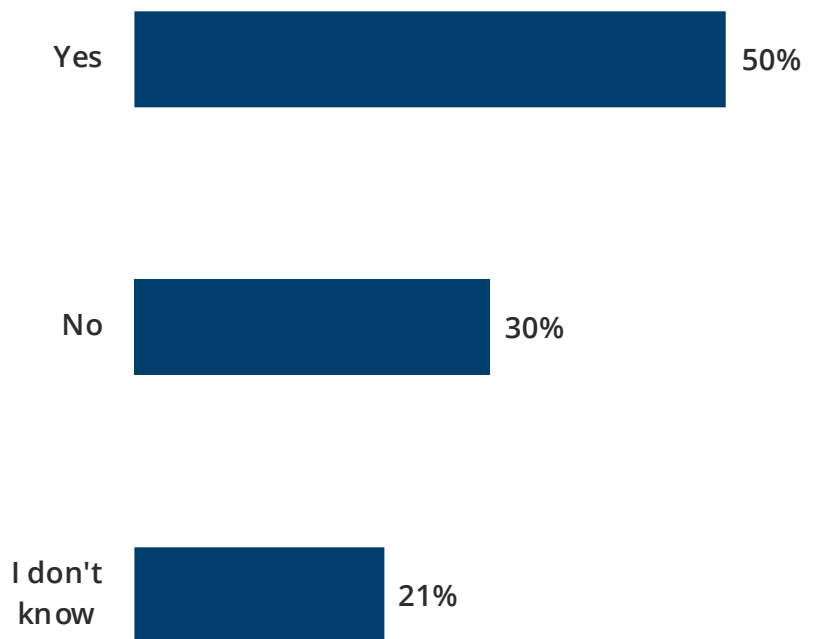


## GENERAL FINDINGS

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Do you consider Medicare to be a bargain?  
(Current Medicare beneficiaries)

*Half of current beneficiaries consider Medicare to be a bargain.*



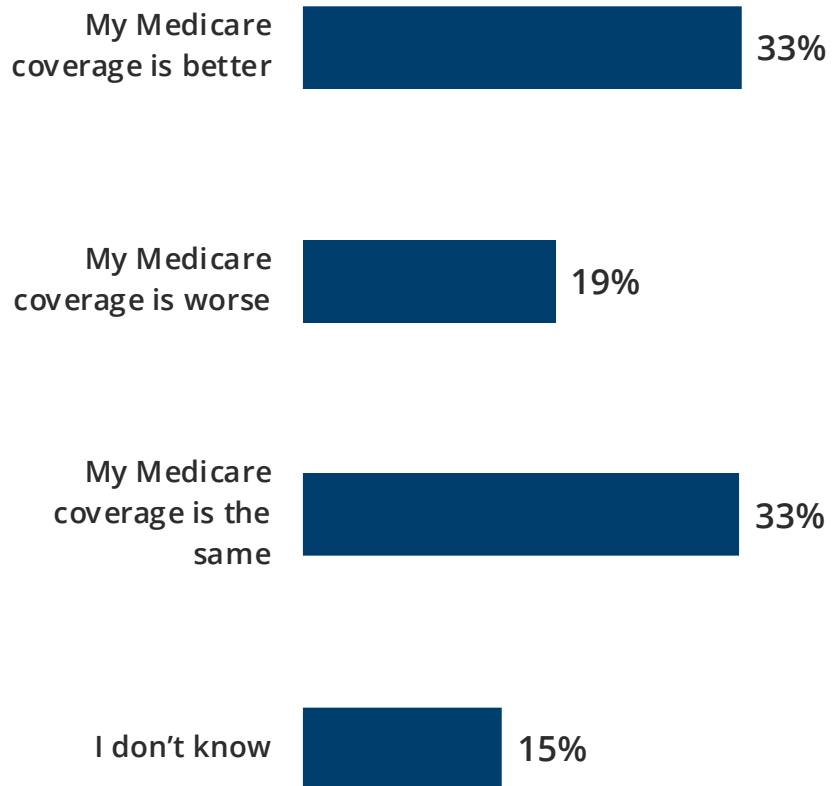
*Two in 3  
beneficiaries  
believe their  
Medicare coverage  
is the same or  
better than their  
previous coverage.*

## GENERAL FINDINGS

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In your opinion, how does your Medicare coverage compare to your previous coverage?

(Current Medicare beneficiaries)





## Medicare Perceptions: Basics to Enrollment

# KEY FINDINGS

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The benefits of Medicare for older adults are unmistakable. Still, understanding all that are available to beneficiaries and those with specific needs requires expertise beyond the basics. While the survey results highlights a knowledge gap around Medicare enrollment, individuals can rely on their research or turn to a licensed insurance agent to ensure they're making informed decisions and getting the most value from Medicare coverage.

**i** For example, Medicare Part A is premium-free for people that paid into Medicare by working 10 years, or have a spouse that has. Yet, most nearing Medicare eligibility don't know about this policy.

**Do you know the potential penalty for failing to enroll, when first eligible, for:**

Medicare Part A: 73% said "I don't know"  
Medicare Part B: 80% said "I don't know"

**Of the people surveyed who delayed enrollment and had to pay a penalty:**

Medicare Part A: 16% delayed enrollment.  
Medicare Part B: 17% delayed enrollment.

While the large majority of people meet the work requirement and don't have to pay a Part A premium, those who don't meet the requirement have to pay a premium and a 10% penalty for two years for every year they delayed enrollment. Part B does have a standard monthly premium; those who don't sign up when first eligible face a 10% lifetime penalty for every year they delay.

Enrolling in Medicare the first time can feel overwhelming, as 43% of current Medicare beneficiaries admitted. Making informed decisions about Medicare requires resources

- i** in 2021, 46% of Medicare beneficiaries worked with a Medicare specialist or agent for help, an increase from 37% in 2020.
- i** 77% of Medicare beneficiaries surveyed in 2021 said receiving advice from a Medicare specialist would make the enrollment process easier.
- i** Seventy-five percent also said access to an easy-to-read website or information packet would help.

## GENERAL FINDINGS

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Do you know how long an individual has to work in order to receive Medicare Part A for free (not required to pay the Part A premium)?

*Almost 4 in 5  
nearing eligibility  
don't know how  
long an individual  
has to work in  
order to receive  
Medicare Part A for  
free.*

32 yearly quarters  
(equivalent to 8 years) 4%

40 yearly quarters  
(equivalent to 10 years) 14%

48 yearly quarters  
(equivalent to 12 years) 4%

I don't know 78%

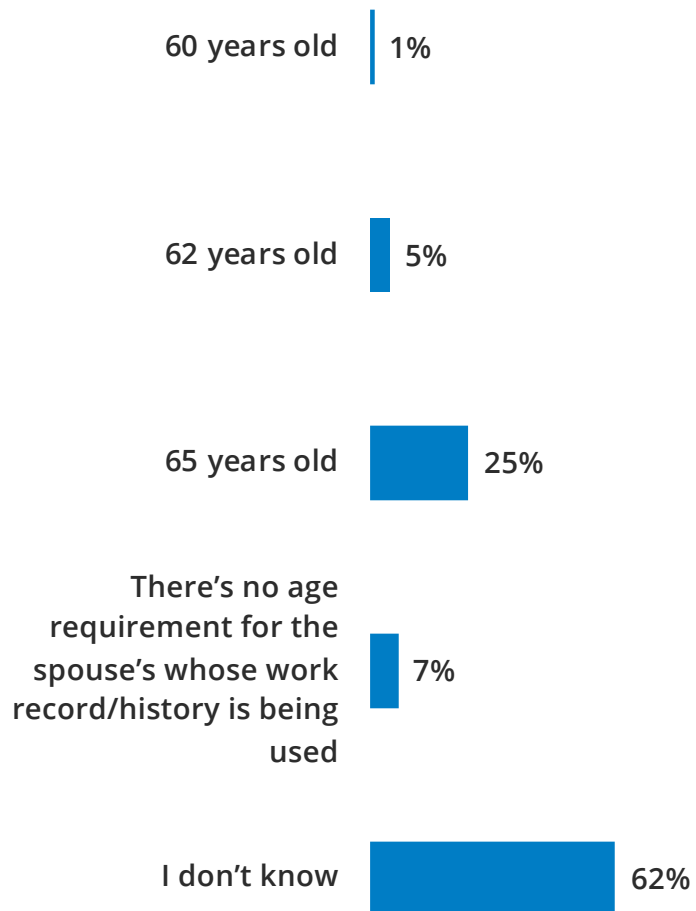
*While most married near eligible adults don't know how old your spouse has to be in order to receive benefits under their work record, another 1 in 4 incorrectly believe the requirement is 65 years old.*

## GENERAL FINDINGS

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If you qualify for Medicare benefits under your spouse's work record/history, do you know how old he /she has to be in order for you to receive benefits?

(Married adults nearing eligibility)



## GENERAL FINDINGS

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What is the potential penalty cost for failing to sign up for Medicare Part A when you first become eligible to do so?

(Near eligible)

*Nearly 3 in 4 near eligible adults are unsure what the potential penalty cost is for failing to sign up for Medicare Part A when initially eligible.*

10% of the monthly premium 5%

15% of the monthly premium 1%

20% of the monthly premium 2%

Depends on how much time passed between when you first became eligible and when you actually enrolled 12%

There is no penalty cost for failing to sign up for Medicare Part A when you first become eligible 9%

I don't know 73%



## GENERAL FINDINGS

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What is the potential penalty cost for failing to sign up for Medicare Part B when you first become eligible to do so?

(Near eligible)

*Four in 5 adults nearing eligibility don't know what the potential penalty cost is for failing to sign up for Medicare Part B when eligible.*

15% of the monthly premium | 2%

20% of the monthly premium | 1%

25% of the monthly premium | 1%

Depends on how much time passed between when you first became eligible and when you actually enrolled | 7%

There is no penalty cost for failing to sign up for Medicare Part B when you first become eligible | 8%

I don't know | 80%

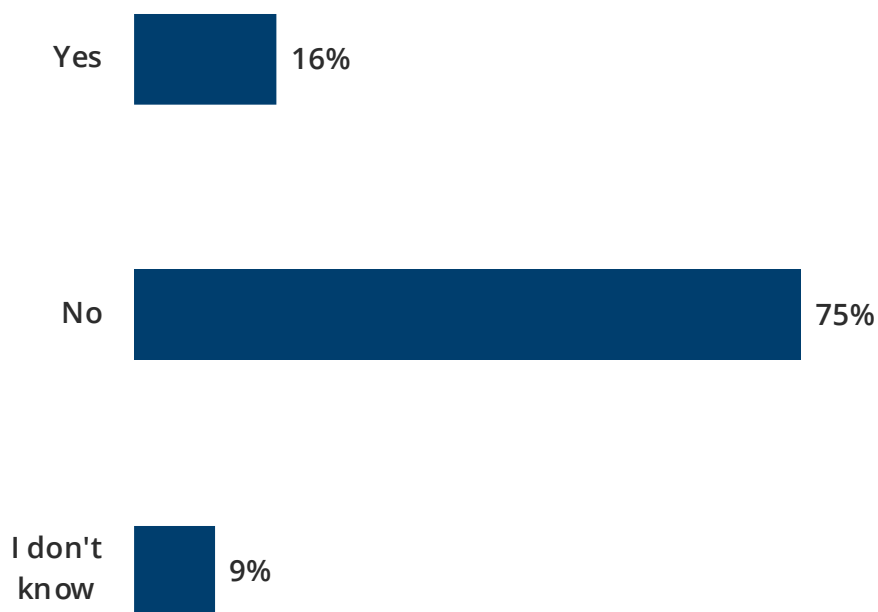
*One in 6 current Medicare beneficiaries is required to pay a penalty due to delaying their enrollment in Medicare Part A.*

## GENERAL FINDINGS

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Are you required to pay a penalty for delaying your enrollment in Medicare Part A?

(Beneficiaries who have delayed their enrollment in Part A)



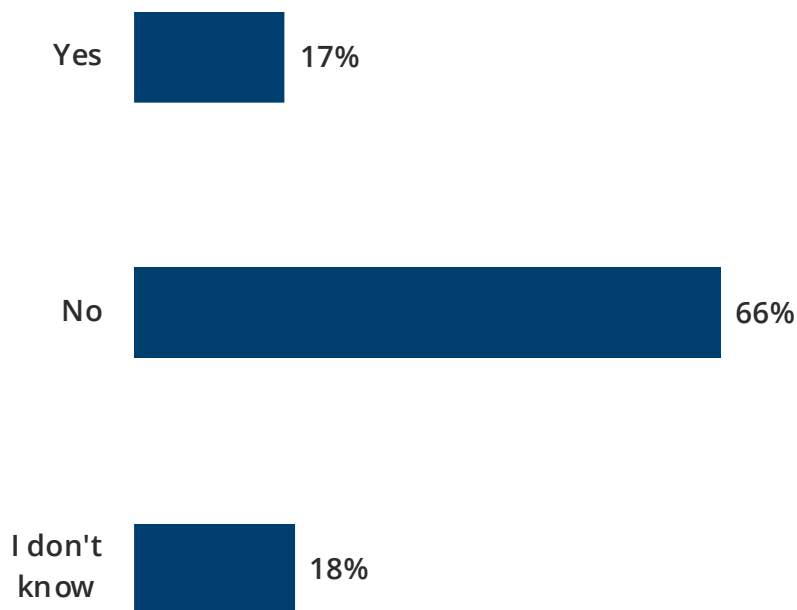
*Almost 1 in 5 current beneficiaries are forced to pay a penalty for delaying their enrollment in Medicare Part B.*

## GENERAL FINDINGS

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**Are you required to pay a penalty for delaying your enrollment in Medicare Part B?**

(Beneficiaries who have delayed their enrollment in Part B)

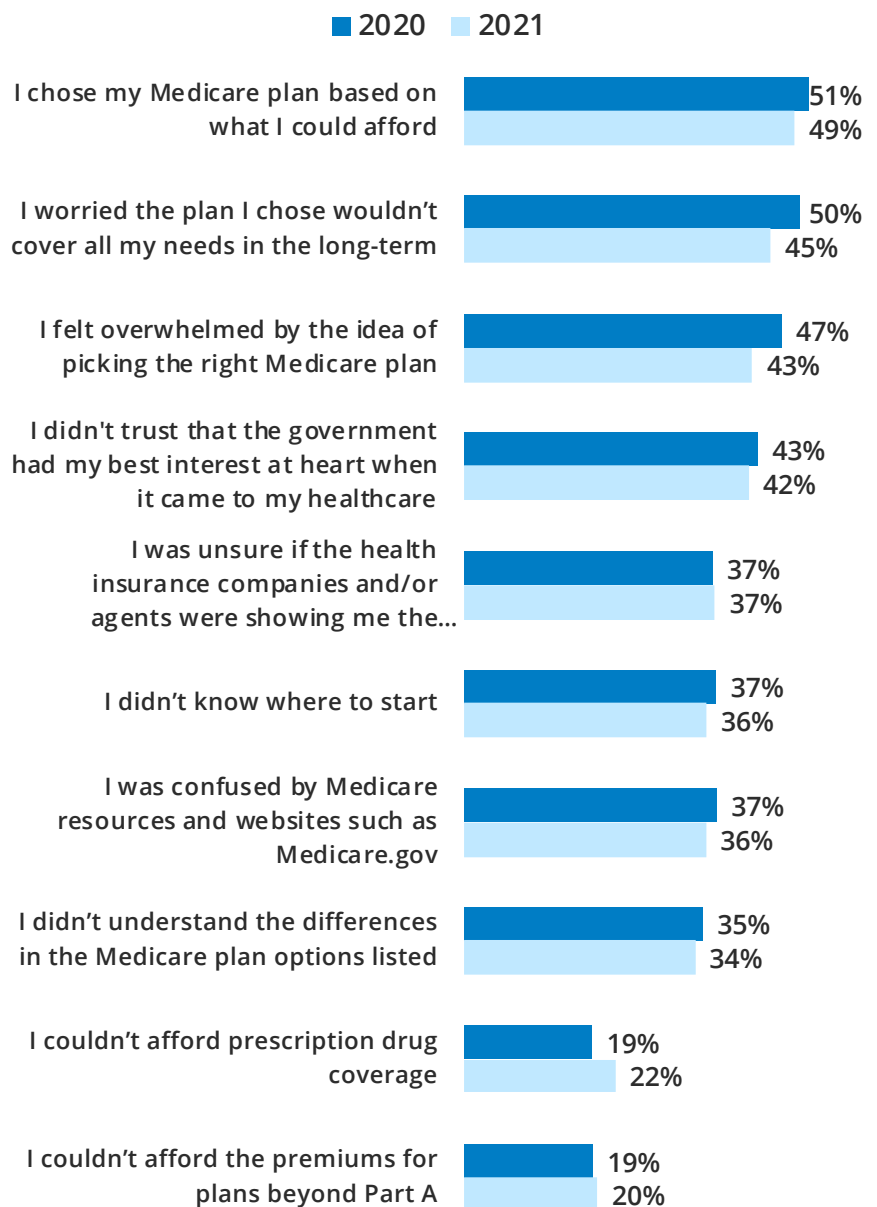


*Similar to last year, more than 2 in 5 current beneficiaries felt overwhelmed by the idea of picking the right Medicare plan.*

## GENERAL FINDINGS

### When you first enrolled in Medicare, did you experience any of the following?

(Current Medicare beneficiaries)

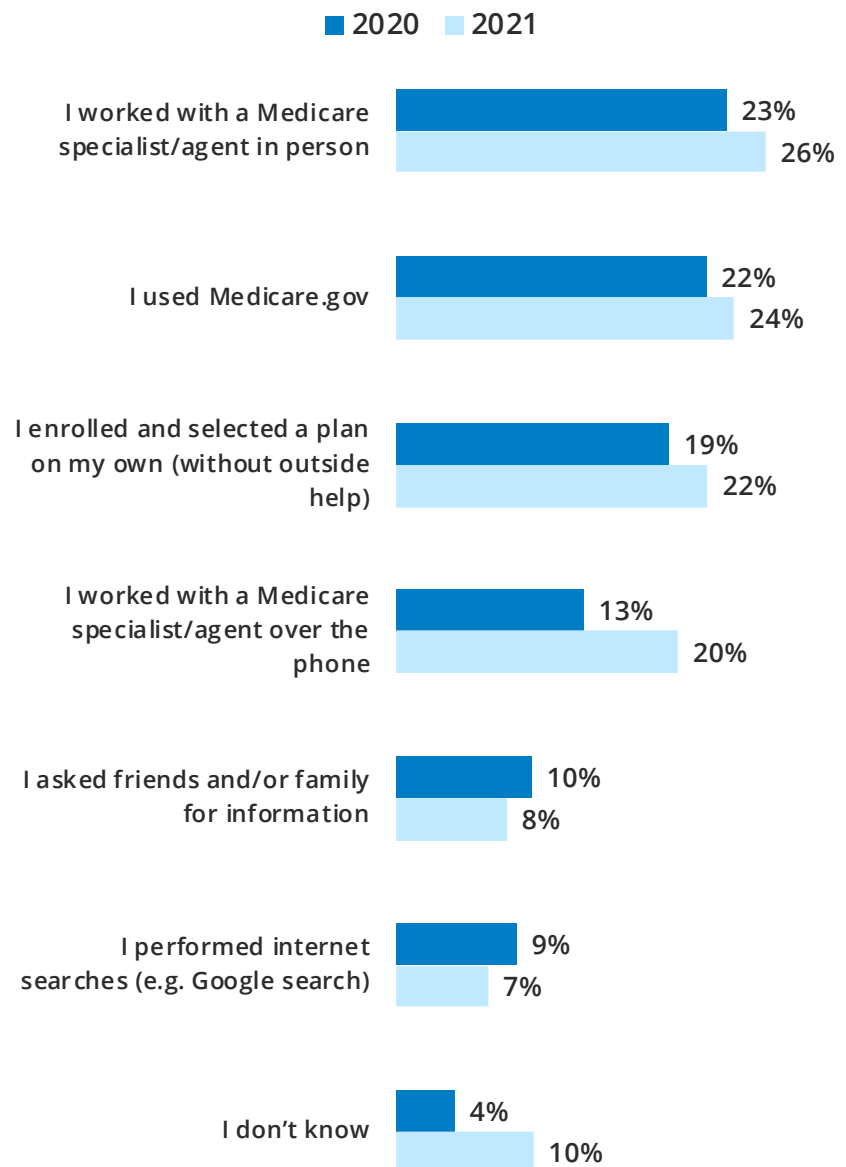


*Compared to last year, current beneficiaries are more likely to have worked with an agent over the phone and are less reliant on friends, family or general internet sources.*

## GENERAL FINDINGS

### Which of the following did you rely on to help you enroll in Medicare?

(Current Medicare beneficiaries)

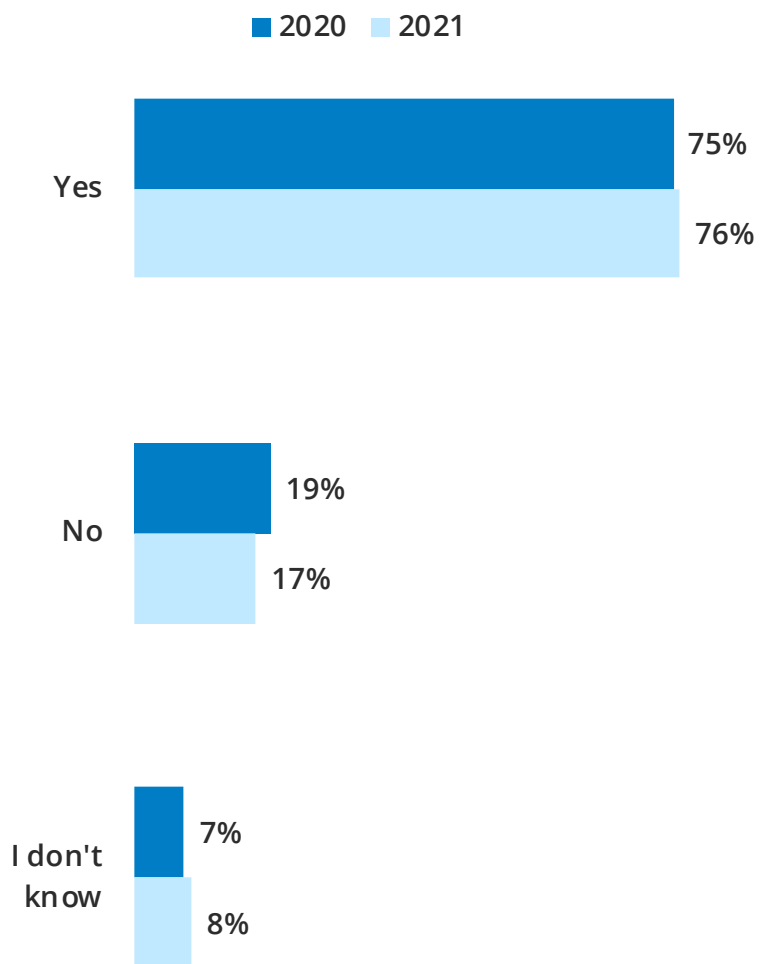


## GENERAL FINDINGS

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### Does your current plan meet all your healthcare needs?

(Current Medicare beneficiaries)



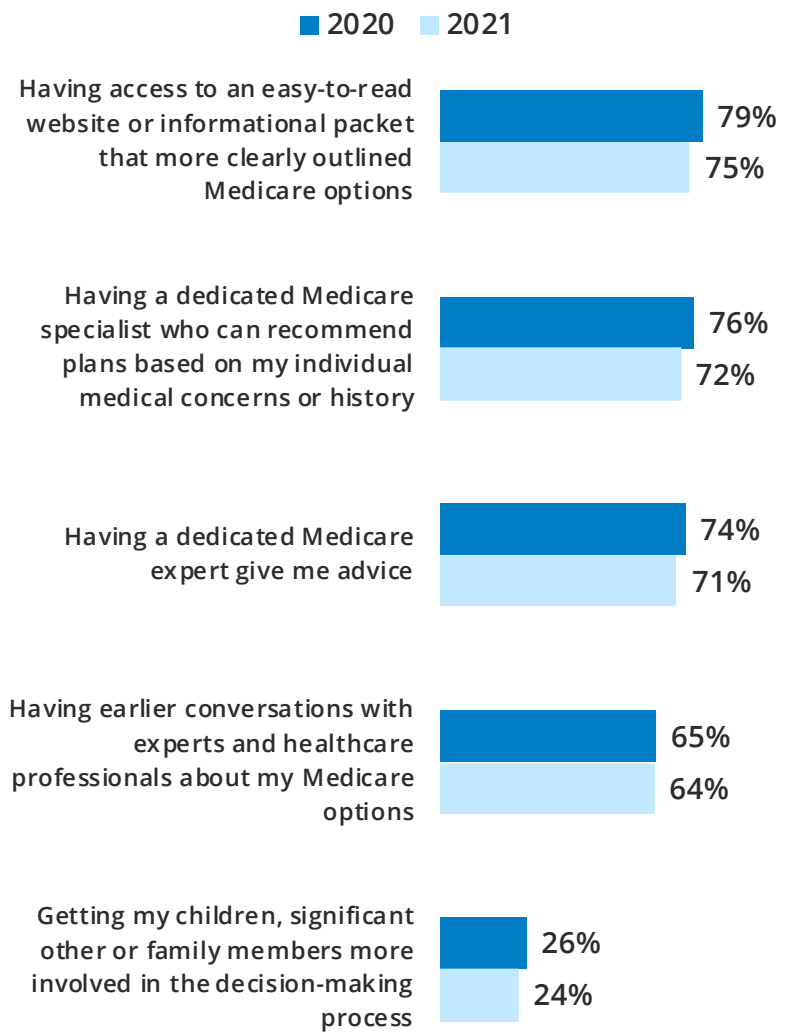
*One in 4 current beneficiaries say their plan either doesn't meet all of their healthcare needs or they are unsure if it does.*

*On par with last year, 3 in 4 current beneficiaries say having a dedicated specialist give advice and recommend plans based on individual concerns will help make the enrollment process easier.*

## GENERAL FINDINGS

Would any of the following help make the enrollment process easier?

(Current Medicare beneficiaries)





## COVID-19 Pandemic & Confidence Going Forward



# KEY FINDINGS

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In an April [survey](#) conducted by GoHealth, 35% of older adults planned to reschedule skipped medical and dental visits after receiving the COVID-19 vaccine.

Just a few months later, older Americans are showing a measured degree of confidence in COVID-19 no longer disrupting their healthcare journey and displaying a desire to get back to normal.

As an example, virtual visits for Medicare beneficiaries became a viable option during the pandemic, but it didn't become a preference.



Twenty-five percent of Medicare beneficiaries surveyed in June 2021 said they had a virtual visit with a doctor, up from 20% in July 2020.

## However, of the 75% that have not used telehealth or telemedicine,



36% said they would be open to see a doctor virtually.



39% said they would not be open to see a doctor virtually.



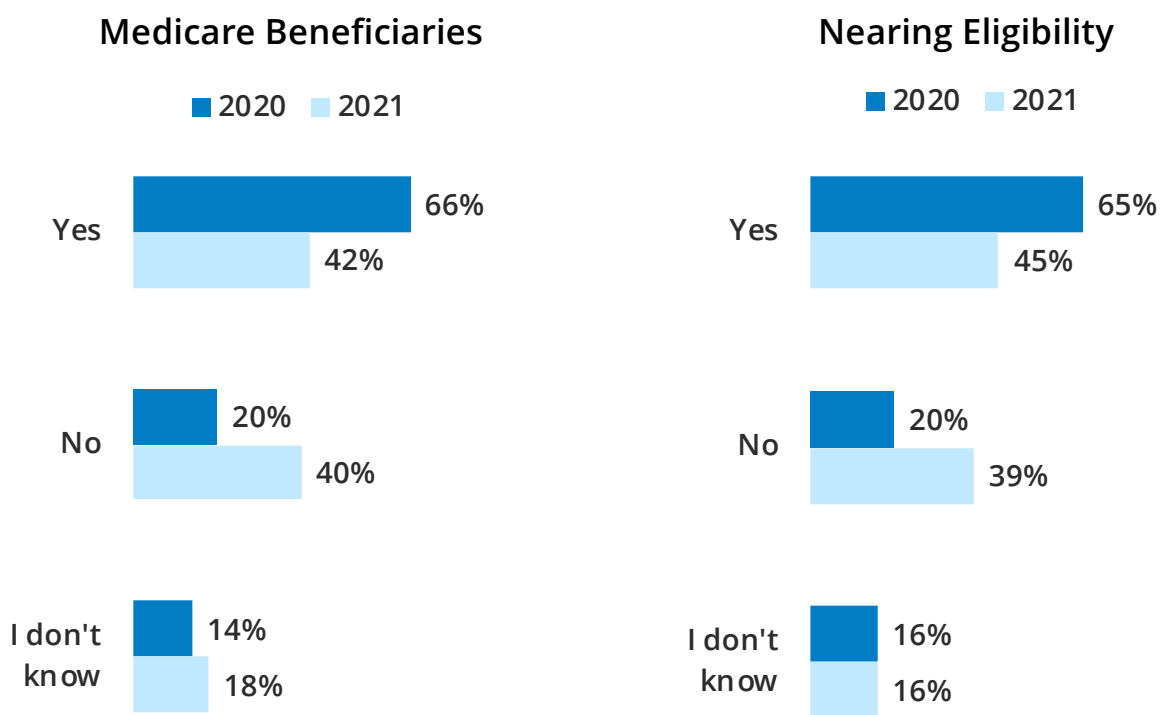
Among the 39% opposed, 84% of people cited "I prefer to meet with my doctor face-to-face" as the reason they would not use telehealth or telemedicine.

In the face of a still-developing COVID situation, that speaks to growing confidence, as do these updated responses:

- Fewer people (13%) said COVID-19 made it more difficult to receive medical care in 2021 compared to last year (22%).
- More people (61%) said they didn't have to skip or postpone healthcare services in 2021 compared to 2020 (45%).

## GENERAL FINDINGS

Are you concerned that another Covid-19 outbreak or surge could cause more issues within the healthcare system and your ability to get the healthcare services you need?



### Concern Another Outbreak Will Impact Healthcare System is Weakening

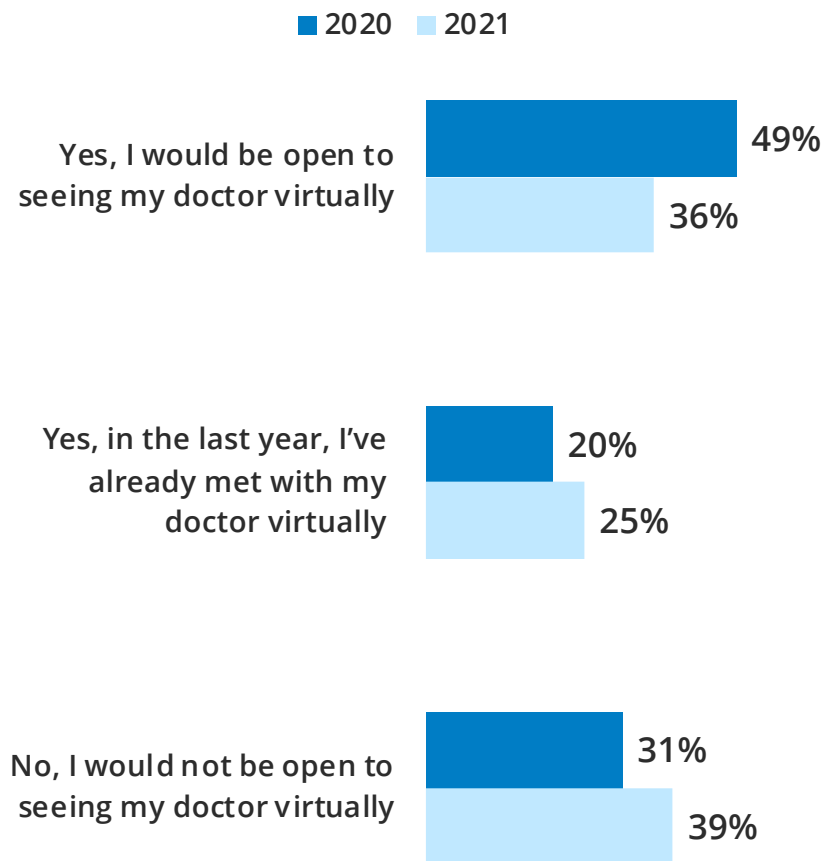
- Last year, 2 in 3 adults aged 62 and older (regardless of their Medicare status) shared concern that another Covid-19 outbreak would cause more issues within the healthcare system; in 2021, only 2 in 5 say the same.

*One in 4 current beneficiaries has already met with their doctor virtually, up from 1 in 5 last year.*

## GENERAL FINDINGS

Would you be open to working with your doctor virtually (for example, video calling your doctor for an appointment versus going to meet your doctor in person)?

(Current Medicare beneficiaries)

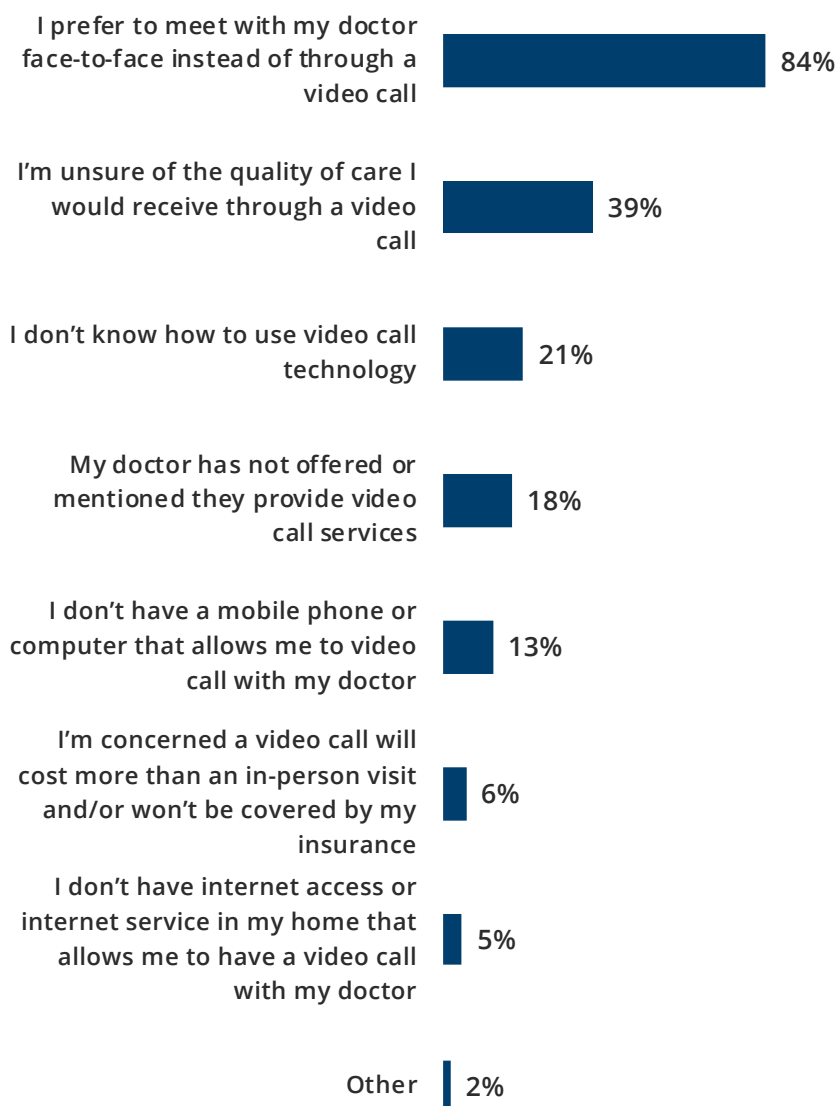


*Among current beneficiaries who are not open to seeing their doctor virtually, most say it's because they simply prefer to meet with their doctor face-to-face.*

## GENERAL FINDINGS

### Why are you not open to working with your doctor virtually?

(Current beneficiaries not open to virtual doctor visits)



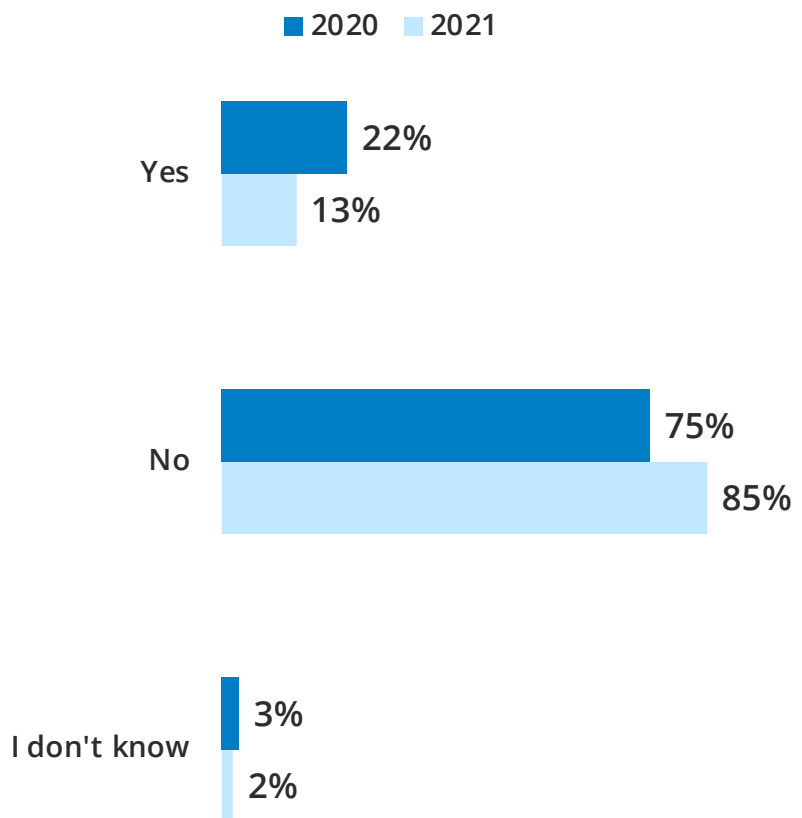
*Compared to last year, Covid-19 is significantly less impactful on current beneficiaries' access to medical care.*

## GENERAL FINDINGS

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Has the Covid-19 pandemic made it harder for you to get the medical care you need?

(Current Medicare beneficiaries)

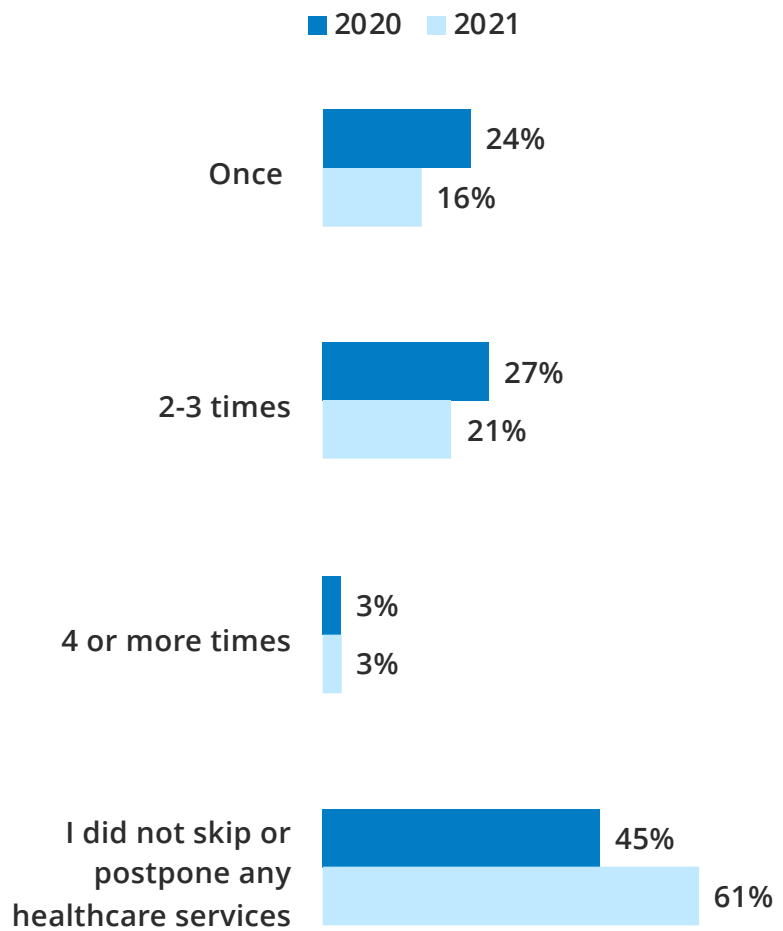


*Three in 5 beneficiaries say they haven't skipped or postponed healthcare services during the pandemic.*

## GENERAL FINDINGS

During the pandemic, how often did you skip or postpone your healthcare services?

(Current Medicare beneficiaries)





## Thank you.



For more information about GoHealth, visit [GoHealth.com](https://GoHealth.com).



For additional research around Medicare, COVID-19, social determinants, etc. among older adults in the United States, visit [GoHealth.com/Newsroom](https://GoHealth.com/Newsroom).



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A leading health insurance marketplace and Medicare-focused digital health company with the mission to improve access to healthcare in America. GoHealth combines cutting-edge technology, data science, and industry expertise to match customers with the healthcare policy and carrier that is right for them. Since its inception in 2001, GoHealth has enrolled millions of people in Medicare, and in individual and family health insurance plans. For more information, visit [GoHealth.com](https://GoHealth.com)