



NABIP Medicare Position Paper

Since the Medicare program was created in 1965, it has served as a critical source of financial and health security for our nation's senior and disabled population. Much has changed with the program and its beneficiaries over the years and the complimentary private Medicare insurance marketplace has evolved as well. The National Association of Benefits and Insurance Professionals (NABIP), a professional association representing more than 100,000 health insurance agents, including thousands of agents directly involved in the Medicare marketplace, believes that our nation should take steps to ensure that the Medicare program is financially stable, serves its beneficiaries efficiently, and provides consumers with suitable health insurance choices.

Because many Medicare beneficiaries live on fixed incomes, continuing to provide access to affordable coverage options is critical. For many seniors Medicare Advantage coverage is an attractive and familiar coverage option that provides access to supplemental benefits with low and predictable out-of-pocket costs. The popularity of this program continues to grow each year. There are also tens of millions of beneficiaries who choose to remain enrolled in Original Medicare each year. Market and demographic changes have created an increasingly robust and competitive insurance marketplace for seniors who elect to combine traditional Medicare with supplemental coverage. Whether as a part of a Medicare Advantage program or as an addition to Original Medicare, Medicare Part D has eliminated many of the affordability challenges seniors previously had with purchasing necessary medication.



With many options available to Medicare beneficiaries, finding the right coverage for the specific needs of each Medicare beneficiary requires expertise, patience and dedication to finding the right solution or combination of solutions. This is why it is so important for Medicare beneficiaries to have access the professional services of licensed independent insurance agents who have spent many hours annually receiving the most updated training and certification in the Medicare marketplace. Agents serve as the Medicare consumer's advocate, a valued and trusted advisor and source of information by offering objective and affordable choices to meet consumers' individual needs. Agents provide long-term value to their clients as a source of regular advice and assistance after enrollment with claims, billing, and coverage issues related not only to the products they offer, but the Medicare program as a whole. Many changes have affected the Medicare marketplace creating the environment we have today, and insurance agents are needed more now than ever to guide these personalized decisions.

Medicare and Employer Sponsored Coverage

The development of the private Medicare Advantage (MA) program as an option has given beneficiaries has been very popular with beneficiaries who were previously covered by employer sponsored coverage, giving them more choice and the freedom to elect coverage that more closely mirrors the coverage benefits that were available to them when they were working. Furthermore, as access to group retiree insurance coverage has declined, the demand for Medicare coverage has skyrocketed.



NABIP believes that steps need to be taken at the federal level to make Medicare eligibility more complimentary with employer group health coverage, including increasing flexibility and options for working seniors with access to qualified high-deductible health plans and health savings accounts. Medicare beneficiaries become ineligible to contribute to a Health Savings Account if they enroll in any part of Medicare. The nexus between employer group health insurance and Medicare eligibility is complicated and beneficiary choices during this timeframe can have financial consequences that last a lifetime. Americans are delaying retirement and staying in the workforce longer due to a variety of reasons including improved health, the rising Social Security eligibility age and reduced retirement savings levels. As demographics shift, policymakers will need to expediently make necessary Medicare program changes to accommodate the evolving needs of beneficiaries.

Another issue facing those nearing retirement is the option to continue their group coverage under COBRA. Under current regulation, COBRA is not creditable coverage for Medicare Parts B & D and can subject beneficiaries to unnecessary and permanent penalties. Many beneficiaries may choose to maintain coverage under COBRA for a dependent or avoid paying two deductibles during their retirement year. It is imperative that action be taken to ensure that beneficiaries can maintain otherwise creditable coverage under COBRA until they are able to make informed decisions for their entire household.

Medicare and Technology

Some simple technology changes would make obtaining coverage much simpler for Medicare beneficiaries. These include the following:

- Automate enrollment in Medicare Part A and Part B
After submitting an online application for Medicare Part A (and/or Part B), the individual should immediately be able to save/print their Temp Medicare ID card.
- Improved Part D Late Enrollment Penalty (LEP) Processing
Move the creditable Rx coverage validation step to the Part D or MAPD application. For individuals enrolling for the first time in Part D or MAPD, there could be a checkbox or signature that verifies this individual had creditable Rx coverage since they were Medicare eligible (e.g. age 65).
- Automate IRMAA Calculations
Create a new calculator in www.ssa.gov/myaccount that allows someone to calculate their total Part A premium (if applicable), Part B premium, Part B IRMAA, and Part D IRMAAs. This calculator could be used for people preparing to go on Medicare or just analyzing if it makes sense to move to Medicare (e.g. off a group health plan). At the time of enrolling in Medicare Part A, Part B, Part D, calculate the projected total cost for these premiums and IRMAAs based on the appropriate income tax filing for the individual. Allow the individual to proactively file the appeal (e.g. SSA-44 form) online at the time of enrollment.
- Merge ssa.gov/myaccount and mymedicare.gov
Currently, these are two separate logins & websites that Benes need to maintain. Ideally, this would be one common login/website.

CONCLUSION

The federal Medicare program has many considerations for long-term stability that deserve policymakers' serious considerations. Access to affordable plans that cover medications, provide access to care, accommodate beneficiaries that may wish to continue working, and do not penalize those that retire but have dependents in need of coverage are all



banner issues for our organization. NABIP believes that Medicare beneficiaries face many challenges related to maintaining access and affordability for a diverse field of health and drug plan options. As state licensed, annually certified insurance agents, we believe our many hours of both mandated and voluntary training make us uniquely suited to assist beneficiaries in learning about, selecting, and accessing care within the Medicare program. We welcome all opportunities to work with CMS and other policymakers to ensure a bright future for Medicare beneficiaries everywhere.