



**7th Annual
National Voices of Medicare Summit
and Senator Jay Rockefeller Lecture**

April 30, 2020

#CMASummit2020

MedicareAdvocacy.org



**7th Annual
National Voices of Medicare Summit
and Senator Jay Rockefeller Lecture**

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The John A. Hartford Foundation
Dedicated to Improving the Care of Older Adults





**7th Annual
National Voices of Medicare Summit
and Senator Jay Rockefeller Lecture**

Welcome and Framing the Program

Judy Feder
Judy Stein

Panel Sponsors:



**7th Annual
National Voices of Medicare Summit
and Senator Jay Rockefeller Lecture**

Medicare's Promise & Challenges:

Cathy Hurwit
Tricia Neuman
Judy Stein

Panel Sponsors:



Medicare's Promise and Challenges

Tricia Neuman, ScD

Senior Vice President and Senior Advisor to the President
Director, Program on Medicare Policy
Kaiser Family Foundation

Virtual National Voices of Medicare Summit
Center for Medicare Advocacy

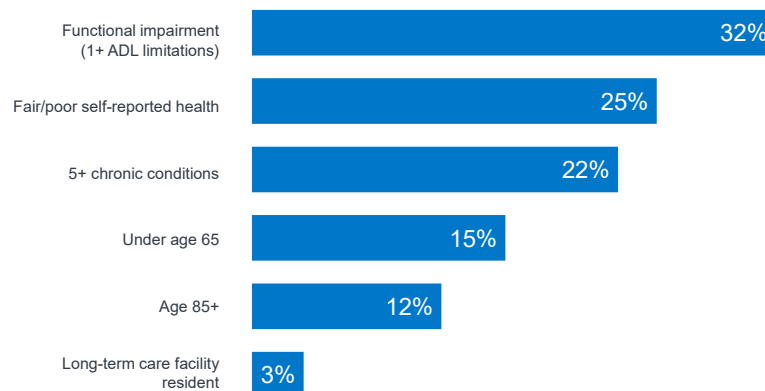
April 30, 2020



Filling the need for trusted information on national health issues.

Figure 6

Some People With Medicare Enjoy Good Health, But Many Have Significant Health Impairments



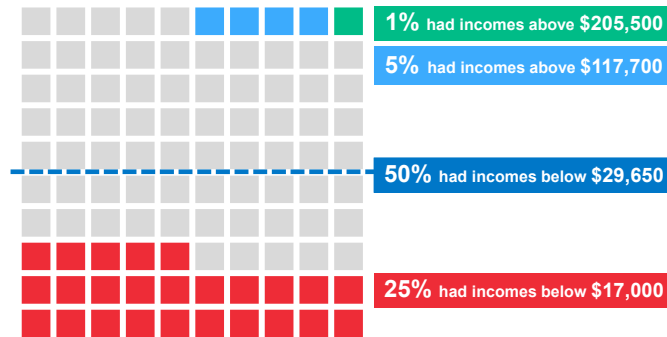
NOTE: ADL is activity of daily living.
SOURCE: KFF, "An Overview of Medicare," February 2019.



Figure 7

Half Of All Medicare Beneficiaries Lived On Incomes Under \$29,650 Per Person; One In Four Lived On Incomes Under \$17,000 In 2019

Per capita income among Medicare beneficiaries, 2019



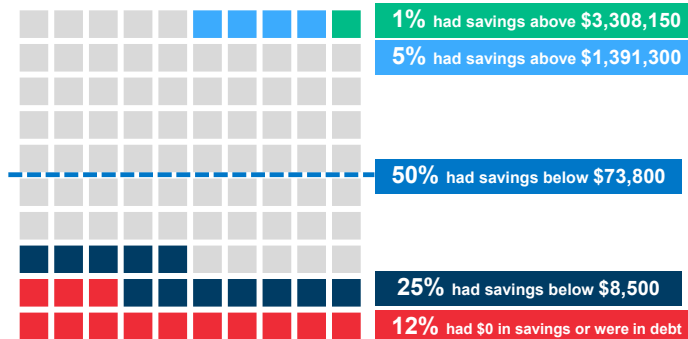
SOURCE: KFF, "Medicare Beneficiaries' Financial Security Before the Coronavirus Pandemic," April 2020.



Figure 8

Half Of All Medicare Beneficiaries Had Savings Below \$73,800 Per Person; One In Ten Had No Savings Or Were In Debt In 2019

Per capita savings among Medicare beneficiaries, 2019



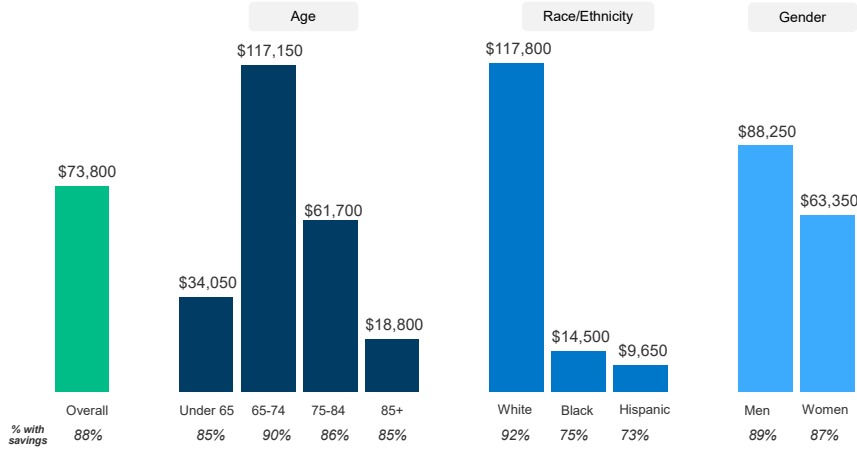
SOURCE: KFF, "Medicare Beneficiaries' Financial Security Before the Coronavirus Pandemic," April 2020.



Figure 9

Median Savings Declines With Age Among Older Adults, Is Lower For Black & Hispanic Medicare Beneficiaries, And Lower For Women

Median per capita savings among Medicare beneficiaries, 2019

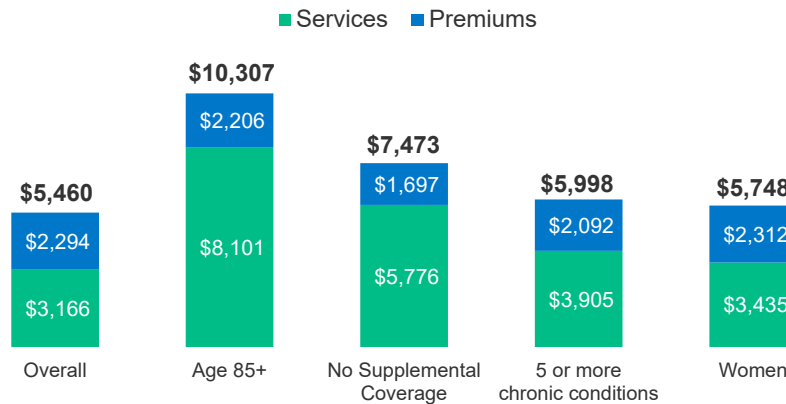


NOTE: Total household savings for couples is split equally between husbands and wives to estimate savings for married beneficiaries.
SOURCE: KFF, "Medicare Beneficiaries' Financial Security Before the Coronavirus Pandemic," April 2020.



Figure 10

The Average Medicare Beneficiary Spent \$5,460 Out Of Their Own Pocket For Health Care In 2016; Some Spent Much More



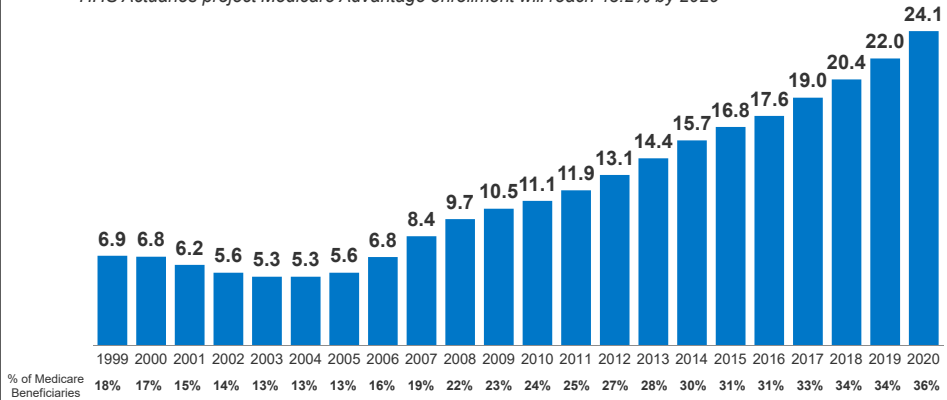
SOURCE: KFF, "How Much Do Medicare Beneficiaries Spend Out of Pocket on Health Care?" November 2019.



Figure 11

Total Medicare Advantage Enrollment, 1999-2020 (in millions)

HHS Actuaries project Medicare Advantage enrollment will reach 43.2% by 2029

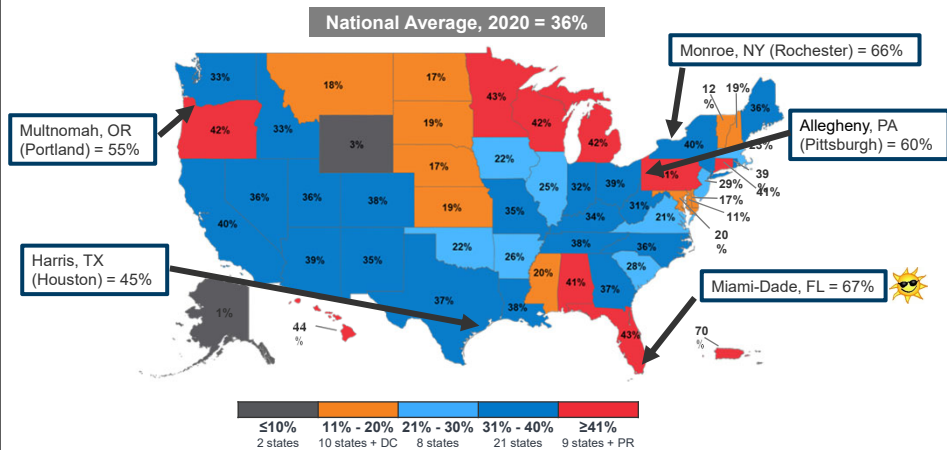


NOTE: Includes cost plans as well as Medicare Advantage plans. About 68 million people are enrolled in Medicare in 2020.
SOURCE: KFF, "A Dozen Facts About Medicare Advantage in 2020," April 2020.



Figure 12

The Share Of Medicare Beneficiaries In Medicare Advantage Plans Varies Widely Across and Within States



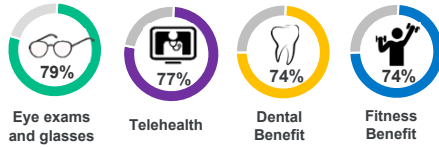
SOURCE: KFF, "A Dozen Facts About Medicare Advantage in 2020," April 2020.



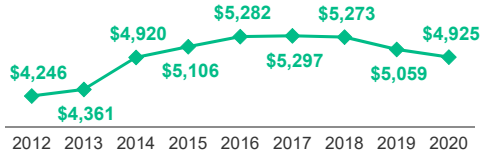
Figure 13

Medicare Advantage Trends

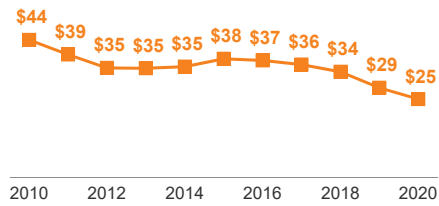
Most Medicare Advantage Enrollees Have Access To Some Benefits Not Covered By Traditional Medicare



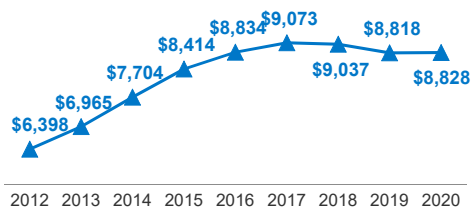
Average Medicare Advantage Plan Out-of-Pocket Limits for In-Network Services



Average Monthly Medicare Advantage Prescription Drug Plan Premiums



Average Medicare Advantage Plan Out-of-Pocket Limits for Out-of-Network Services (PPOs)



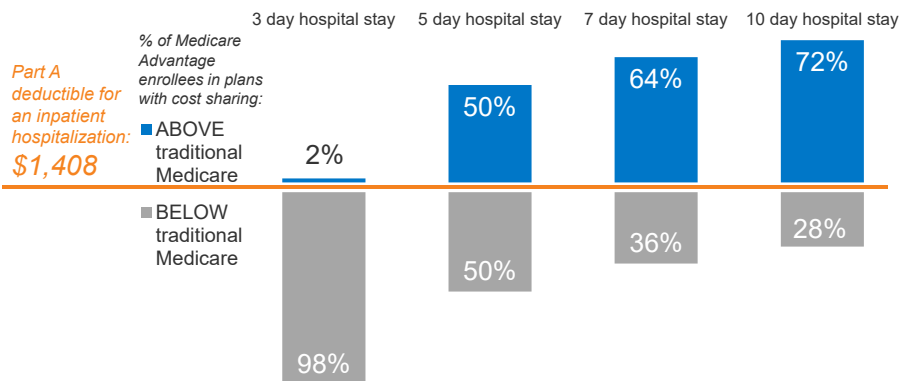
SOURCE: KFF, "A Dozen Facts About Medicare Advantage in 2020," April 2020; "Medicare Advantage 2020 Spotlight: First Look," October 2019.



Figure 14

Half Of All Medicare Advantage Enrollees Would Incur Higher Costs Than Beneficiaries In Traditional Medicare For A 5-day Hospital Stay

Medicare Advantage Enrollee Cost Sharing, by Length of Inpatient Hospital Stay, 2020



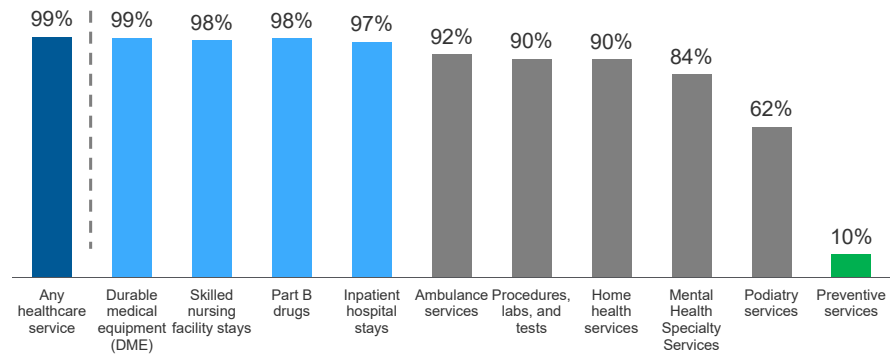
SOURCE: KFF, "A Dozen Facts About Medicare Advantage in 2020," April 2020.



Figure 15

Nearly All Medicare Advantage Enrollees Are In Plans That Require Prior Authorization For Some Services

Most enrollees are required to receive prior authorization for the **highest cost** services and fewer enrollees need to receive it for **preventive services**



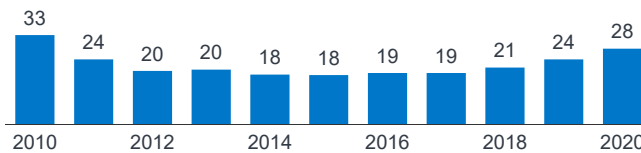
SOURCE: KFF, "A Dozen Facts About Medicare Advantage in 2020," April 2020.



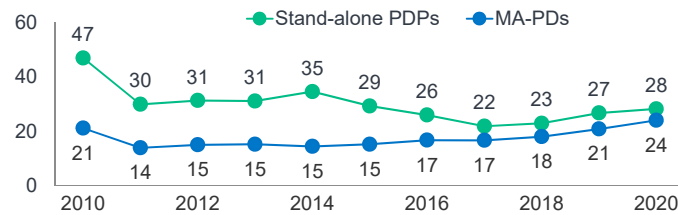
Figure 16

Medicare Beneficiaries Now Have the Option to Choose Between Medicare Advantage and Traditional Medicare, Among Medicare Advantage Plans, and Among Part D Plans if in Traditional Medicare

The Average Medicare Beneficiary Has Access to 28 Medicare Advantage Plans in 2020



The Average Medicare Beneficiary Has a Choice of 28 Stand-alone Drug Plans and 24 Medicare Advantage Drug Plans in 2020



SOURCE: KFF, "Medicare Advantage 2020 Spotlight: First Look," October 2019; "Medicare Part D: A First Look at Prescription Drug Plans in 2020," November 2019.



Figure 17

In Theory, People On Medicare Compare And Choose Plans Each Year During Open Enrollment, But Relatively Few Do



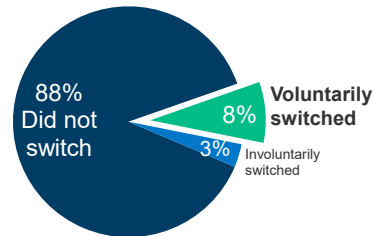
SOURCE: KFF, “How are Seniors Choosing and Changing Health Insurance Plans?” May 2014.



Figure 18

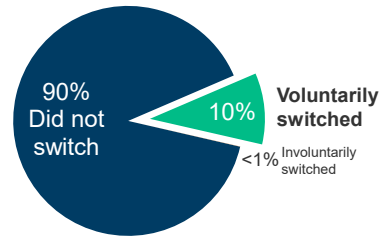
Only a Small Share of Medicare Advantage and Part D Prescription Drug Plan Enrollees Voluntarily Switched Plans Between 2016 and 2017

Medicare Advantage Prescription Drug Plan Enrollees



Total = 9.4 million beneficiaries

Medicare Prescription Drug Plan (PDP) Enrollees in Traditional Medicare



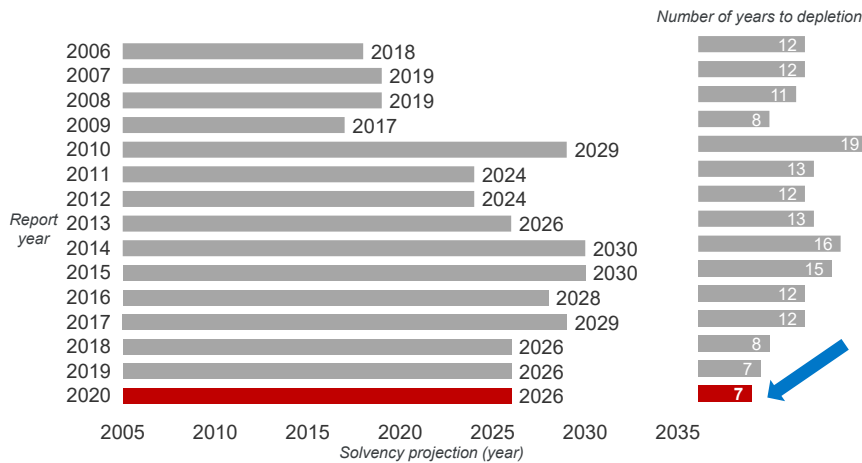
Total = 11.7 million beneficiaries

SOURCE: KFF, “No Itch To Switch: Few Medicare Beneficiaries Switch Plans During Open Enrollment,” December 2019.



Figure 19

The Medicare Part A Trust Fund is projected to be insolvent in 2026, three years earlier than the Administration's actuaries projected in 2017



The 2020 Actuaries Report does not take into account spending or payroll tax revenue changes due to COVID-19

SOURCE: KFF, "The Facts on Medicare Spending and Financing," August 2019.

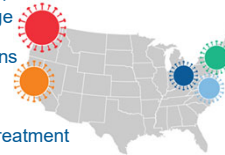


Figure 20

The Administration and Congress Have Made a Number of Changes to Medicare in Response to COVID-19

Effective During the Emergency:

- ✓ Expanding telehealth benefits, including making them available to all beneficiaries, in their homes
- ✓ Allowing Medicare to pay for Skilled Nursing Facility (SNF) services without a 3-day qualifying stay
- ✓ Providing renewed SNF coverage to beneficiaries without starting a new spell of illness and allowing them to receive up to an additional 100 days of SNF coverage
- ✓ Requiring PDPs and MA-PDs to provide up to 90-day supply of medications
- ✓ Modifying calculation of star ratings for Medicare Advantage plans
- ✓ Allowing Medicare Advantage plans to waive cost sharing for COVID-19 treatment
- ✓ Allowing Medicare Advantage plans to waive prior authorization requirements
- ✓ Increasing payments to hospitals by 20% for patients diagnosed with COVID-19 (based on DRGs)



Medicare Resources on KFF.org



- ✓ An Overview of Medicare
- ✓ Medicare Beneficiaries' Financial Security Before the Coronavirus Pandemic
- ✓ A Dozen Facts About Medicare Advantage in 2020
- ✓ Medicare Advantage 2020 Spotlight: First Look
- ✓ An Overview of the Medicare Part D Prescription Drug Benefit
- ✓ Medicare Part D: A First Look at Prescription Drug Plans in 2020
- ✓ The Facts on Medicare Spending and Financing
- ✓ No Itch to Switch: Few Medicare Beneficiaries Switch Plans During the Open Enrollment Period
- ✓ How Much Could Medicare Beneficiaries Pay For a Hospital Stay Related to COVID-19?

For more information, contact trician@kff.org
or visit kff.org/medicare

A large, stylized graphic of the letter 'K' is positioned on the left side of the page. The 'K' is composed of three main sections: a solid blue vertical bar on the left, a grey diagonal bar in the middle, and a solid blue diagonal bar on the right. The overall effect is a bold, modern monogram.

Thank you.

MEDICARE AT 55

MEDICARE VISION

Before Medicare

- Private insurance did not meet needs of older adults
- 50% everyone ≥ 65 had no health insurance

Medicare – Begins in 1965

- Health care coverage for most people ≥ 65
- Social Insurance model
- All in, shared risk, uniform benefits, shared interest
- Increased health and economic security of older adults and their families

MEDICARE VISION

- 1972, added –
 - Coverage for people with SSA Disability (for 24 months)
 - SNF coverage for therapy (in addition to nursing)
- 1980, rescinded –
 - Cap on home health visits and prior institutionalization requirement
- 1983, added –
 - Hospice coverage

As enhancements were made, incremental increases in Medicare funding were also made (employer/employee payroll taxes)

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CHANGING VISION(S)

- 1990s – Present: Emphasis and approaches change
- Increased funding for traditional Medicare off the table
- Decreased commitment to social insurance model
- Privatization experiments and implementation
 - Medicare+Choice, Medicare Advantage, Part D
 - Premium Support
 - “Choice”! (of plan)
- Increased fragmentation, decreased standardization

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CHANGING VISION(S)

- 2003 → Income-based premiums
- Premium Support / Vouchers
- 2014 Affordable Care Act
 - Rolled back MA overpayments, increased Medicare Trust Fund solvency
 - Added preventive benefits w/ no cost-sharing,
 - Decreased Part D “Donut Hole”
- Current –
 - Moves to repeal, limit ACA, strike down via litigation
 - Increased emphasis on private plans, de-standarization

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CHANGING VISION(S)



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PRINCIPLES FOR MEDICARE REFORM

Core Considerations

1. **Adequate & Available** (Coverage)
2. **Affordable** (For beneficiaries)
3. **Simplicity** (Easy to understand & navigate)
4. **Sustainable** (For Medicare program)
5. **Fair** (For all beneficiaries & between delivery options)

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IMPROVE MEDICARE FOR ALL BENEFICIARIES

- **Improve traditional Medicare, including:**
 - Add Out-of-Pocket cap
 - Reduce need for and improve Medigap access and coverage
 - Add oral health, vision, hearing coverage (HH aides, LTCare)
 - Add Rx to Part B (and negotiate Rx prices)
 - Equalize traditional Medicare and Medicare Advantage (payments and benefits)
 - Reduce ongoing barriers to care (prior institutional requirements, observation status, homebound, DME restrictions)
 - Improve/simplify enrollment
 - Improve low-income protections

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IMPROVE MEDICARE FOR ALL BENEFICIARIES

- **Improve Oversight, including:**
 - Ensure beneficiary access to fair appeals and written decisions
 - Monitor Medicare Contractor appeals to ensure decisions comply with Medicare law, regulations, court decisions
 - Monitor Medicare SNFs and HHAs to ensure they follow Physicians Orders and Medicare Conditions of Participation
 - Monitor providers for under-provision of care
 - Reinforce Medicare Advantage consumer protections
 - Ensure true network adequacy in MA plans
 - Prohibit MA plans from terminating providers after beneficiary enrollment period unless Good Cause

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H.R. 3 – MEDICARE IMPROVEMENTS *ELIJAH E. CUMMINGS LOWER DRUG COSTS NOW ACT OF 2019*

- Allows HHS to negotiate some Part D drugs
- Rx savings reinvested into expanding Medicare benefits, including:
 - OOP cap on Part D expenses
 - Vision, hearing, dental benefits added
 - Medigap rights enhanced
 - Low-income programs
 - Full LIS eligibility – Income increased to 150% FPL
 - Full QMB eligibility – Income increased to 150% FPL
- Passed House, not Senate

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MEDICARE EXPANSION PROPOSALS

Range Of Proposals

- *Medicare for All* – Single federal program replacing Medicare, Medicaid, private insurance
- *Medicare for America* – Enhanced Medicare benefits, auto-enroll uninsured, Medicaid, CHIP, option for large group employers
- Medicare for those who want it
- Medicare “buy-in” /public option for older individuals not yet eligible for the current Medicare program (≥ 60 /others?)
- New national health insurance program for all U.S. residents,
 - Opt out for those with qualified coverage

<https://www.kff.org/interactive/compare-medicare-for-all-public-plan-proposals/>

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MEDICARE ADVANTAGE FOR ALL?

- Public generally unaware that Medicare is increasingly privatized
 - 2020: 36% of Medicare beneficiaries in private MA plans; expected to increase
- Growing imbalance between MA and traditional Medicare
 - Payment per enrollee, allowed benefits, enrollment ease
- Reduced oversight re marketing, actual coverage, appeals, MA overpayments
- Increased complexity to “choose,” understand, navigate

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HELPFUL MEDICARE-RELATED COVID RESPONSES

- MA – Prior Auth. can be waived, at plan discretion
- HH – Latitude re *in-person* Face-to Face, Homebound (includes COVID and COVID risk), OT can trigger HH
- SNF – 3-day inpatient hospital stay and 100-day limit on coverage lifted for COVID-related reasons
- Telehealth – Greater latitude for audio only and video for various purposes (But, watch for long-term consequences)
- Appeals – COVID Crisis = Good Cause for delay; latitude re appeal forms/detail requirements

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TROUBLING MEDICARE-RELATED COVID RESPONSES

- Many consumer protections and oversight functions suspended, including:
 - Most SNF inspections and staffing requirements
 - Many provider reporting requirements
 - Some MA oversight

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**Focus on Individuals Most in Need
When Considering Vision for Medicare –
Now and in the Future**



**7th Annual
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Medicare's Promise & Challenges

Discussion

Panel Sponsors:





**7th Annual
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**Special Presentation:
*National Elder Law Foundation
Award of Excellence in Elder Law***

**Amos Goodall,
National Elder Law Foundation**





**7th Annual
National Voices of Medicare Summit**

– Senator Jay Rockefeller Lecture –

Wendell Potter

Introduction by
Former Senator Jay Rockefeller

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Wendell Potter

Discussion

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Senator Jay Rockefeller
Lecture 2020

Presented to

WENDELL POTTER

In recognition of his courage, integrity,
and advocacy for
quality health insurance and care.

Mr. Potter's commitment
to speak truth to power
is a model for all citizens.



**7th Annual
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Media: Coverage & Concerns

**David Lipschutz
Trudy Lieberman
Mark Miller
Susan Jaffe**

Panel Sponsors:





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Media: Coverage and Concerns

Discussion

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**7th Annual
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and Senator Jay Rockefeller Lecture**

**Alfred J. Chiplin, Jr,
Social Justice & Advocacy Award**





**7th Annual
National Voices of Medicare Summit
and Senator Jay Rockefeller Lecture**

**Alfred J. Chiplin, Jr,
Social Justice & Advocacy Award**

Presented to

Ashwani Jain

**Program Director
National Kidney Foundation**





**2020 Alfred J. Chiplin, Jr.
Award**

Awarded to An Individual
Who Works to Advance Civility in Society
And Social Justice For All

ASHWANI JAIN

In recognition of
transforming his personal story
into an activist, compassionate life of service.



**7th Annual
National Voices of Medicare Summit
and Senator Jay Rockefeller Lecture**

Closing Remarks

Judy Stein



**Look for the 8th Annual
*National Voices of Medicare Summit
and Senator Jay Rockefeller Lecture*
— 2021 —**

Stay Tuned for Next Year's (In-Person) Date!

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