

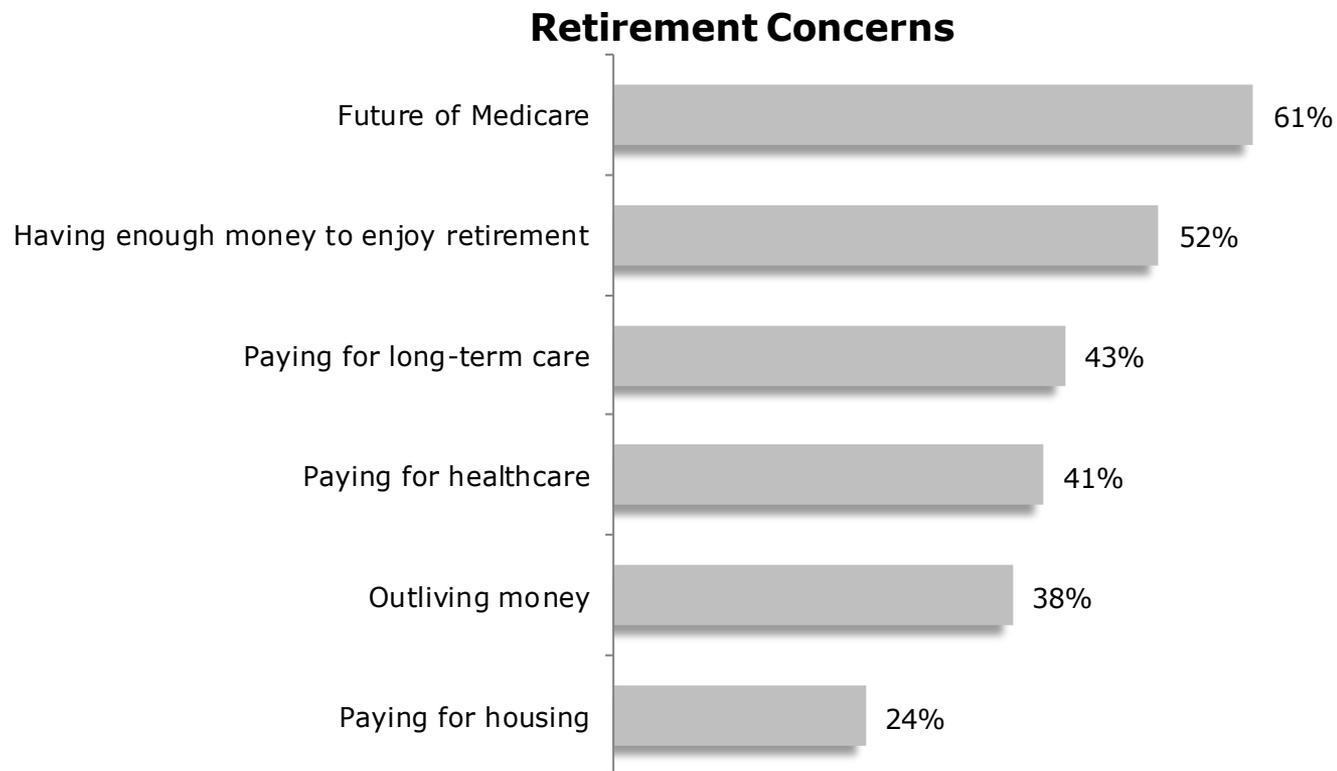
## Medicare Planning and Trends Among Seniors

October 2012

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# Allsup Medicare Advisor® Seniors Survey

**Medicare's future tops concerns.** Seniors top retirement concern is the future of Medicare (61 percent). Half (52 percent) also worry about having enough money in retirement.



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Thinking about retirement, are any of the following concerns for you? (Multiple Responses)

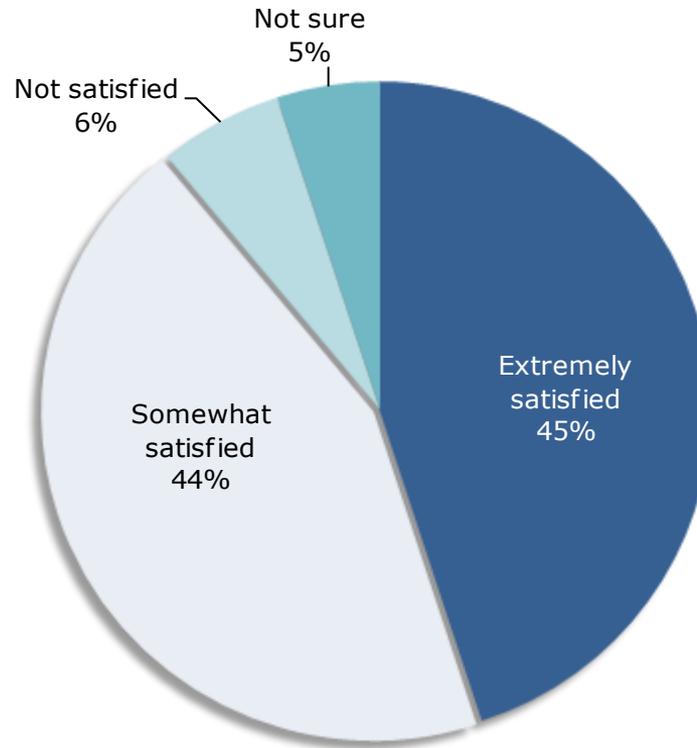
Contact: *Allsup Medicare Advisor* for individuals, (866) 521-7655, and financial planners, (888) 220-9678.



# Allsup Medicare Advisor<sup>®</sup> Seniors Survey

**Seniors very satisfied with current Medicare coverage.** Forty-five percent of Medicare recipients are extremely satisfied with their current coverage; 44 percent are somewhat satisfied.

## Satisfaction with Medicare Coverage



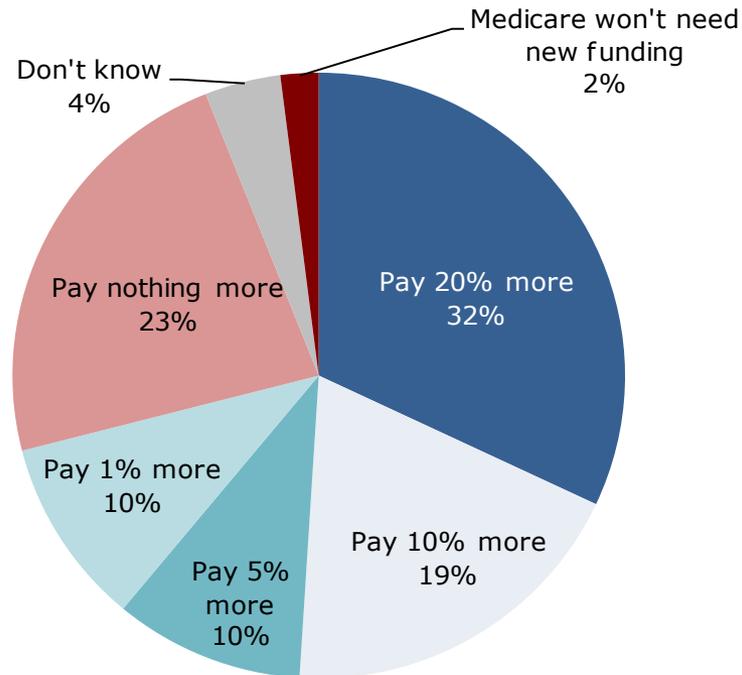
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In general, how satisfied are you with your current Medicare coverage?

# Allsup Medicare Advisor® Seniors Survey

**Nearly one-third of seniors would pay 20 percent more to keep current Medicare coverage.** Nearly three in four seniors, or 71 percent, would pay more. An alternate group of seniors, in spite of satisfaction, is price sensitive: 23 percent would pay nothing more for current coverage. Only 2 percent believe Medicare will not need additional funding.

## Willingness to Pay More for Current Coverage



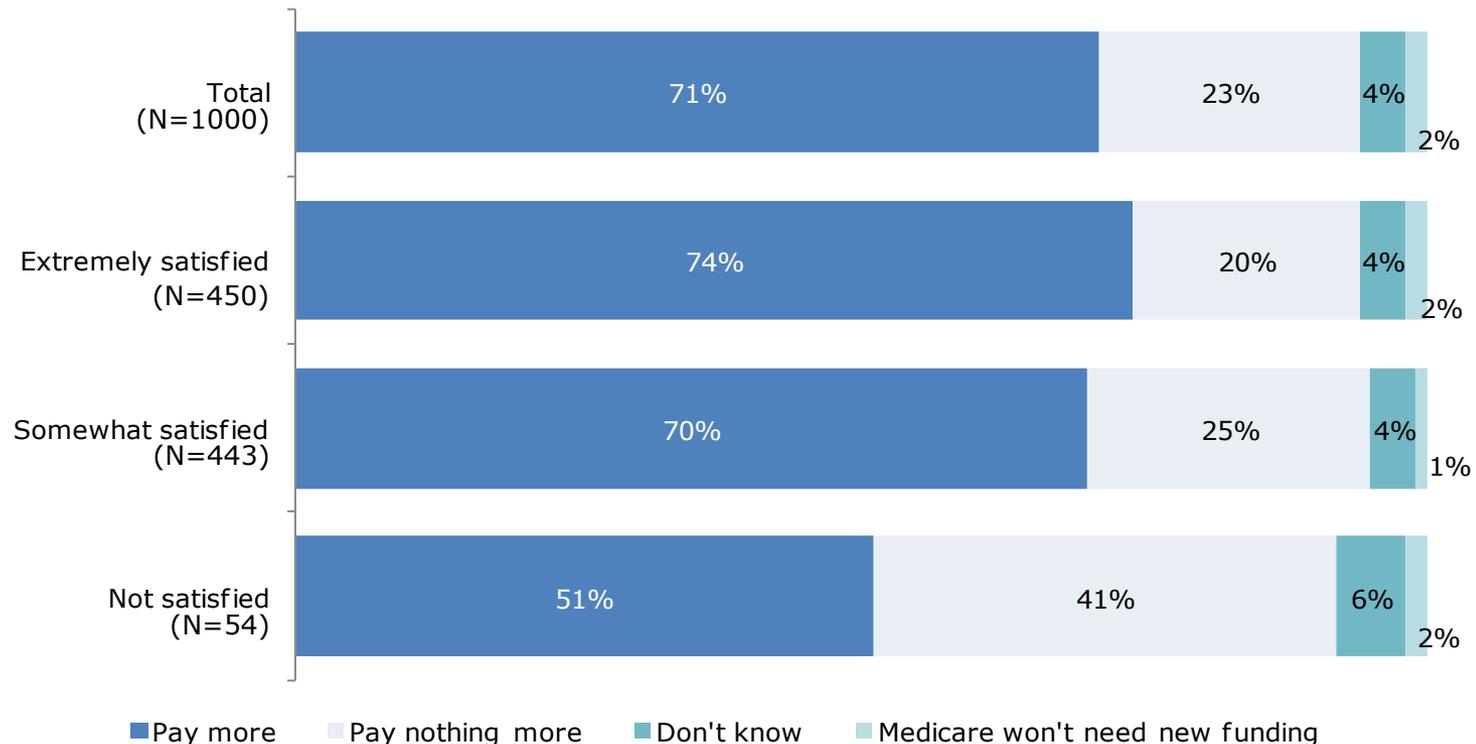
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As you may know, costs for the Medicare program are rapidly increasing. New funding or benefit restructuring will likely be needed. To keep the Medicare coverage you have right now, would you be willing to pay: 20% more/10% more/5% more/1% more?

# Allsup Medicare Advisor® Seniors Survey

**Willingness to pay for coverage increases with satisfaction.** Nearly three-quarters (74 percent) of extremely satisfied seniors would pay more to keep current coverage. Unsatisfied seniors would pay nothing extra (41 percent).

## Willingness to Pay More for Current Coverage (by Satisfaction Level)



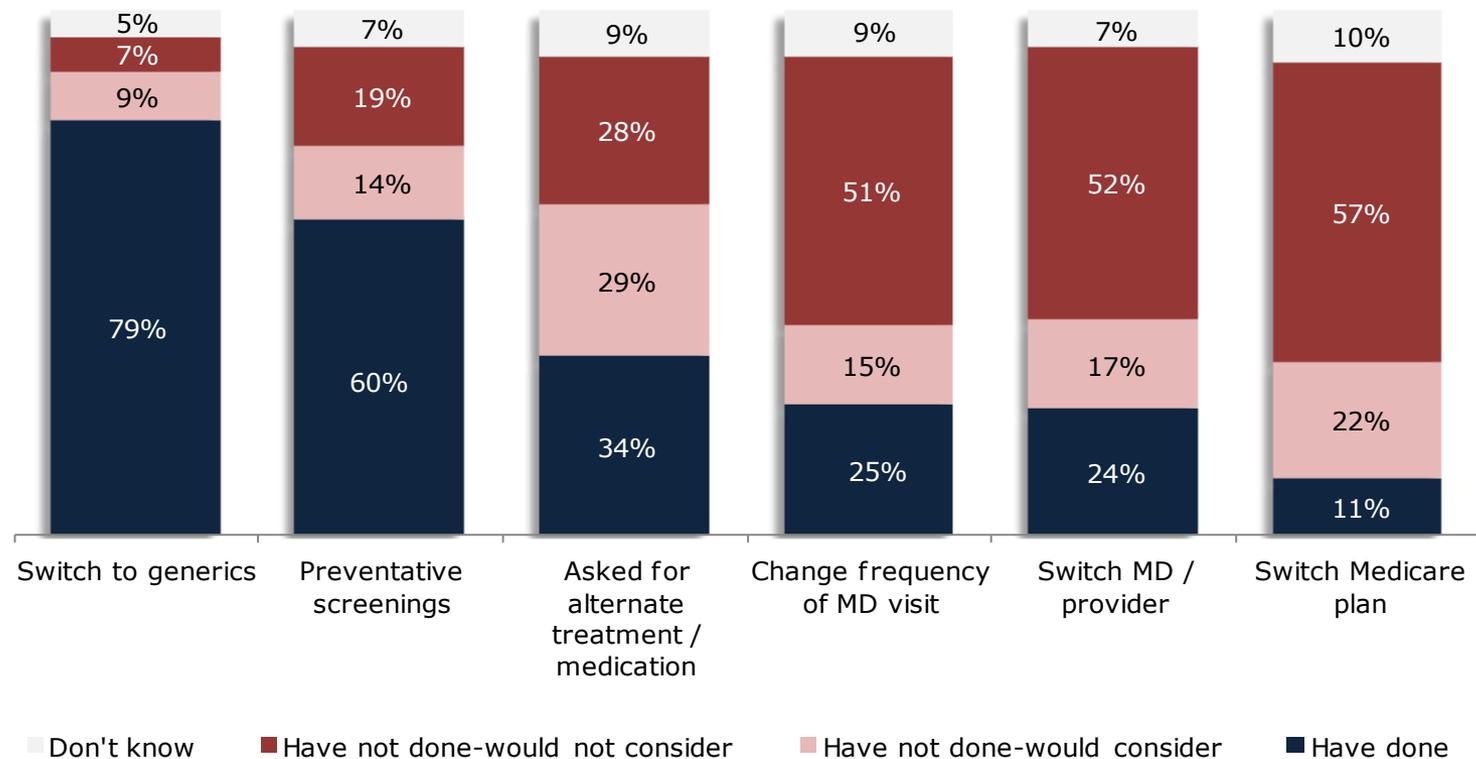
In general, how satisfied are you with your current Medicare coverage? /

AND: To keep the Medicare coverage you have right now, would you be willing to pay: 20% more/10% more/5% more/1% more?

# Allsup Medicare Advisor® Seniors Survey

**To save money, seniors alter treatment behaviors; won't change doctors/plans.** More than half switched to generics (79 percent) or used preventative screenings (60 percent). More than half would not change visit frequency or switch plans/doctors. Seniors are evenly split about asking for alternate treatments to save on costs.

## To Save Money on Healthcare, Seniors Have or Would



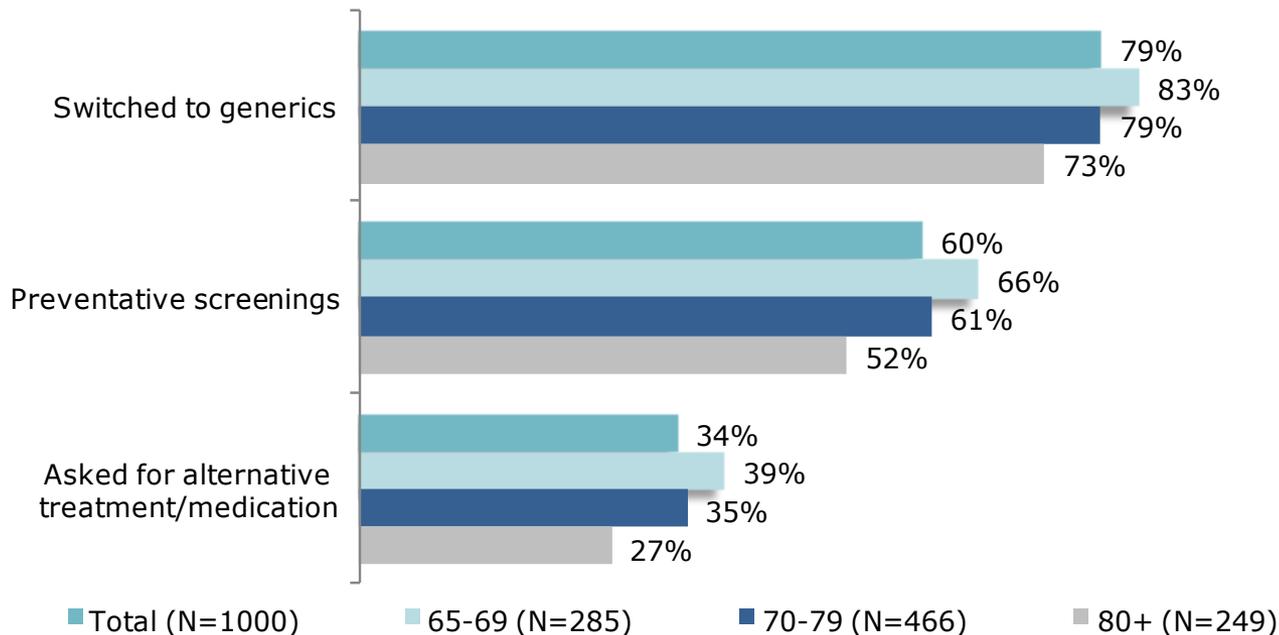
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Have done any of these things to save money on healthcare in the past or would consider doing them in the future?

# Allsup Medicare Advisor® Seniors Survey

**Older seniors less likely to alter treatment behaviors.** Older seniors are more reluctant to: use generics (73 percent), get preventative screenings (42 percent) and ask for alternate treatments or medications to save money (27 percent).

## To Save Money on Healthcare, Seniors Have Done (by Age Group)

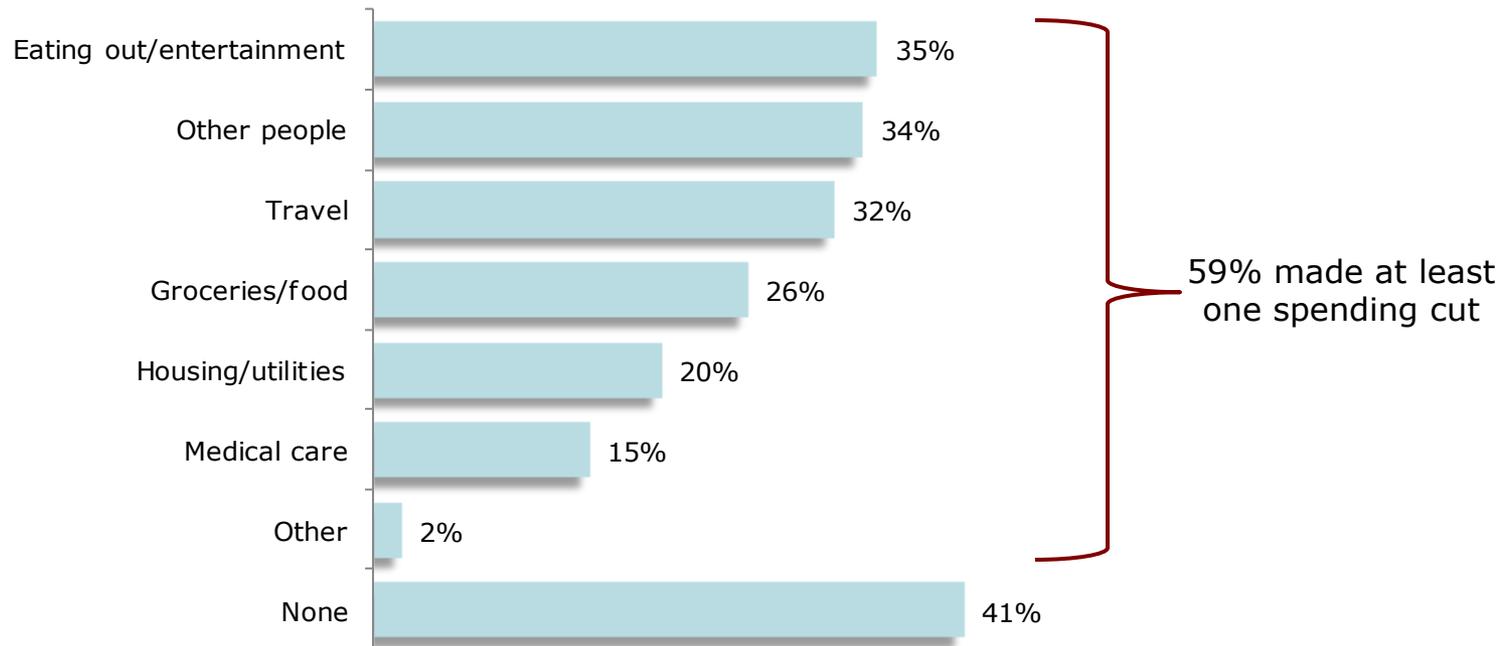


Have done any of these things to save money on healthcare in the past or would consider doing them in the future?

# Allsup Medicare Advisor® Seniors Survey

**In spite of confidence, more than one-half of seniors report cutting back other spending to cover healthcare costs.** One-third have reduced spending on entertainment, other people or travel. One-quarter (26 percent) cut back on groceries, and 15 percent cut back on medical care.

## Spending Cuts to Make Up for Unexpected Healthcare Costs



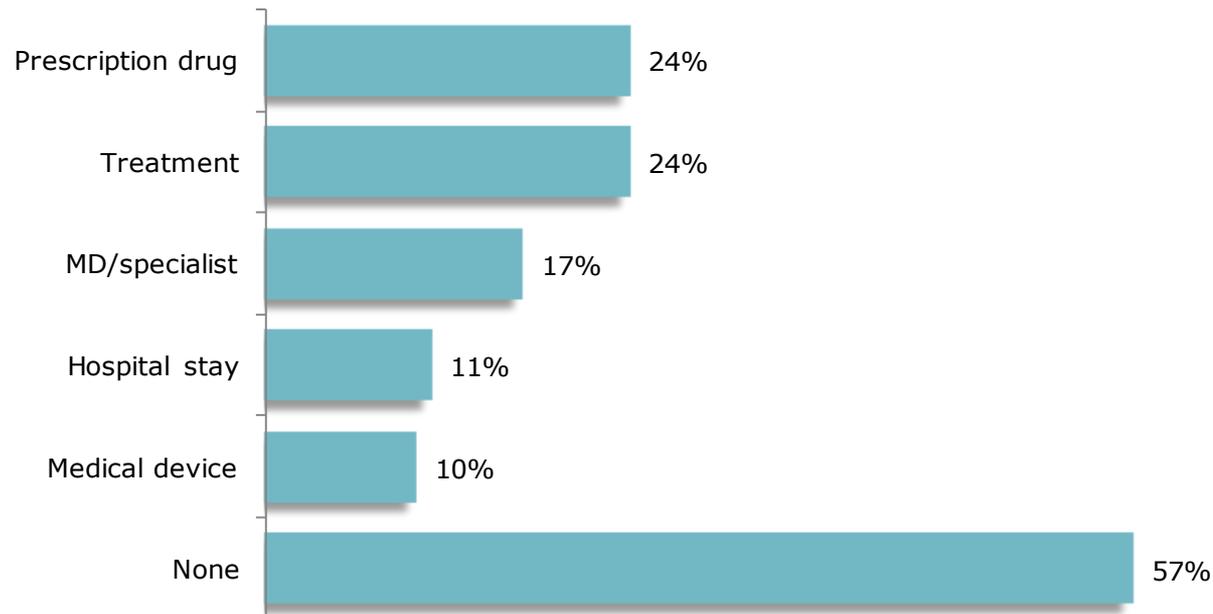
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Have you ever done any of the following to make up for unexpected or unbudgeted healthcare costs? (Multiple Responses)

# Allsup Medicare Advisor® Seniors Survey

**Despite Medicare knowledge/satisfaction, some unexpected uncovered expenses arise.** One in four (24 percent) say a drug or treatment was not covered. One in six (17 percent) had an uncovered physician or specialist visit. More than half (57 percent) have not had any unexpected Medicare expenses.

## Experienced Medicare Plan Not Covering Certain Expenses



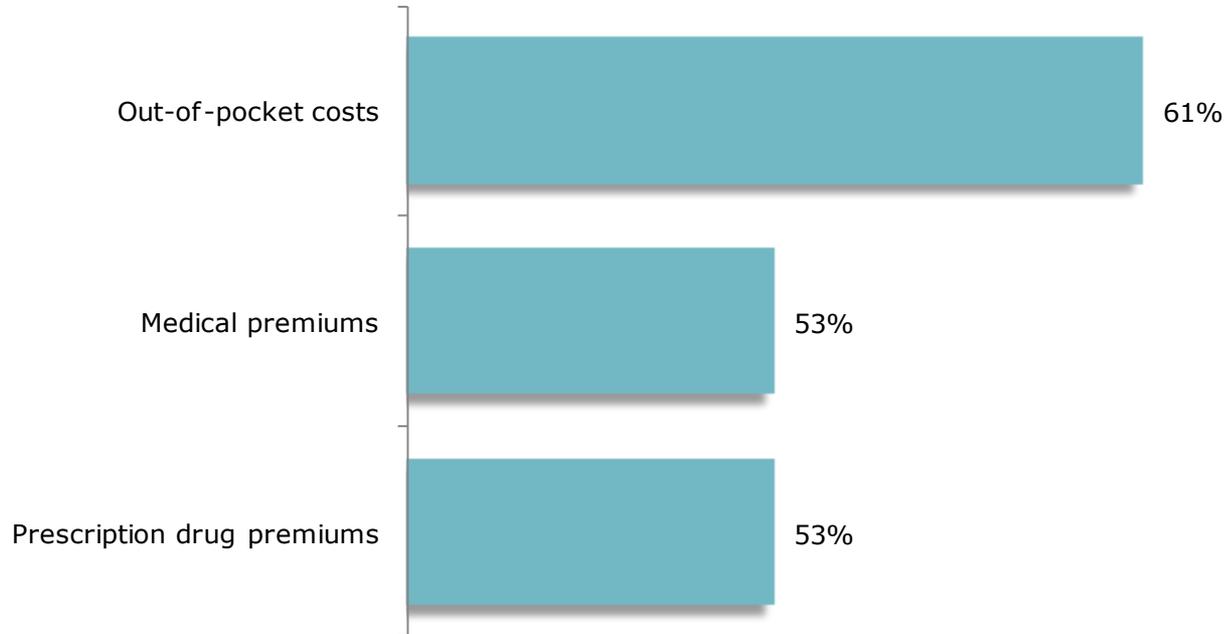
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Have you had an experience where your Medicare plan did not cover all or part of the following? (Multiple Responses)

# Allsup Medicare Advisor® Seniors Survey

**In spite of confidence in savings, seniors report concerns about cost increases.** Nearly two-thirds (61 percent) are concerned about out-of-pocket increases. One-half worry about premium increases for both medical and drug coverage.

## Concern About Future Healthcare Costs



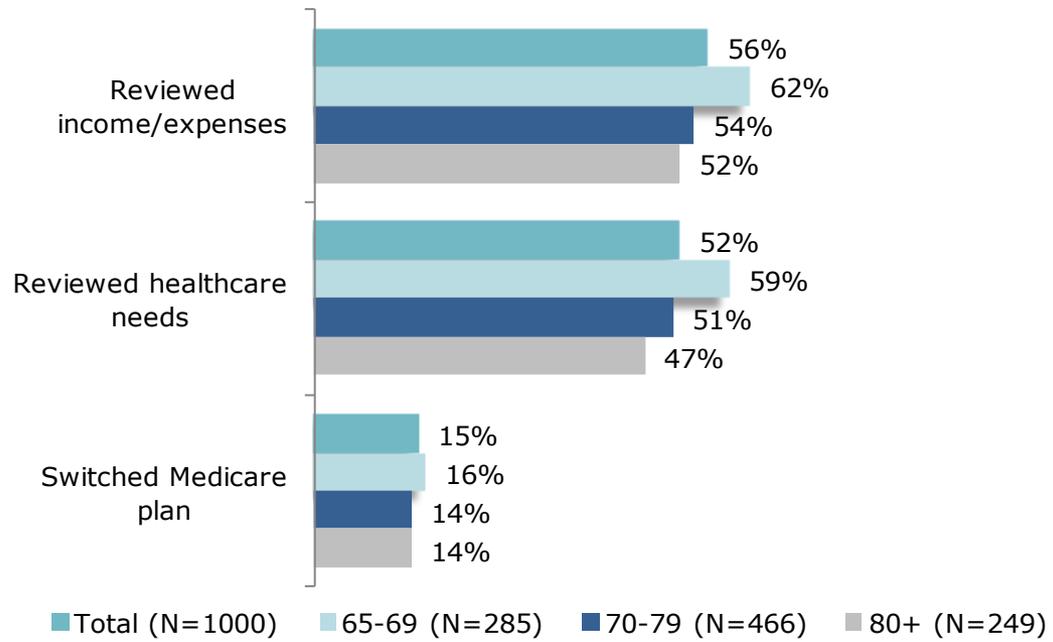
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Which healthcare costs are you concerned about? (Multiple Responses)

# Allsup Medicare Advisor® Seniors Survey

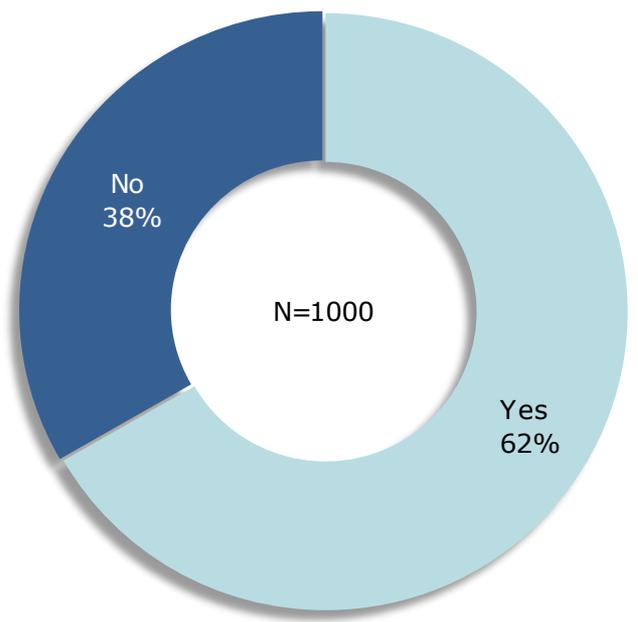
**While many seniors have not reviewed their needs in the past 12 months nor plan to in the next 12 months, many are still confident they've saved enough for healthcare.** Nearly two-thirds (62 percent) believe they've saved enough for healthcare costs in retirement.

## Retirement Planning Activities Done / Planned (by Age Group)



Have you done any of these retirement planning activities in the past 12 months or are you likely to do them in the next 12 months?

## Confident in Healthcare Savings



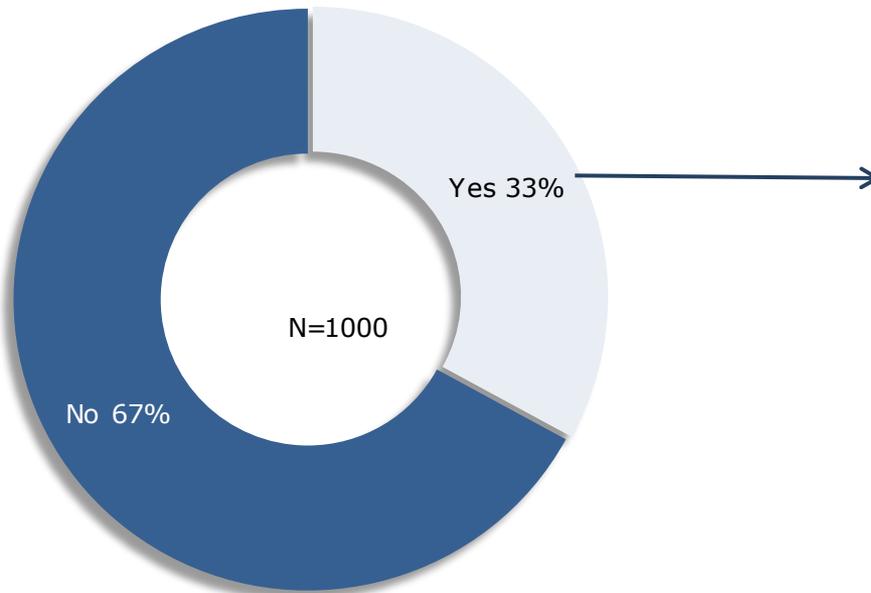
Overall, are you confident that you have saved enough to cover healthcare costs in retirement?



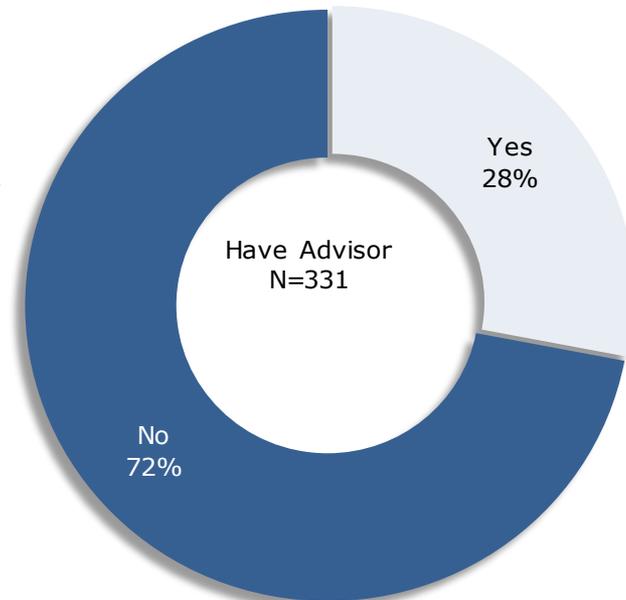
# Allsup Medicare Advisor® Seniors Survey

**About one-third of seniors used a financial advisor for retirement planning.** However, few discuss Medicare with their financial planner.

## Used Financial Planner for Retirement



## Discuss Medicare with Financial Planner



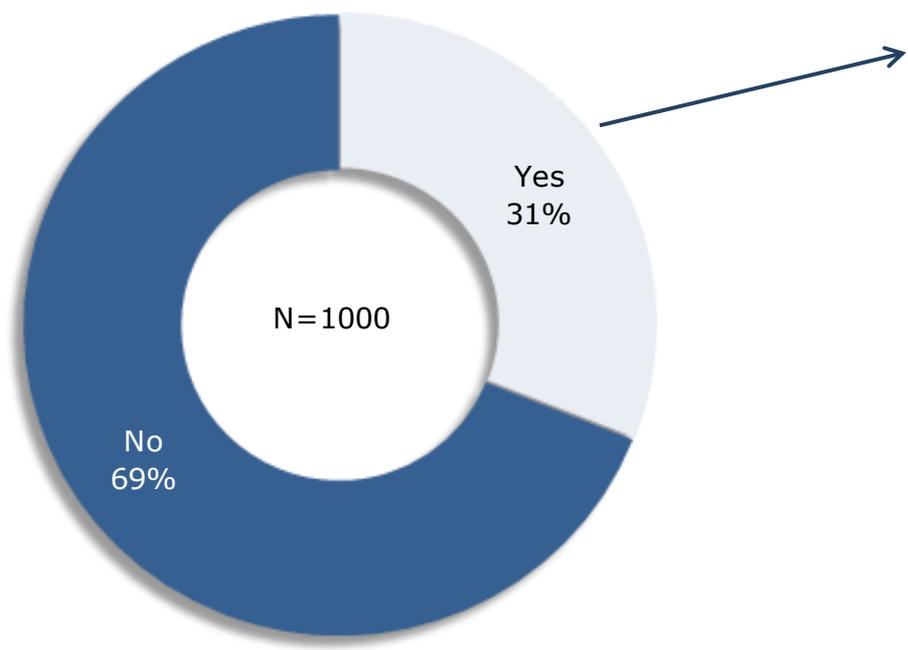
Have you used a financial planner or other professional for assistance with retirement planning?

You said you'd worked with a financial planner for assistance with financial planning. Did you specifically discuss Medicare with this individual?

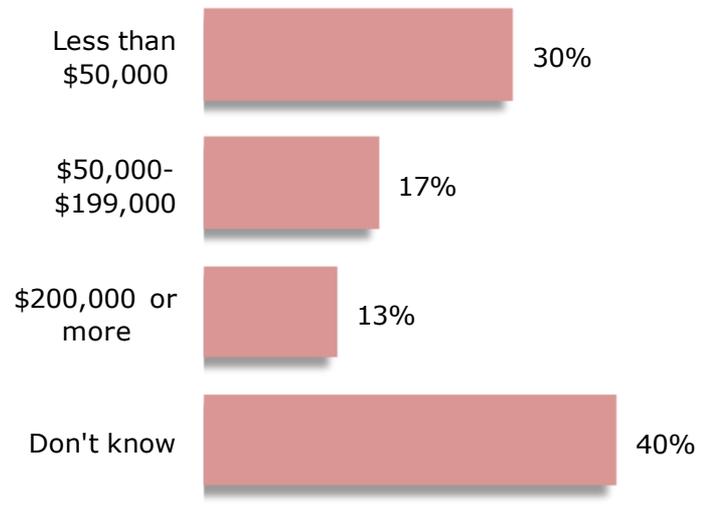
# Allsup Medicare Advisor® Seniors Survey

**Only one-third of seniors manage healthcare as distinct part of retirement planning.** One out of three (31 percent) report saving specifically for healthcare. Of those, 40 percent “don’t know” how much they saved, and 30 percent saved less than \$50,000.

## Saved Specifically for Healthcare in Retirement Planning



## Amount Saved for Healthcare Costs



N=312

When you did your financial planning for retirement, did you save specifically for healthcare costs?

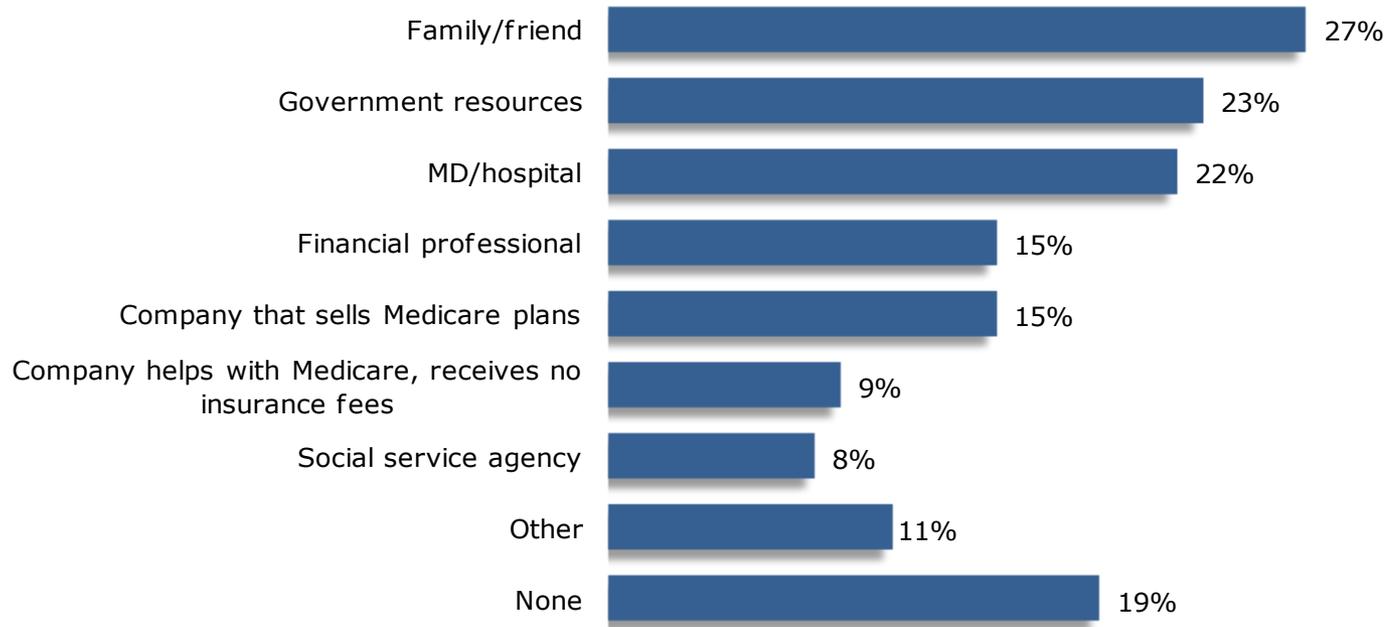
How much did you specifically save for healthcare costs?



# Allsup Medicare Advisor® Seniors Survey

**Seniors report turning to family/friends for Medicare information.** One in five (19 percent) reports no information source.

## Medicare Information Sources

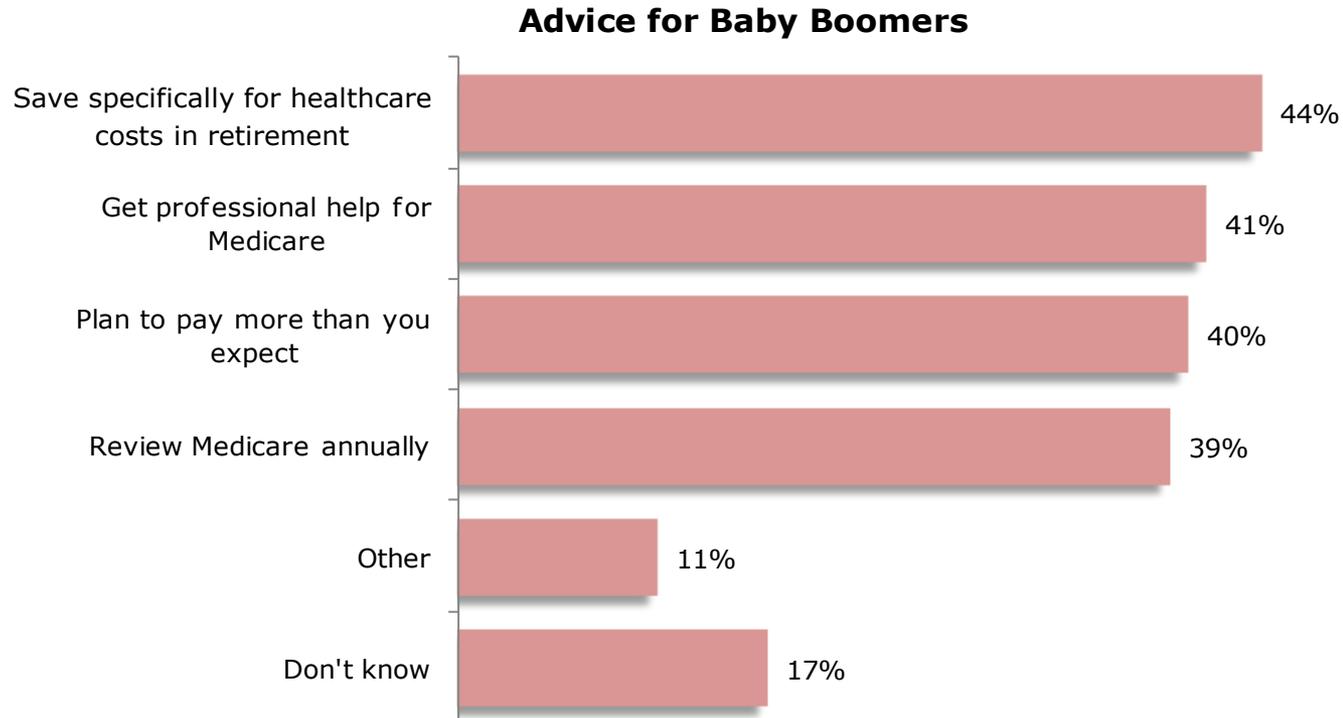


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Who do you consult to get information about Medicare and healthcare costs and planning? (Multiple Responses)

# Allsup Medicare Advisor® Seniors Survey

**Seniors advise baby boomers to take precautions they have not taken.** Though most have not done so themselves, many seniors recommend saving specifically for Medicare (44 percent) and getting professional help (41 percent).



N=1000

Given your experience with Medicare and managing your health care costs, what advice would you give baby boomers about managing their future health care? (Multiple Responses)

# Allsup Medicare Advisor® Seniors Survey

## Methodology & Demographics

- The *Allsup Medicare Advisor*® Seniors Survey was an independently conducted telephone survey of 1,000 randomly selected individuals 65 years and older who currently have Medicare coverage.
- Results are weighted to reflect current U.S. Census
- The survey was conducted July 5-11, 2012, by research firm Richard Day Research, a Market Probe Company, based in Evanston, Ill.
- The survey is subject to a +/- 3% margin of error.

<b>Age</b>	65-69	31%
	70-79	41%
	80 and over	28%
	Mean/Median	75 / 74
<b>Gender</b>	Male	43%
	Female	57%
<b>Retirement Savings</b>	Less than \$100,000	34%
	\$100,000+	24%
	Not sure/Refused	42%
<b>Primary Income Source</b>	Social Security	56%
	Pension	21%
	401(k)	8%
	Other	15%
<b>Health</b>	Good or Better	73%
	Fair	17%
	Poor	7%
<b>Region</b>	South	37%
	West	25%
	Midwest	21%
	Northeast	17%

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# Allsup Medicare Advisor<sup>®</sup> Seniors Survey

## About Allsup

The [Allsup Medicare Advisor<sup>®</sup>](#) service is a Medicare plan selection service that helps people choose the most affordable and appropriate plan for their specific healthcare needs. The service examines all of someone's Medicare options to provide an in-depth, objective analysis and combines live, one-on-one personal guidance with convenient access to online features. (Allsup is not a Medicare plan provider. It does not accept fees or commissions from insurance providers, i.e., Medicare Advantage, Medicare Part D or supplement insurance plans.)

Allsup is a nationwide provider of Social Security disability, Medicare and Medicare Secondary Payer compliance services for individuals, employers and insurance carriers. Founded in 1984, Allsup employs more than 800 professionals who deliver specialized services supporting people with disabilities and seniors so they may lead lives that are as financially secure and as healthy as possible. The company is based in Belleville, Ill., near St. Louis. For more information, visit [www.Allsup.com](http://www.Allsup.com).

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### Financial Planners

Financial planners seeking assistance for their clients: [FinancialPlanner.Allsup.com](http://FinancialPlanner.Allsup.com) or call (888) 220-9678.

### Individuals

Medicare-eligible individuals needing assistance may call *Allsup Medicare Advisor* at (866) 521-7655 or visit [Medicare.Allsup.com](http://Medicare.Allsup.com).