



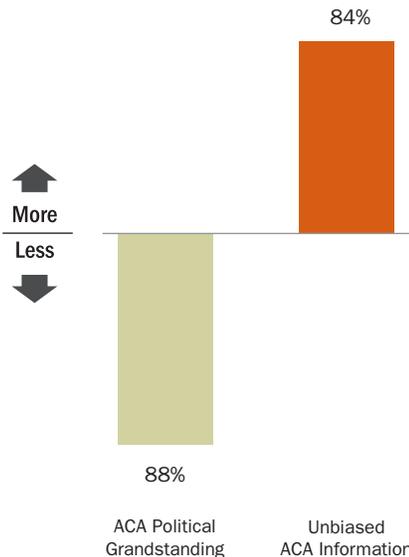
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# Middle-Income Retirees Weigh In on the Affordable Care Act

## Overview

Even before the government shutdown, retirees were asking for less political rhetoric (88%) about the Affordable Care Act (ACA, frequently referred to as Obamacare) and more unbiased information on how the law will affect them personally (84%).

### What Retirees Want from the National ACA Discussion



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Source: Bankers Life and Casualty Company Center for a Secure Retirement, *Middle-Income Retirees Weigh In on the Affordable Care Act*, 2013.

Perhaps this is because while virtually all middle-income retirees have *heard* of the Affordable Care Act, half are still not confident that they understand how ACA affects them personally.

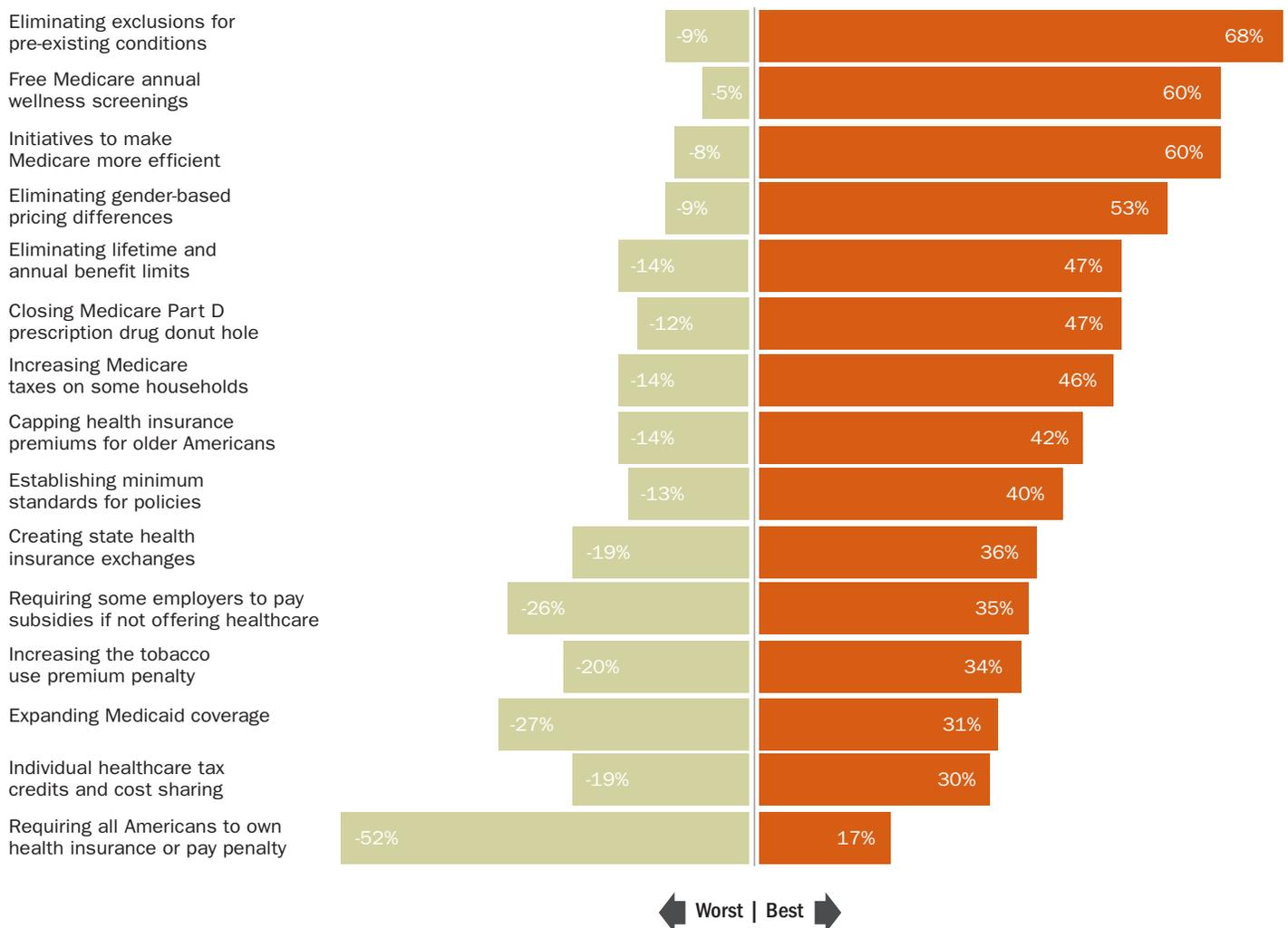
Middle-income retirees want and need more resources to understand how the Affordable Care Act will affect their healthcare situation.

## The Best and Worst Aspects of ACA

Most middle-income retirees feel that the following program benefits are among the best aspects of ACA: It eliminates pre-existing condition exclusions (68%); offers a free Medicare annual wellness visit (60%); and includes initiatives to make Medicare more efficient (60%).

One of the worst aspects of ACA? Half of all retirees (52%) say it is the law's requirement that individuals own health insurance or pay a penalty.

### Retiree Perspective on Best and Worst Aspects of ACA



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Source: Bankers Life and Casualty Company Center for a Secure Retirement, *Middle-Income Retirees Weigh In on the Affordable Care Act*, 2013.

## Retiree Confidence in Their ACA Understanding

Nearly all (96%) middle-income retirees have heard of the Affordable Care Act (or Obamacare). However, half (49%) are still not confident that they understand how ACA affects them personally. One-quarter (23%) indicate that they are confident or very confident. One in four retirees are (28%) are unsure.

Lack of confidence in understanding ACA is even more pronounced among women retirees. Three times as many women do not feel confident in their understanding of ACA, compared to those who feel they have a good understanding of how the law will impact them (56% to 17%, respectively).

Among the least understood individual provisions of ACA are two that may significantly impact retirees. One in six retirees are “not familiar” with the fact that ACA caps health insurance premiums for older people relative to rates for younger people (18%), or that it will close the Medicare Part D prescription drug donut hole (18%).

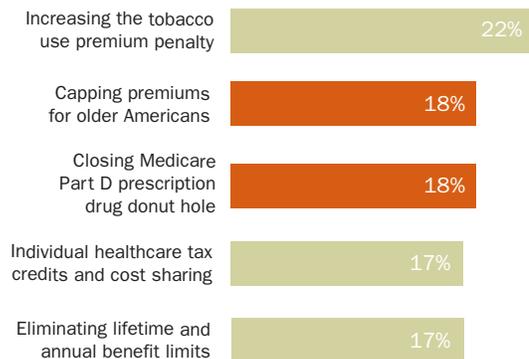
## Confidence in Understanding ACA



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Source: Bankers Life and Casualty Company Center for a Secure Retirement, *Middle-Income Retirees Weigh In on the Affordable Care Act*, 2013.

## Least Understood Provisions of ACA



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Source: Bankers Life and Casualty Company Center for a Secure Retirement, *Middle-Income Retirees Weigh In on the Affordable Care Act*, 2013.

## Retirees and ACA State Health Insurance Exchanges

Nearly one-fourth (23%) of middle-income retirees cite personal health or disability as a reason they retired. Therefore, many retired Americans under the age of 65 will turn to the newly formed state exchanges for health insurance coverage until they are old enough to qualify for Medicare.

One in four (27%) middle-income retirees ages 55 to 64 who do not receive any type of government insurance coverage report either having purchased their own private health insurance policy (15%) or being uninsured (12%). In fact, a greater total percentage of retirees age 55 to 64 find themselves to be potential beneficiaries of the state health insurance exchanges (27%) than the percentage of the working population (23%).

Four in ten (40%) middle-income retirees age 55 to 64 indicate they either have investigated, or will investigate, the cost of health insurance through an exchange.

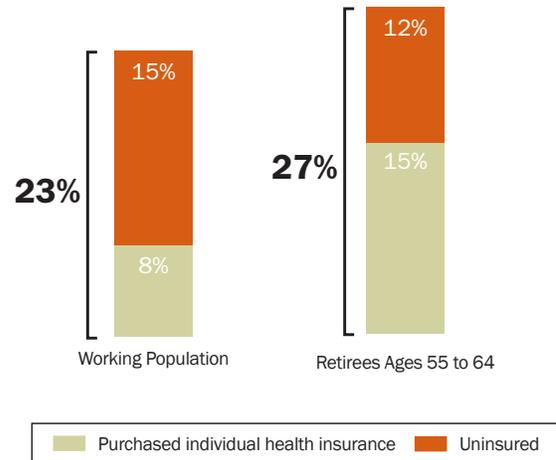
## ACA Free Medicare Wellness Visit

While the majority of middle-income retirees today do not feel they fully understand how ACA will affect their personal healthcare situation, there is reason to believe that this may change over time.

In January 2011, free wellness visits were introduced as a new benefit to Medicare under ACA. By September 2011, less than half (42%) of middle-income Americans with Medicare reported taking advantage of the new wellness benefit.<sup>1</sup>

Today, usage has doubled, with nearly nine in 10 (86%) of middle-income Americans with Medicare indicating they have had a wellness visit within the past 12 months. This increase suggests that over time, retirees have become increasingly aware of their ACA benefits and are taking fuller advantage of them.

## Target Populations for State Health Insurance Exchanges

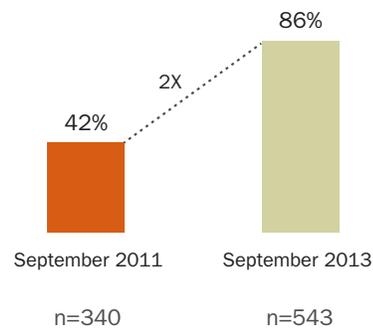


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Sources: Urban Institute Health Policy Center, 2010, U.S. Census Bureau, 2012 and the Bankers Life and Casualty Company Center for a Secure Retirement, 2013.

## Medicare Wellness Visits Within 12 Months

Middle-income Americans with Medicare



Source: Bankers Life and Casualty Company Center for a Secure Retirement, *Retirement Healthcare for Middle-Income Americans, 2012* and *Middle-Income Retirees Weigh In on the Affordable Care Act, 2013*.

<sup>1</sup>Bankers Life and Casualty Company Center for a Secure Retirement, *Retirement Healthcare for Middle-Income Americans, 2012*.

## Recommendations for Consumers

### Investigate Your State Exchange

If you are currently without health insurance coverage or have purchased a health insurance policy on your own, consider investigating coverage through the health insurance exchange in your state. You may find that one of the standardized plans fits your needs and budget.

Depending on the number of people living in your household and your household income, you may also qualify for some amount of federal healthcare-related assistance. Check online at [HealthCare.gov](http://HealthCare.gov).

### Read Up on the Donut Hole

If you are enrolled in Medicare and find yourself in the coverage gap (donut hole), in 2013 you will save 50% on brand-name prescriptions and 20% on generic drugs automatically at the pharmacy. Your prescription drug bill will gradually be reduced over the next several years until the gap is fully closed in 2020. Learn more at [Medicare.gov](http://Medicare.gov).

### Take Advantage of Your Wellness Visits

Prevention and early detection are essential parts of staying healthy. Make an appointment for your annual, free wellness visit if you have Medicare. Also, log on to [Medicare.gov](http://Medicare.gov) to view the list of other preventive health and cancer screenings that may be available to you.

## Methodology

The research for this report was conducted in September 2013 for the Bankers Life and Casualty Center for a Secure Retirement by the independent research firm The Blackstone Group.

A nationwide sample of 800 retired Americans ages 55 and older, who have an annual household income of between \$25,000 and \$75,000, participated in the internet-based survey. All survey participants had heard of the Affordable Care Act (Obamacare) and were not enrolled in Medicaid. The margin of error is +/- 3.5 percentage points at the 95% confidence level.

This material is intended to serve as a general resource only and is not intended to provide specific advice to regarding specific needs or requirements that may be mandated by the Patient Protection and Affordable Care Act.

## About Us

Bankers Life and Casualty Company Center for a Secure Retirement is the company's research and consumer education program. Its studies and consumer awareness campaigns provide insight and practical advice for how everyday Americans can achieve financial security during retirement.

Established in 1879 in Chicago, Bankers Life and Casualty Company focuses on the insurance needs of the retirement market. The nationwide company, a subsidiary of CNO Financial Group, Inc., offers a broad portfolio of life and health insurance retirement products designed especially for Boomers and retirees.

## Learn More

Bankers has more than 5,000 licensed professional agents in over 250 offices across the United States. Bankers agents meet with thousands of Americans each week for initial retirement reviews at no cost to the clients. To learn more about Bankers Life and Casualty Company visit [bankers.com](http://bankers.com) or call 1-800-231-9150.

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