



**US** BY THE PEOPLE  
FOR THE PEOPLE  
WITH THE PEOPLE

Approaching Retirement

*September 2023*

# Streamlining Medicare-only Enrollment

*Design Phase I findings summary*

# **Project summary**



## Project summary

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The project focuses on improving the customer experience for individuals who are 65 and eligible for Medicare but are not yet receiving Social Security Retirement benefits. Currently, customers determine their eligibility for Medicare using information primarily from CMS and then navigate to SSA.gov to enroll.

Collaborating Agencies: SSA, HHS (CMS)

Sources: [Project Documentation](#)



## Target milestones in 2023 include:

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- [Partially Completed] Conduct in-depth user research on the current Medicare-only end-to-end enrollment experience, from the start of a Medicare application to receipt of a Medicare card; document customer journeys to provide evidence and insights on priority pain points and areas for improvement
- [Partially Completed] Assess research insights and develop potential solutions for aligned CMS/SSA technical implementation
- [Not Completed] Develop and test concepts and prototypes for feasibility and to measure user-experience improvements to SSA and CMS websites; distill the insights into recommendations



## Primary deliverables in 2023 include:

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- Customer journeys, service blueprint of the Medicare-only enrollment experience, system maps for existing processes (includes end-to-end service design)
- Data-informed insights on the most impactful areas to focus on and project objectives
- FY24 design-phase development roadmap and objectives, including an acquisition strategy (to utilize technical experts) and an implementation plan for testing concepts and prototypes

# Project timeline and approach



# Timeline

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**Fall 2022:** *Approaching Retirement* Life Experience general experience customer research

**Spring 2023:** Streamlining Medicare-only Enrollment targeted service journey research and scoping

**June 2023:** Executive Steering Committee meeting to determine next steps for solution development



# Spring 2023: Streamlining Medicare-only Enrollment targeted service journey research

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## Secondary research

- Policies governing when and how customers enroll, current work on building understand of enrollment period pain points and general understanding of enrollment periods
- Existing customer research and efforts from:
  - USDS SSA.gov Medicare content updates
  - Medicare.gov diary studies
  - *Approaching Retirement* Life Experience discovery sprint
  - Non-profit, Academic, and private sector research
- Stakeholder interviews
  - SSA Operations staff
  - CMS Medicare.gov staff
- SSA call shadows
  - 8 telephone appointments for customers enrolling in Medicare



# Desk research



## Evidence on Medicare enrollment decisions (1 of 4)

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**Beneficiaries do not enroll in the lowest cost plan:** Thirty-seven million Medicare beneficiaries are enrolled in Part D plans. Many are not in the plan with the lowest out-of-pocket costs for them ([Hoadley et al 2014](#)).

**Beneficiaries cannot identify the lowest cost plan:** In a simulation of the Medicare website, participants identified the lowest cost Part D plan only 46% of the time. Participants were less accurate the larger the option set size and the older they were; this difference was explained by decision strategy ([Hanoch et al 2011](#)).

**Late enrollment penalties affect nearly 800,000 people:** In 2020, about 1.4% of Part B enrollees (about 776,200) paid a late enrollment penalty, charged to beneficiaries who do not sign up for Part B when first eligible, or who drop it and then sign up again later. On average, their total premiums were about 27% higher ([U.S. Congressional Research Service 2021](#)).



## Evidence on Medicare enrollment decisions (2 of 4)

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**Beneficiaries struggle to choose high quality plans:** Nearly one-fourth of enrollees are in Part D plans with fewer than 3 stars ([Hoadley et al 2014](#)). In lab experiments, participants perform at near chance levels and overweight out-of-pocket expenses and deductibles when choosing health care plans without interventions ([Johnson et al 2013](#)).

**More plan options leads to choice overload:** Giving people many (vs. few) choices makes people less likely to choose anything ([Iyengar and Lepper 2000](#)). The availability of more plan options was associated with increased enrollment in Medicare Advantage (MA) when there was a limited number of plans, but no changes or even a decrease in MA enrollment when beneficiaries had to choose from among more than 15 plans ([McWilliams et al 2011](#)).



## Evidence on Medicare enrollment decisions (3 of 4)

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**Beneficiaries stick with the status quo:** In one historical analysis, the rate of Medicare Advantage enrollment was significantly higher among new Medicare beneficiaries than among beneficiaries already enrolled in Medicare, despite enhanced benefits offered by the MA plans ([Afendulis et al 2014](#)). Beneficiaries face administrative burdens when switching plans, leading to inertia in plan choice; initial defaults have persistent effects ([Ericson 2014](#)).

**Inertia costs the beneficiary:** Pricing patterns in the Part D market over time are consistent with “invest then harvest” pricing where insurers take advantage of beneficiary inertia through insurer pricing ([Ericson 2014](#)).



## Evidence on Medicare enrollment decisions (4 of 4)

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**Health literacy affects enrollment decisions:** MA enrollment was higher among individuals with higher health insurance literacy, especially for those who reviewed or compared coverage options annually. Among MA beneficiaries, those who reviewed or compared coverage options annually were more likely to enroll in plans with 4 to 4.5 stars and plans with lower monthly premiums ([Park et al 2022](#)).

**Cognitive function affects enrollment decisions:** Elderly adults with low cognitive function were less responsive to the generosity of available plans ([McWilliams et al 2011](#)).



## Effective decision support interventions

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### **Patient-centered decision-support and personalized expert**

**recommendations:** In a field experiment, participants likes having an expert recommendation for Part D plans. Providing personalized expert recommendations as well increased rates of plan switching. However, many participants who could have accessed the tool chose not to, with individuals who were male, married, younger, and higher SES more likely to participate ([Bundorf et al 2019](#)).

**Information about plan quality:** Medicare's 5-star rating program for Medicare Advantage is associated with beneficiaries' enrollment decisions. Higher star ratings are associated with higher enrollments, and higher switching into those higher ranked plans ([Reid et al 2013](#)).

**Calculation aids and smart defaults:** In lab experiments, health care plan choice can be improved by providing calculation aids, and by choosing a “smart” default ([Johnson et al 2013](#)).

# **Journey maps + customer insights**

**Customer  
research on  
*Approaching  
Retirement***





# Approaching Retirement: Fall 2022 Discovery Phase

## Remote Interviews and Desk Research

**42**

Interviews with customers from CMS and SSA

Included:

- 14 couples
- 25 women
- 18 persons of color
- 7 widowed
- 7 high school educated (or less)

**40**

Interviews with experts from CMS and SSA

**100+**

Secondary research documents reviewed

## Cross-Agency Participation

**30+**

Cross-Agency team working sessions

**2**

Alignment workshops with 7 federal agencies from charter

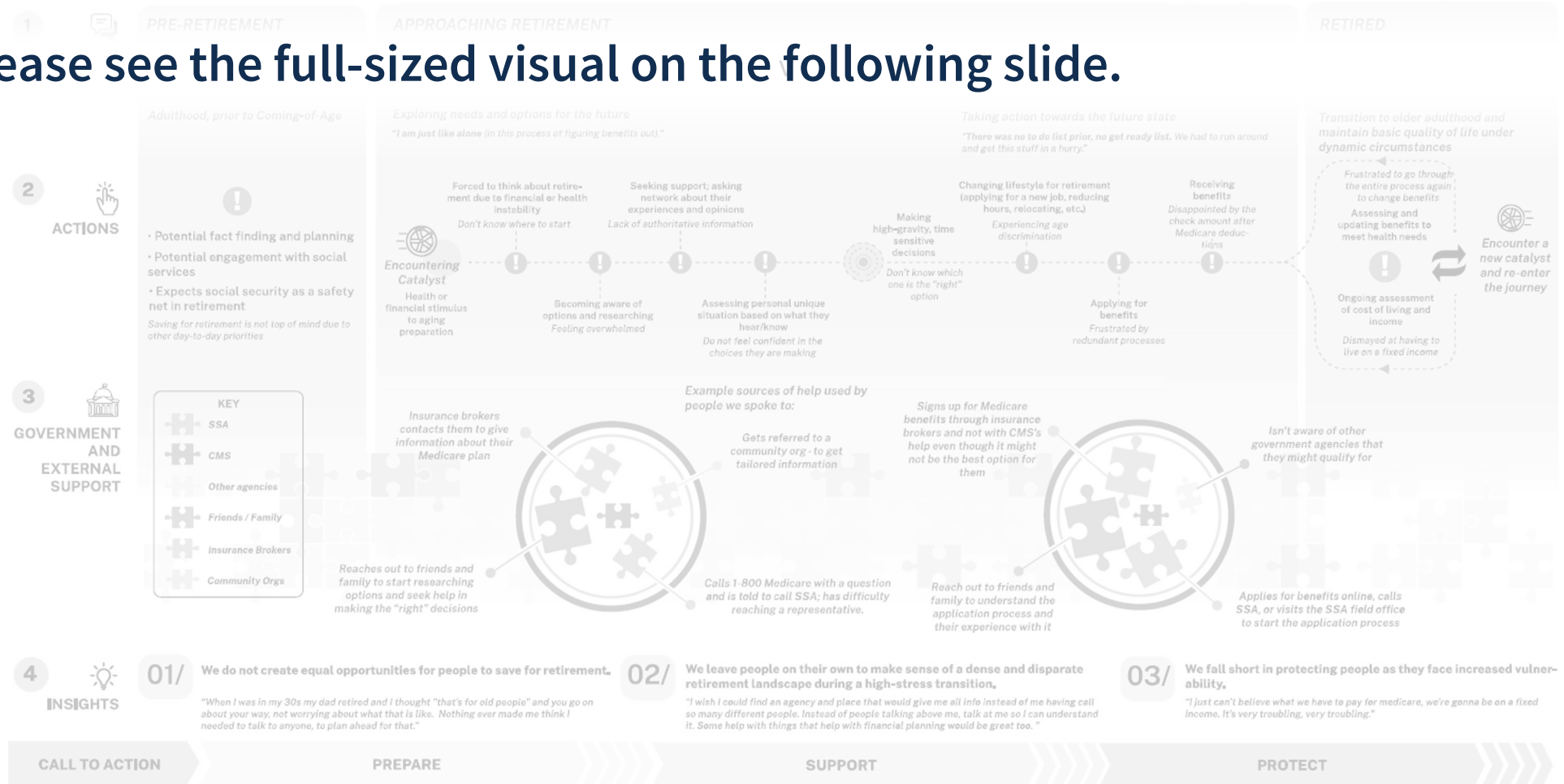
## Core Team Members





# Customer Journey Map and Stories (Fall 2022)

Please see the full-sized visual on the following slide.



1 MOMENTS THAT MATTER

2 ACTIONS

3 GOVERNMENT AND EXTERNAL SUPPORT

4 INSIGHTS

### PRE-RETIREMENT

## LIVING MID-LIFE ADULTHOOD

Adulthood, prior to Coming-of-Age

- Potential fact finding and planning
- Potential engagement with social services
- Expects social security as a safety net in retirement

*Saving for retirement is not top of mind due to other day-to-day priorities*

**KEY**

- SSA
- CMS
- Other agencies
- Friends / Family
- Insurance Brokers
- Community Orgs

### APPROACHING RETIREMENT

## LEARNING / MAKING SENSE

Exploring needs and options for the future

*"I am just like alone (in this process of figuring benefits out)."*

## INITIATING CHANGE

Taking action towards the future state

*"There was no to do list prior, no get ready list. We had to run around and get this stuff in a hurry."*

**Challenges:**

- Forced to think about retirement due to financial or health instability
- Seeking support; asking network about their experiences and opinions
- Making high-gravity, time sensitive decisions
- Changing lifestyle for retirement (applying for a new job, reducing hours, relocating, etc.)
- Receiving benefits

**Thoughts/Feelings:**

- Don't know where to start
- Lack of authoritative information
- Don't know which one is the "right" option
- Experiencing age discrimination
- Disappointed by the check amount after Medicare deductions

**Actions:**

- Encountering Catalyst: Health or financial stimulus to aging preparation
- Becoming aware of options and researching: Feeling overwhelmed
- Assessing personal unique situation based on what they hear/know: Do not feel confident in the choices they are making
- Applying for benefits: Frustrated by redundant processes

**Example sources of help used by people we spoke to:**

- Insurance brokers contacts them to give information about their Medicare plan
- Gets referred to a community org - to get tailored information
- Signs up for Medicare benefits through insurance brokers and not with CMS's help even though it might not be the best option for them
- Isn't aware of other government agencies that they might qualify for
- Reaches out to friends and family to start researching options and seek help in making the "right" decisions
- Calls 1-800 Medicare with a question and is told to call SSA; has difficulty reaching a representative.
- Reach out to friends and family to understand the application process and their experience with it
- Applies for benefits online, calls SSA, or visits the SSA field office to start the application process

### RETIRED

## MANAGING SENIOR LIFE

Transition to older adulthood and maintain basic quality of life under dynamic circumstances

*Frustrated to go through the entire process again to change benefits*

Assessing and updating benefits to meet health needs

Ongoing assessment of cost of living and income

*Disappointed at having to live on a fixed income*

Encounter a new catalyst and re-enter the journey

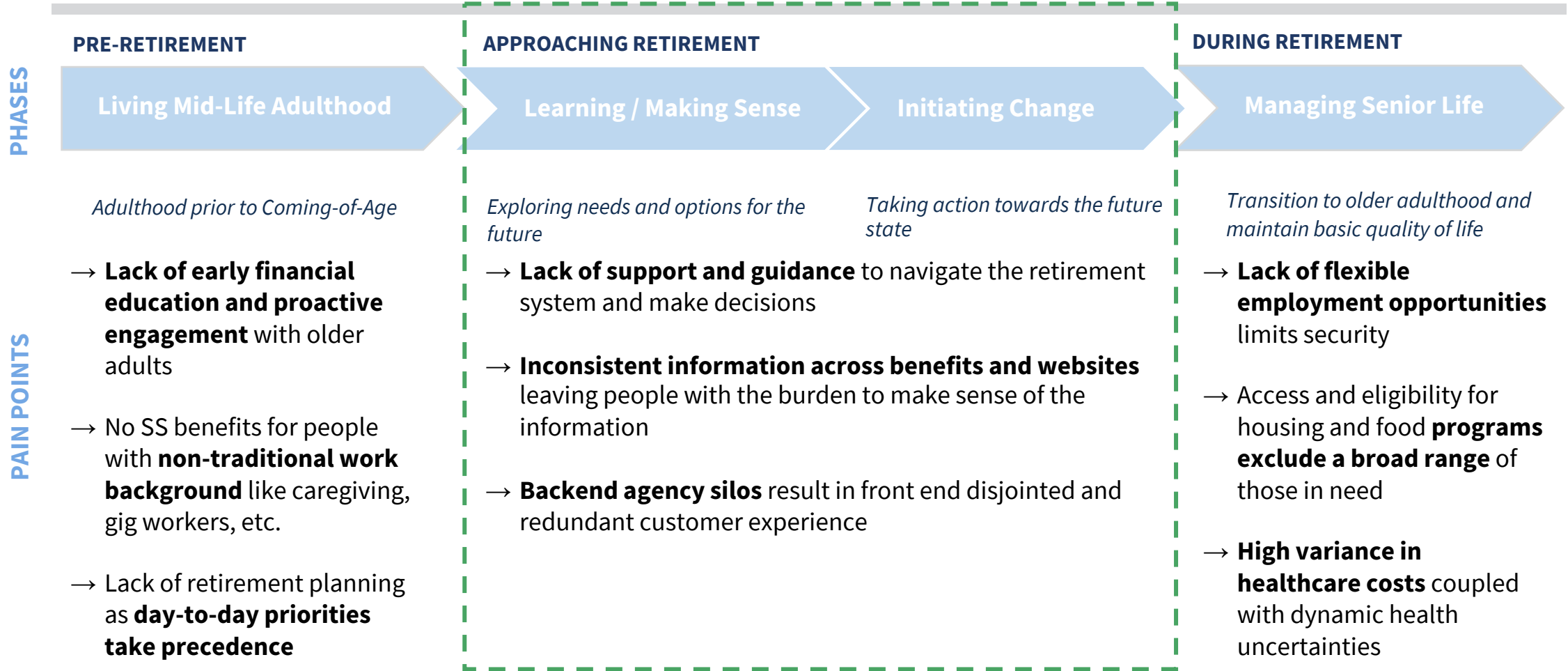
**01/ We do not create equal opportunities for people to save for retirement.**  
*"When I was in my 30s my dad retired and I thought "that's for old people" and you go on about your way, not worrying about what that is like. Nothing ever made me think I needed to talk to anyone, to plan ahead for that."*

**02/ We leave people on their own to make sense of a dense and disparate retirement landscape during a high-stress transition.**  
*"I wish I could find an agency and place that would give me all info instead of me having call so many different people. Instead of people talking above me, talk at me so I can understand it. Some help with things that help with financial planning would be great too."*

**03/ We fall short in protecting people as they face increased vulnerability.**  
*"I just can't believe what we have to pay for medicare, we're gonna be on a fixed income. It's very troubling, very troubling."*



# Customer Journey Map and Stories (Fall 2022)





## Customer Pain Points (Fall 2022)

People are often on their own to make sense of an opaque and fragmented landscape during a high-stress transition. This leaves too many struggling to navigate the complexity of understanding available supports, vulnerable to making compromised decisions with long term impacts.



*“You can’t figure out who to trust, it’s too much. I can’t imagine people who didn’t have professional skills, jobs, education. You’ve got to do something to alleviate that whole system. ...How do you find out what’s right for you and who to trust?”*

**Josephina | 65 | Construction Worker | Single**

Retirement Catalyst: Retired early due to an accident that disabled her  
Dalton, Missouri

### Pain Points

People rely on self-interested actors (private insurers and brokers) who can take advantage of a confusing information landscape.

People must self-navigate a disjointed network of services which can result in missed benefits, penalties, and a burdensome user experience.

People make compromised decisions in the absence of adequate support.

# Customer research on Medicare-only service journey



# Back-end Medicare Enrollment Process (High Level)



**!** Submitting by an **unauthenticated system** (e.g., not login.gov) flags a manual follow up

**!** The need for **manual review** of all applications prevents SSA from effectively **managing the case load** to prioritize the more complex cases. SSA marks as Y/N for further review

*"... I know the application will raise a flag for the processing center and will be manually reviewed."*  
**-- SSA Claims Specialist when submitting a Retirement + Medicare application with mismatched start dates for each program**

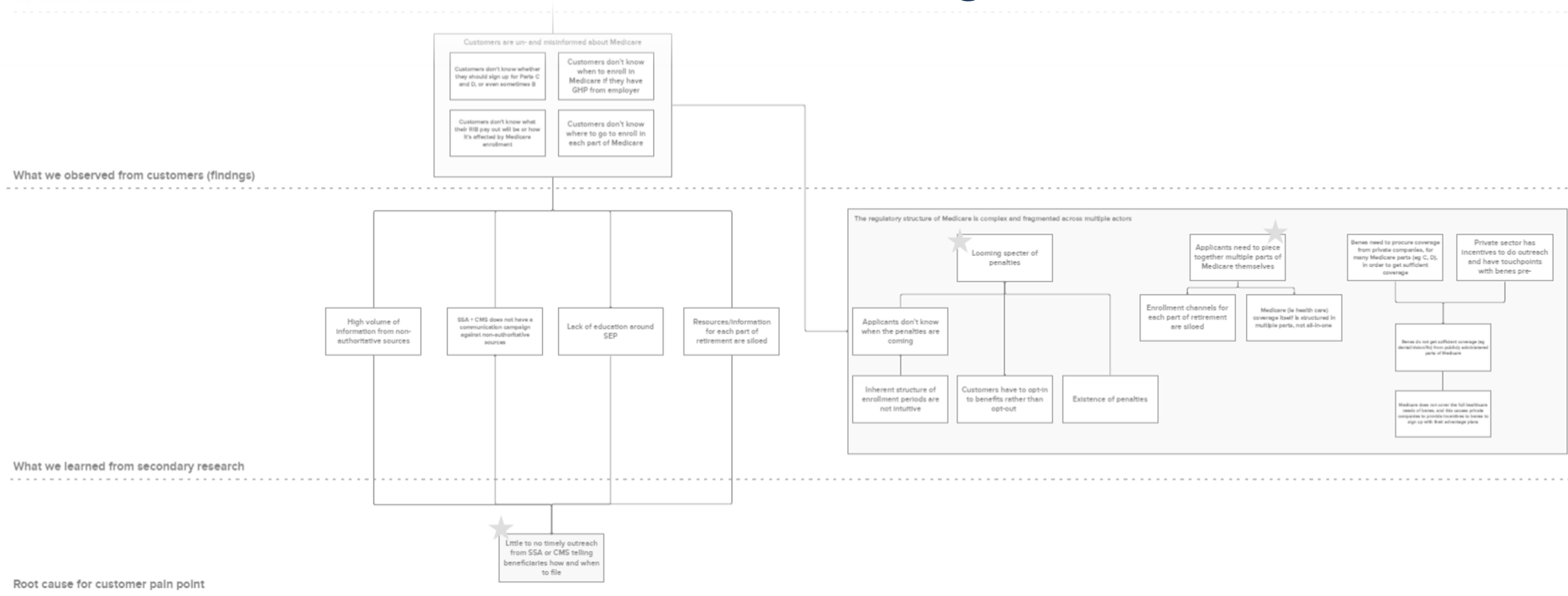
*"... a lot of it is delays in processing the application at SSA (the determination of either initial eligibility, or the determination for eligibility after retirement). We hear from beneficiaries that this is taking months from when they submit their application and supporting documentation."*  
**-- 1-800-Medicare Call Center lead agent describing top reasons for customer complaints**





# Customer Pain Points – Project Team

Please see the full-sized visual on the following slide.



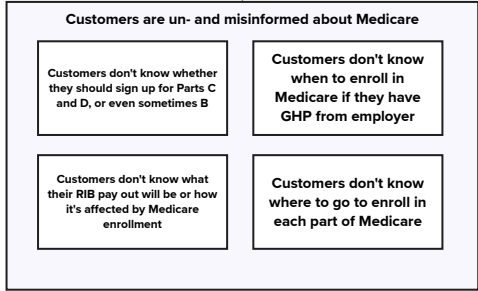


# Root cause analysis diagram

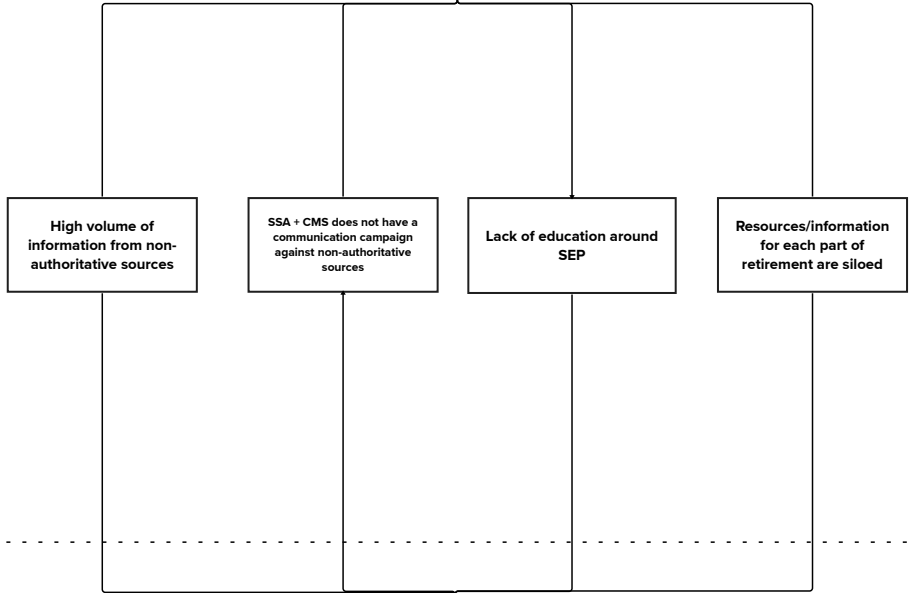
Key customer pain point (theme)

Customers are anxious about enrolling in Medicare

What we observed from customers (findings)

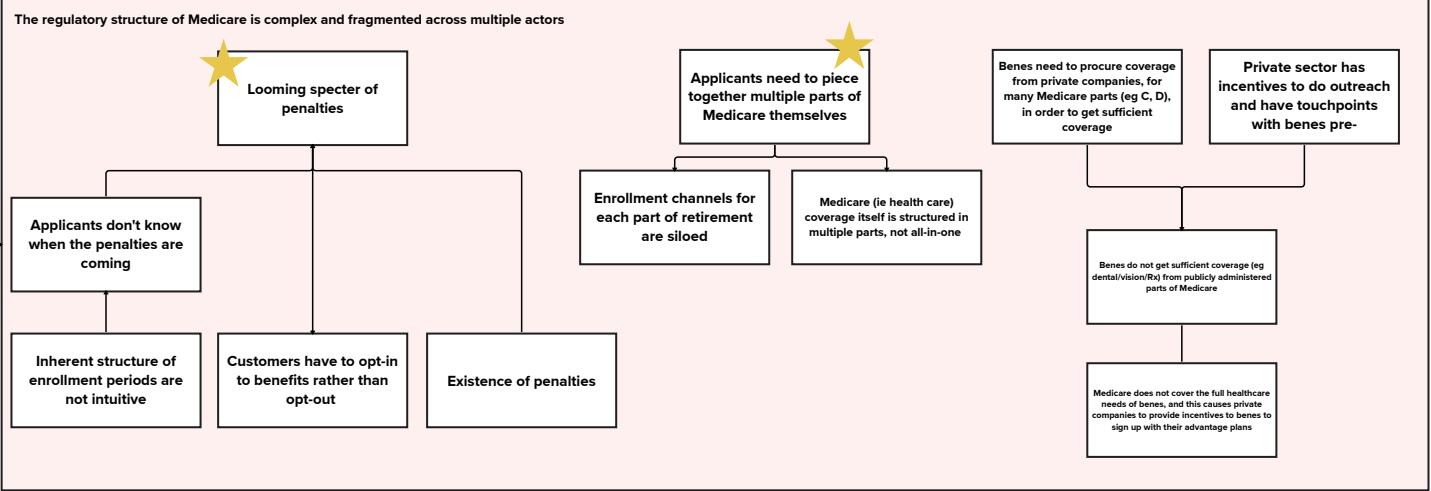


What we learned from secondary research



Root cause for customer pain point

Little to no timely outreach from SSA or CMS telling beneficiaries how and when to file





# User Journey

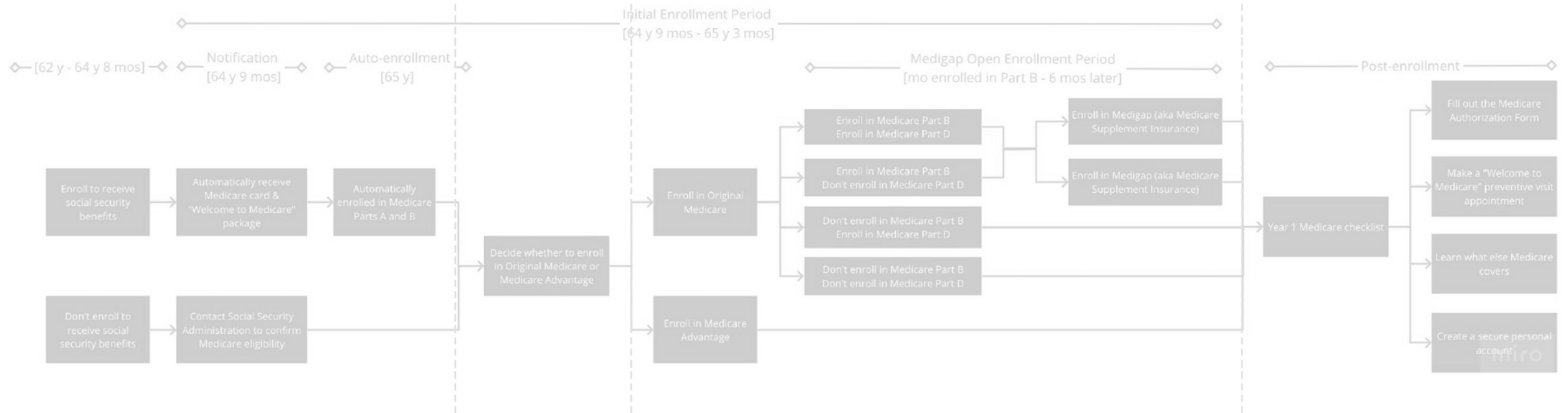
Please see the full-sized visual on the following slide.

Notification of enrollment differs by whether the user is accepting Social Security benefits

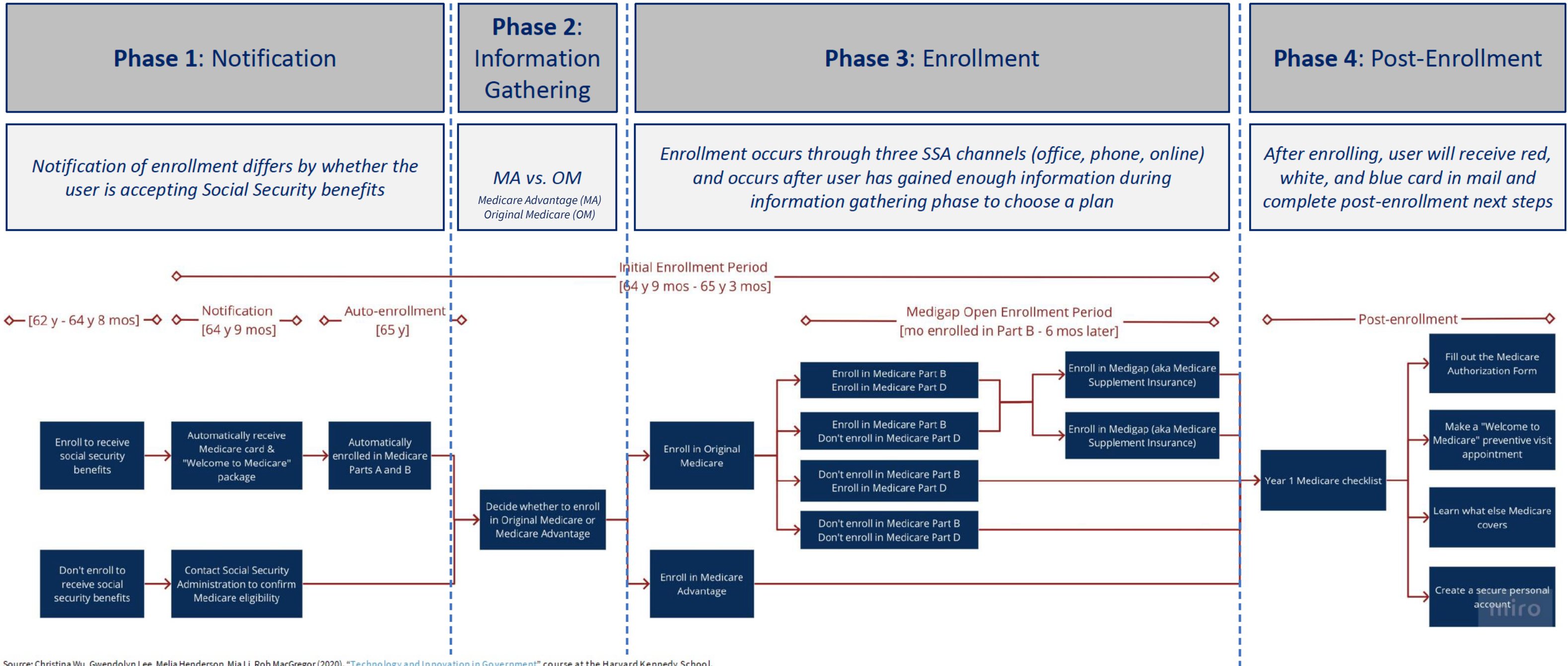
MA vs. OM

Enrollment occurs through three SSA channels (office, phone, online) and occurs after user has gained enough information during information gathering phase to choose a plan

After enrolling, user will receive red, white, and blue card in mail and complete post-enrollment next steps

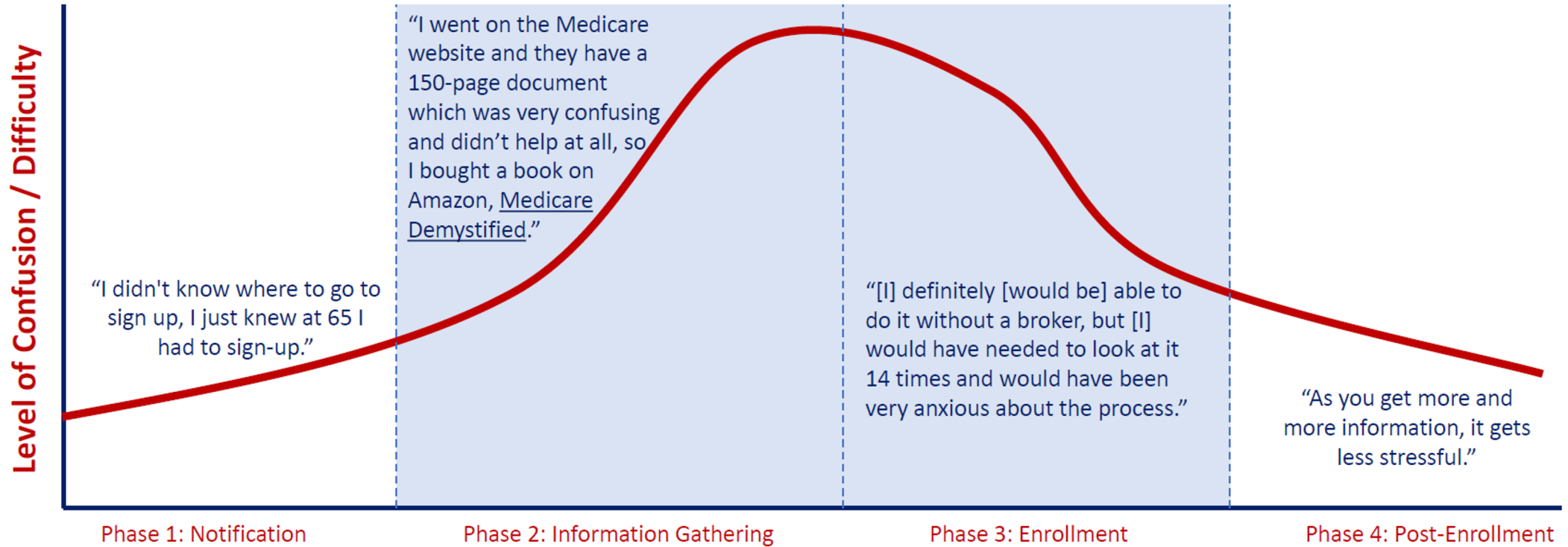


# User Journey



# User Insights

Majority of Interviewees indicated challenges during the **information gathering** phase



## Medicare Enrollment Timeline



# User Insights

## Phase 1: Notification

Many interviewees **were not aware that government notifies them about Medicare enrollment** indicating that further notification efforts may be needed.

**Private insurance companies bombard 64-year-olds** with advertising that pushes enrollees towards their specific plans

Many enrollees find out they need to enroll via **word-of-mouth**

## Phase 2: Information Gathering

Since Medicare has four different parts (Medicare Parts A, B, C, D) across two different channels (Original Medicare and Medicare Advantage), the **naming convention for these areas creates confusion**

Most people rely on **non-governmental information sources** ranging from private insurance companies to non-profit counselors

Intensity of **research ranges widely** depending on the enrollee

## Phase 3: Enrollment

In assessing different Medicare plan options, enrollees look to optimize between **minimizing costs** and **ensuring adequate coverage** with **existing, trusted health care providers**

**Technology comfort ranges** across enrollees which impacts an individual's ability to navigate the enrollment website

## Phase 4: Post-enrollment

Some issues with enrollment can **only be addressed through mail**

Some users are reluctant to use the online platform due to **general online security concerns** (driven by highly visible data breaches elsewhere) **and site usability** (many users found site resources to be overwhelming and/or have limited comfort access online resources/forms)

Some are hit with **lifetime financial penalties** due to unknowingly enrolling late

**Moving forward**



## Next Steps

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After synthesizing research, the project team surfaced primary customer pain-points specific to the service journey, areas for additional research, and potential solutions for development and testing.

After this extended scoping phase, an Executive Steering Committee of HHS, SSA, and OMB convened in June 2023. The effort is currently paused due to SSA's resource and capacity concerns, and may resume later.



# Areas for Exploration: How might we...

## **Better equip customers for enrollment decisions through direct outreach? Explore:**

- Develop shared body of knowledge and training materials across SSA and CMS on Medicare enrollment
- Develop a joint communication campaign between SSA and CMS that helps customers recognize trustworthy information sources
- Engage with partners via a Community of Practice (see: the other Life Experience Approaching Retirement project) to provide direct, timely outreach and education to coming-of-agers about when and how to enroll

## **Consolidate customer touchpoints during enrollment? Explore:**

- Provide a warm handoff from SSA enrollment to CMS support, SHIP counselors, or other navigators
- Provide additional training to SSA Claims Specialists on Medicare coverage beyond A & B

## **Use HHS' regulatory authority to prevent unintentional lifelong penalties? Explore:**

- Conduct study of current impact of Medicare penalties and their enforcements, as well as customers' current understanding of enrollment periods across Medicare parts, and unintended consequences / impact of individuals not signing up for the right things at the right time

## **Make the SSA digital identity verification experience accessible for all? Explore:**

- Conduct funnel analysis on customer attrition during identity verification process across Login.gov/mySSA
- Instate an identity proofing workflow that is accessible to beneficiaries with cognitive and physical disabilities

## **Process Medicare claims in a fully automated, configuration-driven fashion by default? Explore:**

- Conduct a funnel analysis on page time / error rates for each section of the Medicare-only enrollment form to understand where form can be streamlined or use existing SSA data
- Build a flexible, configuration-driven rules engine for adjudication that can be quickly adjusted to accommodate Medicare-only applicants
- Explore automated adjudication pathways for Part-B-only applications - for customers who already have Part-A

## **Make it effortless for customers to receive their Medicare Beneficiary Identifier (MBI)? Explore:**

- Make MBI more easily discoverable in mySSA portal immediately upon review (rather than having to wait for paper card in mail)
- Provide a (printable) temporary identification token to allow customers to initiate account creation on Medicare.gov and plan for next steps in coverage options
- Explore how generation of MBI can minimize customer-effort when beginning "new" journey on Medicare.gov



# Appendix

# Approaching Retirement Life Experience Charter



# Life Experience Designation Charter: Approaching Retirement

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On December 13th, 2021, President Biden signed E.O. 14058, *Transforming Federal Customer Experience and Service Delivery to Rebuild Trust in Government*, which charges members of the President's Management Council (PMC) to form interagency teams, coordinated by OMB, to designate and assess cross-agency customer life experiences, work to develop measurable improvements for such customer life experiences that involve multiple agencies, develop prospective plans to rigorously test what works, and share lessons learned across the Federal Government.

This charter establishes the PMC's cross-government effort and interagency team, as envisioned in E.O. 14058, to tackle the designated life experience of approaching retirement.

[Life Experience Designation Charter: Approaching Retirement](#)



# Life Experience Designation Charter: Approaching Retirement

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## Where we are now

Nearly nine out of ten people age 65 and older receive Social Security retirement benefits, and more than 61 million people are covered by Medicare. The number of Americans 65 and older will increase from about 57 million in 2021 to about 76 million by 2035. These are two of the bedrock Federal programs in the United States, almost universally enrolled. Yet, irrespective of income, education level, and race, navigating retirement claiming timing and Medicare enrollment processes are time consuming, confusing, complex, and often require back-and-forth with these two programs.

Further, the relation between the two programs is unclear, and often requires re-telling the same information multiple times to multiple agencies of Government. Thresholds of eligibility also change for the elderly for many programs, resulting in under-enrollment of financially, housing, and nutrition-insecure individuals missing out on critical supports for which they are eligible.



# Life Experience Designation Charter: Approaching Retirement

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## Where we want to be

- Any route you begin (via SSA, Medicare, other supports) leads you to an integrated experience that only requires giving the government information once
- The number of people applying for Medicare “late” (in the General Enrollment period) will decline
- The confusion around where to apply for Medicare goes down
- The confidence in people feeling that they applied for retirement benefits “at the right time” goes up
- Seniors who are eligible for and need nutrition, housing, or other supports are proactively connected with these programs



# Collaborating Agencies

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## Collaborating Agencies

General Services Administration (GSA)

Department of Labor (DOL)

Department of Housing and Urban Development (HUD)

Department of Agriculture (USDA)

Office of Management and Budget (OMB)

Department of Health & Human Services (HHS)

U.S. Department of the Treasury (Treasury)

Social Security Administration (SSA)

Consumer Finance Protection Bureau (CFPB)