



## New Commonwealth Fund Survey: Seniors with Low Income Twice as Likely to Report Deceptive Marketing by Private Plans in Medicare

### **Study Finds that 22% of Low-Income Older Adults Report Receiving Fraudulent Marketing Calls, Compared to 10% Overall; Many Beneficiaries Don't Know How To File Complaints About Questionable Tactics**

A Commonwealth Fund survey out today suggests that older adults with low income are more likely to report they experienced fraudulent or deceptive advertising by health plan marketers during open enrollment than were their higher-income counterparts. In addition, many beneficiaries said they did not know how to file a complaint about suspicious marketing and advertising practices.

During Medicare's annual open-enrollment period, older adults select between traditional Medicare and private Medicare Advantage plans. Many also select private prescription drug plans and Medigap plans that cover things Medicare does not. These private plans compete for customers, older adults are deluged with marketing calls, mailings, emails, and advertisements about plan choices.

The survey of adults 65 and older sought to better understand beneficiaries' experiences with plan marketing and advertising efforts and how these tactics may have affected Medicare coverage decisions.

Key findings include:

- **Reports of fraudulent Medicare marketing practices were most common among older adults with low income.** Ten percent of all respondents said they received marketing calls requesting their Medicare or Social Security number before they were given plan details—a practice that violates federal rules—while an alarming 22 percent of older adults with low income reported such calls. Additionally, nearly one of five seniors (19%) reported receiving advertising pitches for special time-limited discounts, which do not exist and are not allowed under federal law.

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*The Commonwealth Fund is a private, nonprofit foundation supporting independent research on health policy reform and a high-performance health system.*

- **Seniors were inundated with marketing attempts.** Nearly all people age 65 and older said they received some plan marketing, with three-quarters seeing at least one television or online ad each day. About one in three reported receiving seven or more phone calls per week.
- **Unsolicited calls and emails from Medicare plans or plan representatives.** Under Medicare rules, marketers are not supposed to call beneficiaries unless they have agreed to be contacted or have requested the call. Yet unsolicited calls and emails from plans or plan representatives were commonly reported—more so among Black adults (88%) than white adults (76%). Survey respondents said some calls and emails promoting plans claimed to be from Medicare, but were from marketers.
- **Some seniors reported that marketers were using misleading tactics and providing false information in their advertising.** About one of 10 older adults (11%) said they had enrolled in a plan believing their doctor was covered, only to discover later that there were limitations on seeing that doctor or that the doctor was not in the plan's network. Reports of exposure to false advertising were more common among older adults with incomes of less than \$25,000 than among those with incomes above that level. Twenty-eight percent of low-income seniors reported misleading advertising compared to 17 percent overall.
- **Many seniors do not know how to report their concerns.** Despite their exposure to potentially fraudulent marketing, about one of five older adults (22%) said they did not know how to file a complaint about Medicare marketing and didn't think they could figure out how.

## POLICY IMPLICATIONS

The study authors note that over the years, consumer complaints about confusing and misleading Medicare plan sales tactics have increased. In response, the Biden administration has implemented regulations to rein in Medicare plan marketing practices. Additionally, the authors suggest that education and one-on-one unbiased help from organizations, like [State Health Insurance Assistance Programs](#), could protect more older adults from bad actors while improving the efficiency and equity of the Medicare marketplace.

Finally, greater access to unbiased educational resources and easier pathways to file complaints about fraudulent activities could enable more beneficiaries to share their concerns about Medicare plan marketing and improve regulation.

## FROM THE EXPERT:

Gretchen Jacobson,  
lead study author  
and vice president  
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*“Choosing a Medicare plan is an important decision for older adults, with far-reaching consequences for their health and finances. Yet too many beneficiaries are not getting the information they need to make those choices—and, even worse, some are exposed to fraudulent or misleading marketing pitches. It is especially concerning to see that lower-income seniors are more likely to report receiving illegal or fraudulent marketing calls. More needs to be done to understand why and how this is happening, to protect beneficiaries from bad actors and to make it easier for them to file complaints.”*

## HOW WE CONDUCTED THIS STUDY

This survey was conducted by SSRS from November 30 through December 8, 2022. The survey, which consisted of telephone and online interviews in English and Spanish, was conducted among a random, nationally representative sample of 2,001 adults ages 65 and older living in the United States through the [SSRS Opinion Panel](#). In all, 1,881 interviews were conducted online, and 120 interviews were completed by telephone with SSRS Opinion Panelists who do not or prefer not to use the internet. All comparisons stated are statistically significant.

The survey has an overall margin of sampling error of +/- 3.3 percentage points at the 95 percent confidence level. This means that in 95 of every 100 samples drawn using the same methodology, estimated proportions based on the entire sample will be no more than 3.3 percentage points away from their true values in the population. Margins of error for subgroups will be larger. It is important to remember that sampling fluctuations are only one possible source of error in a survey estimate. Other sources, such as respondent selection bias, questionnaire wording, and reporting inaccuracy, may contribute additional error of greater or lesser magnitude. The overall response rate was two percent.

The full report will be available after the embargo lifts at:

<https://www.commonwealthfund.org/publications/issue-briefs/2023/sep/private-plan-pitch-seniors-experiences-medicare-marketing-advertising>

## ADDITIONAL PERTINENT RESEARCH

[Medicare Data Hub](#)

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[The Role of Marketing in Medicare Beneficiaries' Coverage Choices](#)

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[Medicare Advantage: A Policy Primer](#)

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