

BENES Act: Bringing Clarity to Medicare Enrollment

Produced by Ranking Member Bob Casey, Senate Aging Committee

Many people who delay retirement beyond age 65 are unaware that they should actively sign up for Medicare¹. Delaying Medicare Part B enrollment can lead to lifetime late enrollment penalties, lengthy gaps in coverage, unexpected out-of-pocket health care costs and even delayed access to needed care.

In 2019, approximately **763,000** people paid lifelong Part B late enrollment penalties, with the average penalty amounting to a roughly **28% increase** in their monthly premiums². The penalty is much larger for those who delay enrollment for multiple consecutive years. Further, in some cases, older adults and people with disabilities may find out too late that their private coverage (such as retiree insurance or a COBRA plan) is “secondary” to Medicare. For many of these people, relying on their insurance instead of signing up for Medicare can leave them with surprise medical bills to pay.

Bipartisan, bicameral legislation has been introduced to help people avoid the harms of delayed Medicare enrollment.

The **Beneficiary Enrollment Notification and Eligibility Simplification Act (BENES) Act** would:

- Provide people with advance notice on how and when to sign up for Medicare;
- Minimize gaps in Medicare Part B coverage;
- Align Medicare enrollment periods to help limit confusion; and
- Allow the federal government additional flexibility to create special enrollment periods.

Senate Sponsors: Senators Bob Casey* (D-PA), Todd Young* (R-IN), Debbie Stabenow* (D-MI), Susan Collins* (R-ME), Rob Portman* (R-OH) and Christopher Coons* (D-DE), Rick Scott (R-FL), Krysten Sinema (D-AZ), Martha McSally (R-AZ), Sherrod Brown (D-OH), Pat Roberts (R-KS) and Tina Smith (D-MN).

House Sponsors: Representatives Raul Ruiz* (D-CA), Jackie Walorski* (R-IN), Brad Schneider* (D-IL) and Gus Bilirakis* (R-FL), Scott Tipton (R-CO), Bill Posey (R-FL), Terri Sewell (D-AL), Bryan Steil (R-WI), Zoe Lofgren (D-CA), Suzan DelBene (D-WA), John Katko (R-NY), Brian Fitzpatrick (R-PA), Bobby Rush (D-IL), Ann Kuster (D-NH), Derek Kilmer (D-WA), C.A. Dutch Ruppersberger (D-MD) Chris Pappas (D-NH), and Chrissy Houlahan (D-PA).

* Denotes original cosponsor

1 *Individuals receiving Social Security benefits are auto-enrolled in Medicare. Those who delay filing and are still working may or may not be able to delay Medicare Part B enrollment without penalty or gaps in coverage.*

2 *Provided by the Congressional Research Service.*

CASE STORY

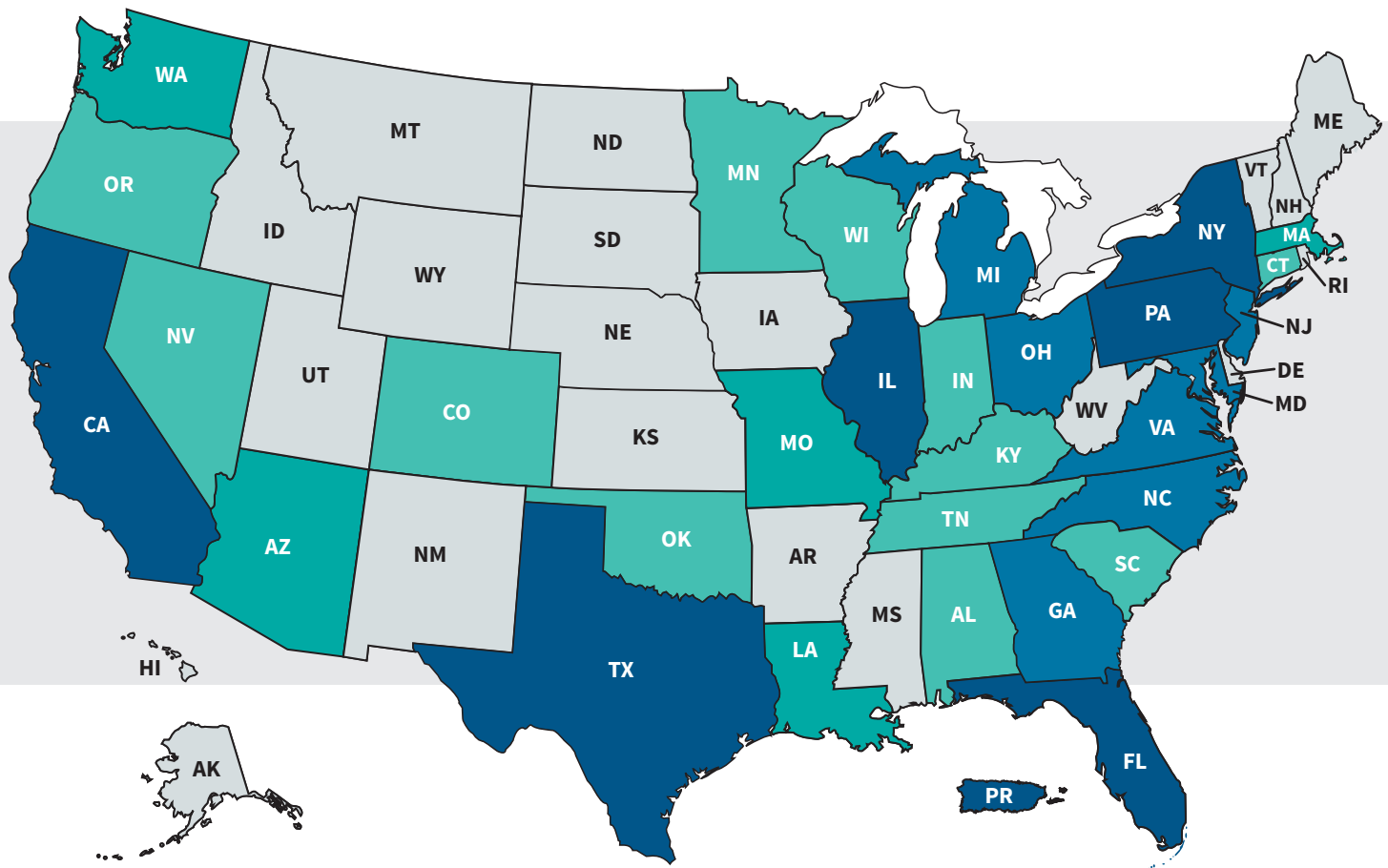
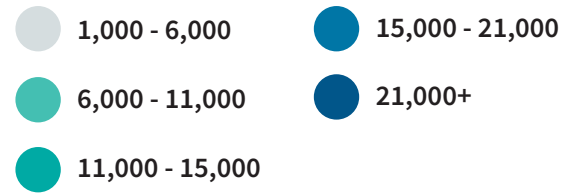
Ms. Zgoda (Pennsylvania) is an 83 year-old widow. Her husband always took care of their finances, so she trusted him when he said they did not need to take Medicare Part B because they were already covered by his federal benefit health plan.

But, when he passed away, she was not able to keep her husband's health plan. When Ms. Zgoda tried to sign up for Medicare, she was told she would have to pay a Part B late enrollment penalty for a lifetime. The penalty made Medicare's outpatient coverage unaffordable on her fixed income.

Ms. Zgoda wishes that she and her husband received better information before she turned 65 so that they would have been able to make a more informed decision about signing up for Medicare. The BENES Act would have ensured that Ms. Zgoda and her husband received accurate and timely information about the potential consequences of not signing up for Medicare Part B.



People with Medicare Paying a Part B Late Enrollment Penalty By State/Territory



Alabama	8,417	Louisiana	10,897	Oklahoma	8,040
Alaska	1,825	Maine	2,616	Oregon	8,151
Arizona	14,901	Maryland	17,365	Pennsylvania	24,459
Arkansas	5,041	Massachusetts	14,206	Puerto Rico	35,940
California	82,530	Michigan	16,275	Rhode Island	2,507
Colorado	10,003	Minnesota	7,730	South Carolina	9,499
Connecticut	6,657	Mississippi	4,807	South Dakota	1,435
Delaware	1,952	Missouri	11,128	Tennessee	10,783
District of Columbia	2,748	Montana	2,467	Texas	60,168
Florida	51,765	Nebraska	2,439	Utah	5,089
Georgia	18,035	Nevada	8,090	Vermont	1,173
Hawaii	3,795	New Hampshire	3,170	Virginia	19,428
Idaho	3,024	New Jersey	20,245	Washington	14,167
Illinois	23,992	New Mexico	5,908	West Virginia	3,354
Indiana	8,882	New York	48,657	Wisconsin	6,954
Iowa	3,258	North Carolina	16,533	Wyoming	1,224
Kansas	3,970	North Dakota	1,115		
Kentucky	7,193	Ohio	17,382		

Source: Centers for Medicare and Medicaid Services, 2018

*Other/Unknown: 8,360