

# Minding Your Own Business

*Senior Citizens are arguably the most studied age group in our society. Due to their enormous purchasing power and their propensity to vote, everyone from Madison Avenue to Pennsylvania Avenue wants to know what's inside the heads of the nation's seniors.*

*United American has listened and offers Seniors products they want and need to live a healthy lifestyle. But it's up to you, the Agent, to show these Seniors how beneficial a UA policy can be.*

## Knowing the client is paramount.

*Here are some facts drawn from recent studies that may help you learn more about your customer.*

**Nine million** Medicare beneficiaries lack Medicare Supplement insurance coverage, an **increase of 33 percent** from 1994 to 1998, according to a study by the Employee Benefits Research Institute. The oldest and poorest beneficiaries are the most likely to lack coverage. For example, **40 percent** of beneficiaries age 85 and older have no Med-Supp coverage.

ElderCare.com Newsletter  
(April 26, 2000)

The Alzheimer's Association reported that the number of people who will be afflicted by Alzheimer's will **increase by 350%** by the middle of this century if the disease continues to grow at current rates. The Association reports that without a research breakthrough the Alzheimer's epidemic alone will cost enough to bankrupt Medicare. At present, annual per capita expenditures for Medicare beneficiaries with Alzheimer's disease are **\$7,682**, almost **70 percent** more than the average of \$4,524 for other beneficiaries.

Alzheimer's Association press release  
(March 21, 2000)

- Americans who are not enrolled in a discount drug program **pay 15 percent more** than those who are enrolled in a program like UA's ACF Partners, according to a Clinton administration study.

The study also stated that in 1996, the Health Care Financing Administration (HCFA) estimates that, in total, **the average Medicare beneficiary spent more than \$670 for prescription drugs**. Using the Clinton study as a guideline, the average Medicare beneficiary would have **saved more than \$100** in 1996 if they were enrolled in a plan like the ACF Partners program that offers prescription drug discounts.

*Actual savings for those enrolled in ACF Partners will vary.*

- Only **11 percent** of Medicare beneficiaries have purchased an individual Medicare Supplement insurance policy. **Thirty-one percent** had no additional coverage at all.
- Medicare beneficiaries constituted about **14 percent** of the U.S. population in 1996 but accounted for about **40 percent** of the **\$62 billion** spent in the U.S. on prescription drugs in that year.

Congressional Budget Office testimony before the House Subcommittee on Health and the House Committee on Ways and Means

While **84 percent** of people surveyed said they would **prefer to pre-arrange their funerals** including purchasing coverage to pay for final expense, only **26 percent** had actually done so, according to The Wirthlin Report for the Funeral and Memorialization Information Council.

International Cemetery & Funeral Management  
(April-May 2000)

According to the American Council of Life Insurance, by 2030, when the last of the baby boom generation reaches age 65, **total national spending** for non-nursing home long term care costs will be **\$193 billion**, **quadruple** what it is today. Out-of-pocket costs for these services are projected to climb by **369 percent** to **\$112 billion**.

The ACLI report also pointed out that the Congressional Budget Office had concluded that **long term care insurance could save the government about \$40 billion** in Medicaid costs. The group also projected that the government would further benefit by another \$8 billion in tax revenues if the **31 percent of family caregivers** who now quit their jobs to care for elderly relatives were able to continue working.

ElderCare.com Newsletter  
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