

Medicare planning: why it matters – and why financial professionals can't ignore it

Turning 65 means making one of the most complex health coverage decisions of a lifetime: enrolling in Medicare. For clients, the rules are confusing and the stakes are high. For financial professionals (FPs), this isn't just a healthcare issue; it's a financial planning imperative. Missteps can lead to costly penalties, gaps in coverage and risks to retirement security.

Protective's research shows the disconnect. While most FPs understand Medicare better than clients, only 1 in 4 frequently assist with Medicare planning, and two-thirds refer clients elsewhere. Yet clients want help, especially with understanding coverage, timing and costs. When FPs step into this conversation, even at a basic level, they build trust, ease anxiety and uncover new planning opportunities, from coordinating Required Minimum Distributions to addressing long-term care (LTC) gaps.

This white paper shares 4 practical steps to help FPs confidently integrate Medicare into their practice — turning complexity into clarity and positioning themselves as indispensable partners in planning for retirement.

1 | Demystify Medicare: Equip yourself and your clients

3 | Navigate the emotions behind Medicare decisions

2 | Make Medicare part of your practice

4 | Start with LTC, then Medicare: How to connect the dots

Methodology

To ground this paper in real-world insights, Protective sponsored a research study of:

- **Consumers:** 1,210 individuals ages 55–75 participated in an online survey in September and October 2025. All had investable assets of at least \$200,000 and were eligible for Medicare benefits.
- **Financial Professionals:** 501 full-time financial professionals participated in an online survey in October 2025. Each FP had at least 3 years of experience, earned at least one-fourth of their income providing investment and financial planning advice to retail clients and received at least 30% of their income from clients ages 55–75.

These findings form the basis for the practical steps and insights shared throughout this paper.

Key Insights

Why it matters: Medicare decisions impact retirement security; mistakes can be costly.

Current gap: Few FPs discuss Medicare, yet clients want help with coverage, timing and costs.

Research insights: Significant knowledge gaps exist among both consumers and financial professionals regarding Medicare, highlighting the need for targeted education and guidance to improve decision-making and retirement security.

4 recommended steps:

- **Demystify Medicare:** Use Medicare.gov and *Medicare & You* to fill knowledge gaps.
- **Make it part of your practice:** Add Medicare planning to agendas; collaborate with specialists.
- **Navigate emotions:** Reduce anxiety and confusion; build confidence and loyalty.
- **Start with LTC, then Medicare:** Correct misconceptions early; integrate health and financial planning.

Opportunity: Proactive Medicare conversations strengthen trust, uncover new planning opportunities, and differentiate your practice.

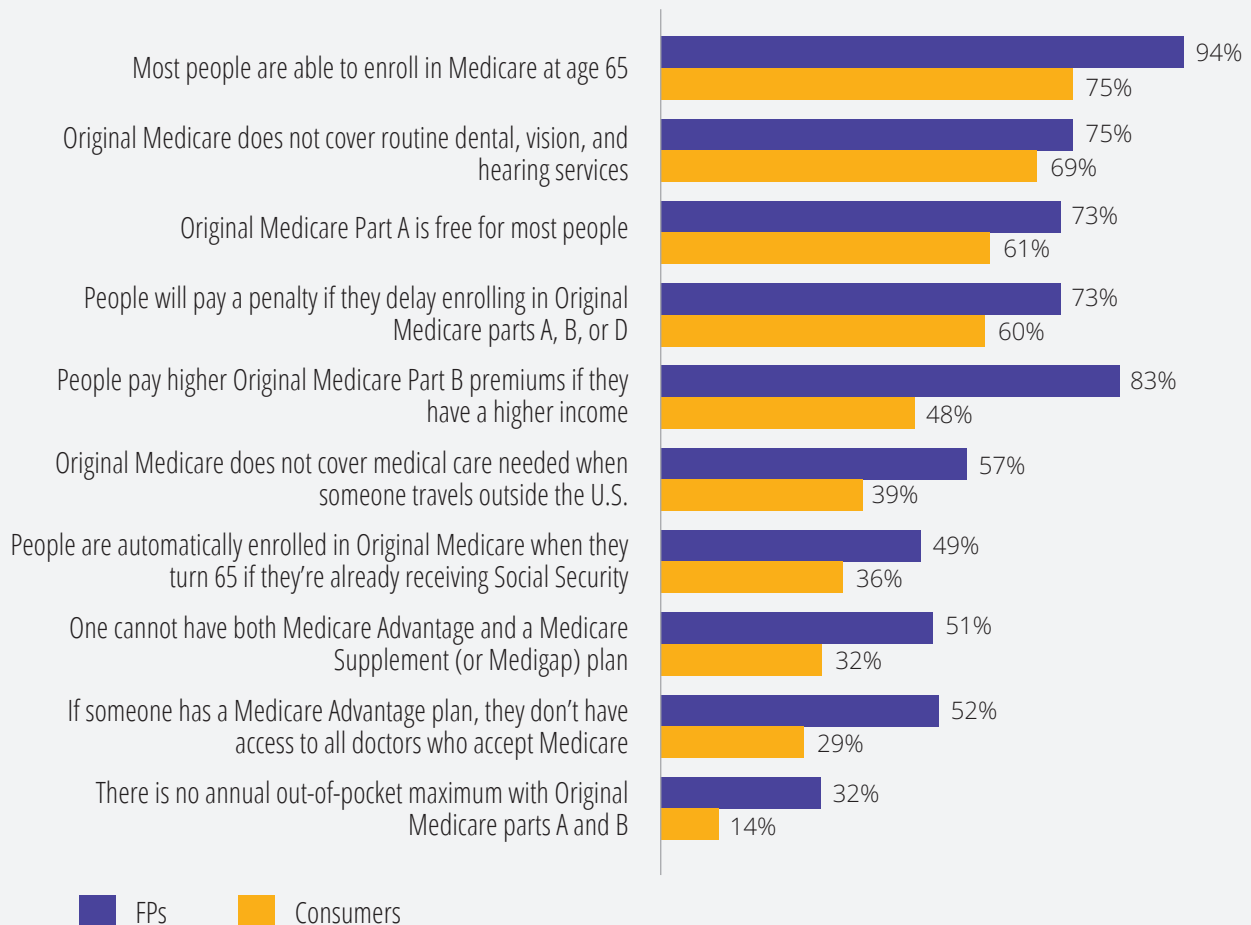
**Step
1**

Demystify Medicare: Equip yourself and your clients

Knowledge gaps — even among financial professionals — create planning risks and opportunities to demonstrate expertise. Both consumers and FPs often overestimate their understanding of Medicare, leaving critical gaps in knowledge that can impact effective planning and decision-making.

The basics — like when you're eligible, that Part A is free for most people and that there are late enrollment penalties — are familiar. But details? That's where gaps show up. For example, many consumers don't realize they can't have both Medicare Advantage and Medigap at the same time. Or whether out-of-pocket maximums exist on various parts of Medicare and how much they are.

Knowledge gaps persist among consumers and financial professionals (Percent correct on Medicare quiz questions)¹



To the best of your knowledge, at what age are people generally eligible to enroll in Medicare? To the best of your knowledge, which of the following statements about Medicare are true? (Consumer: 1,210, FPs: 501)

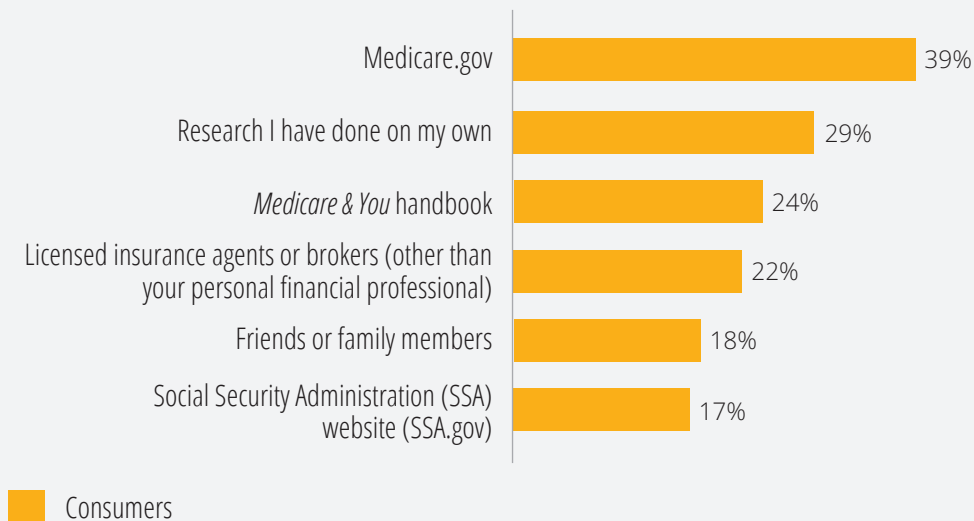
¹ Respondents were asked to select the age at which most people are eligible to enroll in Medicare. The remaining 9 questions were true/false/not sure. Any correct "false" answers have been reworded to be correct as worded in the chart above.

Knowledge gaps are real: Consumers average less than 4/10 correct on a Medicare quiz; FPs average 6/10. Both groups overestimate their understanding.

Knowledge gaps in Medicare can pose risks to effective planning, but they also present an opportunity for FPs to demonstrate their expertise and build trust with clients. By leveraging reliable resources like Medicare.gov and the *Medicare & You* guide, FPs can position themselves as credible and informed. These tools not only provide accurate and up-to-date information but also empower clients to make confident decisions about their health coverage, strengthening the FP-client relationship and uncovering new planning opportunities.

Medicare.gov and *Medicare & You* lead the pack

Sources consumers found most helpful when making enrollment decisions



Consumers: What sources of information did/do you use when making decisions about Medicare? Which three did/do you find most helpful when making decisions about Medicare? (Total: 1,210). Partial list of response choices shown.

Official guidance matters: The *Medicare & You* handbook is a top-three resource for 24% of consumers — keep the latest edition at hand.

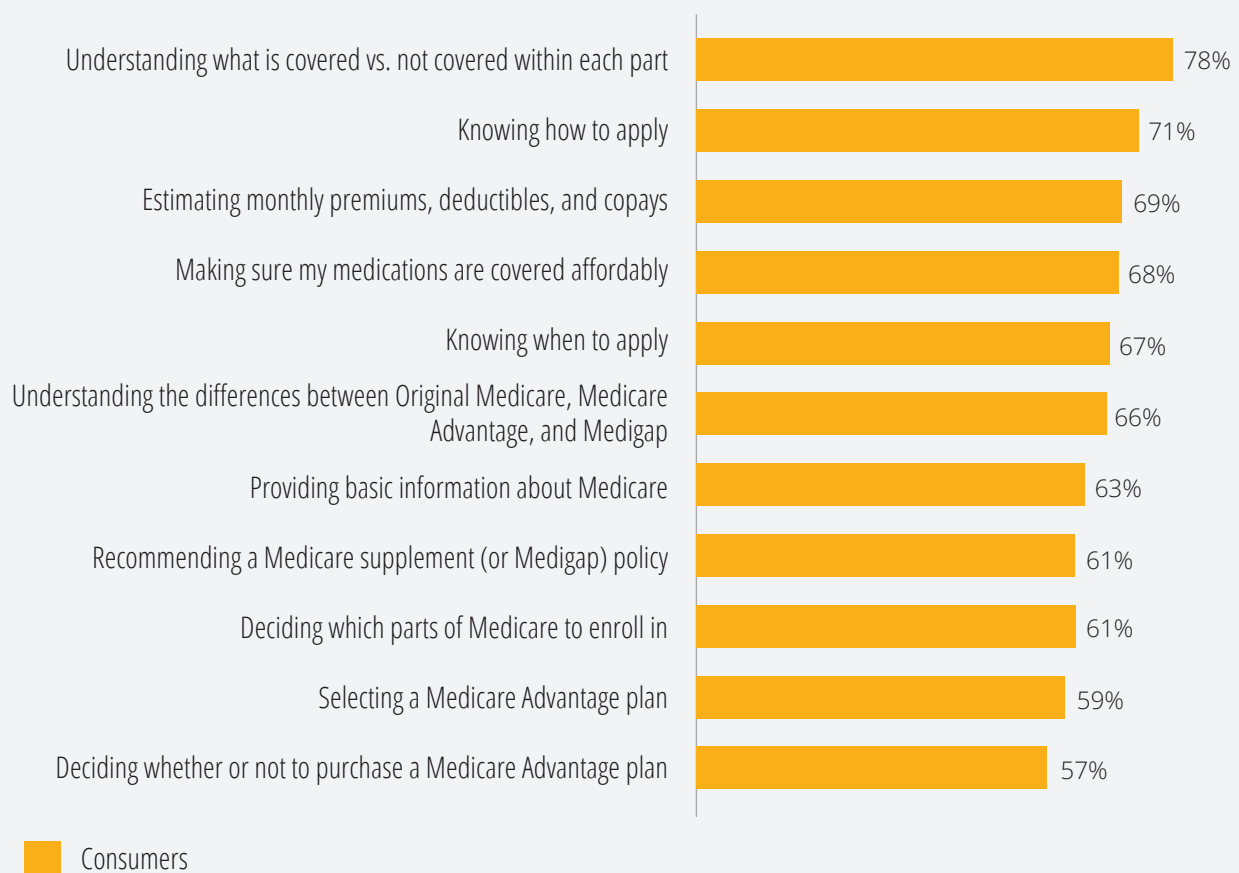


Make Medicare part of your practice

Complexity is your differentiator. Simplifying Medicare positions the FP as an indispensable partner in planning for retirement. Most consumers want help — whether it's understanding what's covered, estimating costs or figuring out when and how to apply. Here's what they told us they need most:

Coverage clarity tops consumer needs

Ways consumers want help with Medicare decisions



Consumers: In which of the following ways would you like help with Medicare? (Total: 1,210)

Coverage clarity tops the list: ~78% want help understanding what's covered vs. not across Parts A, B, D, Advantage and Medigap.

Yet only 15% of clients have discussed Medicare with their FP, and just 5% say they'd prefer their FP to help most with Medicare. Instead, 3 in 4 would rather work with a Medicare specialist.

Here's the opportunity: 7 in 10 FPs say they want to provide more help with Medicare planning. Even if you don't sell Medicare products, integrating Medicare into pre-retirement conversations signals proactive planning and strengthens client loyalty. Start simple:

- Add Medicare planning to agendas for clients approaching age 65.
- Make it a standing topic for those already enrolled — because coverage can change every year.

You don't have to do it all yourself. Many FPs team up with Medicare specialists while staying part of the conversation. Collaborating with specialists keeps you central to the client's financial picture, reinforcing your role as the trusted financial professional. And if you do offer Medicare-related products, these conversations can open the door to new revenue streams.

Missed conversations: Only 15% of clients have discussed Medicare with their FP; just 5% prefer their FP to help most — 3 in 4 would rather work with a specialist.

Tips for starting the Medicare conversation

Make Medicare part of the bigger picture.

Bring it up during long-term care discussions. Clients often assume Medicare covers LTC — it doesn't. Use that moment to explain what's covered, what's not and how other solutions like hybrid life insurance with LTC and annuity products can help fill the gaps.

Keep it simple.

Medicare planning has the same basic ingredients as other financial decisions:

- *When to do something*
- *How to do it*
- *What's the right mix of things*

Equip yourself.

Use client-friendly materials and plan comparison tools to make the conversation easier. Point clients to the *Medicare & You* guide (published every fall) for the latest options and rules.

Address emotions.

Addressing emotional drivers strengthens loyalty. Turning stress into confidence positions you as a trusted guide.

Think beyond Medicare.

Coordinate long-term planning and Required Minimum Distributions with Medicare-related costs. And when needed, team up with Medicare specialists while staying part of the conversation.

Step
3

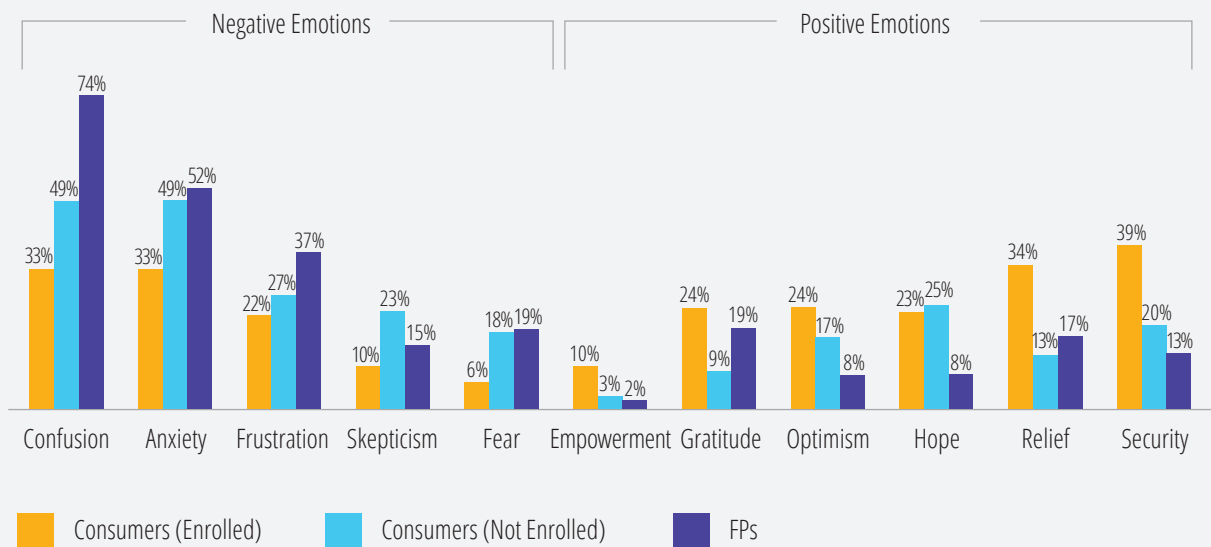
Navigate the emotions behind Medicare decisions

Medicare decisions are emotional. Addressing this complexity builds confidence and deepens relationships. For many clients, the process feels overwhelming.

Protective's research shows that clients who haven't enrolled yet are far more likely to feel stressed and uncertain, while those who have enrolled often feel relief and security. Simply having someone to talk through the options can make a huge difference.

Before enrollment = anxiety; After enrollment = relief

Emotions reported during Medicare planning



Consumers: Which three emotions do/did you feel most when planning for Medicare? Please select up to three. (Total: 1,210)

FPs: Which three emotions do your clients most often exhibit during Medicare conversations? Please select up to three. (Total: 501)

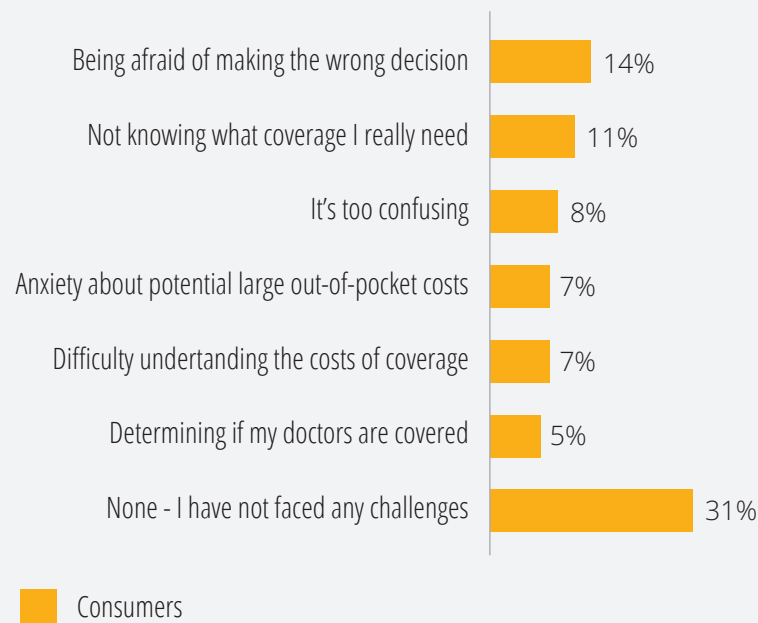
After enrollment = relief: Enrolled consumers report higher Relief (34%) and Security (39%) — the right guidance changes the emotional arc.

While nearly one-third of consumers claim they have had no challenges with Medicare planning, half of the remainder select options that involve one or more emotions — fear, confusion, anxiety and feeling overwhelmed. The other half express concerns over issues that FPs educated in Medicare can help clients address.

Here's what consumers say they find most challenging:

Fear of wrong choice leads planning challenges

Most difficult aspect of Medicare planning



Consumers: Which of the following did you find most challenging when planning for Medicare benefits? (Total: 1,210)

Fear drives indecision: 14% say they're afraid of choosing wrong; 11% don't know what coverage they really need.

Guiding clients through uncertainty transforms stress into trust. Despite the emotional aspects of the Medicare enrollment decision, those covered by Medicare are much more satisfied with their health insurance than those not (yet) enrolled. Three in four enrollees are very or extremely satisfied compared to 57% of non-enrollees. Turning negative emotions into positive ones and helping clients navigate to coverage they will likely be more satisfied with are great ways for FPs to generate good will and loyalty among retirement-age clients.

This is where FPs can shine. By listening, explaining choices in plain language and connecting health coverage decisions to the bigger financial picture, you can turn negative emotions into confidence — and build loyalty in the process.

Step
4

Start with LTC, then Medicare: How to connect the dots

Health decisions shape retirement outcomes. Integrate them early. And here's the thing: long-term care planning usually happens first — often well before age 65. That's your chance to clear up a common misconception: 7 in 10 consumers think Medicare will cover long-term care. It won't.

Correcting that misunderstanding early makes hybrid life insurance with LTC and variable annuity solutions featuring increased withdrawals for extended nursing home stays more compelling as part of a comprehensive strategy. It also positions you to guide clients through Medicare decisions later.

Once LTC planning is in place, keep the conversation going. As clients near age 65, Medicare becomes the next big decision and it's your chance to connect health coverage choices to their broader retirement strategy. After enrollment, check in annually because coverage and client needs can change. And if you refer clients to a Medicare specialist, staying in the conversation still strengthens your value proposition and can lead to new opportunities.

And don't stop there. As part of providing holistic client guidance as they prepare for retirement, consider supporting clients' goals for a healthy, active retirement — whether that's sharing tips on diet and exercise or connecting them with trusted resources.

Start with LTC. Follow up with Medicare. Together, these conversations help clients avoid costly misconceptions, protect their retirement plans and deepen the relationship for the long term. Work with your Protective representative to explore options supporting Medicare preparedness.

Common misconception: 7 in 10 consumers think Medicare covers long-term care. It doesn't. Use LTC planning to correct this early.

In summary

One of the most important services FPs offer is helping clients navigate decisions they've never made before — such as investing, planning for retirement and wealth transfer planning. This research recommends adding Medicare planning to that list. To do so effectively, FPs should take 4 key steps:

- 1. Demystify Medicare: Equip yourself and your clients.** Start with reliable resources like the latest *Medicare & You* booklet and [medicare.gov](https://www.medicare.gov). Understanding what clients know — and don't know — helps FPs fill critical gaps.
- 2. Make Medicare part of your practice.** FPs should add Medicare planning to client agendas for those approaching age 65 and older and determine the level of support that fits their practice, whether direct guidance or referral to specialists.
- 3. Navigate the emotions behind Medicare decisions.** Decisions about health coverage often trigger anxiety and confusion. FPs can ease these emotions by providing clarity and helping clients reach decisions they'll feel confident about.
- 4. Start with LTC, then Medicare: How to connect the dots.** By starting with long-term care planning and later incorporating Medicare, FPs help clients avoid costly misconceptions, protect them financially and create opportunities for deeper engagement across health and retirement strategy. These conversations not only strengthen the FP's value proposition but also open the door to broader health-related goals, especially those with financial consequences.

Protective refers to Protective Life Insurance Company (PLICO), Omaha, NE and Protective Life and Annuity Insurance Company (PLAIC), Birmingham, AL.

Product guarantees are backed by the financial strength and claims-paying ability of the issuing company.

Protective® is a registered trademark of PLICO. The Protective trademarks, logos, and service marks are property of PLICO and are protected by copyright, trademark, and/or other proprietary rights and laws.

These materials contain statements regarding the availability of and details surrounding the Social Security and Medicare programs. These statements represent only our current understanding of Social Security and Medicare in general and are not to be considered financial, legal or tax advice by consumers. Details of the Social Security and Medicare programs are subject to change at any time. Neither PLICO nor its representatives offer financial, legal or tax advice. Consumers should consult with their legal or tax advisor regarding their individual situations before making any tax related decisions.

Not FDIC/NCUA Insured	Not Bank or Credit Union Guaranteed	Not a Deposit
Not Insured By Any Federal Government Agency		May Lose Value

Reach out to your Protective representative for resources and helpful information.