

EMPLOYEE BENEFITS

Medicare – It's Not Just for Retirees

By Thomas Adamson, Director, Market Development and Theresa Flynn, Managing Partner



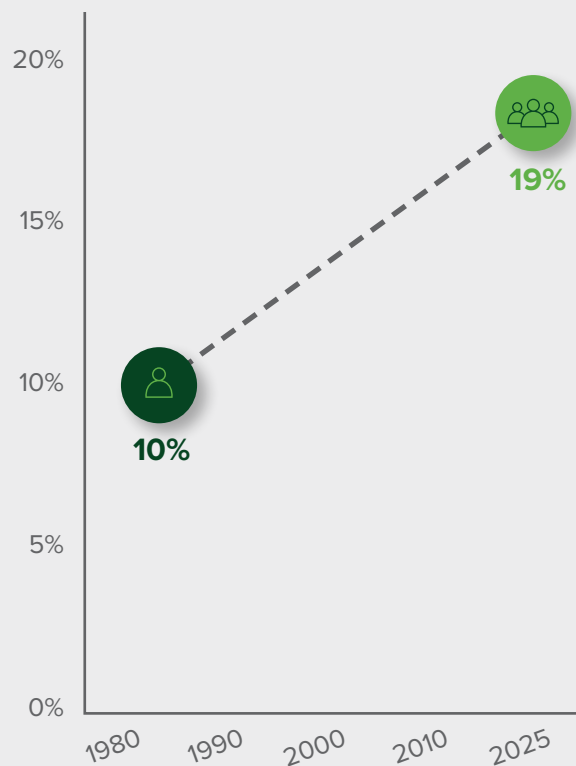
Employers seek to offer comprehensive benefits that meet the evolving needs of their diverse workforces. One critical area that's often overlooked? Medicare.

Medicare is increasingly relevant for active employees as more Americans are working beyond age 65. By embracing a proactive approach to Medicare education and support, organizations can reduce the confusion and stress that comes with understanding Medicare coverage and potentially reduce health benefit costs.

The Increased Need to Focus on Medicare

More employees are remaining in the workforce beyond the traditional retirement age, and it's not just a blip. According to the U.S. Bureau of Labor Statistics (BLS), the labor force participation rate among adults 65+ has nearly doubled since the 1980s, climbing from 10% to 19% in recent years. In raw numbers, that's over 11 million older Americans still working. This shift reflects a growing aging population and a generational redefinition of what retirement looks like. In fact, older adults are now the fastest-growing segment of the U.S. labor force, with BLS projections showing workers 65+ will make up 8.6% of the total labor force by 2032.

LABOR FORCE PARTICIPATION RATE AMONG ADULTS 65+



Source: U.S. Bureau of Labor Statistics (BLS)

Why? Experts point to a mix of necessity, policy and personal choice. The transition from pensions to 401(k) plans, combined with increases in the Social Security full retirement age, has nudged many toward longer careers.¹ At the same time, better health, higher education levels and the rise in flexible or remote work options have made it more feasible, and appealing, for older adults to continue working. Economists note that for some, it's a matter of purpose; for others, it's a matter of survival, with nearly two-thirds of seniors working out of financial need.² Whatever the motivation, one thing is clear: age 65 is no longer the finish line, it's often just the next lap. As a result, employers are increasingly tasked with supporting a generation of employees navigating complex Medicare decisions.

Further, many employees do not understand that they have options after age 65, even if they are still actively working. Without proper guidance, they may face costly penalties, delayed coverage, or missed opportunities for savings.

Why Employers Shouldn't Ignore Medicare

Let's be honest—Medicare is confusing. For most employees approaching 65, it's like wandering into a bureaucratic forest, complete with alphabet soup: Parts A, B, C, and D, unclear deadlines, and fine print that feels like a riddle. When employees are confused and don't know where to turn, the questions often land squarely on HR.

Confusion isn't just an inconvenience, it's costly. Many Medicare-eligible employees remain on employer health plans simply because they don't realize they have other options. Medicare could offer better coverage at a lower cost, but without education and guidance, those opportunities are often missed. That means higher expenses for the employee and higher benefit costs for your organization.

Employees with employer-sponsored health coverage typically assume they can deal with Medicare later. But Medicare enrollment isn't something that can be put off indefinitely. Miss an enrollment window and an employee could face lifelong penalties or find themselves without coverage at a critical moment. These oversights can affect an employee's well-being for years to come. But with timely, proactive communication, it's entirely preventable.

What Employers Can Do

- **SHIFT THE MINDSET: MEDICARE ISN'T JUST FOR RETIREES:** Employees still working past 65 may qualify for better, more cost-effective coverage through Medicare, even outside of your organization's open enrollment window. By acknowledging this and educating your workforce, you empower smarter choices.
- **START EARLY:** To better serve an aging workforce, Medicare should be discussed well before employees hit retirement age. Medicare has firm deadlines and little room for error. Begin conversations before employees hit age 65 so they can avoid penalties and lapses in coverage.
- **OFFER A MEDICARE EMPLOYEE ASSISTANCE SERVICE:** This is a year-round resource that guides employees through Medicare decisions, plan selection and enrollment. Healthcare isn't one-size-fits-all, and each employee has a different story, health history and financial outlook. Tailored, one-on-one guidance ensures employees receive support that meets their individual medical and financial needs.

Medicare Support: A Smart Play for Forward-Thinking Employers

Adding Medicare support to your benefits strategy isn't just thoughtful, it's a game-changer. It reduces benefit costs by helping eligible employees shift to more affordable coverage. It builds trust by easing stress around one of the most confusing topics in healthcare. It sets you apart in a competitive talent market, demonstrating an investment in employee well-being at every stage of life. And it alleviates work for your HR team.

Offering Medicare support is not just a benefit, it's a significant win-win for employers and employees.

¹ Center for Retirement Research, 2021

² The New School Retirement Equity Lab



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As Director at Brown & Brown Absence Services Group, Tom Adamson brings over a decade of leadership experience in providing innovative Medicare and Social Security Disability solutions, alongside a comprehensive range of services offered by Brown & Brown. He specializes in implementing Medicare advocacy programs that empower employees and their families to navigate complex systems with confidence. By focusing on cost savings, efficiency and risk reduction, Tom builds value-driven relationships that support organizational growth and improve employee well-being.



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