

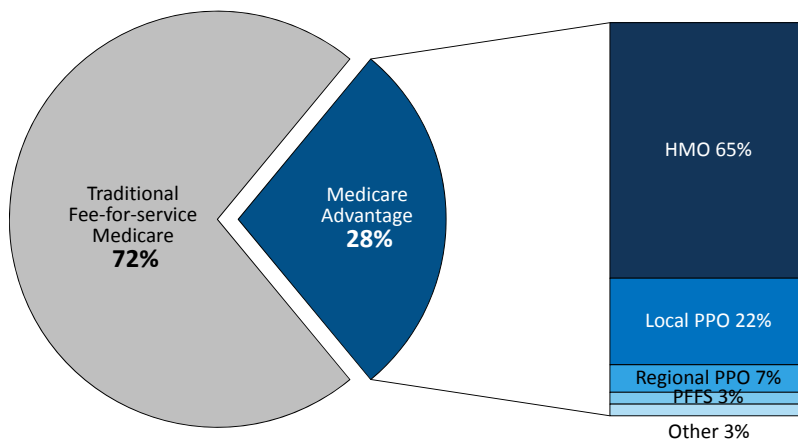
Medicare Advantage: The Basics

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Exhibit 1

More than one-quarter of Medicare beneficiaries are enrolled in a private Medicare Advantage plan in 2013



Total Medicare Beneficiaries, 2013 = 51 Million

NOTE: PFES is Private Fee-for-Service plans, PPOs are preferred provider organizations, and HMOs are Health Maintenance Organizations. OTHER includes cost and demonstration plans. Includes enrollees in Special Needs Plans as well as other Medicare Advantage plans.
SOURCE: MPR/Kaiser Family Foundation, "Medicare Advantage 2013 Spotlight: Enrollment Market Update," June 2013. Analysis of the Centers for Medicare and Medicaid Services (CMS) Medicare Advantage enrollment files, 2013.

Exhibit 2

Characteristics of Medicare Advantage Enrollees, 2009

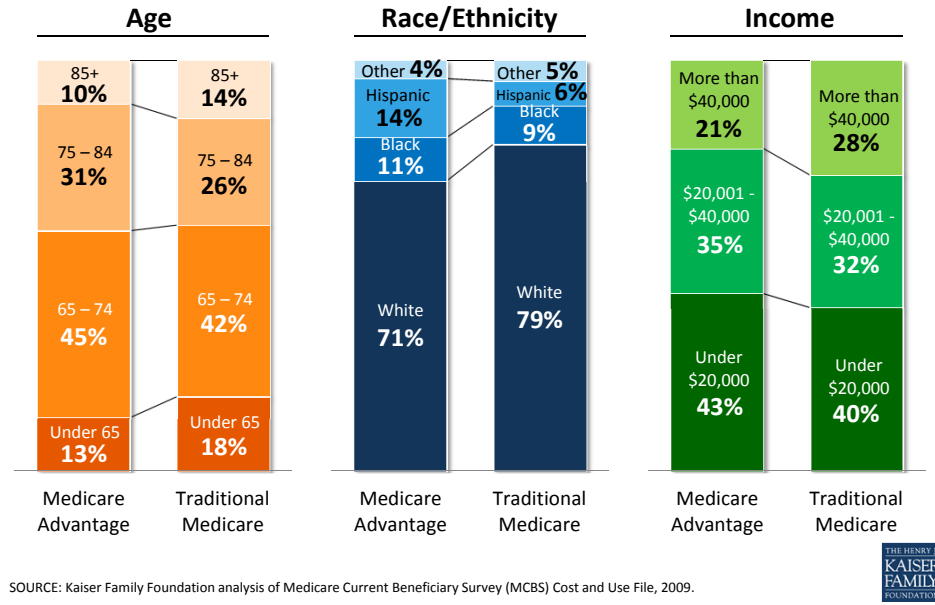


Exhibit 3

Total Medicare Advantage Enrollment, 1992-2013

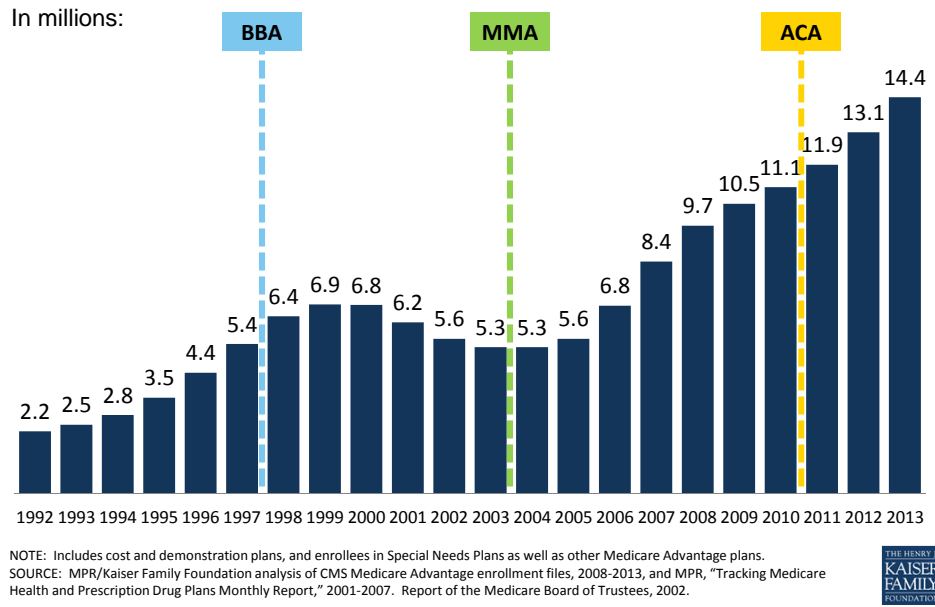


Exhibit 4

Share of Medicare beneficiaries enrolled in Medicare Advantage plans varies across states in 2013

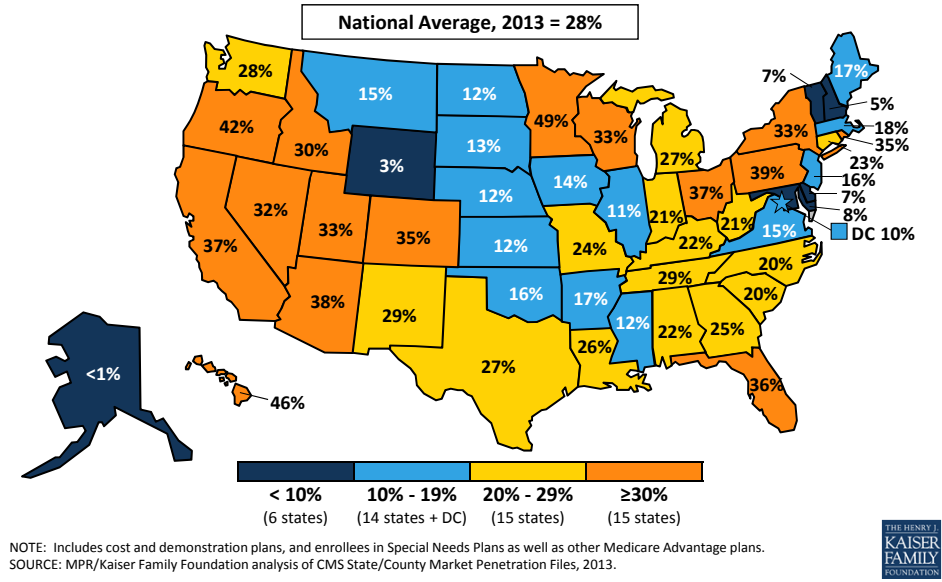


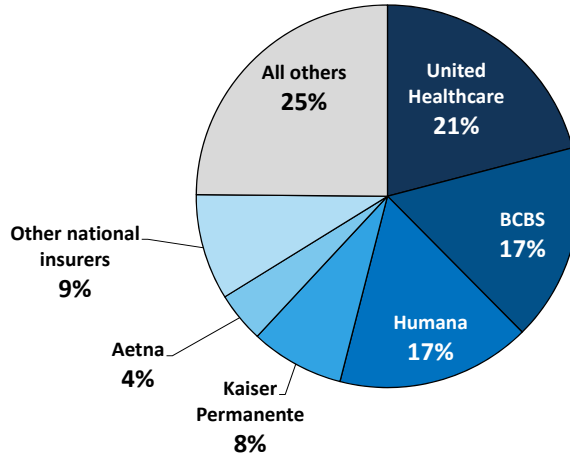
Exhibit 5

Plan Choice and Benefits

- **Medicare beneficiaries can choose from among 20 Medicare Advantage plans on average in 2013**
 - 22 plans in urban counties and 13 plans in rural counties
- **Plans are required to cover Medicare Part A and Part B benefits and have cost-sharing that is (at least) actuarially equivalent to cost-sharing in traditional Medicare**
 - For some benefits, plans' cost sharing can not be higher than traditional Medicare's
- **Plans can also cover Part D drugs**
 - Most Medicare Advantage plans (82%) offer prescription drug coverage and 49% provide some coverage in the gap
- **Plans are required to limit enrollees' out-of-pocket expenses to \$6700 or less**
 - Almost half of enrollees are in plans with limits at or below \$3400 in 2013
- **Most plans provide extra benefits, such as lower cost-sharing or benefits not covered by traditional Medicare (e.g., eyeglasses)**

Exhibit 6

Five firms or affiliates (BCBS) account for two-thirds of enrollment in 2013



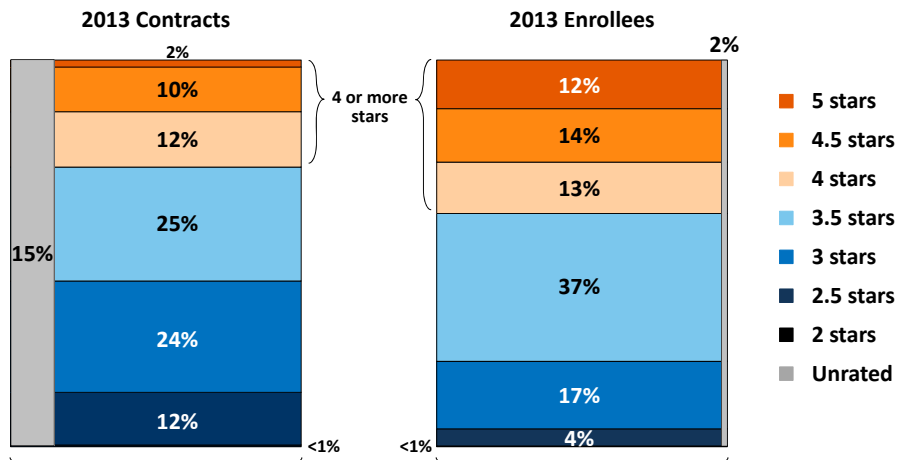
Total Medicare Advantage Enrollment, 2013 = 14.4 Million

NOTE: BCBS are BlueCross BlueShield affiliates and includes Wellpoint BCBS plans that comprise 4% of all enrollment. Percentages may not sum to 100% due to rounding.
 SOURCE: MPR/Kaiser Family Foundation, "Medicare Advantage 2013 Spotlight: Enrollment Market Update," June 2013. Analysis of CMS Enrollment files, 2013.



Exhibit 7

More than one-third (39%) of Medicare Advantage enrollees are in plans with quality ratings of four or more stars in 2013



Total Number of Contracts = 520

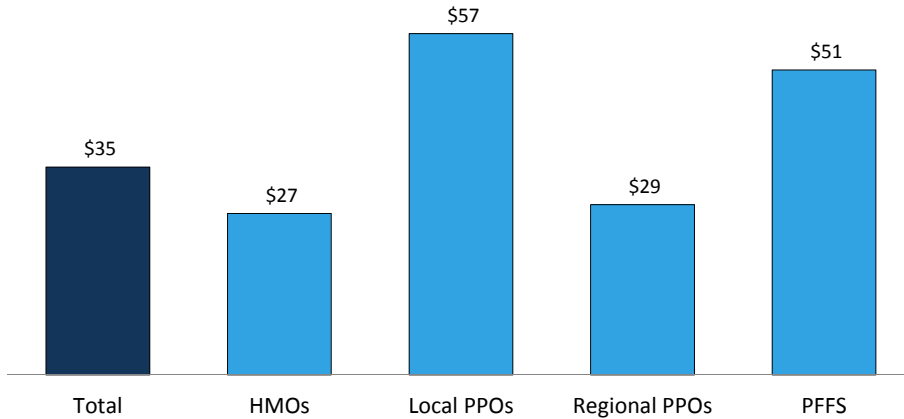
Total Enrollment = 14.4 million

NOTE: The analysis of the distribution of contracts by quality ratings is not weighted by enrollment. Includes HMOs, local PPOs, regional PPOs, and PFFS plans.
 SOURCE: Kaiser Family Foundation analysis of CMS's Medicare Advantage plan star ratings for 2013 and January 2013 Enrollment files.



Exhibit 8

Average monthly premiums for Medicare Advantage Prescription Drug (MA-PD) plans vary by plan type in 2013



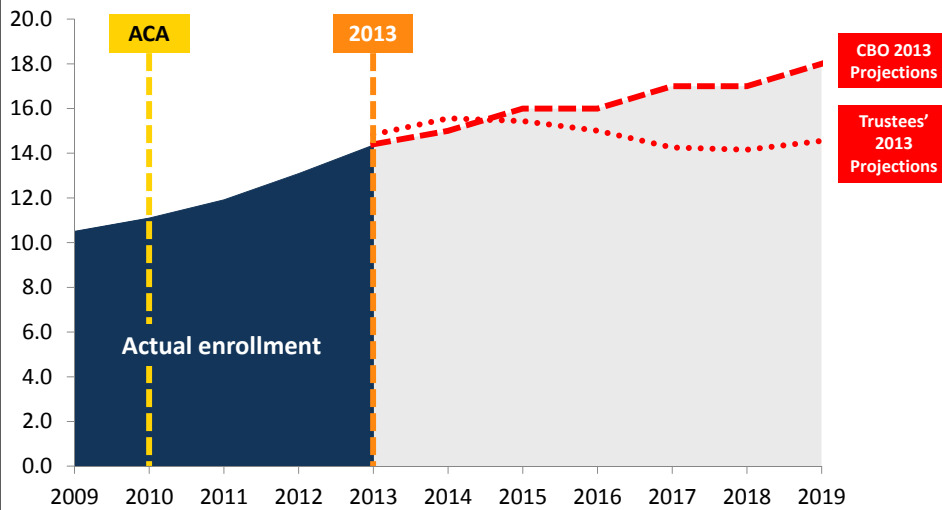
NOTE: Excludes SNPs, employer-sponsored (i.e., group) plans, demonstrations, HCPPs, PACE plans, and plans for special populations. Includes only MAPDs. The total includes cost plans (not shown separately), as well as plans with zero premiums.
SOURCE: MPR/Kaiser Family Foundation, "Medicare Advantage 2013 Spotlight: Enrollment Market Update," June 2013. Analysis of CMS's Landscape Files for 2013 and March Enrollment files for 2013.



Exhibit 9

What is the future outlook for Medicare Advantage?

In millions



SOURCE: MPR/Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment files, 2009-2013. CBO, "Medicare Baseline" May 2013. Report of the Medicare Board of Trustees, 2013.



Exhibit 10

Medicare Advantage Resources on kff.org



- ✓ Medicare Advantage 2013 Spotlight: Enrollment Market Update
- ✓ Medicare Advantage 2013 Spotlight: Plan Availability and Premiums
- ✓ Medicare Health Plans and Dually Eligible Beneficiaries: Industry Perspectives on the Current and Future Market
- ✓ Medicare Advantage Plan Star Ratings and Bonus Payments in 2012
- ✓ Medicare Advantage Fact Sheet
- ✓ Explaining Health Reform: Key Changes in the Medicare Advantage Program
- ✓ Medicare Health and Prescription Drug Plan Data: <http://www.kff.org/data-collection/medicare-health-and-prescription-drug-plans/>

For more information, visit kff.org/medicare