

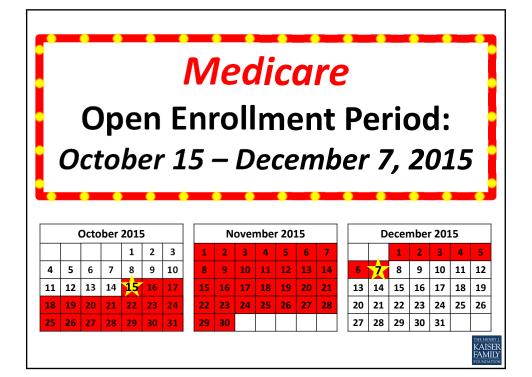
Medicare Open Enrollment Preview

October 14, 2015

Alliance for Health Reform, in partnership with the Kaiser Family Foundation

Tricia Neuman, Sc. D.

Director, Program on Medicare Policy Kaiser Family Foundation



Open Enrollment Period: Medicare Advantage and Medicare Prescription Drug Plans (PDPs)

Medicare Advantage Plans

- Beneficiaries can choose among private plans, such as HMOs and PPOs, as an alternative to traditional Medicare for their Medicare-covered benefits (Parts A and B)
- Most Medicare Advantage plans also provide prescription drug coverage (Part D)
- Plans vary in a number of ways, including in premiums, cost-sharing, extra benefits, prescription drug benefits, and provider networks

Medicare Stand-Alone Part D Plans

- Beneficiaries covered under traditional Medicare may elect to get prescription drug coverage under a stand-alone Medicare prescription drug plan (PDP)
- Part D is offered exclusively by private plans (not integrated into traditional Medicare)
- Part D plans vary in a number of ways, including in premiums, cost-sharing, the list of covered drugs (formularies), and pharmacy networks

Beneficiaries are encouraged to review their options during the open enrollment period and choose a plan that will best meet their needs, <u>but relatively few do</u>.



Exhibit 3

Key Decisions for the Medicare Open Enrollment Period

Traditional Medicare

39 million beneficiaries (24 million PDP enrollees)



Advantage beneficiaries

17 million beneficiaries



Decision #1:

Switch to a new PDP? (26 options, on average)

Decision #2:

Switch from traditional Medicare to Medicare Advantage?

<u>Or</u>...

Make no change

Decision #1:

Switch to a new Medicare Advantage plan?

(19 options, on average)

Decision #2:

Switch from Medicare Advantage to traditional Medicare?

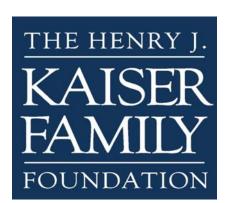
- Choose a PDP

Or...

Make no change



Costs	Traditional Medicare	Medicare Advantage	Part D Plans
• Premiums	✓	✓	✓
 Deductibles and cost-sharing 	✓	✓	✓
 Out-of-network charges/ in-network discounts 		✓	✓
Access			
Physicians, hospitals and ather providers	✓	✓	
other providersPharmacies	-	✓	✓
Medications on the formulary		✓	✓
Quality	✓	✓	✓



For more information, visit kff.org/medicare

