

MEDICARE ADVANTAGE ENROLLMENT MARKET UPDATE

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In 2011, enrollment in Medicare Advantage continued to rise despite changes in the law that froze Medicare Advantage payment rates to 2010 levels and limited the use of private fee-for-service (PFFS) plans. One in four Medicare beneficiaries are now in Medicare Advantage plans. Enrollment in PFFS plans has dropped steeply in response to requirements that plans establish provider networks, but enrollment in preferred provider organizations (PPOs) is on the rise.

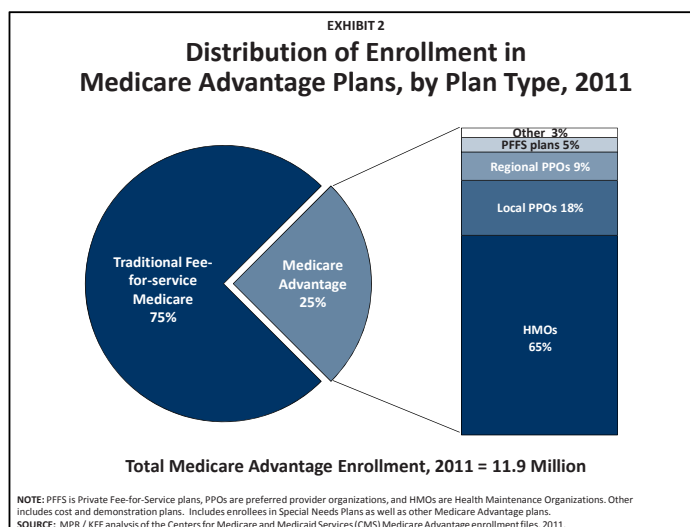
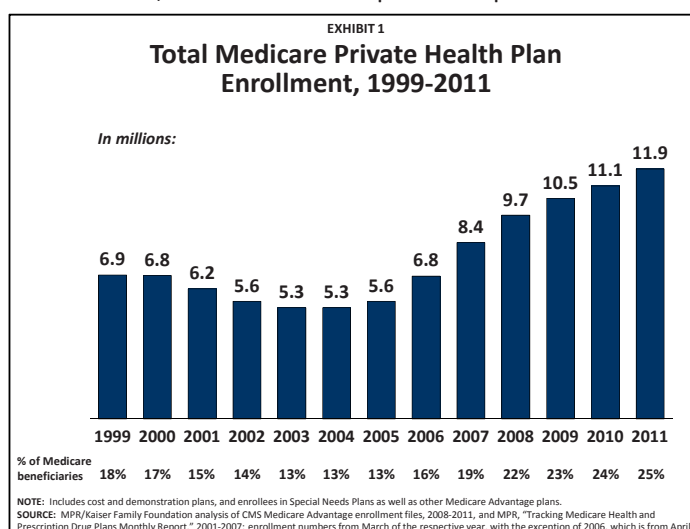
The average Medicare Advantage enrollee paid about \$39 per month in premium for Medicare Advantage in 2011, about \$5 less per month than in 2010. Half (52%) of all Medicare Advantage enrollees with prescription drug coverage (MA-PDs) are in a plan that charges no premium beyond the Part B premium required of all Medicare beneficiaries.

The decline in enrollees' average premium appears to reflect aggressive premium setting by firms seeking to retain enrollees and attract new ones with the changes in PFFS option. Whether these patterns will persist in the future is unclear, as reductions in payments to plans enacted in the Patient Protection and Affordable Care Act (ACA) of 2010 are phased in, along with potentially offsetting new quality-based bonus payments. This *Data Spotlight* briefly provides an overview of Medicare Advantage enrollment patterns in March 2011, including variations by state and by firm, and presents average premiums, by plan type.

FINDINGS

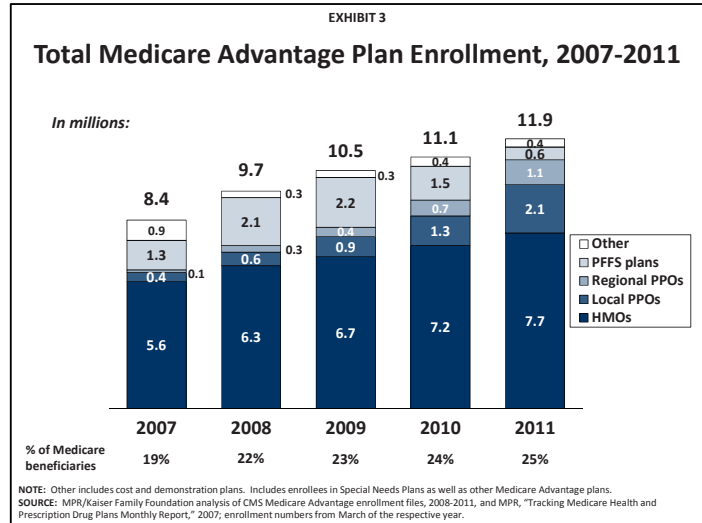
Enrollment Nationwide. Nearly 12 million beneficiaries – 25 percent of the Medicare population – are enrolled in a Medicare Advantage plan (**Exhibit 1**).¹ Enrollment has more than doubled since 2004, and has increased by 7 percent since 2010, despite a 13 percent decline in the number of Medicare Advantage plans, mostly due to fewer PFFS plans and consolidation of smaller plans.²

Enrollment by Plan Type. The majority of Medicare Advantage enrollees (65%) are in HMOs in 2011, similar to previous years (**Exhibit 2 and 3**). Between 2010 and 2011, PFFS enrollment declined by 62 percent, while local and regional PPO enrollment increased by about 59 percent to 3.2 million beneficiaries. This drop in the number of PFFS plans and enrollees is attributable to a change in law in the



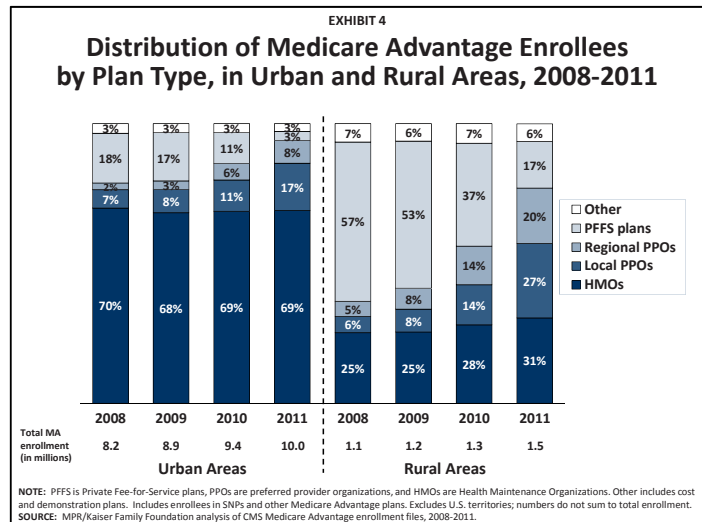
Medicare Improvements for Patients and Providers Act (MIPPA) of 2008 that required PFFS plans to establish provider networks by 2011 in all counties (with exceptions for plans in counties without alternative Medicare Advantage options).³

- HMOs.** As has been the case historically, most Medicare Advantage enrollees in 2011 are in HMOs. Enrollment in HMOs, now 7.7 million, has been increasing steadily in absolute numbers, although not as a share of the total Medicare Advantage population (**Exhibit 3**).
- PFFS.** PFFS enrollment declined from a high of 2.2 million in 2009, to 1.5 million in 2010, and then dropped to just over half a million (572,578) in 2011. Most PFFS enrollees in 2011 (72 percent) are in counties where PFFS plans are required to establish provider contracts and form networks, while the remainder are in plans that allow access to providers that agree to the plans' terms and conditions (**Table A1**). Enrollees in PFFS plans in 2010 that converted to network PFFS plans in 2011 were auto-assigned by CMS to the equivalent network PFFS plan (but allowed to opt out).
- PPOs.** In 2011, the PPO sector gained more enrollees than any other sector of the Medicare Advantage market, with gains particularly large for local PPOs. Enrollment in local PPOs was 2.1 million in 2011, up 65 percent from 1.3 million in 2010. Enrollment in regional PPOs also grew by 49 percent, but regional PPO enrollment is about half the size of the local PPO market (1.1 million in 2011). Nationwide, total PPO enrollment as a share of total Medicare Advantage enrollment has increased from 12 percent in 2009, to 18 percent in 2010, and to 27 percent in 2011.



The shift from PFFS to PPO plans was particularly striking in the group Medicare Advantage market. PFFS enrollment in group PFFS plans dropped from 637,084 in 2009 to 322,986 in 2010 and is almost nonexistent in 2011 (13,254 enrollees, virtually all in-network PFFS plans). In recent years, PFFS plans accounted for most of the growth in group enrollment in Medicare Advantage and some speculated that the addition of network requirements would make Medicare Advantage less attractive to employer groups seeking broad geographical coverage for their retirees.⁴ However, between 2010 and 2011, group enrollment in Medicare Advantage continued to increase, mainly due to a shift of Medicare-eligible group retirees from PFFS to PPO plans, along with a smaller rate of increase in HMO enrollment.

Enrollment in Urban and Rural Counties. In urban counties, the majority of Medicare Advantage enrollees are in HMOs in 2011 (69%), consistent with previous years. In contrast, PPOs are more prominent in rural areas, accounting for 46 percent of enrollment (**Exhibit 4**). Since 2008, the share of PFFS enrollees in rural areas has declined from 57 percent to 17 percent, while the share in PPOs has climbed from 11 percent to 46 percent, with much of the growth occurring in 2010 and 2011. Only three percent of urban enrollees are now in PFFS plans of any type.



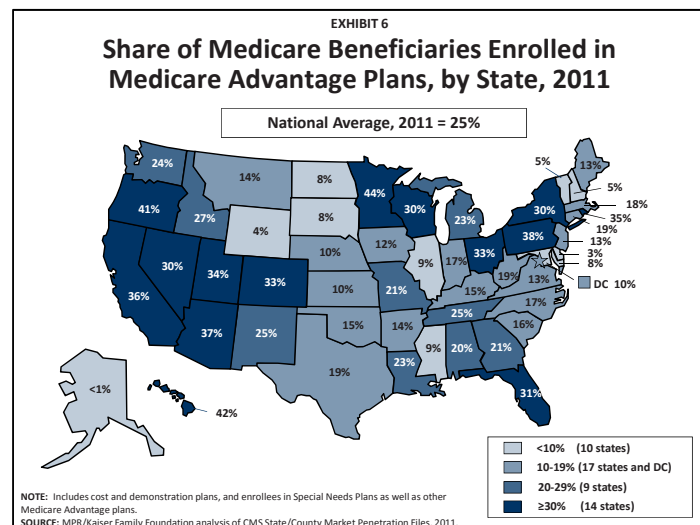
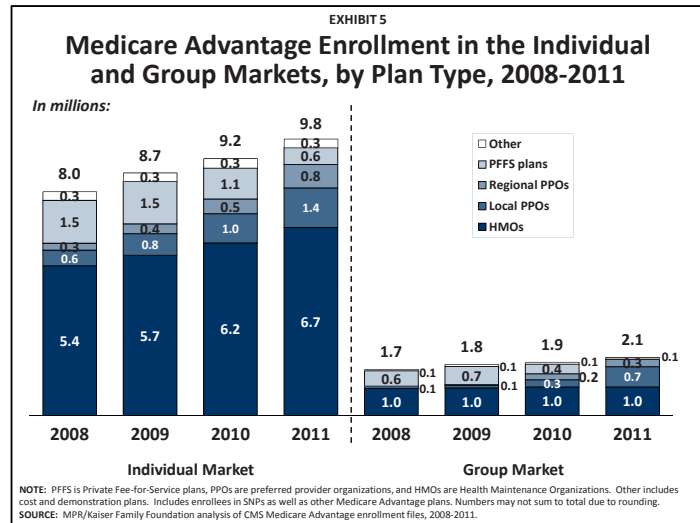
Individual and Group Enrollment. As in 2010,⁵ most beneficiaries in Medicare Advantage plans (83%) are enrolled as individuals; the rest are Medicare-eligible retirees enrolled through group plans offered by a former employer. In 2011, individual enrollment increased 6 percent and group enrollment increased 12 percent (**Exhibit 5**). The increase in group enrollment is partly a reflection of employers moving their Medicare-eligible retirees into Medicare Advantage plans to help control the costs of employer-sponsored retiree health benefits.

Geographical Variation. Medicare Advantage penetration varies substantially by state, reflecting both the greater prevalence of Medicare Advantage plans in urban counties as well as other factors that account for variation in Medicare Advantage enrollment (**Exhibit 6**, see also **Tables A2 and A3**).⁶ In 10 states (AK, DE, IL, MD, MS, ND, NH, SD, VT and WY) less than ten percent of all beneficiaries are in a Medicare Advantage plan, including Alaska where less than 100 beneficiaries (less than 1 percent) were enrolled in Medicare Advantage plans in 2011. By contrast 44 percent of beneficiaries in Minnesota are in a Medicare Advantage plan, and in another 13 states, 30 percent or more of enrollees are in a Medicare Advantage plan. Medicare Advantage penetration also varies considerably across counties even within the same state.

Medicare Advantage enrollment increased in most states in 2011. Enrollment increased the most – in percentage terms – from 2010 to 2011 in Michigan and Vermont followed by South Dakota and North Dakota. (**Table A2**). In Michigan, the increase probably reflects changes in the group market. The other states are largely rural, so even large increases in percentage terms reflect a relatively small increase in the actual number of new enrollees. In six states (IL, MA, MT, NE, WV and WY), Medicare Advantage enrollment declined.

Enrollment and Payment Rates. Beginning in 2012, Medicare payments to plans will begin to phase down due to changes enacted in the ACA. Payments will be based on the counties' Medicare fee-for-service costs and the quality-based bonus payments the plan may receive. Benchmarks (i.e., the maximum Medicare will pay a plan) will be lower in all counties, but counties with relatively high fee-for-service Medicare costs will have relatively lower benchmarks and counties with relatively lower fee-for-service costs will have relatively higher benchmarks. Benchmarks will range from 95 percent of Medicare fee-for-service costs for counties in the top quartile of per capita fee-for-service spending (e.g., Miami-Dade county) to 115 percent of fee-for-service costs in the bottom quartile of per capita fee-for-service spending (e.g., Boise county).

Benchmarks were frozen in 2011 at 2010 levels and will gradually be reduced over 2 years for counties with relatively small changes in benchmarks (less than \$30 per month), 4 years for counties with relatively moderate



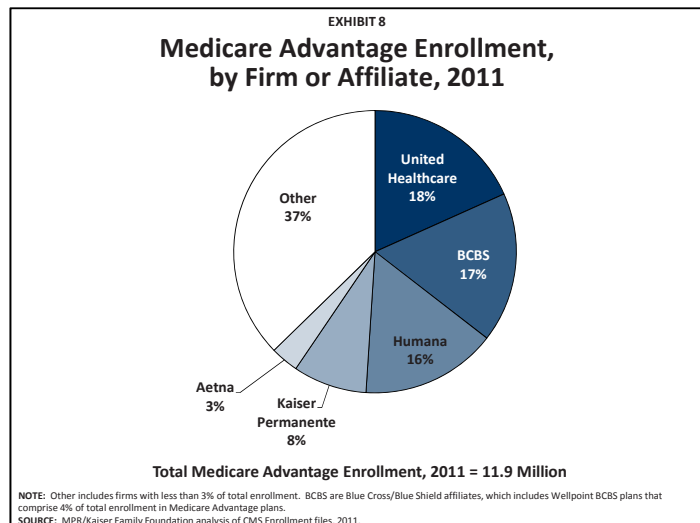
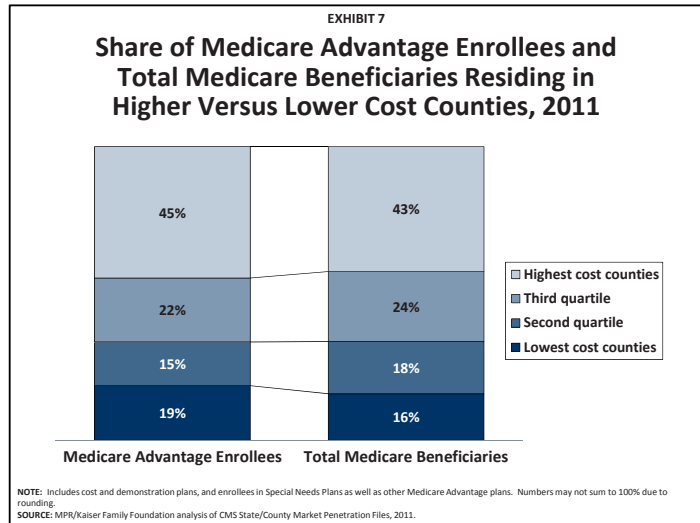
changes in benchmarks (between \$30 and \$50 per month), and 6 years for counties with relatively larger changes in benchmarks (\$50 or more per month), beginning in 2012.⁷ Most Medicare Advantage enrollees (80%) reside in counties in which the benchmark changes will be phased-in over 6 years to minimize disruption.⁸

Almost half of all Medicare Advantage enrollees (45 percent) are in plans situated in counties in the top quartile of Medicare fee-for-service costs, where benchmark payments to plans are scheduled to drop to 95 percent of fee-for-service costs (**Exhibit 7**). HMOs are more likely than other plans to be in these counties. Conversely, 19 percent of Medicare Advantage enrollees are in counties in the bottom quartile of Medicare spending, where payments are scheduled to be phased down to 115 percent of fee-for-service costs.

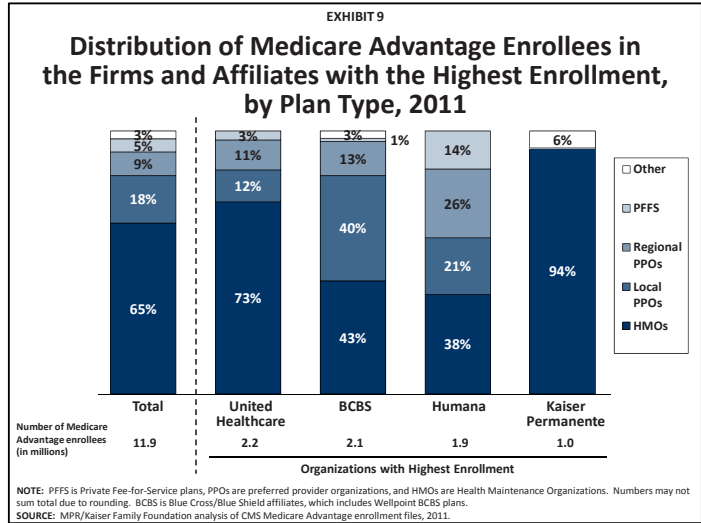
Because many counties are sparsely populated, two-thirds of Medicare beneficiaries reside in counties in the top two quartiles of Medicare fee-for-service spending. The distribution of Medicare Advantage enrollment in 2011 corresponds relatively closely to the distribution of Medicare beneficiaries. HMO enrollment was particularly concentrated in high-cost counties, comprising 52 percent of all HMO enrollment. This concentration probably reflects the urban base of most HMOs.

Enrollment by Firm. A small number of firms continue to dominate the Medicare Advantage market in 2011, as in previous years (**Exhibit 8**). More than one in three Medicare Advantage enrollees is in a plan sponsored by United Healthcare (18%) or Humana (16%) in 2011. Blue Cross and Blue Shield (BCBS) affiliates, which are multiple independent firms sharing the BCBS brand, account for 17 percent of Medicare Advantage enrollees. Kaiser Permanente accounts for the next largest share of the market (8%), followed by Aetna (3%). Enrollment grew in each of these firms or affiliates in 2011, with particularly large growth in relative terms within BCBS, growing from 1.7 million enrollees in 2010 to 2.1 million in 2011 (a 25% increase).

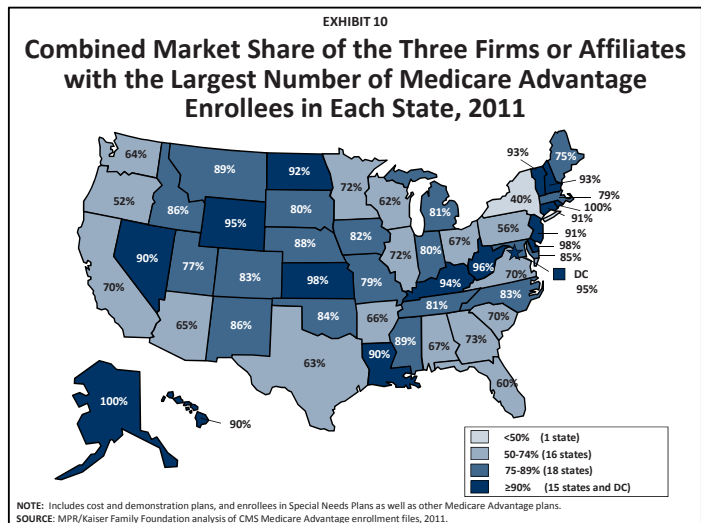
The remaining 37 percent of enrollees are distributed across a combination of other national firms (including Health Spring, HealthNet, Coventry, Universal American and Wellcare), each with less than 3 percent of all Medicare Advantage enrollees, and more locally based firms, some of which are relatively large within their markets.⁹ Some firms, such as Coventry, that experienced a large drop in enrollment in 2010 as a result of exits from the PFFS market saw enrollment in their Medicare Advantage plans grow in 2011, while Medicare Advantage enrollment for other companies remained relatively steady (e.g., Wellcare) or continued to decline (e.g., Sterling). In 2011, CIGNA essentially exited the Medicare Advantage market, leaving only its HMO plans in Arizona. Aetna and Universal American were both restricted in their ability to market to new enrollees in 2011 and, accordingly, saw declines in their Medicare Advantage enrollment. Firms continue to differ in the type of



Medicare Advantage plans they offer (**Exhibit 9**). Almost all of Kaiser Permanente’s enrollees (94%) are in HMOs, and the rest are similarly structured cost plans. United Healthcare also has a large share of their enrollment in HMOs (73%), although its offerings include HMOs, PPOs, and PFFS plans. In contrast, combined local and regional PPO enrollment exceeds HMO enrollment for BCBS affiliates. Humana, whose rapid growth under Medicare Advantage was driven by PFFS initially,¹⁰ has continued to grow, despite policy changes in the PFFS market, through development and increased enrollment in its other types of plans. Additionally, Humana is unique in that their regional PPO enrollment exceeds their local PPO enrollment.



State-Level Market Concentration. A small number of firms account for a large share of Medicare Advantage enrollment at the state level, reflecting a mix of dominant national companies, local BCBS affiliates, and, in a few states, local independent plan sponsors. In 33 states and the District of Columbia, three companies account for 75 percent or more of enrollees, and in 15 of these states and the District, three companies account for 90 percent or more of enrollees. In another 16 states, three companies account for between 50 and 74 percent of all enrollees (**Exhibit 10**). In 15 states (AK, CT, DE, ID, KS, KY, LA, MI, MS, NE, NV, NH, RI, VT and WV) and the District of Columbia, one company has 50 percent or more of enrollment (**Table A4**). Medicare Advantage enrollment at the state level has become more concentrated over time. In 2011, three companies accounted for 90 percent or more of enrollees in 15 states and the District of Columbia, compared to only 9 states and the District in 2010.



Major national firms are important players across the states. United Healthcare has the largest share of Medicare Advantage enrollment in 16 states and is among the top 3 firms in another 18 states and the District of Columbia. Humana has the largest enrollment in 13 states and is among the largest 3 firms in another 19 states. BCBS affiliates are the largest firm in eight states (AL, HI, ID, MI, NJ, OR, PA and RI), and a heavy presence in another seven (MA, MN, NC, SC, UT, WA, and WV). In contrast, Kaiser Permanente’s presence is more geographically focused than the other major national firms or affiliates, with a heavy concentration in California, the District of Columbia, Maryland, Colorado, Hawaii, and Oregon.

Locally-dominant plans include Martin’s Point Healthcare (ME), Tufts Health Plan (MA), Medica (MN and ND), New West Health Services (MT), Presbyterian Healthcare Services (NM), Emblem Health (NY),¹¹ and Group Health Cooperative (WA), each of which are the highest enrollment plan in their respective states.

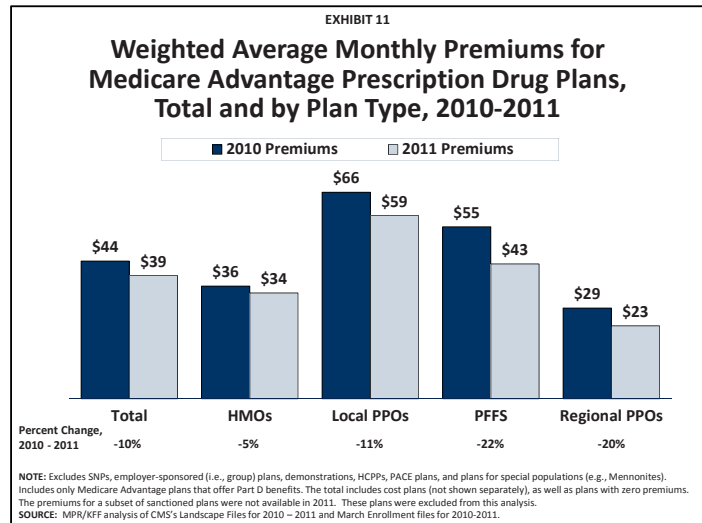
Premiums. The average enrollee in a MA-PD paid a monthly premium of \$39 in 2011, down from \$44 per month in 2010—a 10 percent decrease (**Exhibit 11**). Average premiums, weighted by enrollment, decreased across all plan types, with larger reductions among PFFS plans (\$12 per month) than HMOs (\$2 per month), or other plan types.

The average premium would be \$44 per month in 2011 for plans available in both 2010 and 2011, assuming beneficiaries stayed in the same plan and there were no new enrollees (not shown). The current data, based on actual enrollment in 2011, show a decline in the average enrollee premium for 2011, which probably reflects a mixture of new enrollment and current enrollees shifting to lower premium plans. Firms often seek to keep premiums low to maintain or attract enrollees.¹² In 2011, low premiums may have been particularly important for firms seeking to retain their PFFS enrollees in PPO rather than PFFS plans. In Humana, the second largest firm in Medicare Advantage, enrollees in PFFS plans paid, on average, nearly \$58 per month in 2010; those in local PPOs paid considerably less, on average, in 2011 (nearly \$47 per month), while those in regional PPOs paid just over \$73 per month, on average (**Table A5**).

Zero-premium plans continue to dominate Medicare Advantage enrollment, with 52 percent of MA-PD enrollees in such plans in 2011, up from 46 percent in 2010 (**Table A6**). Many enrollees in HMOs are in zero premium plans (61% of HMO enrollees), as are enrollees in regional PPOs offered by United Healthcare (whose regional PPOs are all zero-premium plans) and in Wellpoint's BCBS affiliated plans (91% of Wellpoint's enrollees). Enrollment in zero-premium plans is common in Humana's HMOs, but atypical in Humana's other plan types.

CONCLUSION

Despite concerns about the effects of the 2010 health reform payment reductions on Medicare Advantage plans, enrollment has continued to rise, average premiums have declined, and many large national firms are keeping a strong foothold in this marketplace. As in past years, Medicare Advantage enrollees appear to be attracted to plans as a source of relatively affordable supplemental coverage, with lower premiums than beneficiaries typically pay for Medigap supplemental policies. Enrollment among firms has also become more concentrated, with a few firms controlling the majority of the market in most states. These market dynamics could have important implications over the long run on the number and diversity of plans, and the benefits and premiums offered to beneficiaries. As payment reductions are phased in, along with bonus payments to plans, it will be important to assess their effects on benefits and cost-sharing, premiums and plan choices available to beneficiaries throughout the country.



References

- ¹ Statistics include cost and demonstration plans even though they are organized under authority separate authority from Medicare Advantage. Statistics include enrollees in special needs plans (SNPs) as well as regular Medicare Advantage plans. For analysis of the SNP market, see companion spotlight: Gold M, Jacobson G, Damico A, and Neuman T. "Medicare Advantage 2011 Data Spotlight: Special Needs Plans: Availability and Enrollment," Kaiser Family Foundation, September 2011.
- ² See Gold M, Jacobson G, Damico A, and Neuman T. "Medicare Advantage 2011 Data Spotlight: Plan Availability and Premiums," Kaiser Family Foundation, October 2010.
- ³ For additional detail, see Gold M, Jacobson G, Damico A, and Neuman T. "Medicare Advantage 2011 Data Spotlight: Plan Availability and Premiums," Kaiser Family Foundation, October 2010, page 9.
- ⁴ See Gold, M.R. "Medicare's Private Plans: A Report Card on Medicare Advantage," Health Affairs, Jan/Feb 2009; w41-w54.
- ⁵ See Gold M, Phelps D, Jacobson G, and Neuman T. "Medicare Advantage 2010 Data Spotlight: Plan Enrollment Patterns and Trends," Kaiser Family Foundation, June 2010.
- ⁶ See Brown, R.S. and Gold, M.R. "What Drives Medicare Managed Care Growth," Health Affairs, Nov/December 1999; p.140-149.
- ⁷ For additional details on changes to Medicare Advantage in the ACA, see Kaiser Family Foundation, "Explaining Health Reform: Key Changes in the Medicare Advantage Program," May 2010.
- ⁸ See Jacobson G, Damico A, Huang J, and Neuman T, "Reaching for the Stars: Quality Ratings of Medicare Advantage Plans, 2011," February 2011.
- ⁹ Wellpoint's role in the program is not apparent in these data because most of the company's enrollment is included in the Blue Cross Blue Shield affiliate total (see Table A1) and the rest is through Unicare products included in the "other" company total.
- ¹⁰ See also Gold, M. "Private Plans in Medicare: A 2007 Update," Kaiser Family Foundation, March 2007.
- ¹¹ EmblemHealth includes plans that were formerly offered by HIP and GHI, as well as selected other companies.
- ¹² L. Achman and L. Harris "Early Effects of the Medicare Modernization Act: Benefits, Cost Sharing and Premiums of Medicare Advantage Plans, 2005," Washington DC: AARP Public Policy Institute #2005-02, April 2005.

Table A2. Enrollment by State and Plan Type, 2011

State	Total	HMOs	Local PPOs	Regional PPOs	PFFS Plans			Cost Plans	Other	% change, 2010-2011
					All counties	Counties with network requirements	Counties with no network requirements			
Alabama	172,842	106,718	54,518	8,476	3,130	3,130				1%
Alaska	94		94							11%
Arizona	341,378	304,337	20,049	9,744	7,196	6,290	906	52		5%
Arkansas	72,609	26,096	10,939	10,921	24,620	21,442	3,178		33	11%
California	1,730,810	1,605,070	10,424	105,348	3,502	3,502		4,153	2,313	6%
Colorado	208,213	157,752	16,722		9,075	9,075		22,944	1,720	4%
Connecticut	107,933	85,226	13,122	9,585						10%
Delaware	5,035	3,304	1,731							6%
District of Columbia	7,533	1,630	827					5,076		3%
Florida	1,065,247	762,528	75,291	220,745	6,254	5,867	387		429	9%
Georgia	265,535	61,418	102,545	45,735	55,837	18,980	36,857			14%
Hawaii	88,919	28,118	19,202	26,863	277	277		14,459		7%
Idaho	63,503	22,148	31,034		10,321	10,321				2%
Illinois	160,558	95,581	43,560	13,717	6,339	5,823	516	1,361		-5%
Indiana	169,442	13,879	68,735	65,545	21,063	7,467	13,596	220		14%
Iowa	63,768	24,782	25,501	3,277	2,848	2,848		7,292	68	3%
Kansas	44,735	14,772	19,130	2,453	8,149	5,934	2,215		231	5%
Kentucky	118,738	26,182	25,803	59,317	7,421	1,194	6,227	15		7%
Louisiana	162,763	141,982	4,000	6,863	9,716	878	8,838		202	6%
Maine	34,866	18,446	15,000		1,420	1,420				19%
Maryland	61,263	25,651	9,635		2,046	245	1,801	23,798	133	6%
Massachusetts	187,658	156,536	19,322	9,400	18	18			2,382	-5%
Michigan	387,305	158,653	197,486	19,834	10,747	10,141	606		585	59%
Minnesota	344,726	118,592	29,579	15,340	3,065	3,065		178,150		11%
Mississippi	44,213	17,579	11,516	6,955	8,163	5,632	2,531			10%
Missouri	209,984	134,482	39,225	10,292	25,834	14,784	11,050		151	8%
Montana	23,765		11,381	706	11,635	10,604	1,031		43	-13%
Nebraska	28,070	13,476	4,801	2,013	7,780	7,780				-6%
Nevada	108,974	93,554	7,861	5,960	1,599	1,271	328			4%
New Hampshire	14,358	134	1,345		12,879	12,879				10%
New Jersey	168,675	153,652	14,783						240	7%
New Mexico	80,747	55,231	22,355		2,824	2,824			337	9%
New York	916,365	674,804	178,071	34,387	23,099	23,099		2,839	3,165	5%
North Carolina	258,678	146,811	41,189	17,266	53,295	24,794	28,501		117	6%
North Dakota	8,900		1,198	39	3,067	2,857	210	4,547	49	26%
Ohio	636,993	268,276	157,369	182,413	9,370	9,370		18,971	594	5%
Oklahoma	88,114	61,729	15,445	1,230	9,644	5,277	4,367		66	4%
Oregon	253,567	133,121	118,789		803	803			854	2%
Pennsylvania	863,292	552,884	280,226	6,861	19,817	19,817			3,504	2%
Rhode Island	63,685	50,006	1,691	11,806					182	2%
South Carolina	122,920	17,006	39,283	39,007	27,259	27,259			365	11%
South Dakota	11,096		4,251	1,044	3,888	3,888		1,913		26%
Tennessee	262,256	205,252	41,565	6,469	8,685	5,179	3,506		285	10%
Texas	593,105	421,472	45,319	68,745	32,985	28,890	4,095	23,691	893	9%
Utah	96,035	45,954	37,521		12,560	12,560				7%
Vermont	5,311	150	625	2,081	2,365	2,365			90	52%
Virginia	153,348	27,225	42,878	11,497	57,955	30,859	27,096	13,294	499	5%
Washington	246,257	183,932	50,138		11,830	11,830			357	7%
West Virginia	71,847	5,065	23,183	36,498	7,101	7,101				-10%
Wisconsin	273,067	128,077	75,472	22,389	20,731	19,250	1,481	25,652	746	7%
Wyoming	3,201	135	548	42	2,353	2,353		123		-26%

NOTE: Territories are excluded. Blank cells indicate no plans offered.

SOURCE: MPR/Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment and Landscape files, 2008-2011.

Table A3. Penetration by State and Plan Type, 2011

State	Total		HMOs		Local PPOs		Regional PPOs		PFFS Plans		Cost Plans		Other		% change, 2010-2011
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	
Alabama	20.2%	20.3%	11.4%	12.5%	7.2%	6.4%	<1%	1.0%	1.2%	0.4%			<1%		0.5%
Alaska	<1%	<1%				<1%			<1%	0.0%					0.0%
Arizona	35.7%	36.6%	31.4%	32.6%	1.5%	2.1%	1.1%	1.0%	1.7%	0.8%			<1%		2.3%
Arkansas	12.4%	13.5%	3.7%	4.9%	1.1%	2.0%	1.4%	2.0%	6.0%	4.6%			<1%	<1%	9.4%
California	35.1%	36.0%	32.7%	33.4%	<1%	0.2%	1.2%	2.2%	1.1%	<1%	<1%	<1%	<1%	<1%	2.5%
Colorado	32.7%	33.0%	23.9%	25.0%	1.4%	2.6%			3.5%	1.4%	3.5%	3.6%	<1%	<1%	0.9%
Connecticut	17.5%	18.9%	14.5%	14.9%	0.9%	2.3%	1.0%	1.7%	1.2%						7.7%
Delaware	3.2%	3.3%	1.3%	2.2%	<1%	1.1%			1.4%						2.8%
District of Columbia	9.5%	9.6%	2.0%	2.1%	0.9%	1.0%			<1%	0.0%	6.4%	6.4%			0.5%
Florida	29.5%	31.4%	22.0%	22.5%	1.9%	2.2%	4.8%	6.5%	0.8%	<1%			<1%	<1%	6.4%
Georgia	19.3%	21.1%	3.3%	4.9%	1.8%	8.2%	2.6%	3.6%	11.6%	4.4%					9.8%
Hawaii	40.8%	42.3%	12.9%	13.4%	7.1%	9.1%	1.8%	12.8%	1.1%	<1%	17.9%	6.9%	<1%		3.8%
Idaho	27.9%	27.3%	10.3%	9.5%	5.4%	13.3%			11.6%	4.4%			<1%		-2.0%
Illinois	9.3%	8.7%	4.7%	5.2%	1.6%	2.3%	0.6%	0.7%	1.9%	<1%	<1%	<1%	<1%		-6.6%
Indiana	14.9%	16.7%	1.2%	1.4%	4.3%	6.8%	4.3%	6.5%	4.8%	2.1%	<1%	<1%	<1%		11.9%
Iowa	12.0%	12.3%	3.0%	4.8%	2.2%	4.9%	0.6%	0.6%	4.8%	0.5%	1.4%	1.4%	<1%	<1%	2.0%
Kansas	10.0%	10.3%	2.7%	3.4%	3.7%	4.4%	<1%	0.6%	2.6%	1.9%			<1%	<1%	3.1%
Kentucky	14.8%	15.5%	3.6%	3.4%	2.9%	3.4%	3.0%	7.7%	4.8%	1.0%	<1%	<1%	<1%		4.2%
Louisiana	22.7%	23.5%	19.0%	20.5%	<1%	0.6%	0.5%	1.0%	3.0%	1.4%			<1%	<1%	3.5%
Maine	11.2%	13.1%	5.0%	6.9%	0.9%	5.6%			5.3%	0.5%					16.7%
Maryland	7.5%	7.7%	3.0%	3.2%	0.7%	1.2%			0.8%	<1%	2.8%	3.0%	<1%	<1%	2.7%
Massachusetts	18.9%	17.6%	13.8%	14.7%	1.4%	1.8%	<1%	0.9%	2.9%	<1%			<1%	<1%	-6.8%
Michigan	14.9%	23.2%	7.5%	9.5%	2.0%	11.8%	1.0%	1.2%	4.4%	0.6%			<1%	<1%	55.2%
Minnesota	40.0%	43.5%	14.0%	15.0%	0.6%	3.7%	2.0%	1.9%	6.1%	<1%	17.3%	22.5%			8.9%
Mississippi	8.2%	8.8%	3.2%	3.5%	1.1%	2.3%	0.8%	1.4%	3.1%	1.6%			<1%		8.2%
Missouri	19.6%	20.8%	11.9%	13.3%	4.0%	3.9%	0.5%	1.0%	3.1%	2.6%			<1%	<1%	5.9%
Montana	16.5%	13.9%			2.7%	6.6%	<1%	<1%	13.6%	6.8%			<1%	<1%	-16.0%
Nebraska	10.8%	10.0%	3.7%	4.8%	0.6%	1.7%	0.6%	0.7%	5.2%	2.8%			<1%		-7.1%
Nevada	30.1%	30.3%	26.2%	26.0%	1.0%	2.2%	1.3%	1.7%	1.6%	<1%			<1%		0.6%
New Hampshire	6.1%	6.5%	<1%	<1%		0.6%			6.0%	5.8%					6.3%
New Jersey	12.1%	12.6%	10.1%	11.5%	<1%	1.1%			1.4%				<1%	<1%	4.5%
New Mexico	24.1%	25.5%	17.4%	17.4%	4.0%	7.1%			2.5%	0.9%			<1%	<1%	5.6%
New York	29.6%	30.4%	23.3%	22.4%	3.7%	5.9%	0.7%	1.1%	1.6%	0.8%	<1%	<1%	<1%	<1%	2.7%
North Carolina	16.7%	17.2%	7.8%	9.7%	1.4%	2.7%	<1%	1.1%	7.1%	3.5%			<1%	<1%	2.7%
North Dakota	6.6%	8.2%				1.1%	<1%	<1%	4.8%	2.8%	1.7%	4.2%	<1%	<1%	24.5%
Ohio	32.4%	33.3%	13.8%	14.0%	6.8%	8.2%	8.3%	9.6%	2.4%	<1%	1.0%	1.0%	<1%	<1%	3.0%
Oklahoma	14.2%	14.5%	9.8%	10.2%	2.0%	2.5%	<1%	<1%	2.2%	1.6%			<1%	<1%	2.5%
Oregon	41.0%	40.5%	21.6%	21.3%	15.8%	19.0%			3.3%	<1%			<1%	<1%	-1.1%
Pennsylvania	37.6%	37.7%	24.9%	24.1%	9.1%	12.2%	<1%	<1%	2.9%	0.9%			<1%	<1%	0.3%
Rhode Island	34.4%	34.7%	28.8%	27.3%	0.7%	0.9%	4.7%	6.4%	<1%				<1%	<1%	0.8%
South Carolina	14.6%	15.7%	1.2%	2.2%	1.4%	5.0%	3.0%	5.0%	9.0%	3.5%			<1%	<1%	7.4%
South Dakota	6.5%	8.1%			1.1%	3.1%	0.7%	0.8%	4.6%	2.8%	<1%	1.4%			24.4%
Tennessee	23.0%	24.6%	16.4%	19.2%	2.1%	3.9%	<1%	0.6%	4.1%	0.8%			<1%	<1%	6.7%
Texas	18.6%	19.5%	12.9%	13.8%	1.0%	1.5%	1.9%	2.3%	1.9%	1.1%	0.8%	0.8%	<1%	<1%	4.7%
Utah	32.3%	33.5%	12.5%	16.0%	12.8%	13.1%			6.6%	4.4%			<1%		3.6%
Vermont	3.2%	4.7%		<1%		0.6%	0.6%	1.8%	2.5%	2.1%			<1%	<1%	46.8%
Virginia	13.0%	13.3%	1.0%	2.4%	1.7%	3.7%	<1%	1.0%	8.7%	5.0%	1.1%	1.2%	<1%	<1%	2.1%
Washington	24.3%	25.0%	16.5%	18.7%	3.1%	5.1%			4.6%	1.2%			<1%	<1%	3.1%
West Virginia	21.1%	18.8%	1.4%	1.3%	4.2%	6.1%	9.1%	9.5%	3.4%	1.9%			3.1%		-11.2%
Wisconsin	28.3%	29.7%	11.3%	13.9%	5.4%	8.2%	1.8%	2.4%	7.3%	2.3%	2.3%	2.8%	<1%	<1%	5.2%
Wyoming	5.5%	4.0%	<1%	<1%		0.7%	<1%	<1%	4.4%	2.9%	<1%	<1%	<1%		-28.0%

NOTE: Territories are excluded. Blank cells indicate no plans offered.

SOURCE: MPR/Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment and Landscape files, 2010-2011.

Table A4. Marketshare of the Top Three Firms, by State, 2011

State	Total		Firm 1		Firm 2		Firm 3		Other Firms
	Enrollment	Share for 3 Firms	Name	Share	Name	Share	Name	Share	Share
Alabama	172,842	67%	BlueCross BlueShield of Alabama	26%	UAB Health System	21%	UnitedHealth Group, Inc.	20%	33%
Alaska	94	100%	UnitedHealth Group, Inc.	100%		N/A		N/A	0%
Arizona	341,378	65%	UnitedHealth Group, Inc.	41%	Health Net, Inc.	12%	Humana Inc.	11%	35%
Arkansas	72,609	66%	Humana Inc.	36%	USABLE Mutual Insurance Company	16%	Arcadian Management Services Inc.	14%	34%
California	1,730,810	70%	Kaiser Foundation Health Plan, Inc.	45%	UnitedHealth Group, Inc.	18%	Health Net, Inc.	7%	30%
Colorado	208,213	83%	UnitedHealth Group, Inc.	37%	Kaiser Foundation Health Plan, Inc.	34%	Humana Inc.	11%	17%
Connecticut	107,933	91%	UnitedHealth Group, Inc.	56%	EmblemHealth, Inc.	29%	Aetna Inc.	6%	9%
Delaware	5,035	98%	Aetna Inc.	61%	HealthSpring, Inc.	29%	UnitedHealth Group, Inc.	8%	2%
District of Columbia	7,533	95%	Kaiser Foundation Health Plan, Inc.	67%	HealthSpring, Inc.	20%	UnitedHealth Group, Inc.	8%	5%
Florida	1,065,247	60%	Humana Inc.	36%	UnitedHealth Group, Inc.	19%	WellCare Health Plans, Inc.	6%	40%
Georgia	265,535	72%	UnitedHealth Group, Inc.	41%	Humana Inc.	21%	XLHealth Corporation	10%	28%
Hawaii	88,919	90%	Hawaii Medical Service Association	41%	Kaiser Foundation Health Plan, Inc.	28%	UnitedHealth Group, Inc.	21%	10%
Idaho	63,503	86%	Blue Cross of Idaho Health Services	52%	UnitedHealth Group, Inc.	17%	Humana Inc.	16%	14%
Illinois	160,558	72%	Humana Inc.	46%	UnitedHealth Group, Inc.	17%	Coventry Health Care Inc.	9%	28%
Indiana	169,442	80%	WellPoint, Inc.	31%	Humana Inc.	30%	UnitedHealth Group, Inc.	19%	20%
Iowa	63,768	82%	UnitedHealth Group, Inc.	39%	Humana Inc.	31%	Coventry Health Care Inc.	13%	18%
Kansas	44,735	98%	Humana Inc.	55%	Coventry Health Care Inc.	31%	UnitedHealth Group, Inc.	12%	2%
Kentucky	118,738	94%	Humana Inc.	58%	WellPoint, Inc.	28%	University Health Care, Inc.	8%	6%
Louisiana	162,763	90%	Humana Inc.	58%	New Orleans Reg Physician Hosp Organization, Inc.	29%	Vantage Health Plan, Inc.	4%	10%
Maine	34,866	75%	Martin's Point Health Care, Inc.	32%	WellPoint, Inc.	25%	Arcadian Management Services Inc.	18%	25%
Maryland	61,263	85%	Kaiser Foundation Health Plan, Inc.	39%	HealthSpring, Inc.	29%	Aetna Inc.	17%	15%
Massachusetts	187,658	79%	TAHMO, Inc.	47%	Fallon Community Health Plan	17%	Blue Cross and Blue Shield of Massachusetts, Inc.	15%	21%
Michigan	387,305	81%	Blue Cross Blue Shield of Michigan	56%	Spectrum Health System	14%	Health Alliance Plan (HAP)	11%	19%
Minnesota	344,726	72%	Medica Health Plans	30%	UCare Minnesota	26%	Blue Cross and Blue Shield of Minnesota	16%	28%
Mississippi	44,213	89%	Humana Inc.	51%	Munich-American Holding Corporation	28%	HealthSpring, Inc.	11%	11%
Missouri	209,984	78%	Coventry Health Care Inc.	30%	UnitedHealth Group, Inc.	26%	Humana Inc.	22%	22%
Montana	23,765	89%	New West Health Services	37%	Humana Inc.	35%	Munich-American Holding Corporation	17%	11%
Nebraska	28,070	88%	UnitedHealth Group, Inc.	55%	Coventry Health Care Inc.	17%	Humana Inc.	16%	12%
Nevada	108,974	90%	UnitedHealth Group, Inc.	56%	Humana Inc.	28%	Renown Health	7%	10%
New Hampshire	14,358	94%	UnitedHealth Group, Inc.	56%	WellPoint, Inc.	32%	Humana Inc.	7%	6%
New Jersey	168,675	91%	Horizon Blue Cross Blue Shield of New Jersey, Inc.	34%	Aetna Inc.	29%	UnitedHealth Group, Inc.	28%	9%
New Mexico	80,747	86%	Presbyterian Healthcare Services	38%	Ardent Health Services.	36%	Humana Inc.	12%	14%
New York	916,365	40%	EmblemHealth, Inc.	15%	UnitedHealth Group, Inc.	13%	WellPoint, Inc.	12%	60%
North Carolina	258,678	83%	UnitedHealth Group, Inc.	37%	Blue Cross and Blue Shield of North Carolina	23%	Humana Inc.	23%	17%
North Dakota	8,900	92%	Medica Health Plans	47%	Humana Inc.	36%	UnitedHealth Group, Inc.	9%	8%
Ohio	636,993	67%	Humana Inc.	27%	WellPoint, Inc.	25%	Aetna Inc.	15%	33%
Oklahoma	88,114	84%	UnitedHealth Group, Inc.	32%	CommunityCare Managed Healthcare Plans of OK, Inc.	31%	Humana Inc.	21%	16%
Oregon	253,567	52%	The Regence Group	20%	Kaiser Foundation Health Plan, Inc.	16%	Providence Health & Services	15%	48%
Pennsylvania	863,292	56%	Highmark Inc.	34%	University of Pittsburgh Medical Center	11%	Aetna Inc.	11%	44%
Rhode Island	63,685	100%	Blue Cross & Blue Shield of Rhode Island	50%	UnitedHealth Group, Inc.	49%	PACE Organization of Rhode Island	<1%	<1%
South Carolina	122,920	70%	Humana Inc.	33%	XLHealth Corporation	21%	BlueCross BlueShield of South Carolina (BCBSSC)	17%	30%
South Dakota	11,096	80%	Humana Inc.	48%	Medica Health Plans	18%	UnitedHealth Group, Inc.	14%	20%
Tennessee	262,256	81%	Humana Inc.	33%	HealthSpring, Inc.	27%	UnitedHealth Group, Inc.	21%	19%
Texas	593,105	64%	UnitedHealth Group, Inc.	31%	Humana Inc.	20%	HealthSpring, Inc.	13%	36%
Utah	96,035	77%	UnitedHealth Group, Inc.	37%	Humana Inc.	21%	The Regence Group	18%	23%
Vermont	5,311	93%	UnitedHealth Group, Inc.	79%	Aetna Inc.	7%	MVP Health Care, Inc.	7%	7%
Virginia	153,348	70%	Humana Inc.	37%	UnitedHealth Group, Inc.	22%	WellPoint, Inc.	11%	30%
Washington	246,257	64%	Group Health Cooperative	27%	UnitedHealth Group, Inc.	27%	The Regence Group	10%	36%
West Virginia	71,847	96%	Humana Inc.	71%	Highmark Inc.	18%	Health Plan of the Upper Ohio Valley	7%	4%
Wisconsin	273,067	62%	UnitedHealth Group, Inc.	26%	Humana Inc.	20%	Affinity Health System	15%	38%
Wyoming	3,201	95%	UnitedHealth Group, Inc.	46%	Humana Inc.	45%	Coventry Health Care Inc.	4%	5%

NOTE: Territories are excluded.

SOURCE: MPR/Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment and Landscape files, 2011.

Table A5. Medicare Advantage Premiums by Firm, Weighted by Enrollment, 2010-2011

Firm or Affiliate	Total		HMOs		Local PPOs		Regional PPOs		PFFS		Cost		Other	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
UnitedHealthcare	\$ 11.97	\$ 10.01	\$ 13.39	\$ 12.02	\$ 7.04	\$ 5.07	\$ 0.40	\$ 0.00	\$ 12.72	\$ 10.62			\$ 156.94	
Humana	\$ 38.51	\$ 36.70	\$ 9.91	\$ 11.44	\$ 46.78	\$ 44.55	\$ 73.07	\$ 66.56	\$ 57.76	\$ 61.04				
Wellpoint BCBS	\$ 14.71	\$ 9.68	\$ 9.54	\$ 9.79	\$ 26.09	\$ 20.69	\$ 11.14	\$ 3.35	\$ 43.19	\$ 44.52				
Other BCBS plans	\$ 105.20	\$ 94.34	\$ 101.11	\$ 96.37	\$ 106.04	\$ 96.47	\$ 53.30	\$ 62.68	\$ 140.86	\$ 30.50	\$ 123.95	\$ 121.19		
Kaiser Permanente	\$ 51.19	\$ 50.60	\$ 48.57	\$ 48.26							\$ 90.23	\$ 85.80		
Coventry	\$ 18.58	\$ 18.76	\$ 25.57	\$ 21.33	\$ 9.70	\$ 15.71								
Aetna	\$ 48.22	\$ 49.39	\$ 41.08	\$ 43.61	\$ 111.67	\$ 100.79			\$ 47.20					
HealthNet	\$ 59.36	\$ 18.33	\$ 60.25		\$ 55.18	\$ 18.33								
Universal American	\$ 29.57		\$ 1.95		\$ 30.91				\$ 56.50					
WellCare	\$ 3.83	\$ 3.87	\$ 3.83	\$ 3.87										
HealthSpring	\$ 7.05	\$ 7.11	\$ 6.65	\$ 6.94	\$ 23.47	\$ 11.78								
Wellpoint (non-BCBS)	\$ 36.39	\$ 38.37	\$ 9.82	\$ 9.93					\$ 36.74	\$ 42.48				
Sterling	\$ 108.79	\$ 46.23				\$ 19.10			\$ 108.79	\$ 51.01				
CIGNA	\$ 15.73	\$ 0.00	\$ 0.00	\$ 0.00					\$ 23.54					
Other firms	\$ 49.32	\$ 50.82	\$ 42.47	\$ 46.02	\$ 58.27	\$ 56.74	\$ 37.29	\$ 54.06	\$ 55.15	\$ 0.15	\$ 150.55	\$ 151.83		
Average Weighted Premium	\$ 43.64	\$ 39.33	\$ 35.69	\$ 33.85	\$ 65.92	\$ 58.51	\$ 29.33	\$ 23.32	\$ 55.24	\$ 43.07	\$ 132.26	\$ 133.58	\$ 156.94	

NOTE: Premiums weighted by March 2010 enrollment. Excludes Medicare Advantage plans that do not offer prescription drug coverage; special needs plans (SNPs), and employer group health plans. BCBS are Blue Cross / Blue Shield affiliates. The premiums for a subset of sanctioned plans (e.g., Universal American) were not available in 2011. These plans were excluded from this analysis. Firm affiliations reflect status in the year indicated. Because of mergers and acquisitions, some plans may be affiliated differently in 2010 than 2011. Blank cells indicate that either no plans were offered or no premium information was available.

SOURCE: MPR/Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment and Landscape files 2011.

Table A6. Share of Total Enrollment in Plans with No Premiums, 2011

Firm or Affiliate	Total	HMOs	Local PPOs	Regional PPOs	PFFS	Cost plans
UnitedHealthcare	85%	84%	86%	100%	47%	
Humana	33%	77%	2%	0%	0%	
Wellpoint BCBS	78%	76%	56%	91%	0%	
Other BCBS plans	19%	26%	15%	1%	40%	0%
Kaiser Permanente	41%	42%				18%
Coventry	54%	62%	43%			
Aetna	45%	50%	7%			
HealthNet	78%		78%			
WellCare	90%	90%				
Health Spring	82%	83%	56%			
Wellpoint (non-BCBS)	10%	81%			0%	
Sterling	2%		14%		0%	
CIGNA	100%	100%				
Other firms	44%	46%	36%	0%	100%	0%
Total	52%	61%	24%	63%	22%	4%

NOTE: Premiums weighted by March 2011 enrollment. Excludes Medicare Advantage plans that do not offer prescription drug coverage, special needs plans (SNPs), and employer group health plans; includes territories. BCBS are Blue Cross / Blue Shield affiliates. The premiums for a subset of sanctioned plans (e.g., Universal American) were not available in 2011. These plans were excluded from this analysis. Blank cells indicate that either no plans were offered or no premium information was available.

SOURCE: MPR/Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment and Landscape files 2011.

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