



# Medicare Advantage 2013 Spotlight:

## ENROLLMENT MARKET UPDATE

Prepared by [Marsha Gold<sup>i</sup>](#); and [Gretchen Jacobson](#), [Anthony Damico](#), and [Tricia Neuman<sup>ii</sup>](#)

In 2013, 14.4 million Medicare beneficiaries are enrolled in Medicare Advantage plans, an increase of more than 1 million (9.7%) from 2012. Despite concerns that payment changes enacted in the Affordable Care Act of 2010 (ACA) would lead to reductions in enrollment, enrollment has increased by 30 percent since 2010. Enrollment growth has averaged about 10 percent annually since 2009 and enrollment has grown by a factor of 2.6 from 2005. About 28 percent of Medicare beneficiaries are enrolled in Medicare Advantage plans in 2013, ranging from 49 percent of beneficiaries in Minnesota to less than one percent and three percent of beneficiaries, respectively in Alaska and Wyoming. There is little evidence of an adverse effect on enrollment in low versus high cost counties as a result of payment rate changes in the ACA. As in prior years, national Medicare Advantage enrollment tends to be concentrated among a small number of firms; five firms or affiliates (BlueCross BlueShield) account for two-thirds of all Medicare Advantage enrollment.

Beneficiaries in Medicare Advantage Prescription Drug plans (MA-PDs) pay about the same premium (\$35 per month) in 2013, on average, as plan enrollees in 2012, with somewhat lower premiums in health maintenance organizations (HMOs) and higher premiums in other plan types. While the vast majority of beneficiaries (98%) have access to a MA-PD with no premium, slightly more than half (55%) of beneficiaries are enrolled in a zero-premium plan in 2013, varying by plan type and locale. All Medicare Advantage plans have a limit on out-of-pocket spending, and nearly half of all Medicare Advantage enrollees are in a plan with a limit at or below \$3,400 per year.

This Data Spotlight provides an overview of Medicare Advantage enrollment patterns in March 2013, and examines variations by plan type, state, and firm. It also analyzes trends in premiums paid by beneficiaries enrolled in Medicare Advantage plans, including variations by plan type, and describes the out-of-pocket limits and prescription drug coverage in the Part D “donut hole” provided by the plans in 2013.

## ENROLLMENT

**Nationwide Enrollment.** Over 14 million beneficiaries—28 percent of the Medicare population—are enrolled in a Medicare Advantage plan in 2013 (Exhibit 1; Table A1).<sup>1</sup> Total enrollment in 2013 grew by more than 1 million, or 9.7 percent, between 2012 and 2013, and by 3.3 million (30%) since 2010. This growth is a continuation of the rapid growth in enrollment that occurred concurrently with the introduction of Part D in 2006, and the implementation of other changes to the Medicare Advantage program authorized by the Medicare Prescription Drug, Improvement and Modernization Act (MMA) of 2003. This growth in enrollment has occurred despite the fact that the average number of plans available to enrollees nationwide declined from a high of 48 plans in 2009 to 20 plans in 2012 and 2013.<sup>2</sup>

**Enrollment by Plan Type.** Despite the increasing diversity in plans with Medicare Advantage enrollment since the MMA was enacted, majority of enrollees still are in HMOs. In 2013, 65 percent of Medicare Advantage enrollees are in HMOs, 22 percent are enrolled in local PPOs, 7 percent are enrolled in regional PPOs, and 4 percent are enrolled in private fee-for-service (PFFS) plans (Exhibit 2).

» **HMOs.** In 2013, 9.3 million enrollees – almost two-thirds of Medicare Advantage enrollees – are in HMOs, up 9 percent from 2012. With HMO enrollment growing at about the same rate as the overall Medicare Advantage program, the share of Medicare Advantage enrollees in HMOs has been relatively steady over the past few years (Exhibit 3).

Exhibit 1

### Total Medicare Private Health Plan Enrollment, 1999-2013

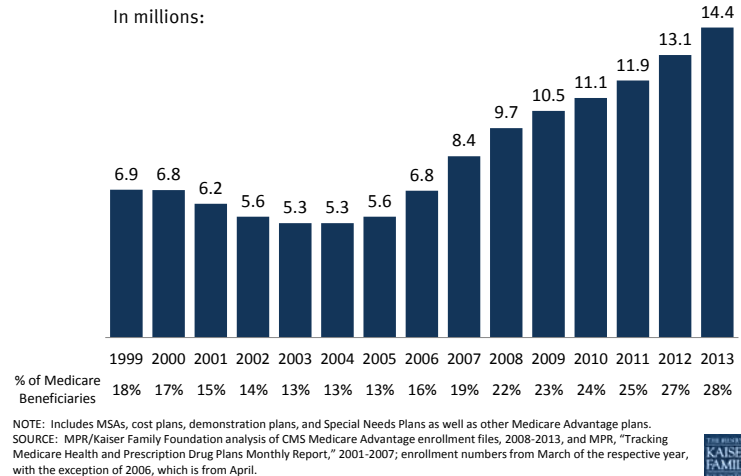


Exhibit 2

### Distribution of Enrollment in Medicare Advantage Plans, by Plan Type, 2013

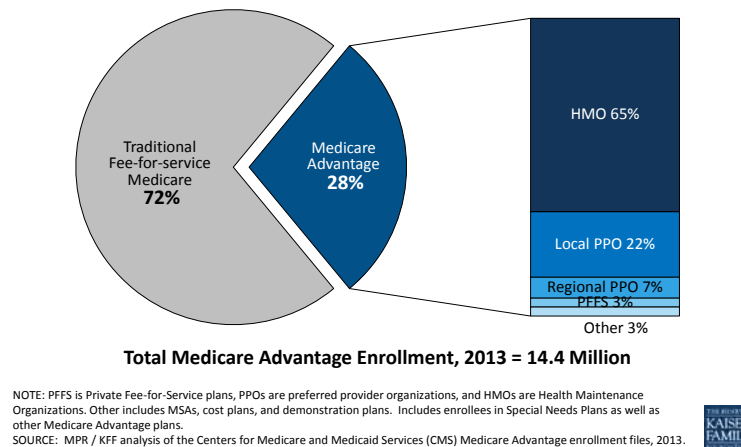
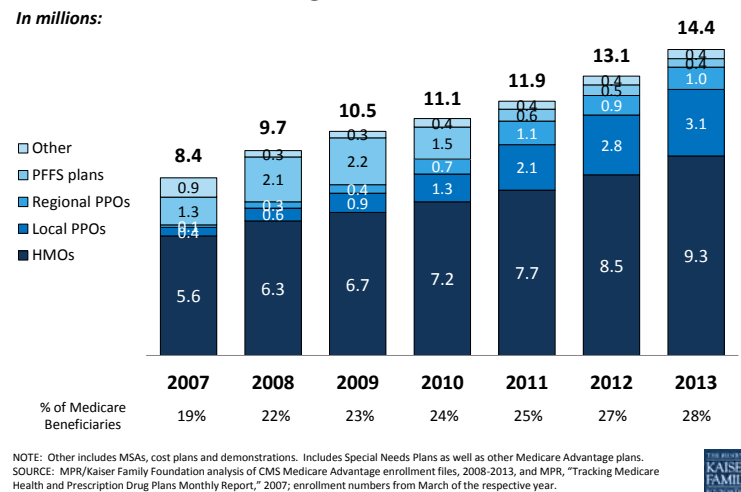


Exhibit 3

### Total Medicare Advantage Plan Enrollment, 2007-2013



- » **PPOs.** The number of Medicare Advantage enrollees in local and regional PPOs has grown rapidly from 500,000 in 2007 (6% of Medicare Advantage enrollment) to 4.1 million in 2013 (29% of Medicare Advantage enrollment).
  - **Local PPOs.** Three times as many enrollees are in local PPOs as in regional PPOs. Enrollment in local PPOs continues to grow at a steady rate. In 2013, 3.1 million Medicare beneficiaries are enrolled in such plans, up from 2.8 million in 2012 and 2.1 million in 2011; only 400,000 beneficiaries were enrolled in local PPOs in 2007.
  - **Regional PPOs.** In contrast to local PPOs, enrollment in regional PPOs has been more uneven over time, and declined between 2011 and 2012. In 2013, total enrollment in regional PPOs slightly increased but remained below its peak in 2011.
- » **PFFS plans.** In contrast to other plan types, enrollment in PFFS plans continued its steady decline from a high of 2.2 million in 2009 (21% of Medicare Advantage enrollment). In 2013, 400,000 enrollees (3%) are in PFFS plans, down from 500,000 enrollees (4%) in 2012. The decline in enrollment coincided with the sharp reduction in number of PFFS plans offered, beginning in 2010, as a result of the addition of the requirement by the Medicare Improvement for Patients and Providers (MIPPA) of 2008 for PFFS plans to have networks of providers in most counties as of 2011.<sup>3</sup>

## ENROLLMENT IN SPECIAL NEEDS PLANS IN 2013

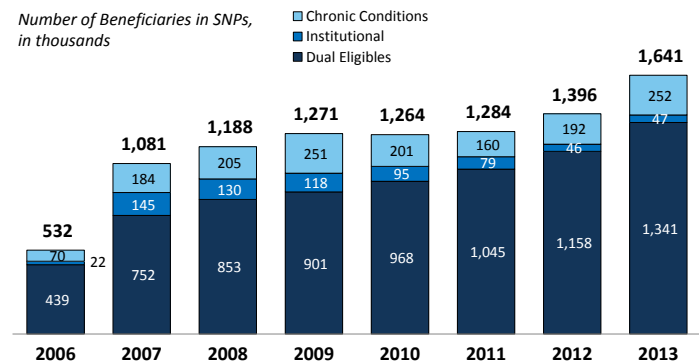
Special Needs Plans, a form of Medicare Advantage plan, were authorized in 2003 to provide a managed care option for three groups of beneficiaries with significant or relatively specialized care needs, including Medicare beneficiaries who are dually eligible for Medicare and Medicaid (D-SNPs), beneficiaries requiring a nursing home or institutional level of care (I-SNPs), and beneficiaries with severe chronic or disabling conditions (C-SNPs). While SNPs are offered through HMOs, local PPOs and regional PPOs, 87 percent of SNP enrollees are in an HMO in 2013.

The number of enrollees in SNPs increased from 1.4 million in 2012 to 1.6 million in 2013 (Exhibit 4). D-SNPs account for 82 percent of all SNP enrollees and include 1.3 million enrollees in 2013. Enrollment in C-SNPs increased by 31 percent in 2013 to about 252,000; enrollment in C-SNPs now exceeds the previous peak in C-SNP enrollment in 2009 when CMS implemented rules limiting the conditions C-SNPs could cover. Among enrollees in C-SNPs, 90 percent are in plans related to chronic heart failure, cardiovascular disease and/or diabetes. The number of enrollees in I-SNPs continues to be a small share of SNP enrollment accounting for about 3 percent of total SNP enrollment. Of the 47,000 enrolled in I-SNPs, most are in plans owned by UnitedHealthcare (67%) or SCAN Health Plan (13%).

Nationwide, 12 percent of dual-eligible beneficiaries are in D-SNPs in 2013, up from 10 percent in 2012. D-SNP enrollment varies considerably across states. In 9 states (AL, AZ, FL, HI, MN, OR, PA, TN, and UT), 20 percent or more of all dual-eligible beneficiaries are enrolled in D-SNPs in 2013, including Hawaii where more than half (55%) of all dual-eligible beneficiaries are enrolled in D-SNPs (Exhibit 5). In contrast, no dual-eligible beneficiaries are enrolled in D-SNPs in 14 states in 2013.

Exhibit 4

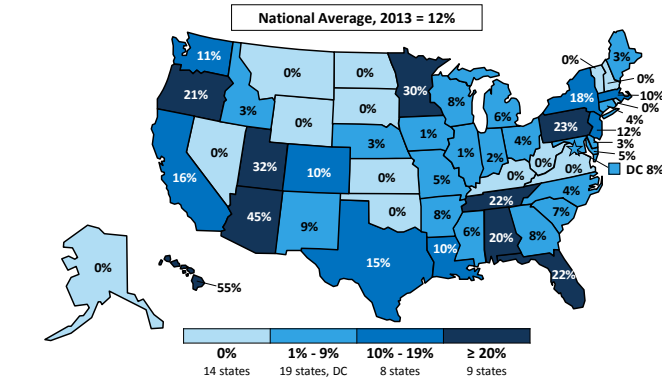
### Number of Beneficiaries in Special Needs Plans, by Type, 2006 – 2013



NOTE: Numbers may not sum to the total due to rounding. Includes enrollment in Puerto Rico and other territories.  
SOURCE: MPR/Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment files, 2006-2013.

Exhibit 5

### Share of Dual Eligible Beneficiaries Enrolled in Special Needs Plans for Dual Eligibles, by State, 2013

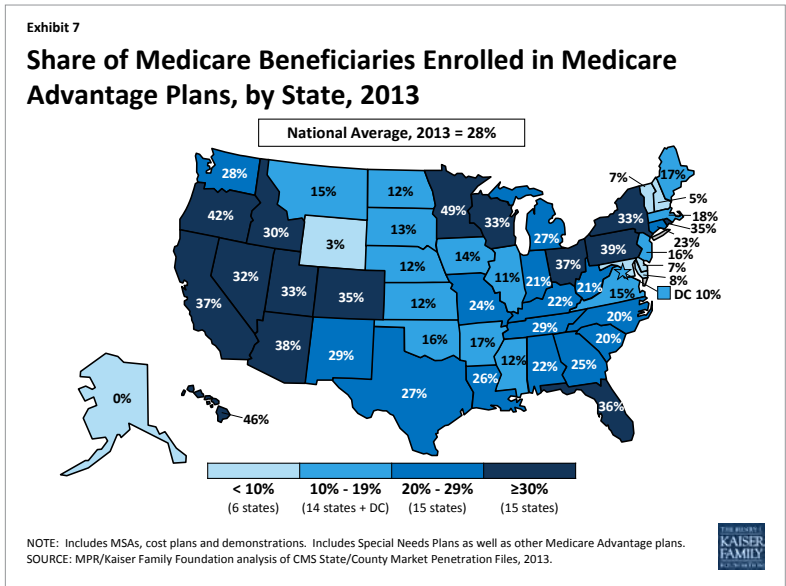
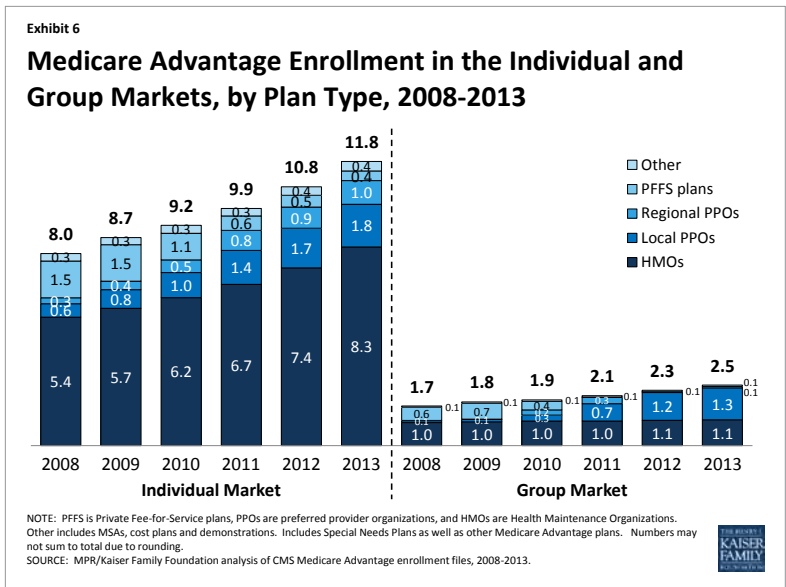


NOTE: National average excludes territories.  
SOURCE: MPR/Kaiser Family Foundation analysis of CMS State/County Market Penetration Files, 2013. Number of dual eligibles as of December 2010, by state from CMS 2010 Medicaid Managed Care Enrollment Report.

**Enrollment in Group Plans.** Most Medicare beneficiaries who enroll in Medicare Advantage plans do so as individuals, but 18 percent are enrolled through group plans in 2013 (Table A.1). The group market consists largely of employer-sponsored Medicare Advantage plans for retirees. Employer-sponsored plans typically contract directly with the Medicare Advantage plans to design a benefit package that meets the needs of the retirees. From 2012 to 2013, enrollment in group plans grew by 9.4 percent, slightly lower than the 9.8 percent growth in individual enrollment.

In the group market, PPOs have a larger share of enrollment in 2013 than HMOs, which dominate the individual market. Among group enrollees, almost half (48%) are in local PPOs, and 2 percent are in regional PPOs (Exhibit 6).

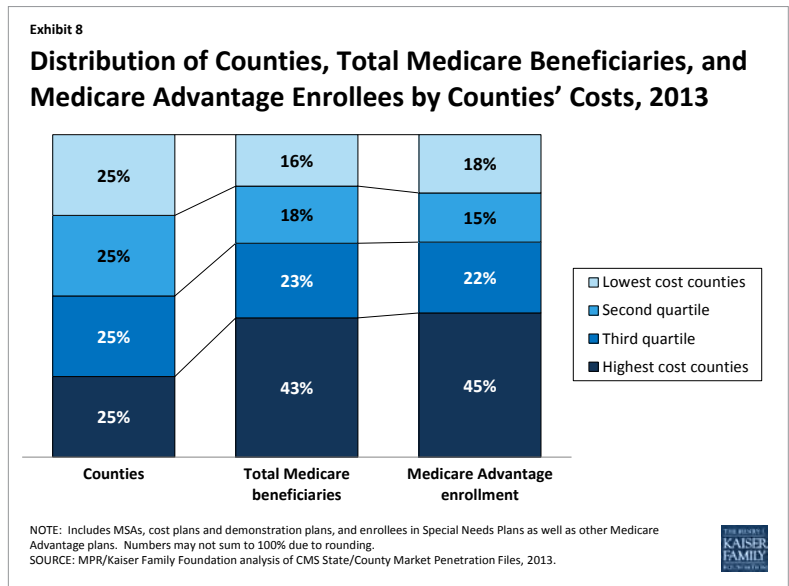
**Geographic Variation in Enrollment.** Medicare Advantage penetration varies substantially by state and within states. In 2013, as in 2012, 6 states (AK, DE, MD, NH, VT and WY) had less than 10 percent of their beneficiaries in Medicare Advantage plans and 14 states had 30 percent or more beneficiaries enrolled in Medicare Advantage. This variation reflects both the greater prevalence of Medicare Advantage plans in metropolitan areas and other factors, such as the history of managed care in the state and the prevalence of employer-sponsored insurance for retirees. While not shown here, Medicare Advantage penetration often varies widely across counties within the same state.<sup>4</sup> For example, 57 percent – more than half – of beneficiaries in Miami-Dade County in Florida are enrolled in Medicare Advantage plans, compared to 35 percent of beneficiaries in Palm Beach County. Similarly, 46 percent of beneficiaries in Orange County, California are enrolled in Medicare Advantage plans, compared to 14 percent of beneficiaries in Santa Barbara, California. In 2013, Medicare Advantage enrollment and penetration rate increased in all states except Utah and Wyoming (Exhibit 7, Table A2 and Table A3). In most states, Medicare Advantage penetration increased by about a percent or two between 2012 and 2013.



» **Enrollment in Metropolitan Compared to Non-Metropolitan areas.** Eighty percent of Medicare beneficiaries eligible to enroll in a Medicare Advantage plan live in metropolitan areas. In 2013, the overall penetration of Medicare Advantage enrollment is 30.6 percent for beneficiaries in metropolitan areas as compared with 18.3 percent in non-metropolitan areas (data not shown). In 2013, Medicare Advantage enrollment continued to grow in both types of areas. However, the distribution of enrollees across types of plans differs between metropolitan and non-metropolitan areas. HMOs account for a much larger share of enrollees in metropolitan areas than nonmetropolitan areas (70% versus 32%) in 2013. Other plan types have a larger share of enrollment in non-metropolitan areas. These differences are due to a variety of factors. It often is easier for plans to form closed provider networks in metropolitan areas that have more providers than non-metropolitan areas, and many metropolitan areas have a longer history of managed care than non-metropolitan areas. In 2013, 34 percent of enrollees in Medicare Advantage plans in non-metropolitan areas were in local PPOs, 18 percent were in regional PPOs, and 10 percent were in PFFS plans. The market share of PFFS plans in non-metropolitan areas continued to decline in 2013.

» **Enrollment by Payment Rates.**

Two-thirds of Medicare beneficiaries reside in counties in the top half of Medicare fee-for-service costs (the top two payment quartiles). Forty-three percent of Medicare beneficiaries—and 45 percent of Medicare Advantage enrollees—are in the top quartile with the highest fee-for-service costs (Exhibit 8). The distribution of enrollees by payment quartile has been relatively unchanged since the ACA was passed (not shown), and enrollment in Medicare Advantage plans is relatively proportional to the number of Medicare beneficiaries residing in each payment quartile. In general, Medicare Advantage penetration by plan type does not vary greatly by payment quartile, and there is little evidence of an adverse effect of payment rate changes in the ACA on enrollment in counties, across all payment quartiles (Table 1).<sup>5</sup>



**TABLE 1.**  
**MEDICARE ADVANTAGE ENROLLMENT AND PENETRATION RATES IN HMOs AND OTHER PLAN TYPES,**  
**BY COUNTIES' COSTS, 2011-2013**

|                       | 2011       |             | 2012       |             | 2013       |             | % CHANGE<br>ENROLLMENT,<br>2011-2013 | % CHANGE<br>PENETRATION,<br>2011-2013 |
|-----------------------|------------|-------------|------------|-------------|------------|-------------|--------------------------------------|---------------------------------------|
|                       | ENROLLMENT | PENETRATION | ENROLLMENT | PENETRATION | ENROLLMENT | PENETRATION |                                      |                                       |
| <b>TOTAL</b>          |            |             |            |             |            |             |                                      |                                       |
| Highest cost counties | 5,327,009  | 26%         | 5,841,874  | 27%         | 6,424,806  | 29%         | 21%                                  | 3%                                    |
| Third quartile        | 2,597,314  | 23%         | 2,860,238  | 25%         | 3,153,687  | 26%         | 21%                                  | 3%                                    |
| Second quartile       | 1,780,554  | 21%         | 1,979,929  | 23%         | 2,188,981  | 24%         | 23%                                  | 3%                                    |
| Lowest cost counties  | 2,213,450  | 29%         | 2,407,614  | 31%         | 2,594,141  | 32%         | 17%                                  | 3%                                    |
| <b>HMOs</b>           |            |             |            |             |            |             |                                      |                                       |
| Highest cost counties | 4,143,823  | 20%         | 4,448,435  | 21%         | 4,864,646  | 22%         | 17%                                  | 2%                                    |
| Third quartile        | 1,536,786  | 14%         | 1,683,128  | 14%         | 1,877,124  | 16%         | 22%                                  | 2%                                    |
| Second quartile       | 838,808    | 10%         | 977,524    | 11%         | 1,114,918  | 12%         | 33%                                  | 2%                                    |
| Lowest cost counties  | 1,222,611  | 16%         | 1,355,503  | 17%         | 1,493,211  | 18%         | 22%                                  | 2%                                    |
| <b>NON-HMOs</b>       |            |             |            |             |            |             |                                      |                                       |
| Highest cost counties | 1,183,186  | 6%          | 1,393,439  | 7%          | 1,560,160  | 7%          | 32%                                  | 1%                                    |
| Third quartile        | 1,060,528  | 9%          | 1,177,110  | 10%         | 1,276,563  | 11%         | 20%                                  | 1%                                    |
| Second quartile       | 941,746    | 11%         | 1,002,405  | 12%         | 1,074,063  | 12%         | 14%                                  | 1%                                    |
| Lowest cost counties  | 990,839    | 13%         | 1,052,111  | 13%         | 1,100,930  | 14%         | 11%                                  | 1%                                    |

Source: MPR/Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment and landscape files, 2011-2013

Starting in 2012, Medicare payments to plans began to reflect the phase-in of changes enacted in the ACA of 2010.<sup>6</sup> Payments to plans depend on the relationship between their bids and the counties' Medicare fee-for-service costs, and payments also can be increased by any quality based bonus payments the plan may receive.<sup>7</sup> After being frozen in 2011 at 2010 levels, benchmarks (the maximum Medicare will pay a plan) are being adjusted down, as required by the ACA. Once changes are fully phased in, 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). Although the counties are divided into quartiles for payment purposes, with equal numbers of counties in each quartile, many counties are lightly populated and a disproportionate share of Medicare beneficiaries live in the highest cost counties where Medicare fee-for-service costs (and payments to Medicare Advantage plans) are greater.

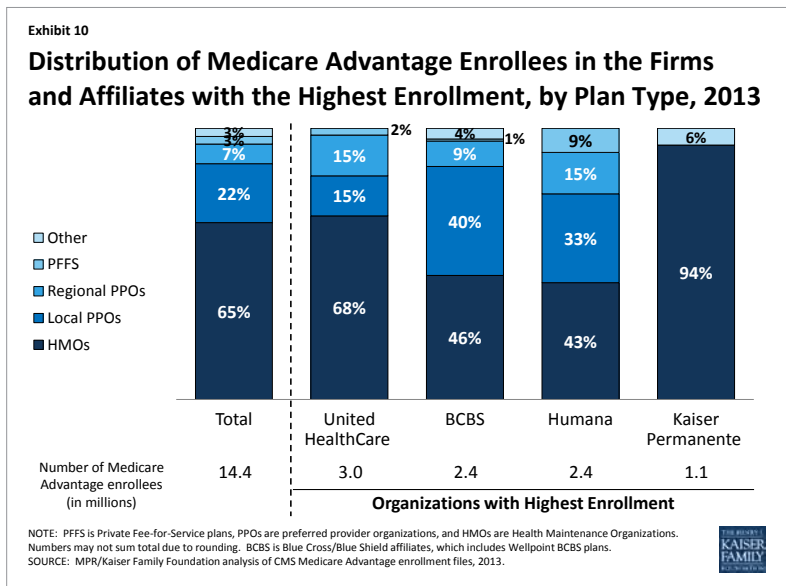
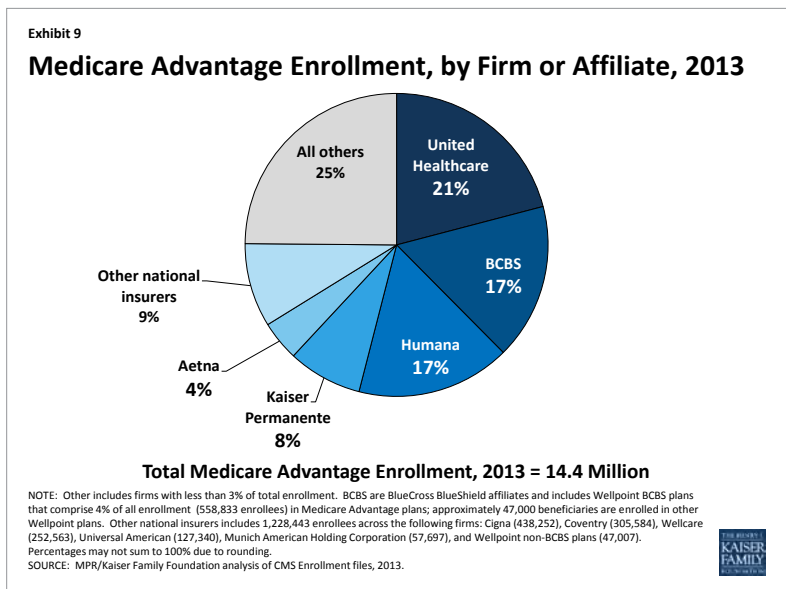
## MARKET CONCENTRATION

### Nationwide Market Concentration.

As in prior years, Medicare Advantage enrollment tends to be highly concentrated among a small number of firms in 2013 and such concentration may be growing (Exhibit 9; Table A1). In 2013, five firms or affiliates account for 63 percent of all enrollees: United Healthcare (21%), BlueCross BlueShield (BCBS) affiliates (17%, including 4% in Wellpoint BCBS affiliates), Humana (17%), Kaiser Permanente (8%) and Aetna (4%). Another seven national firms account for 11 percent of all enrollment. The largest of these is Cigna (3%) followed by Coventry, Wellcare, HealthNet, and Universal American. The remainder of enrollees (25%) is in plans offered by more locally or regionally focused firms. Those firms with 100,000 enrollees or more in 2013, included: two companies based in Puerto Rico (InnovaCare and Medical Card System with 229,812 and 116,665 enrollees, respectively), New York based Emblem Health (180,242 enrollees), Medica (144,906 enrollees), SCAN Health Plan (143,870 enrollees), the University of Pittsburg Medical Center in Pennsylvania (120,658 enrollees) and UCare Minnesota (103,137 enrollees).

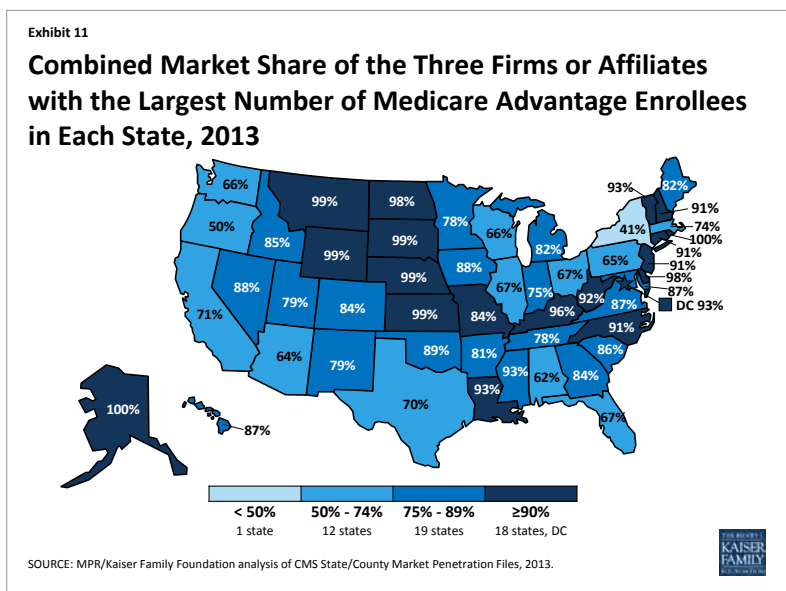
As has been the case historically, almost all of Kaiser Permanente’s enrollees (94%) are in HMOs and the remainder are in similarly structured cost plans (Exhibit 10). United Healthcare also has a large share of enrollees in HMOs (68%) although the share has declined from 73 percent in 2011; almost all of the remaining enrollees in United Healthcare plans are in local and regional PPOs (15% each). Among plans operated by BCBS affiliates, 46 percent of enrollees are in HMOs, 40 percent are in local PPOs, and another 9 percent are in regional PPOs. Humana continues to have a smaller share of enrollment in HMOs (43%) compared to

other large firms, with 33 percent of Humana’s enrollees in local PPOs, 15 percent in regional PPOs, and 9 percent in PFFS plans; this distribution of enrollment across Humana’s plans reflects a major shift from earlier years when a much larger share of Humana’s Medicare Advantage enrollment was in PFFS plans.





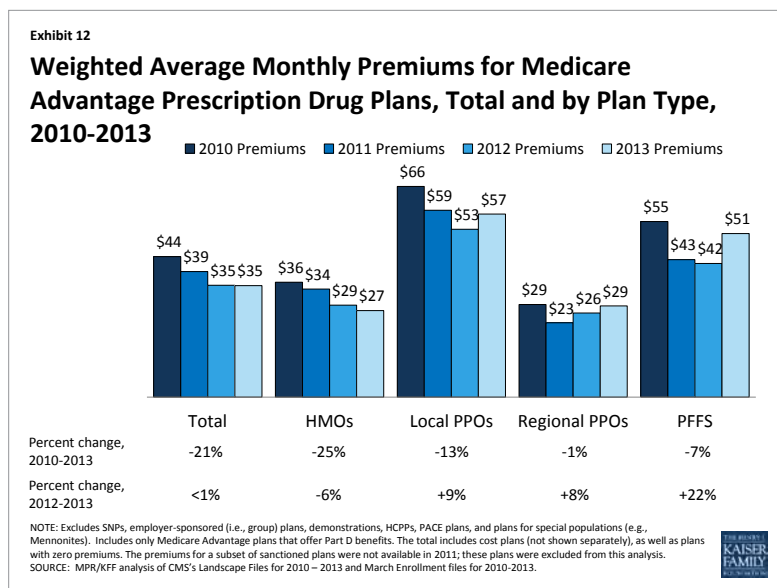
**Market Concentration by State.** As is the case nationally, a small number of firms also dominate Medicare Advantage enrollment in most states (Exhibit 11, Table A4). In 37 states, as well as the District of Columbia, 75 percent or more of enrollment is in plans sponsored by three companies, including 18 states and the District of Columbia where three companies account for 90 percent or more of the state’s Medicare Advantage enrollment. In 15 states and the District of Columbia, one company has more than half of all Medicare Advantage enrollment. United Healthcare has the largest market share in 20 states and is among the top three firms in an additional 17 states and the District of Columbia. Humana has the largest enrollment in 12 states and is among the top 3 in another 17 states. BCBS affiliates have the most enrollment in 7 states (AL, HI, ID, MI, NC, OR, and PA) and are among the top three firms in another 15 states. Kaiser Permanente’s presence is more geographically focused than the other major national firms and affiliates, with a heavy concentration in California, Colorado, the District of Columbia, Hawaii, Maryland and Oregon; Kaiser Permanente has more enrollees than any other firm in California, the District of Columbia, and Maryland. Locally dominant plans, that is, those with most Medicare Advantage enrollees in their state, include Martin’s Point Health Care (ME), TAHMO (MA), Medica (MN, ND, and SD), New West Health Services (MT), and Presbyterian Healthcare Services (NM).



## PREMIUMS

Medicare Advantage enrollees are responsible for paying the Part B premium, in addition to any premium charged by the plan. Premiums for Medicare Advantage plans include premiums for supplemental benefits or reduced cost sharing beyond those that are covered by traditional Medicare, as well as any costs of Part A and Part B benefits that exceed the county benchmark, and any costs for Part D benefits that remain after the plan apportions available savings (if any) between what they are paid by the government and what it costs them to deliver benefits. Plans also may use any savings to offset the Part B premium (what is termed a “rebate”), although only a small share choose to do so. In this brief, we analyze premiums for MA-PDs because the vast majority (95%) of Medicare Advantage enrollees in individual plans select a Medicare Advantage plan that has a drug benefit (MA-PD).

**Average Premium Trends.** The average enrollee in a MA-PD paid a monthly premium of about \$35 in 2013, about the same as in 2012 and down from \$39 in 2011 and \$44 in 2010 (Exhibit 12). The actual premium an enrollee pays will vary by plan type and locale, as well as by decisions the enrollee makes among plans that tradeoff higher premiums for more comprehensive benefits. Between 2012 and 2013, the average enrollee in a Medicare HMO saw their premium decrease by 6 percent (from \$29 to \$27). In contrast, average premiums increased for enrollees in other types of plans; average premiums in regional PPOs increased by 8 percent (from \$26 to \$29), 9 percent in local PPOs (from \$53 to \$57), and 22 percent in PFFS plans (from \$42 to \$51), although few enrollees were in PFFS plans.



In the fall of 2012, we calculated that beneficiaries who were enrolled in Medicare Advantage plans would pay a premium of \$39 per month if they stayed in the same plan.<sup>8</sup> Based on actual enrollment, we now show the average enrollee paying a premium of \$35 per month. The difference between the \$39 estimate from the fall spotlight and the \$35 actual average premium in 2013 reflects both changes in beneficiaries enrolled in Medicare Advantage from 2012 to 2013 and shifts by enrollees to more attractive plans, including lower premium plans. Differences between estimated and actual premiums were greatest for enrollees in local PPOs and PFFS plans. On average, enrollees in such plans pay more in premiums and the premiums increased the most between 2012 and 2013, presumably providing motivation for beneficiaries to switch plans or, if newly enrolled in Medicare Advantage, to choose a lower premium plan.

**Zero Premium Plans.** In 2013, the vast majority of beneficiaries (98%) have access to a MA-PD with no premium, other than the Part B premium, and slightly more than half (55%) of enrollees are in plans with no premiums in 2013 (Table 2). Among enrollees in HMOs, who account for almost two-thirds of Medicare Advantage enrollees, two-thirds (67%) are in a plan with no premium. Zero premium plans are also common for enrollees in regional PPOs (49%) but less common for enrollees in local PPOs (24%) and PFFS plans (17%). The share of enrollees in a zero premium plan is lower in 2013 than 2012 for every plan type other than HMOs.

**TABLE 2.**  
**SELECTED PLAN BENEFITS AND PREMIUMS FOR ENROLLEES IN MEDICARE ADVANTAGE PRESCRIPTION DRUG PLANS (MA-PDS), BY PLAN TYPE, 2013**

| PREMIUMS AND BENEFITS                                | ALL PLANS | HMOs    | LOCAL PPOs | REGIONAL PPOs | PFFS PLANS | COST PLANS |
|--|-----------|---------|------------|---------------|------------|------------|
| % of enrollees with no premium                       | 55%       | 66%     | 24%        | 49%           | 17%        | 7%         |
| Average premium, if any                              | \$78.18   | \$81.25 | \$75.67    | \$56.53       | \$61.75    | \$140.82   |
| <b>OUT-OF-POCKET LIMIT</b>                           |           |         |            |               |            |            |
| \$2500 or less                                       | 5%        | 5%      | 6%         | 0%            | 0%         | 4%         |
| \$2501-\$3400  | 42%       | 48%     | 32%        | 2%            | 0%         | 86%        |
| \$3401-\$5000  | 30%       | 27%     | 41%        | 40%           | 100%       | 6%         |
| \$5001-\$6700  | 24%       | 21%     | 21%        | 58%           | 0%         | 4%         |
| <b>PART D COVERAGE IN THE GAP OR “DOUGHNUT HOLE”</b> |           |         |            |               |            |            |
| All generics and all brands                          | <1%       | <1%     | 0%         | 0%            | 0%         | 0%         |
| Some generics and some brands                        | 27%       | 27%     | 27%        | 19%           | 54%        | 17%        |
| Generics only  | 22%       | 29%     | 13%        | 0%            | <1%        | 4%         |
| No gap coverage                                      | 49%       | 43%     | 60%        | 81%           | 43%        | 79%        |
| Information not available                            | 1%        | <1%     | <1%        | 0%            | 2%         | <1%        |

NOTE: Coverage in the Part D coverage gap in 2013 includes more than a 52.3% discount on brand-name drugs and additional coverage of generic drugs than required by the Affordable Care Act (ACA) of 2010. Premiums weighted by March 2013 enrollment. Excludes Medicare Advantage plans that do not offer prescription drug coverage, special needs plans (SNPs), and employer group health plans. Percentages may not sum to 100% due to rounding. Information was not available on the out-of-pocket limits for 4% of plans, including 99% of PFFS plans, 3% of cost plans, and less than 1% of local PPOs and HMOs; no regional PPOs were missing information about the plan's out-of-pocket limits.

SOURCE: MPR/Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment and landscape files, 2013.

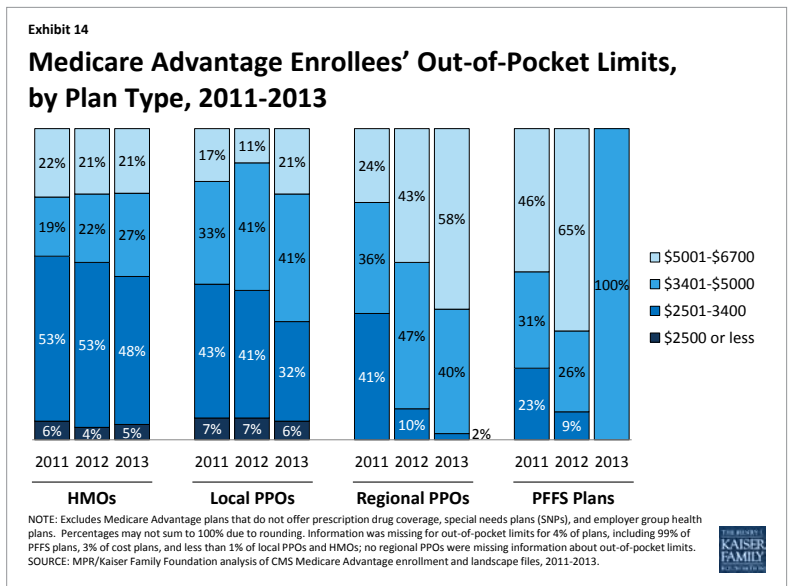
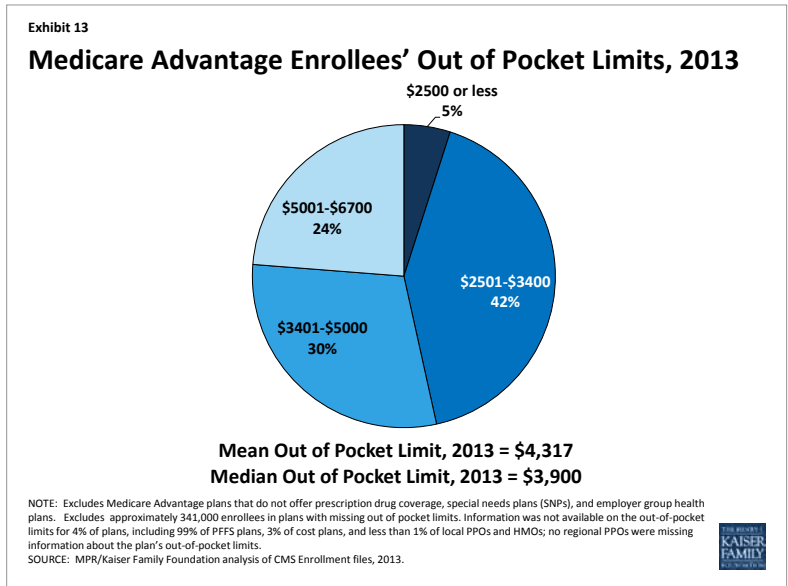
Average premiums and the prevalence of enrollment in zero premium plans also varies across firms, even when the comparison is restricted to plans of the same type (e.g., HMOs; Table A5 and Table A6). For example, 90 percent of United Healthcare enrollees are in zero premium plans, including 90 percent of their HMO enrollees and over half of their enrollees in all other plan types. In contrast, only 45 percent of Kaiser Permanente enrollees in HMOs (their main offering) are in a zero premium plan. Enrollees in Humana's HMOs typically pay no premium (78%) but enrollees in other Humana plan types typically do. While such data do not reveal the reasons for these differences and some of it probably reflects geographic variation in firm markets, it probably also reflects firms' target market niche and their marketing strategy.

## BENEFITS: OUT-OF-POCKET LIMITS AND COVERAGE IN THE DONUT HOLE

To gain a better sense of the potential trade-offs between premiums and benefits, we examined differences among plans in two types of benefits: the limit on out of pocket costs set by the plan and the availability of expanded Part D benefits relating to the coverage gap or “donut hole” (Table 2). It is beyond the scope of this analysis to look more in depth at benefits, such as cost-sharing for inpatient hospital services or skilled nursing facility services, which vary across Medicare Advantage plans.<sup>9</sup>

**Out-of-Pocket Limits.** Although traditional Medicare does not include an annual out of pocket limit on cost sharing for Medicare Part A and B benefits, CMS began requiring in 2011 that all Medicare Advantage plans have a limit below \$6700 annually and recommends a limit of \$3400 or lower. The average out of pocket limit for Medicare Advantage enrollees is \$4,317, and half of all Medicare Advantage enrollees are in plans with out of pocket limits at or below \$3900 (Exhibit 13). In 2013, 46 percent of all enrollees are in plans with limits at or below \$3400, 30 percent are in plans with limits of \$3401 to \$5000, and 24 percent are in plans with higher limits (\$5001 to \$6700). Even though all plans have limits on out-of-pocket spending for covered services, the actual level varies across plans, with substantial differences, on average, across plan types. HMOs tend to have lower out of pocket limits (53% had limits of \$3400 or less in 2013) than other plan types. Out of pocket limits are typically higher in regional PPOs and PFFS plans and very few regional PPO and PFFS enrollees are in plans with limits at or below the \$3400 recommended level.

Over the past couple of years, out-of-pocket limits have increased among some plan types (Exhibit 14). In particular, between 2011 and 2013, out-of-pocket limits increased for many enrollees in regional PPOs and local PPOs. All enrollees in PFFS plans in 2013 are in plans with out-of-pocket limits between \$3401 and \$5000 – a departure from prior years. While the out of pocket limits for enrollees in HMOs have changed relatively less, the share of enrollees in HMOs with limits below \$3400 has decreased. While actual out-of-pocket spending also depends on the structure of cost sharing within a plan, limits are important and also valuable in communicating to beneficiaries their potential maximum liability.<sup>10</sup>



**Coverage in the Part D Donut Hole.** The standard Medicare Part D benefit in 2013 has a \$325 deductible and 25 percent coinsurance up to an initial coverage limit of \$2,970 in total drug costs, followed by a coverage gap (the so called “donut hole”) until their total out of pocket Part D spending reaches \$4,750 when the catastrophic limit kicks in and beneficiaries pay 5 percent or specified limits from drugs.<sup>11</sup> The ACA gradually phases down the coverage gap until it is eliminated in 2020.<sup>12</sup> In 2013, enrollees in plans with no additional gap coverage will pay 47.5 percent of the total cost of brands and 79 percent of the total cost of generics until they reach the catastrophic limit.

Covering a larger share of beneficiaries’ out-of-pocket costs in the “coverage gap” is one way Medicare Advantage plans can enhance benefits. In 2013, about half of all Medicare Advantage enrollees were in plans that provided some additional coverage in the gap; about 28 percent had some coverage for brand drugs in the gap. HMOs and PFFS plans were more likely to provide additional coverage in the gap. Regional PPOs were least likely to do so. Most stand-alone Part D plans provide little or no gap coverage in 2013 beyond what is required under the standard benefit.<sup>13</sup>

## DISCUSSION

Medicare Advantage enrollment continues to grow despite concerns about payment reductions enacted in the ACA; since 2010, enrollment has increased by 30 percent and enrollment continues to grow across counties and high and low payment quartiles. However, the payment reductions have not been fully phased in and quality-based bonus payments have partly off-set the payment reductions. Future trends are uncertain. The Congressional Budget Office (CBO) and the CMS Office of the Actuary (OACT) have both projected that enrollment will continue to increase in 2014, but CBO has projected that enrollment will continue to increase in 2015 and future years, whereas OACT has projected that enrollment will decrease after 2014.<sup>14</sup>

While the market has been relatively stable and plan enrollment has continued to grow, it remains to be seen how companies will respond to reductions in payments implemented as part of the ACA. Firms historically have said that decisions about participation and benefits are made on a county by county basis, taking to account costs of care, provider contracts, and the competitive environment.<sup>15</sup> Over the next few years, it is possible there will be some shakeout in the market as payment reductions are implemented and benchmarks move closer to spending for traditional Medicare. Ultimately, to remain viable, some plans either will have to become more efficient or modify the extra benefits they provide to their enrollees. From a cost perspective, HMOs, for example, seem to have an advantage, on average, over other model types.<sup>16</sup> The fact that enrollment continues to grow in both high and low payment quartiles is encouraging as it suggests that the market currently has sufficient choice to attract enrollees, even if some plans become less competitive. However, this analysis did not examine cost-sharing or benefits and it is unclear to what extent plans have changed cost-sharing or extra benefits since 2012.

Ultimately, the shape of both Medicare Advantage and the Medicare program more generally will be shaped by the policy and fiscal climate. There are very different perspectives on the kinds of protections Medicare needs to provide for seniors and younger enrollees with disabilities, the appropriate level of Medicare spending and how to finance it, and how Medicare benefits should be provided.<sup>17</sup> The outcome of the debate over these issues likely will influence in critical ways the future of Medicare Advantage and the Medicare program more generally.

# Endnotes

- <sup>1</sup> Statistics include cost and demonstration plans even though they are organized under separate authority from Medicare Advantage. Enrollment includes those in special needs plans, as well as regular Medicare Advantage plans, and includes those enrolled individually and through groups. The analysis is based on publicly available CMS data from the contract/plan/state/county enrollment file. This file excludes enrollment counts with fewer than 11 people in a plan in a county. County-plan records without a valid FIPS county identifier were also excluded from the analysis. These small exclusions add up to about 259,967 people or 1.8 percent of total Medicare Advantage enrollment in 2013.
- <sup>2</sup> M. Gold, G. Jacobson, A. Damico, and T. Neuman. “Medicare Advantage 2013 Spotlight: Plan Availability and Premiums” Washington DC: Henry J. Kaiser Family Foundation, December 2012 (Updated).
- <sup>3</sup> M. Gold, G. Jacobson, A. Damico, and T. Neuman. “Medicare Advantage 2011 Data Spotlight: Plan Availability and Premiums” Washington DC: Henry J. Kaiser Family Foundation, October 2010.
- <sup>4</sup> For statistics on individual counties, states, and urban and rural areas see the Kaiser Family Foundation Health and Prescription Drug Plan Tracker, available at <http://healthplantracker.kff.org/>
- <sup>5</sup> Medicare Payment Advisory Commission. “Chapter 13. The Medicare Advantage Program: Status Report” pp. 287-312 in Report to Congress: Medicare Payment Policy, March 2013 and M. Gold and M. Cupples “Analysis of the Variation in Efficiency of Medicare Advantage Plans” Research Brief, Washington DC: Mathematica Policy Research, May 2013.
- <sup>6</sup> In this document, the ACA refers to the Patient Protection and Affordable Care Act of 2010 (P.L.111-148; PPACA) as amended by the Health Care and Education Reconciliation Act of 2010 (P.L. 111-152).
- <sup>7</sup> G. Jacobson, T. Neuman, A. Damico, and J. Huang “Medicare Advantage Star Ratings and Bonus Payments in 2012” Washington DC: Henry J. Kaiser Family Foundation, November 2011.
- <sup>8</sup> The merger between Aetna and Coventry was finalized after our analysis was completed and will be reflected in future Medicare Advantage spotlights. For more information about the merger, see <http://delawarebusinessdaily.com/2013/05/aetna-coventry-health-care-merger-gets-ok-from-feds/>
- <sup>9</sup> M. Gold, M. Hudson, G. Jacobson, and T. Neuman “2010 Data Spotlight: Benefits and Cost Sharing” Washington DC: Henry J. Kaiser Family Foundation, February 2010.
- <sup>10</sup> M. Gold, M. Hudson, G. Jacobson, and T. Neuman “2010 Data Spotlight: Benefits and Cost Sharing” Washington DC: Henry J. Kaiser Family Foundation, February 2010.
- <sup>11</sup> Kaiser Family Foundation. “The Medicare Prescription Drug Benefit” Fact Sheet, November 2012.
- <sup>12</sup> Kaiser Family Foundation. “The Medicare Prescription Drug Benefit” Fact Sheet, November 2012.
- <sup>13</sup> J. Hoadley, J. Cubanski, E. Hargrave, L. Summer, and J. Huang “Medicare Part D : A First Look at Part D Plan Offerings in 2013” Data Spotlight. Henry J. Kaiser Family Foundation, November 2012.
- <sup>14</sup> Congressional Budget Office. “Medicare Baseline” May 2013; The Boards of Trustees, Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds, “2013 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds” May 2013.
- <sup>15</sup> Gold M., G. Jacobson, and T. Neuman, “Firm Perspectives on the Medicare Advantage Market” Washington DC: The Henry J. Kaiser Family Foundation, September 2011; M. Gold, E. Taylor, C. Fleming, D. Phelps, M. Hudson, and M. Loewenberg “Looking at Medicare Advantage: What Has Happened Since the Launch? What will Happen in the Future? Final report submitted to the U.S., Department of Health and Human Services, Assistant Secretary for Planning and Evaluation. Washington DC: Mathematica Policy Research, November 2008.; M. Gold “Medicare’s Private Plans: A Report Card on Medicare Advantage” Health Affairs Web Exclusive, November 24, 2008.
- <sup>16</sup> For additional analysis on this topic see, M. Gold “Making Sense of the Change in How Medicare Advantage Plans are Paid” Issue Brief. New York: The Commonwealth Fund, May 2013; and M. Gold and M. Cupples “Analysis of the Variation in Efficiency of Medicare Advantage Plans” Research Brief, Washington DC: Mathematica Policy Research, May 2013.
- <sup>17</sup> M. Gold “Perspective: Medicare Advantage: Lessons for Medicare’s Future” New England J of Medicine, Posted Online, February 22, 2012.

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# Appendix

TABLE A1. MEDICARE ADVANTAGE ENROLLMENT BY FIRM, 2012-2013

| FIRM OR AFFILIATE       | TOTAL ENROLLMENT |            | HMOS      |           | LOCAL PPOS |           | REGIONAL PPOS |           | PFFS    |         | COST    |         | OTHER  |        |
|-------------------------|------------------|------------|-----------|-----------|------------|-----------|---------------|-----------|---------|---------|---------|---------|--------|--------|
|                         | 2012             | 2013       | 2012      | 2013      | 2012       | 2013      | 2012          | 2013      | 2012    | 2013    | 2012    | 2013    | 2012   | 2013   |
| <b>TOTAL ENROLLMENT</b> |                  |            |           |           |            |           |               |           |         |         |         |         |        |        |
| UnitedHealthcare        | 2,552,244        | 3,020,485  | 1,780,159 | 2,044,534 | 338,965    | 446,191   | 361,882       | 454,654   | 71,238  | 75,106  | -       | -       | -      | -      |
| Humana                  | 2,217,209        | 2,372,854  | 920,513   | 1,022,713 | 753,794    | 776,518   | 303,842       | 363,165   | 239,060 | 210,458 | -       | -       | -      | -      |
| BCBS                    | 2,254,770        | 2,404,841  | 933,177   | 1,099,674 | 989,006    | 967,160   | 243,013       | 225,959   | 14,511  | 17,544  | 74,866  | 94,118  | 197    | 386    |
| Wellpoint BCBS          | 581,190          | 558,833    | 183,221   | 263,203   | 235,022    | 146,865   | 162,947       | 148,765   | -       | -       | -       | -       | -      | -      |
| Other BCBS plans        | 1,673,580        | 1,846,008  | 749,956   | 836,471   | 753,984    | 820,295   | 80,066        | 77,194    | 14,511  | 17,544  | 74,866  | 94,118  | 197    | 386    |
| Kaiser Permanente       | 1,073,556        | 1,145,322  | 1,006,513 | 1,074,900 | -          | -         | -             | -         | -       | -       | 67,043  | 70,422  | -      | -      |
| Coventry                | 246,433          | 305,584    | 146,225   | 172,703   | 100,208    | 132,881   | -             | -         | -       | -       | -       | -       | -      | -      |
| Aetna                   | 421,628          | 614,946    | 153,149   | 185,335   | 268,479    | 429,611   | -             | -         | -       | -       | -       | -       | -      | -      |
| WellCare                | 147,768          | 252,563    | 147,768   | 252,563   | -          | -         | -             | -         | -       | -       | -       | -       | -      | -      |
| CIGNA                   | 399,829          | 438,252    | 390,034   | 429,138   | 9,795      | 8,736     | -             | -         | -       | 378     | -       | -       | -      | -      |
| Other national insurers | 511,035          | 461,824    | 358,015   | 346,332   | 66,040     | 64,657    | -             | -         | 86,980  | 50,835  | -       | -       | -      | -      |
| All others              | 3,265,264        | 3,344,944  | 2,629,118 | 2,722,007 | 278,101    | 289,907   | -             | -         | 92,117  | 42,999  | 241,490 | 260,470 | 24,438 | 29,561 |
| TOTAL                   | 13,089,736       | 14,361,615 | 8,464,671 | 9,349,899 | 2,804,388  | 3,115,661 | 908,737       | 1,043,778 | 593,906 | 397,320 | 383,399 | 425,010 | 24,635 | 29,947 |
| <b>INDIVIDUAL PLANS</b> |                  |            |           |           |            |           |               |           |         |         |         |         |        |        |
| UnitedHealthcare        | 2,262,515        | 2,720,860  | 1,686,438 | 1,952,672 | 143,105    | 238,555   | 361,734       | 454,527   | 71,238  | 75,106  | -       | -       | -      | -      |
| Humana                  | 1,849,387        | 1,978,678  | 901,557   | 1,004,601 | 428,429    | 453,820   | 280,341       | 309,799   | 239,060 | 210,458 | -       | -       | -      | -      |
| BCBS                    | 1,812,271        | 1,945,844  | 797,880   | 978,819   | 686,559    | 633,680   | 238,306       | 221,297   | 14,511  | 17,544  | 74,818  | 94,118  | 197    | 386    |
| Wellpoint BCBS          | 540,689          | 530,938    | 176,130   | 257,187   | 201,612    | 124,986   | 162,947       | 148,765   | -       | -       | -       | -       | -      | -      |
| Other BCBS plans        | 1,271,582        | 1,414,906  | 621,750   | 721,632   | 484,947    | 508,694   | 75,359        | 72,532    | 14,511  | 17,544  | 74,818  | 94,118  | 197    | 386    |
| Kaiser Permanente       | 627,430          | 682,291    | 586,221   | 638,833   | -          | -         | -             | -         | -       | -       | 41,209  | 43,458  | -      | -      |
| Coventry                | 232,239          | 291,321    | 133,895   | 160,780   | 98,344     | 130,541   | -             | -         | -       | -       | -       | -       | -      | -      |
| Aetna                   | 134,249          | 170,016    | 120,986   | 151,331   | 13,263     | 18,685    | -             | -         | -       | -       | -       | -       | -      | -      |
| WellCare                | 147,768          | 252,563    | 147,768   | 252,563   | -          | -         | -             | -         | -       | -       | -       | -       | -      | -      |
| CIGNA                   | 395,886          | 434,222    | 386,091   | 425,108   | 9,795      | 8,736     | -             | -         | -       | 378     | -       | -       | -      | -      |
| Other national insurers | 469,503          | 421,936    | 316,483   | 306,444   | 66,040     | 64,657    | -             | -         | 86,980  | 50,835  | -       | -       | -      | -      |
| All others              | 2,854,122        | 2,942,366  | 2,330,176 | 2,403,246 | 204,847    | 234,548   | -             | -         | 81,568  | 42,999  | 213,093 | 232,012 | 24,438 | 29,561 |
| TOTAL                   | 10,785,370       | 11,840,097 | 7,407,495 | 8,274,397 | 1,650,382  | 1,783,222 | 880,381       | 985,623   | 493,357 | 397,320 | 329,120 | 369,588 | 24,635 | 29,947 |
| <b>GROUP PLANS</b>      |                  |            |           |           |            |           |               |           |         |         |         |         |        |        |
| UnitedHealthcare        | 289,729          | 299,625    | 93,721    | 91,862    | 195,860    | 207,636   | 148           | 127       | -       | -       | -       | -       | -      | -      |
| Humana                  | 367,822          | 394,176    | 18,956    | 18,112    | 325,365    | 322,698   | 23,501        | 53,366    | -       | -       | -       | -       | -      | -      |
| BCBS                    | 442,499          | 458,997    | 135,297   | 120,855   | 302,447    | 333,480   | 4,707         | 4,662     | -       | -       | 48      | -       | -      | -      |
| Wellpoint BCBS          | 40,501           | 27,895     | 7,091     | 6,016     | 33,410     | 21,879    | -             | -         | -       | -       | -       | -       | -      | -      |
| Other BCBS plans        | 401,998          | 431,102    | 128,206   | 114,839   | 269,037    | 311,601   | 4,707         | 4,662     | -       | -       | 48      | -       | -      | -      |
| Kaiser Permanente       | 446,126          | 463,031    | 420,292   | 436,067   | -          | -         | -             | -         | -       | -       | 25,834  | 26,964  | -      | -      |
| Coventry                | 14,194           | 14,263     | 12,330    | 11,923    | 1,864      | 2,340     | -             | -         | -       | -       | -       | -       | -      | -      |
| Aetna                   | 287,379          | 444,930    | 32,163    | 34,004    | 255,216    | 410,926   | -             | -         | -       | -       | -       | -       | -      | -      |
| WellCare                | -                | -          | -         | -         | -          | -         | -             | -         | -       | -       | -       | -       | -      | -      |
| CIGNA                   | 3,943            | 4,030      | 3,943     | 4,030     | -          | -         | -             | -         | -       | -       | -       | -       | -      | -      |
| Other national insurers | 41,532           | 39,888     | 41,532    | 39,888    | -          | -         | -             | -         | -       | -       | -       | -       | -      | -      |
| All others              | 411,142          | 402,578    | 298,942   | 318,761   | 73,254     | 55,359    | -             | -         | 10,549  | -       | 28,397  | 28,458  | -      | -      |
| TOTAL                   | 2,304,366        | 2,521,518  | 1,057,176 | 1,075,502 | 1,154,006  | 1,332,439 | 28,356        | 58,155    | 10,549  | 54,279  | 54,279  | 55,422  | -      | -      |

NOTE: Blank cells indicate no plans offered. BCBS is BlueCross BlueShield affiliates. Other national insurers include Health Net, Universal American, Health Spring, Munich American Holding Corporation, and Wellpoint non-BCBS plans.

SOURCE: MPR/Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment and Landscape files, 2012-2013.



**TABLE A2. MEDICARE ADVANTAGE ENROLLMENT BY STATE AND PLAN TYPE, 2013**

| STATE                | TOTAL     | HMOs      | LOCAL PPOS | REGIONAL PPOS | PFFS PLANS | COST PLANS | OTHER | % CHANGE, 2012-2013 |
|----------------------|-----------|-----------|------------|---------------|------------|------------|-------|---------------------|
| Alabama              | 203,951   | 129,689   | 58,784     | 13,188        | 2,212      | -          | 78    | 10%                 |
| Alaska               | 25        | -         | 25         | -             | -          | -          | -     | 39%                 |
| Arizona              | 384,851   | 346,818   | 24,182     | 7,018         | 6,733      | 100        | -     | 6%                  |
| Arkansas             | 98,322    | 42,621    | 14,923     | 15,895        | 24,782     | -          | 101   | 16%                 |
| California           | 1,937,350 | 1,872,033 | 54,085     | -             | 5,054      | 3,166      | 3,012 | 7%                  |
| Colorado             | 244,356   | 192,191   | 20,009     | -             | 6,078      | 23,965     | 2,113 | 8%                  |
| Connecticut          | 137,253   | 114,837   | 16,755     | 5,661         | -          | -          | -     | 11%                 |
| Delaware             | 10,941    | 7,910     | 3,031      | -             | -          | -          | -     | 49%                 |
| District of Columbia | 8,654     | 1,864     | 1,376      | -             | -          | 5,414      | -     | 9%                  |
| Florida              | 1,318,740 | 935,530   | 65,713     | 313,186       | 3,648      | 30         | 633   | 10%                 |
| Georgia              | 350,142   | 98,915    | 162,438    | 64,101        | 24,688     | -          | -     | 16%                 |
| Hawaii               | 103,346   | 36,770    | 31,940     | 30,521        | 203        | 3,912      | -     | 7%                  |
| Idaho                | 74,871    | 22,109    | 50,600     | -             | 2,162      | -          | -     | 6%                  |
| Illinois             | 209,200   | 122,032   | 71,107     | 7,619         | 6,946      | 1,496      | -     | 12%                 |
| Indiana              | 224,875   | 20,252    | 132,933    | 58,332        | 13,358     | -          | -     | 15%                 |
| Iowa                 | 74,520    | 32,566    | 31,967     | -             | 1,865      | 7,982      | 140   | 5%                  |
| Kansas               | 54,329    | 21,534    | 24,191     | 756           | 7,595      | -          | 253   | 9%                  |
| Kentucky             | 178,945   | 27,080    | 99,644     | 46,714        | 5,507      | -          | -     | 41%                 |
| Louisiana            | 193,638   | 168,055   | 8,185      | 12,991        | 4,137      | -          | 270   | 8%                  |
| Maine                | 49,347    | 29,839    | 18,554     | -             | 954        | -          | -     | 18%                 |
| Maryland             | 73,239    | 29,183    | 12,444     | -             | 2,931      | 28,550     | 131   | 5%                  |
| Massachusetts        | 209,151   | 171,635   | 23,205     | 11,516        | 21         | -          | 2,774 | 5%                  |
| Michigan             | 478,923   | 202,619   | 237,659    | 28,455        | 9,489      | -          | 701   | 10%                 |
| Minnesota            | 415,638   | 135,595   | 40,704     | -             | 1,639      | 237,700    | -     | 10%                 |
| Mississippi          | 64,000    | 33,144    | 12,356     | 12,394        | 6,106      | -          | -     | 18%                 |
| Missouri             | 257,164   | 173,358   | 48,734     | 15,797        | 19,123     | -          | 152   | 10%                 |
| Montana              | 27,229    | 99        | 20,884     | -             | 6,246      | -          | -     | 2%                  |
| Nebraska             | 33,228    | 17,324    | 8,041      | -             | 7,863      | -          | -     | 2%                  |
| Nevada               | 126,441   | 113,106   | 11,093     | -             | 2,242      | -          | -     | 6%                  |
| New Hampshire        | 12,554    | 2,834     | 3,967      | -             | 5,753      | -          | -     | 19%                 |
| New Jersey           | 223,161   | 202,303   | 20,126     | -             | -          | -          | 732   | 13%                 |
| New Mexico           | 98,198    | 64,457    | 31,358     | -             | 2,030      | -          | 353   | 10%                 |
| New York             | 1,062,329 | 783,313   | 194,511    | 58,922        | 20,729     | 503        | 4,351 | 7%                  |
| North Carolina       | 328,020   | 200,331   | 68,564     | 24,793        | 33,895     | -          | 437   | 12%                 |
| North Dakota         | 13,793    | -         | 1,892      | 77            | 1,195      | 10,564     | 65    | 20%                 |
| Ohio                 | 755,580   | 322,194   | 325,259    | 84,441        | 5,113      | 17,914     | 659   | 7%                  |
| Oklahoma             | 102,224   | 69,101    | 23,508     | 1,837         | 7,689      | -          | 89    | 6%                  |
| Oregon               | 286,306   | 147,100   | 137,598    | -             | 711        | -          | 897   | 7%                  |
| Pennsylvania         | 939,496   | 553,343   | 353,670    | 6,942         | 17,261     | -          | 8,280 | 4%                  |
| Rhode Island         | 68,306    | 63,754    | 2,013      | 2,335         | -          | -          | 204   | 3%                  |
| South Carolina       | 167,292   | 37,581    | 54,650     | 54,992        | 19,686     | -          | 383   | 17%                 |
| South Dakota         | 18,781    | 13        | 7,749      | -             | 905        | 10,114     | -     | 22%                 |
| Tennessee            | 338,124   | 264,117   | 66,853     | 6,867         | -          | -          | 287   | 14%                 |
| Texas                | 889,551   | 529,368   | 218,347    | 83,069        | 33,963     | 23,859     | 945   | 25%                 |
| Utah                 | 101,751   | 71,636    | 28,994     | -             | 1,121      | -          | -     | -2%                 |
| Vermont              | 8,199     | 203       | 1,091      | 1,293         | 5,510      | -          | 102   | 15%                 |
| Virginia             | 181,455   | 58,705    | 43,521     | 20,881        | 41,910     | 15,710     | 728   | 6%                  |
| Washington           | 305,289   | 241,681   | 62,126     | -             | 1,079      | -          | 403   | 7%                  |
| West Virginia        | 83,922    | 6,236     | 30,125     | 41,072        | 6,489      | -          | -     | 9%                  |
| Wisconsin            | 324,912   | 167,831   | 91,104     | 12,190        | 19,082     | 34,031     | 674   | 8%                  |
| Wyoming              | 1,940     | 176       | 143        | -             | 1,621      | -          | -     | -40%                |

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

SOURCE: MPR/Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment and Landscape files, 2012-2013.

**TABLE A3. MEDICARE ADVANTAGE PENETRATION BY STATE AND PLAN TYPE, 2013**

| STATE                | TOTAL |      | HMOs |      | LOCAL PPOs |      | REGIONAL PPOs |      | PFFS PLANS |      | COST PLANS |      | OTHER |      | % CHANGE, 2012-2013 |
|----------------------|-------|------|------|------|------------|------|---------------|------|------------|------|------------|------|-------|------|---------------------|
|                      | 2012  | 2013 | 2012 | 2013 | 2012       | 2013 | 2012          | 2013 | 2012       | 2013 | 2012       | 2013 | 2012  | 2013 |                     |
| Alabama              | 21%   | 22%  | 14%  | 14%  | 6%         | 6%   | 1%            | 1%   | <1%        | <1%  |            |      | <1%   | <1%  | 1%                  |
| Alaska               | <1%   | <1%  |      |      | <1%        | <1%  |               |      |            |      |            |      |       |      | <1%                 |
| Arizona              | 37%   | 38%  | 33%  | 34%  | 2%         | 2%   | 1%            | 1%   | 1%         | 1%   | <1%        | <1%  |       |      | 1%                  |
| Arkansas             | 15%   | 17%  | 6%   | 8%   | 2%         | 3%   | 2%            | 3%   | 4%         | 4%   |            |      | <1%   | <1%  | 2%                  |
| California           | 36%   | 37%  | 35%  | 36%  | 1%         | 1%   |               |      |            | <1%  | <1%        | <1%  | <1%   | <1%  | 1%                  |
| Colorado             | 34%   | 35%  | 26%  | 28%  | 3%         | 3%   |               |      | 1%         | 1%   | 4%         | 3%   | <1%   | <1%  | 1%                  |
| Connecticut          | 21%   | 23%  | 16%  | 19%  | 4%         | 3%   | 1%            | 1%   |            |      |            |      |       |      | 2%                  |
| Delaware             | 5%    | 7%   | 3%   | 5%   | 1%         | 2%   |               |      |            |      |            |      |       |      | 2%                  |
| District of Columbia | 10%   | 10%  | 2%   | 2%   | 1%         | 2%   |               |      |            |      | 6%         | 6%   |       |      | <1%                 |
| Florida              | 34%   | 36%  | 24%  | 26%  | 3%         | 2%   | 7%            | 9%   | <1%        | <1%  |            | <1%  | <1%   | <1%  | 2%                  |
| Georgia              | 23%   | 25%  | 6%   | 7%   | 10%        | 12%  | 4%            | 5%   | 4%         | 2%   |            |      |       |      | 2%                  |
| Hawaii               | 44%   | 46%  | 15%  | 16%  | 12%        | 14%  | 14%           | 14%  | <1%        | <1%  | 4%         | 2%   |       |      | 1%                  |
| Idaho                | 29%   | 30%  | 10%  | 9%   | 16%        | 21%  |               |      | 3%         | 1%   |            |      |       |      | 1%                  |
| Illinois             | 10%   | 11%  | 6%   | 6%   | 3%         | 4%   | <1%           | <1%  | <1%        | <1%  | <1%        | <1%  |       |      | 1%                  |
| Indiana              | 19%   | 21%  | 2%   | 2%   | 8%         | 12%  | 7%            | 5%   | 1%         | 1%   |            |      |       |      | 2%                  |
| Iowa                 | 13%   | 14%  | 5%   | 6%   | 5%         | 6%   | 1%            |      | <1%        | <1%  | 1%         | 1%   | <1%   | <1%  | <1%                 |
| Kansas               | 11%   | 12%  | 4%   | 5%   | 5%         | 5%   | <1%           | <1%  | 2%         | 2%   |            |      | <1%   | <1%  | 1%                  |
| Kentucky             | 16%   | 22%  | 3%   | 3%   | 7%         | 12%  | 6%            | 6%   | 1%         | 1%   |            |      |       |      | 6%                  |
| Louisiana            | 25%   | 26%  | 22%  | 23%  | 1%         | 1%   | 1%            | 2%   | 1%         | 1%   |            |      | <1%   | <1%  | 1%                  |
| Maine                | 15%   | 17%  | 9%   | 10%  | 6%         | 6%   |               |      | <1%        | <1%  |            |      |       |      | 2%                  |
| Maryland             | 8%    | 8%   | 3%   | 3%   | 2%         | 1%   |               |      | <1%        | <1%  | 3%         | 3%   | <1%   | <1%  | <1%                 |
| Massachusetts        | 18%   | 18%  | 15%  | 15%  | 2%         | 2%   | 1%            | 1%   | <1%        | <1%  |            |      | <1%   | <1%  | <1%                 |
| Michigan             | 25%   | 27%  | 11%  | 11%  | 13%        | 13%  | 1%            | 2%   | 1%         | 1%   |            |      | <1%   | <1%  | 2%                  |
| Minnesota            | 46%   | 49%  | 15%  | 16%  | 4%         | 5%   | 2%            |      | <1%        | <1%  | 25%        | 28%  |       |      | 3%                  |
| Mississippi          | 10%   | 12%  | 5%   | 6%   | 2%         | 2%   | 2%            | 2%   | 2%         | 1%   |            |      |       |      | 2%                  |
| Missouri             | 22%   | 24%  | 15%  | 16%  | 4%         | 5%   | 1%            | 1%   | 2%         | 2%   |            |      | <1%   | <1%  | 2%                  |
| Montana              | 15%   | 15%  |      |      | 8%         | 11%  |               |      | 6%         | 3%   |            |      |       |      | <1%                 |
| Nebraska             | 11%   | 12%  | 6%   | 6%   | 2%         | 3%   | 1%            |      | 3%         | 3%   |            |      |       |      | 1%                  |
| Nevada               | 31%   | 32%  | 26%  | 28%  | 3%         | 3%   | 2%            |      | <1%        | 1%   |            |      |       |      | <1%                 |
| New Hampshire        | 5%    | 5%   | 1%   | 1%   | 2%         | 2%   |               |      | 2%         | 2%   |            |      |       |      | 1%                  |
| New Jersey           | 14%   | 16%  | 13%  | 14%  | 1%         | 1%   | <1%           |      |            |      |            |      | <1%   | <1%  | 1%                  |
| New Mexico           | 27%   | 29%  | 18%  | 19%  | 8%         | 9%   |               |      | 1%         | 1%   |            |      | <1%   | <1%  | 2%                  |
| New York             | 32%   | 33%  | 23%  | 25%  | 7%         | 6%   | 2%            | 2%   | 1%         | 1%   | <1%        | <1%  | <1%   | <1%  | 1%                  |
| North Carolina       | 19%   | 20%  | 11%  | 12%  | 3%         | 4%   | 1%            | 2%   | 3%         | 2%   |            |      | <1%   | <1%  | 1%                  |
| North Dakota         | 10%   | 12%  |      |      | 1%         | 2%   | <1%           |      | 2%         | 1%   | 7%         | 9%   | <1%   | <1%  | 2%                  |
| Ohio                 | 36%   | 37%  | 15%  | 16%  | 16%        | 16%  | 4%            | 4%   | <1%        | <1%  | 1%         | 1%   | <1%   | <1%  | 1%                  |
| Oklahoma             | 15%   | 16%  | 10%  | 11%  | 3%         | 4%   | <1%           |      | 2%         | 1%   |            |      | <1%   | <1%  | 1%                  |
| Oregon               | 41%   | 42%  | 21%  | 22%  | 20%        | 20%  |               |      | <1%        | <1%  |            |      | <1%   | <1%  | 1%                  |
| Pennsylvania         | 38%   | 39%  | 23%  | 23%  | 14%        | 15%  | <1%           | <1%  | 1%         | 1%   |            |      | <1%   | <1%  | 1%                  |
| Rhode Island         | 35%   | 35%  | 33%  | 33%  | 1%         | 1%   | 2%            | 1%   |            |      |            |      | <1%   | <1%  | <1%                 |
| South Carolina       | 17%   | 20%  | 3%   | 4%   | 6%         | 6%   | 5%            | 6%   | 3%         | 2%   |            |      | <1%   | <1%  | 2%                  |
| South Dakota         | 11%   | 13%  |      |      | 4%         | 6%   | 1%            |      | 2%         | 1%   | 4%         | 7%   |       |      | 2%                  |
| Tennessee            | 27%   | 29%  | 21%  | 23%  | 5%         | 6%   | <1%           | 1%   | <1%        |      |            |      | <1%   | <1%  | 3%                  |
| Texas                | 22%   | 27%  | 15%  | 16%  | 3%         | 7%   | 2%            | 2%   | 1%         | 1%   | 1%         | 1%   | <1%   | <1%  | 4%                  |
| Utah                 | 34%   | 33%  | 20%  | 24%  | 11%        | 10%  |               |      | 4%         | <1%  |            |      |       |      | -1%                 |
| Vermont              | 6%    | 7%   |      |      | 1%         | 1%   | 1%            | 1%   | 4%         | 5%   |            |      | <1%   | <1%  | 1%                  |
| Virginia             | 14%   | 15%  | 3%   | 5%   | 4%         | 3%   | 1%            | 2%   | 4%         | 3%   | 1%         | 1%   | <1%   | <1%  | <1%                 |
| Washington           | 28%   | 28%  | 21%  | 22%  | 6%         | 6%   |               |      | 1%         | <1%  |            |      | <1%   | <1%  | 1%                  |
| West Virginia        | 20%   | 21%  | 1%   | 2%   | 14%        | 8%   | 2%            | 10%  | 2%         | 2%   |            |      |       |      | 1%                  |
| Wisconsin            | 32%   | 33%  | 15%  | 17%  | 10%        | 9%   | 1%            | 1%   | 2%         | 2%   | 3%         | 3%   | <1%   | <1%  | 2%                  |
| Wyoming              | 4%    | 3%   | <1%  | <1%  | 1%         | <1%  | <1%           |      | 3%         | 3%   |            |      |       |      | -1%                 |

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

SOURCE: MPR/Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment and Landscape files, 2012-2013.

**TABLE A4. MARKETSHARE OF THE TOP THREE MEDICARE ADVANTAGE FIRMS, BY STATE, 2013**

| STATE                | TOTAL      |                   | FIRM 1                              |       | FIRM 2                              |       | FIRM 3                       |       | OTHER FIRMS |       |
|----------------------|------------|-------------------|-------------------------------------|-------|-------------------------------------|-------|------------------------------|-------|-------------|-------|
|                      | ENROLLMENT | SHARE FOR 3 FIRMS | NAME                                | SHARE | NAME                                | SHARE | NAME                         | SHARE | NAME        | SHARE |
| Alabama              | 203,951    | 62%               | BCBS                                | 23%   | CIGNA                               | 20%   | UnitedHealth Group, Inc.     | 19%   | 38%         |       |
| Alaska               | 25         | 100%              | Aetna Inc.                          | 100%  |                                     |       |                              | 0%    |             |       |
| Arizona              | 384,851    | 64%               | UnitedHealth Group, Inc.            | 41%   | Humana Inc.                         | 12%   | Health Net, Inc.             | 11%   | 36%         |       |
| Arkansas             | 98,322     | 81%               | Humana Inc.                         | 39%   | UnitedHealth Group, Inc.            | 24%   | BCBS                         | 18%   | 19%         |       |
| California           | 1,937,350  | 71%               | Kaiser Foundation Health Plan, Inc. | 46%   | UnitedHealth Group, Inc.            | 18%   | Health Net, Inc.             | 7%    | 29%         |       |
| Colorado             | 244,356    | 84%               | UnitedHealth Group, Inc.            | 38%   | Kaiser Foundation Health Plan, Inc. | 34%   | Humana Inc.                  | 12%   | 16%         |       |
| Connecticut          | 137,253    | 91%               | UnitedHealth Group, Inc.            | 44%   | EmblemHealth, Inc.                  | 32%   | Aetna Inc.                   | 15%   | 9%          |       |
| Delaware             | 10,941     | 98%               | Aetna Inc.                          | 48%   | CIGNA                               | 43%   | UnitedHealth Group, Inc.     | 7%    | 2%          |       |
| District of Columbia | 8,654      | 93%               | Kaiser Foundation Health Plan, Inc. | 63%   | CIGNA                               | 18%   | UnitedHealth Group, Inc.     | 13%   | 7%          |       |
| Florida              | 1,318,740  | 67%               | Humana Inc.                         | 32%   | UnitedHealth Group, Inc.            | 27%   | BCBS                         | 8%    | 33%         |       |
| Georgia              | 350,142    | 84%               | UnitedHealth Group, Inc.            | 56%   | Humana Inc.                         | 21%   | WellCare Health Plans, Inc.  | 6%    | 16%         |       |
| Hawaii               | 103,346    | 87%               | BCBS                                | 42%   | Kaiser Foundation Health Plan, Inc. | 26%   | UnitedHealth Group, Inc.     | 20%   | 13%         |       |
| Idaho                | 74,871     | 85%               | BCBS                                | 43%   | PacificSource Health Plans          | 24%   | UnitedHealth Group, Inc.     | 18%   | 15%         |       |
| Illinois             | 209,200    | 67%               | Humana Inc.                         | 37%   | UnitedHealth Group, Inc.            | 22%   | Coventry Health Care Inc.    | 8%    | 33%         |       |
| Indiana              | 224,875    | 75%               | Humana Inc.                         | 26%   | UnitedHealth Group, Inc.            | 26%   | BCBS Wellpoint               | 24%   | 25%         |       |
| Iowa                 | 74,520     | 88%               | UnitedHealth Group, Inc.            | 38%   | Humana Inc.                         | 31%   | Coventry Health Care Inc.    | 19%   | 12%         |       |
| Kansas               | 54,329     | 99%               | Humana Inc.                         | 49%   | Coventry Health Care Inc.           | 39%   | UnitedHealth Group, Inc.     | 11%   | 1%          |       |
| Kentucky             | 178,945    | 96%               | Humana Inc.                         | 67%   | BCBS Wellpoint                      | 25%   | UnitedHealth Group, Inc.     | 4%    | 4%          |       |
| Louisiana            | 193,638    | 93%               | Humana Inc.                         | 60%   | PH Holdings, LLC                    | 28%   | Vantage Health Plan, Inc.    | 5%    | 7%          |       |
| Maine                | 49,347     | 82%               | Martin's Point Health Care, Inc.    | 44%   | Aetna Inc.                          | 25%   | UnitedHealth Group, Inc.     | 13%   | 18%         |       |
| Maryland             | 73,239     | 87%               | Kaiser Foundation Health Plan, Inc. | 39%   | CIGNA                               | 25%   | Aetna Inc.                   | 23%   | 13%         |       |
| Massachusetts        | 209,147    | 74%               | TAHMO, Inc.                         | 44%   | Fallon Community Health Plan        | 16%   | UnitedHealth Group, Inc.     | 15%   | 26%         |       |
| Michigan             | 478,923    | 82%               | BCBS                                | 54%   | Spectrum Health System              | 16%   | Humana Inc.                  | 11%   | 18%         |       |
| Minnesota            | 415,638    | 78%               | Medica Holding Company              | 28%   | BCBS                                | 27%   | UCare Minnesota              | 23%   | 22%         |       |
| Mississippi          | 64,000     | 93%               | Humana Inc.                         | 51%   | Munich American Holding Corporation | 30%   | CIGNA                        | 11%   | 7%          |       |
| Missouri             | 257,164    | 84%               | UnitedHealth Group, Inc.            | 33%   | Coventry Health Care Inc.           | 29%   | Humana Inc.                  | 22%   | 16%         |       |
| Montana              | 27,229     | 99%               | New West Health Services            | 66%   | Humana Inc.                         | 26%   | UnitedHealth Group, Inc.     | 7%    | 1%          |       |
| Nebraska             | 33,228     | 99%               | UnitedHealth Group, Inc.            | 57%   | Humana Inc.                         | 23%   | Coventry Health Care Inc.    | 19%   | 1%          |       |
| Nevada               | 126,441    | 88%               | UnitedHealth Group, Inc.            | 48%   | Humana Inc.                         | 30%   | Renown Health                | 10%   | 12%         |       |
| New Hampshire        | 12,554     | 91%               | UnitedHealth Group, Inc.            | 54%   | Humana Inc.                         | 26%   | BCBS Wellpoint               | 11%   | 9%          |       |
| New Jersey           | 223,161    | 91%               | UnitedHealth Group, Inc.            | 35%   | BCBS                                | 33%   | Aetna Inc.                   | 23%   | 9%          |       |
| New Mexico           | 98,198     | 79%               | Presbyterian Healthcare Services    | 36%   | Ardent Health Services.             | 28%   | UnitedHealth Group, Inc.     | 14%   | 21%         |       |
| New York             | 1,062,329  | 41%               | UnitedHealth Group, Inc.            | 15%   | BCBS                                | 14%   | EmblemHealth, Inc.           | 13%   | 59%         |       |
| North Carolina       | 328,020    | 91%               | BCBS                                | 35%   | UnitedHealth Group, Inc.            | 34%   | Humana Inc.                  | 21%   | 9%          |       |
| North Dakota         | 13,716     | 98%               | Medica Holding Company              | 74%   | Humana Inc.                         | 20%   | Heart of America Health Plan | 3%    | 2%          |       |
| Ohio                 | 755,580    | 67%               | Humana Inc.                         | 26%   | BCBS Wellpoint                      | 24%   | Aetna Inc.                   | 16%   | 33%         |       |

(continued next page)

**TABLE A4. MARKETSHARE OF THE TOP THREE MEDICARE ADVANTAGE FIRMS, BY STATE, 2013 (CONTINUED)**

| STATE          | TOTAL      |                   | FIRM 1                   |       | FIRM 2   |       | FIRM 3                               |       | OTHER FIRMS |       |
|----------------|------------|-------------------|--------------------------|-------|--|-------|--------------------------------------|-------|-------------|-------|
|                | ENROLLMENT | SHARE FOR 3 FIRMS | NAME                     | SHARE | NAME   | SHARE | NAME                                 | SHARE | NAME        | SHARE |
| Oklahoma       | 102,224    | 89%               | UnitedHealth Group, Inc. | 37%   | CommunityCare Managed Healthcare Plans of OK, Inc. | 28%   | Humana Inc.                          | 24%   |             | 11%   |
| Oregon         | 286,306    | 50%               | BCBS                     | 19%   | Kaiser Foundation Health Plan, Inc.                | 16%   | Health Net, Inc.                     | 15%   |             | 50%   |
| Pennsylvania   | 939,496    | 65%               | BCBS                     | 43%   | University of Pittsburgh Medical Center            | 13%   | Aetna Inc.                           | 10%   |             | 35%   |
| Rhode Island   | 68,306     | 99%               | UnitedHealth Group, Inc. | 53%   | BCBS   | 46%   | Aetna Inc.                           | 1%    |             | 41%   |
| South Carolina | 167,292    | 86%               | UnitedHealth Group, Inc. | 43%   | Humana Inc.  | 35%   | BCBS                                 | 8%    |             | 14%   |
| South Dakota   | 18,781     | 99%               | Medica Holding Company   | 54%   | Humana Inc.  | 37%   | Coventry Health Care Inc.            | 8%    |             | 1%    |
| Tennessee      | 338,124    | 78%               | Humana Inc.              | 32%   | CIGNA  | 25%   | UnitedHealth Group, Inc.             | 21%   |             | 22%   |
| Texas          | 889,551    | 70%               | UnitedHealth Group, Inc. | 34%   | Humana Inc.  | 23%   | Aetna Inc.                           | 13%   |             | 30%   |
| Utah           | 101,751    | 79%               | UnitedHealth Group, Inc. | 48%   | BCBS   | 19%   | Coventry Health Care Inc.            | 12%   |             | 21%   |
| Vermont        | 8,199      | 93%               | UnitedHealth Group, Inc. | 78%   | Aetna Inc.   | 9%    | MVP Health Care, Inc.                | 6%    |             | 7%    |
| Virginia       | 181,455    | 87%               | Humana Inc.              | 57%   | UnitedHealth Group, Inc.                           | 21%   | Kaiser Foundation Health Plan, Inc.  | 9%    |             | 13%   |
| Washington     | 305,289    | 66%               | UnitedHealth Group, Inc. | 27%   | Group Health Cooperative                           | 27%   | BCBS                                 | 12%   |             | 34%   |
| West Virginia  | 83,922     | 92%               | Humana Inc.              | 72%   | BCBS   | 14%   | Health Plan of the Upper Ohio Valley | 6%    |             | 8%    |
| Wisconsin      | 324,912    | 66%               | UnitedHealth Group, Inc. | 32%   | Humana Inc.  | 18%   | Affinity Health System               | 16%   |             | 34%   |
| Wyoming        | 1,940      | 99%               | UnitedHealth Group, Inc. | 85%   | Coventry Health Care Inc.                          | 9%    | BCBS                                 | 5%    |             | 1%    |

NOTE: Territories are excluded. BCBS is BlueCross Blue Shield affiliated health plans.

SOURCE: MPR/Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment and Landscape files, 2013.

**TABLE A5. PREMIUMS FOR MEDICARE ADVANTAGE DRUG PLANS (MA-PDs) BY FIRM, WEIGHTED BY ENROLLMENT, 2012-2013**

| FIRM OR AFFILIATE        | TOTAL    |          | HMOs     |          | LOCAL PPOs |          | REGIONAL PPOs |          | PFFS     |          | COST      |           |
|--------------------------|----------|----------|----------|----------|------------|----------|---------------|----------|----------|----------|-----------|-----------|
|                          | 2012     | 2013     | 2012     | 2013     | 2012       | 2013     | 2012          | 2013     | 2012     | 2013     | 2012      | 2013      |
| UnitedHealthcare         | \$ 8.34  | \$ 5.63  | \$ 9.08  | \$ 6.47  | \$ 6.44    | \$ 3.33  | \$ 3.57       | \$ 1.32  | \$ 12.11 | \$ 10.47 |           |           |
| Humana                   | \$ 32.63 | \$ 34.86 | \$ 9.68  | \$ 11.05 | \$ 45.82   | \$ 52.99 | \$ 64.24      | \$ 64.96 | \$ 62.46 | \$ 71.95 |           |           |
| Wellpoint BCBS           | \$ 12.88 | \$ 28.74 | \$ 10.20 | \$ 12.94 | \$ 21.17   | \$ 50.10 | \$ 5.44       | \$ 34.96 |          |          |           |           |
| Other BCBS plans         | \$ 82.90 | \$ 76.17 | \$ 81.80 | \$ 69.32 | \$ 92.08   | \$ 94.80 | \$ 35.66      | \$ 14.79 | \$ 28.78 | \$ 13.96 | \$ 129.04 | \$ 94.13  |
| Kaiser Permanente        | \$ 46.72 | \$ 45.32 | \$ 44.75 | \$ 43.69 |            |          |               |          |          |          | \$ 77.12  | \$ 67.67  |
| Coventry                 | \$ 12.86 | \$ 13.92 | \$ 15.29 | \$ 13.91 | \$ 9.94    | \$ 13.94 |               |          |          |          |           |           |
| Aetna                    | \$ 43.67 | \$ 33.04 | \$ 39.04 | \$ 27.41 | \$ 84.41   | \$ 77.52 |               |          |          |          |           |           |
| WellCare                 | \$ 2.96  | \$ 3.08  | \$ 2.96  | \$ 3.08  |            |          |               |          |          |          |           |           |
| CIGNA                    | \$ 5.94  | \$ 7.73  | \$ 5.41  | \$ 6.95  | \$ 21.98   | \$ 35.06 |               |          |          | \$ 72.00 |           |           |
| Other national insurers  | \$ 29.87 | \$ 28.80 | \$ 24.25 | \$ 23.95 | \$ 35.84   | \$ 35.53 |               |          | \$ 66.14 | \$ 67.91 |           |           |
| All others               | \$ 48.01 | \$ 53.50 | \$ 43.34 | \$ 46.52 | \$ 53.22   | \$ 58.89 |               |          | \$ 0.00  | \$ 31.28 | \$ 148.96 | \$ 149.23 |
| Average Weighted Premium | \$ 35.03 | \$ 34.93 | \$ 28.81 | \$ 27.13 | \$ 52.59   | \$ 57.34 | \$ 26.37      | \$ 28.60 | \$ 41.85 | \$ 51.24 | \$ 130.70 | \$ 130.41 |

NOTE: Premiums weighted by March 2013 enrollment. Excludes Medicare Advantage plans that do not offer prescription drug coverage, special needs plans (SNPs), and employer group health plans. BCBS are BlueCross BlueShield affiliates. Firm affiliations reflect status in the year indicated. Because of mergers and acquisitions, some plans may be affiliated differently in 2012 than 2013. Blank cells indicate that either no plans were offered or no premium information was available. Other national insurers include Health Net, Universal American, Health Spring, Munich American Holding Corporation, and Wellpoint non-BCBS plans.

SOURCE: MPR/Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment and Landscape files 2012-2013.

**TABLE A6. SHARE OF TOTAL ENROLLMENT IN MEDICARE ADVANTAGE PRESCRIPTION DRUG PLANS (MA-PDs) WITH NO PREMIUMS, 2013**

| FIRM OR AFFILIATE       | TOTAL | HMOs | LOCAL PPOs | REGIONAL PPOs | PFFS | COST PLANS |
|-------------------------|-------|------|------------|---------------|------|------------|
| UnitedHealthcare        | 90%   | 90%  | 86%        | 93%           | 63%  |            |
| Humana                  | 42%   | 78%  | 1%         | 13%           | 0%   |            |
| Wellpoint BCBS          | 32%   | 71%  | 0%         | 0%            |      |            |
| Other BCBS plans        | 29%   | 34%  | 15%        | 77%           | 73%  | 0%         |
| Kaiser Permanente       | 44%   | 45%  |            |               |      | 31%        |
| Coventry                | 68%   | 71%  | 63%        |               |      |            |
| Aetna                   | 56%   | 63%  | 0%         |               |      |            |
| WellCare                | 90%   | 90%  |            |               |      |            |
| CIGNA                   | 78%   | 80%  | 0%         |               | 0%   |            |
| Other national insurers | 60%   | 66%  | 53%        |               | 0%   |            |
| All others              | 43%   | 49%  | 31%        |               | 0%   | 0%         |
| All MA-PDs              | 55%   | 67%  | 24%        | 49%           | 17%  | 7%         |

NOTE: Premiums weighted by March 2013 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 BlueCross BlueShield affiliates. Other national insurers include Health Net, Universal American, Health Spring, Munich American Holding Corporation, and Wellpoint non-BCBS plans. 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 2013.





## **THE HENRY J. KAISER FAMILY FOUNDATION**

### **Headquarters**

2400 Sand Hill Road  
Menlo Park, CA 94025  
Phone 650-854-9400 Fax 650-854-4800

### **Washington Offices and Barbara Jordan Conference Center**

1330 G Street, NW  
Washington, DC 20005  
Phone 202-347-5270 Fax 202-347-5274

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