



# Medicare Advantage Highlights

The Medicare Advantage (MA) program is a critical source of comprehensive medical coverage for over 8 million beneficiaries, providing more enrollees with better value than ever before.

## Choices

**All Medicare beneficiaries may now choose an MA plan. The number of beneficiaries choosing to enroll in these options has increased by almost 54% since 2004.**

	Enrollees	MA Plans/County	% of Beneficiaries with access to an MA Plan
<b>2004</b>	<b>5.4 million</b>	<b>1.3</b>	<b>77</b>
<b>2007</b>	<b>8.3 million<sup>1</sup></b>	<b>19.7</b>	<b>100</b>

<sup>1</sup>As of January 2007. Includes enrollees in MA coordinated care and private fee-for-service plans and other private plans such as Cost plans.

- ▶ The MA program is a particularly important choice for low-income, minority and rural beneficiaries. In 2004, for beneficiaries with incomes between \$10,000 and 20,000 it served as the most selected form of supplemental coverage. Nearly half of all MA enrollees and 64% of minority enrollment had incomes less than \$20,000. With the addition of the Part D benefit, rural beneficiaries have access to integrated care coverage that might not otherwise be available to them.

## Savings

**The MA program's strong emphasis on competition is creating significant value for beneficiaries and taxpayers.**

- ▶ According to CMS, in 2006 MA plans provided beneficiaries with an average \$82 per month savings—through improved benefits and lower out-of-pocket costs—compared to what they would pay in the Medicare fee-for-service program. With approximately 7 million beneficiaries enrolled in Medicare Advantage plans at that time, this translated into aggregate savings of more than \$6.8 billion annually.
- ▶ MA plans have returned \$26 per beneficiary per month, or approximately \$2 billion annually, to the U.S. Treasury as a result of the new MA bidding system in which MA plans that bid below benchmark rates return savings to the government.

## Better Benefit

**MA plans provide enrollees with access to better benefits than FFS.**

- ▶ In 2007, almost 99% of all beneficiaries had access to an MA plan that provides protections for out-of-pocket costs, a benefit that is not offered in the FFS program. More than 93% of all beneficiaries had access to an MA plan that limits out-of-pocket costs to \$2,500 for Medicare-covered benefits.
- ▶ MA plans are offering comprehensive, low-cost prescription drug coverage. Nearly 99% of beneficiaries in over 96% of counties have access to an MA option which provides additional coverage in the gap. MA plans with \$0-premium for drug coverage are available to over 88% of beneficiaries.

## Better Care

**By placing a strong emphasis on preventive care, MA plans offer a different approach to health care than the FFS program. As a result, research studies consistently show that MA plans provide better care.**

- ▶ An analysis of data published in the *Journal of the American Medical Association (JAMA)* and data compiled by the National Committee for Quality Assurance (NCQA) finds that Medicare Advantage plans outperform Medicare fee-for-service in five of seven key quality measures: beta blockers after heart attacks; annual flu vaccines; breast cancer screenings; diabetes testing; and diabetes lipid screening.