

Medicare Advantage: At A Glance

2022

Medicare Advantage provides affordable, high-quality, patient-centered coverage Americans rely on every day.

Medicare Advantage provides care to over **28 MILLION** Medicare beneficiaries, or **45%** of the Medicare population¹



Enrollment in Medicare Advantage has **DOUBLED** over the last decade

Figure 1: Medicare Advantage Enrollment, in millions 2000-2021

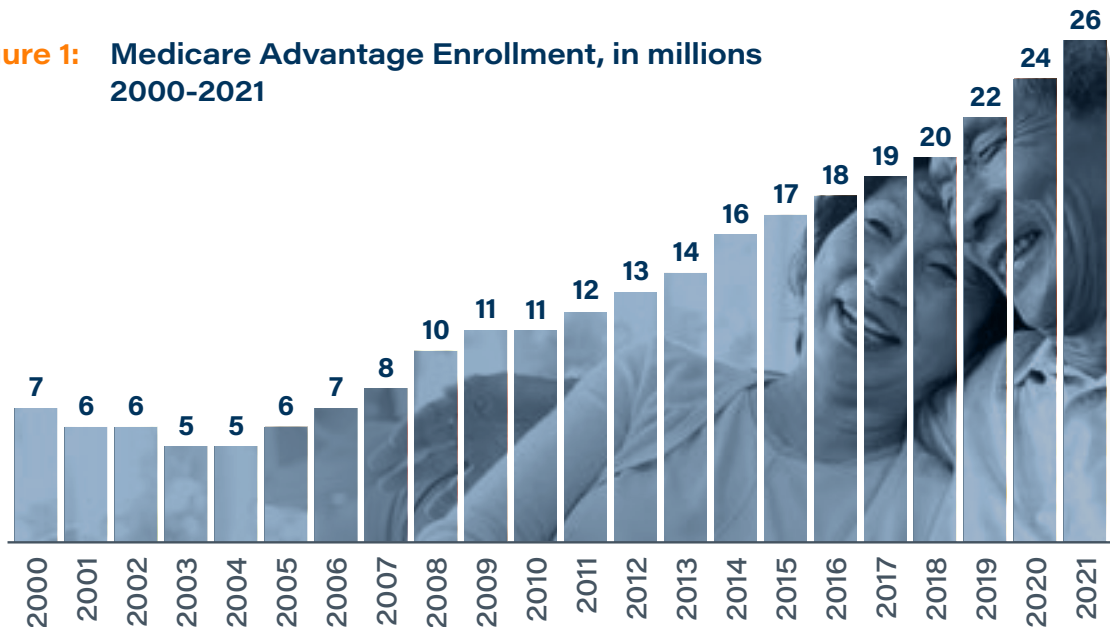


Figure 1 Adapted from Kaiser Family Foundation (analysis of CMS enrollment files), Medicare Advantage in 2021: Enrollment Updates and Key Trends, June 2021.

- Medicare Advantage is projected to be the dominant choice for Medicare beneficiaries in the next few years, driven in part by significant gains in enrollment among minority and dual-eligible populations.²

¹ Analysis of the Centers for Medicare & Medicaid Services Monthly Enrollment Files, April 2022

² 2022 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplemental Medical Insurance Trust Funds (Table IV.C1), June 2022. Available at: <https://www.cms.gov/files/document/2022-medicare-trustees-report.pdf>; J. Michael McWilliams, Don't Look Up? Medicare Advantage's Trajectory and the Future of Medicare, Health Affairs, March 24, 2022. Available at: <https://www.healthaffairs.org/doi/10.1377/forefront.20220323.773602>

Figure 2: Minority Representation, by Program

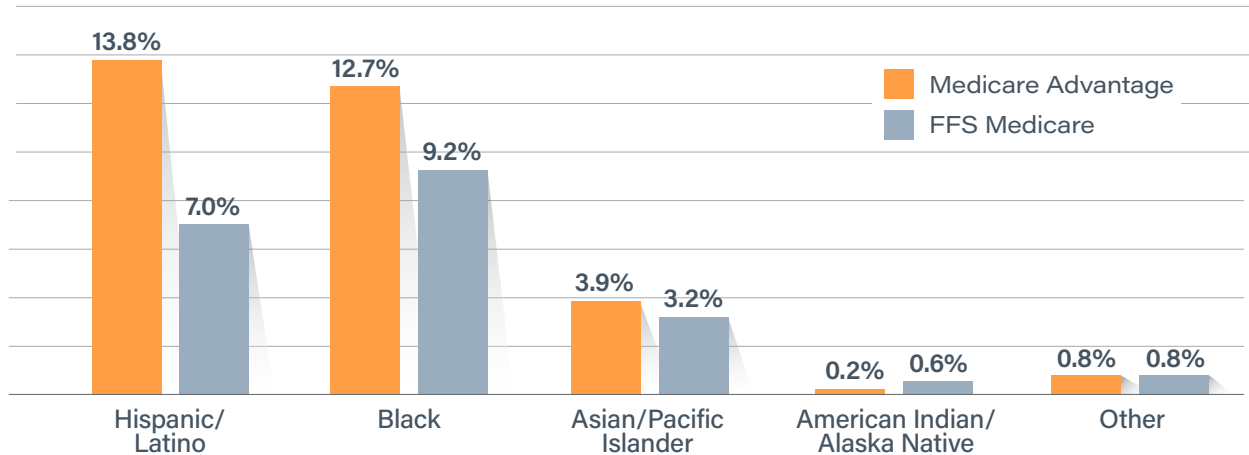
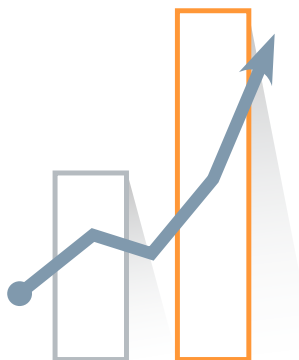


Figure 2 Milliman, Comparing the Demographics of Enrollees in Medicare Advantage and Fee-for-Service Medicare, October 2020. *Note: Racial and ethnic minorities reported reflect the coding in CMS' database in 2019; Total minority representation numbers may differ slightly if compared to other studies examining minority representation due to timing and other variables.



- **33.7%** of Medicare Advantage beneficiaries identify as a racial and ethnic minority, compared to **16%** in FFS Medicare.³
- **53%** of Latino beneficiaries choose Medicare Advantage.⁴
- Nearly **50%** of Black beneficiaries choose Medicare Advantage.⁵
- Since 2013, enrollment in Medicare Advantage has grown **111%** among minority beneficiaries and **125%** among dually eligible beneficiaries.⁶

ACCESS⁷



- Medicare Advantage access is nearly universal with **99.7%** of Medicare beneficiaries having access to a Medicare Advantage plan.
- **89%** of Medicare Advantage plans offered include prescription drug coverage.
- More than **90%** of Medicare Advantage plans provide some combination of dental, vision, hearing, or fitness and wellness benefit, which are not offered in FFS Medicare.
- Over **95%** of Medicare Advantage plans offer additional telehealth benefits not offered in FFS Medicare.

³ Center for Innovation in Medicare Advantage, Positive Outcomes for High-Need, High-Cost Beneficiaries in Medicare Advantage Compared to Traditional FFS Medicare, December 2020. Available at: <https://bettermedicarealliance.org/wp-content/uploads/2020/12/BMA-High-Need-Report.pdf>

⁴ Better Medicare Alliance, Medicare Advantage Offers High Quality Care and Cost Protections to Racially and Ethnically Diverse Beneficiaries, June 2021. Available at: https://bettermedicarealliance.org/wp-content/uploads/2021/06/BMA_2021-Q2-Data-Brief_6.15.21.pdf

⁵ Better Medicare Alliance, Medicare Advantage Offers High Quality Care and Cost Protections to Racially and Ethnically Diverse Beneficiaries, June 2021. Available at: https://bettermedicarealliance.org/wp-content/uploads/2021/06/BMA_2021-Q2-Data-Brief_6.15.21.pdf

⁶ Milliman, Comparing the Demographics of Enrollees in Medicare Advantage and Fee-for-Service Medicare, October 2020.

Available at: <https://bettermedicarealliance.org/wp-content/uploads/2020/10/Comparing-the-Demographics-of-Enrollees-in-Medicare-Advantage-and-Fee-for-Service-Medicare-202010141.pdf>

⁷ Kaiser Family Foundation, Medicare Advantage 2022 Spotlight: First Look, November 2, 2021. Available at: <https://www.kff.org/medicare/issue-brief/medicare-advantage-2022-spotlight-first-look/>

AFFORDABILITY AND VALUE

For Beneficiaries:⁸

- Medicare Advantage beneficiaries report spending nearly \$2,000 less on out-of-pocket costs and premiums compared to FFS Medicare beneficiaries.
- Black beneficiaries enrolled in Medicare Advantage spend an average of \$1,104 less on out-of-pocket costs and premiums than Black beneficiaries enrolled in FFS Medicare.
- Latino beneficiaries enrolled in Medicare Advantage spend an average of \$1,421 less on out-of-pocket costs and premiums than Latino beneficiaries enrolled in FFS Medicare
- Medicare Advantage beneficiaries spend almost 36% less than FFS Medicare beneficiaries in out-of-pocket costs and premiums each year.
- The average monthly premium in 2022 is \$19 a month, a 15-year low.⁹

For the Federal Government:¹⁰

- Medicare Advantage provides \$32.5 billion annually in additional value to beneficiaries and the federal government.
- Medicare Advantage covers all Medicare-covered services like hospital and physician services for 24% less than FFS Medicare.

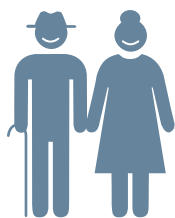
OUTCOMES

Beneficiaries in Medicare Advantage also have lower hospitalization rates and more follow-up care relative to FFS Medicare beneficiaries.



- **19%** lower rate of COVID-19 related hospitalizations during the first 9 months of the pandemic¹¹
- **43%** lower rate of avoidable hospitalizations for any condition¹²
- **21%** higher rate of seeing a physician within 14 days of a hospital discharge¹³
- Medicare Advantage beneficiaries with complex diabetes experienced a **52%** lower rate of any complications and a **73%** lower rate of serious complications.¹⁴

EXPERIENCE



- **94%** of beneficiaries in Medicare Advantage are satisfied with their coverage.¹⁵
- Medicare Advantage beneficiaries report high rates of health care satisfaction and access to care:¹⁶
 - 94.9% are satisfied with health care quality
 - 95.6% are satisfied with ease of getting to the doctor
 - 93.6% report having a usual source of care.
- **90%** of beneficiaries in Medicare Advantage Part D (MA-PD) plans are enrolled in a plan with 4 or more Stars, a top score for quality.¹⁷

⁸ Better Medicare Alliance, Medicare Advantage Outperforms FFS Medicare on Cost Protections for Low-Income and Diverse Populations, April 2022. Available at: https://bettermedicarealliance.org/wp-content/uploads/2022/04/BMA-Medicare-Advantage-Cost-Protections-Data-Brief_FINv2.pdf

⁹ Better Centers for Medicare & Medicaid Services, "CMS Releases 2022 Premiums and Cost-Sharing Information for Medicare Advantage and Prescription Drug Plans," September 30, 2021. Available at: <https://www.cms.gov/newsroom/press-releases/cms-releases-2022-premiums-and-cost-sharing-information-medicare-advantage-and-prescription-drug>

¹⁰ Milliman, Value to the Federal Government of Medicare Advantage, October 2021. Available at: <https://www.milliman.com/-/media/milliman/pdfs/2021-articles/10-20-21-value-federal-government-of-medicare-advantage.ashx>

¹¹ Better Medicare Alliance, Medicare Advantage Sees Fewer COVID-19 Hospitalizations in Beneficiaries and Offers Greater Access to In-Person and Telehealth Non-COVID Care During Pandemic, October 2021. Available at: <https://bettermedicarealliance.org/wp-content/uploads/2021/10/BMA-Q3-Data-Brief-FIN-1.pdf>

¹² Center for Innovation in Medicare Advantage, Positive Outcomes for High-Need, High-Cost Beneficiaries in Medicare Advantage Compared to Traditional FFS Medicare, December 2020. Available at: <https://bettermedicarealliance.org/wp-content/uploads/2020/12/BMA-High-Need-Report.pdf>

¹³ Center for Innovation in Medicare Advantage, Positive Outcomes for High-Need, High-Cost Beneficiaries in Medicare Advantage Compared to Traditional FFS Medicare, December 2020. Available at: <https://bettermedicarealliance.org/wp-content/uploads/2020/12/BMA-High-Need-Report.pdf>

¹⁴ Avalere Health, Medicare Advantage Achieves Cost-Effective Care and Better Outcomes for Beneficiaries with Chronic Conditions Relative to FFS Medicare, July 2018. Available at: https://bettermedicarealliance.org/wp-content/uploads/2020/03/BMA_Avalere_MA_vs_FFS_Medicare_Report_0.pdf

¹⁵ Morning Consult, Annual Seniors on Medicare Survey, January 2022. Available at: https://bettermedicarealliance.org/wp-content/uploads/2022/01/BMA_Seniors-on-Medicare-Memo_final3.pdf

¹⁶ Better Medicare Alliance, Medicare Advantage Outperforms FFS Medicare on Cost Protections for Low-Income and Diverse Populations, April 2022. Available at: https://bettermedicarealliance.org/wp-content/uploads/2022/04/BMA-Medicare-Advantage-Cost-Protections-Data-Brief_FINv2.pdf

¹⁷ Centers for Medicare & Medicaid Services, "CMS Releases 2022 Premiums and Cost-Sharing Information for Medicare Advantage and Prescription Drug Plans," September 30, 2021. Available at: <https://www.cms.gov/newsroom/press-releases/cms-releases-2022-premiums-and-cost-sharing-information-medicare-advantage-and-prescription-drug>