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Enrollment in Medicare is projected to increase an average of 1.5 million beneficiaries per year from 2021 to 2029.

Medicare spending is projected to nearly double between 2019 and 2029.

Capitated payments to Medicare Advantage and Part D plans comprise more than two-fifths of federal spending for Medicare

Total Medicare Benefits, 2020: $814 Billion

Source: Congressional Budget Office, Medicare Baseline, March 2020.
Note: Benefits are net of recoveries.
Medicare Financing, Spending, and Affordability

All Medicare beneficiaries are required to pay the Part B premium, in addition to any premium for their Medicare Advantage or Part D plan.


Note: Not adjusted for inflation.
Federal Medicare spending per beneficiary is projected to increase nearly 60 percent from 2019 to 2029.

Projected Total cost per beneficiary

$0

$5,000

$10,000

$15,000

$20,000

$25,000


Medicare Advantage Enrollment

Enrollment in private Medicare Advantage plans more than doubled between 2010 and 2020.

Note: Enrollment estimates do not include records denoted as pending state or county designation. Data include counts for local Coordinated Care Plans (CCP); Regional CCP; Medical Savings Accounts (MSA); Private Fee-for-Service (PFFS); Demonstrations; National PACE; 1976 Cost; HCPP-1933 Cost; Employer Direct PFFS.
Medicare Advantage Enrollment

Enrollment in Medicare Advantage plans varies widely, with rates lowest in the midwestern and western counties.

Note: Enrollment estimates do not include records denoted as pending state or county designation.
Medicare Advantage Enrollment

The percentage of Medicare beneficiaries enrolled in a Medicare Advantage plan varies from 45 percent in Hawaii to 1 percent in Alaska.

Percentage enrolled in Medicare Advantage nationally: **35.3**
National Medicare Advantage enrollment: **24.7 million**

**Medicare Advantage Enrollment**

**Enrollment in HMOs has doubled over the past decade.**

<table>
<thead>
<tr>
<th></th>
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<td>7.3</td>
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<td>8.5</td>
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<td>10.1</td>
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<td>3.7</td>
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<td>0.4</td>
<td>0.3</td>
<td>0.3</td>
<td>0.2</td>
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<td>1.4</td>
<td>1.3</td>
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<td>11.7</td>
<td>12.8</td>
<td>14.1</td>
<td>15.4</td>
<td>16.7</td>
<td>17.5</td>
<td>18.9</td>
<td>20.3</td>
<td>22.3</td>
<td>24.4</td>
</tr>
</tbody>
</table>


Note: Enrollment estimates do not include records denoted as pending state or county designation; totals include beneficiaries enrolled in employer/union-only group plans. Total does not include all Medicare Advantage plan types; actual enrollment is higher than shown in this table.
Medicare Advantage Benefits

Average Medicare Advantage premiums fell by approximately 40 percent between 2010 and 2020. Weighted by plan enrollment

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Part C</th>
<th>Average Part D</th>
<th>Average Total Medicare Advantage</th>
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<tbody>
<tr>
<td>2010</td>
<td>$28</td>
<td>$13</td>
<td>$42</td>
</tr>
<tr>
<td>2011</td>
<td>$25</td>
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<td>$19</td>
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<td>2017</td>
<td>$17</td>
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<td>2018</td>
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<td>2019</td>
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<td>$29</td>
</tr>
<tr>
<td>2020</td>
<td>$12</td>
<td>$13</td>
<td>$25</td>
</tr>
</tbody>
</table>


Notes: Data represent average plan premiums weighted by plan enrollment and are not adjusted by inflation. Data do not include Special Needs Plans, employer-sponsored plans, Part B-only plans, or plans not offering a Part D drug benefit. The Part C premium covers Medicare medical and hospital care; the Part D premium is a total (basic and supplemental) premium.
Medicare Advantage Benefits

Among Medicare Advantage plan types, average 2021 premiums are lowest for HMOs and Special Needs Plans.

- **All Medicare Advantage plans**: $0 $28 $351
- **HMO**: $0 $23 $301
- **Local PPO**: $0 $35 $351
- **Private fee-for-service**: $8 $78 $156
- **Regional PPO**: $0 $73 $225
- **Special Needs Plans**: $0 $25 $199


Notes: PACE, Part B-only plans, employer-sponsored plans, and plans under sanction are excluded. Special Needs Plans are excluded from the “All Medicare Advantage Plans” average.
Medicare Advantage Benefits

HMOs’ average in-network maximum out-of-pocket (MOOP) amount is about one-third less than the Medicare limit for 2021.

Notes: PACE, Special Needs Plans, Part B-only plans, employer-sponsored plans, and plans under sanction are excluded.
Medicare Advantage Benefits

In 2021, more Special Needs Plans than other Medicare Advantage plans offer popular supplemental benefits, such as eye exams, hearing exams, over-the-counter drugs, and transportation.

Source: CMS Plan Benefit Package, 2021 (Updated as of October 1, 2020).
Fewer than one in ten Medicare Advantage plans offer support for caregivers, in-home safety assessments, or other services that help people live independently in their homes.

Source: CMS Plan Benefit Package, 2021 (Updated as of October 1, 2020).
Medicare Advantage Plan Availability

The number of Medicare Advantage plans available to Medicare beneficiaries has increased over the past decade, with 33 plans available, on average, in 2021.

Average number of plans

Source: CMS MA Landscape Source Files, 2010-2021.

Note: Data represent the average number of plans operating in counties across the U.S. and Puerto Rico, weighted by the number of Medicare beneficiaries in each year. (Data for 2021 are weighted by September 2020 beneficiaries.) PACE, Special Needs Plans, Part B-only plans, employer-sponsored plans, plans under sanction, and records denoted as pending state or county designation are excluded.
Medicare Advantage Plan Availability

Nearly all Medicare beneficiaries have access to at least one Medicare Advantage plan for 2021, typically an HMO or local PPO.

Sources: CMS MA Landscape Source File, 2010-2021.
Notes: Data for the following organization types are included: local Coordinated Care Plans (CCP); Regional CCP; Medical Savings Accounts (MSA); Private Fee-for-Service (PFFS); Demonstrations; National PACE; 1976 Cost; HCPP - 1933 Cost; Employer Direct PFFS.
Medicare Advantage Special Needs Plans

The number of Special Needs Plans (SNPs) has increased steadily in the past six years, totaling 1,019 in 2021.

Note: Employer-sponsored plans, demonstrations, and plans under sanction are excluded from SNP counts.
Enrollment in Special Needs Plans (SNPs) has more than doubled in the past decade. Most growth occurred in Dual Eligible SNPs.


Note: Dual eligibles describes individuals who receive both Medicare and Medicaid benefits. Medicare acts as the primary payer for most services, while Medicaid may help pay for premiums, cost-sharing, and benefits not covered by Medicare. Beneficiaries must be dually eligible for Medicare and Medicaid to enroll in a dual SNP (D-SNP).
Medicare Advantage Special Needs Plans

Ninety-six percent of Medicare beneficiaries have access to Special Needs Plans (SNPs) in 2021.

Source: CMS State/County Penetration, and SNP Landscape Source File, 2010-2021.
Note: Estimates do not include records denoted as pending state or county designation.
Medicare Advantage Special Needs Plans

Few Chronic Condition Special Needs Plans focus on mental health conditions, HIV/AIDS, dementia, or end-stage renal disease.

Dual Eligible 62%
Institutional 17%
Chronic Condition 21%

Total SNPs in 2021: 1,019

Conditions targeted by Special Needs Plans (SNPs)*

- 1% Mental health
- 2% HIV/AIDS
- 3% Dementia
- 4% End-stage renal disease
- 11% Respiratory disease
- 62% Cardiovascular/congestive heart failure
- 78% Either heart conditions or diabetes
- 69% Diabetes

*Numbers total more than 100 percent, as plans may target multiple conditions.

Note: Employer-sponsored plans, demonstrations, and plans under sanction are excluded from SNP counts.
Average monthly premiums for Chronic Condition Special Needs Plans (SNPs) are one-fourth that of Dual Eligible SNPs in 2021.

Source: CMS SNP Landscape Source Files, 2021.

Notes: Employer-sponsored plans and plans under sanction are excluded.
Medicare Part D Enrollment

Enrollment in Medicare stand-alone prescription drug plans has changed relatively little since 2015.

Prescription Drug Plan (PDP) Enrollment in Millions

<table>
<thead>
<tr>
<th>Year</th>
<th>Enrollment in Millions</th>
<th>Percent of All Medicare Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>17.7</td>
<td>39%</td>
</tr>
<tr>
<td>2011</td>
<td>18.6</td>
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<td>2012</td>
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<td>2017</td>
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<td>2019</td>
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<td>40%</td>
</tr>
<tr>
<td>2020</td>
<td>25.2</td>
<td>37%</td>
</tr>
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</table>

Note: Enrollment estimates do not include records denoted as pending state or county designation. This file contains data for the following organization types (where there are active contracts): PDP; employer/union-only direct-contract PDP.
Medicare Part D Enrollment

Enrollment in Medicare stand-alone prescription drug plans (PDPs) is highest in rural states with low Medicare Advantage enrollment rates.

National % enrolled in PDP Plan: 37%
National PDP enrollment: **Approx. 25.2 million**

Source: CMS PDP State, County, Plan Enrollment, March 2020.
Note: Includes data for Medicare PDP and employer/union-only direct-contract PDPs. Enrollment estimates do not include records denoted as pending state or county designation.
Medicare Part D Enrollment

Across counties, enrollment in stand-alone prescription drug plans (PDPs) ranges from less than 1 percent to 78 percent of Medicare beneficiaries.

Note: Enrollment estimates do not include records denoted as pending state or county designation.
Many stand-alone prescription drug plans (PDPs) are available to Medicare beneficiaries, with the average number of plans on the rise since 2017.

Source: CMS State/County Penetration, and PDP Landscape Source Files, 2010-2021.
Note: Data represent the average number of plans operating in counties across the U.S., weighted by the number of Medicare beneficiaries in each year. (Data for 2021 are weighted by September 2020 beneficiaries.) Employer-sponsored plans and plans under sanction are excluded. Estimates do not include records denoted as pending state or county designation.
Medicare Part D Benefits

Average premiums for stand-alone prescription drug plans (PDP) in 2021 are nearly 2.5 times those for Medicare Advantage prescription drug plans (MA-PDs).

- **Minimum $**: $0
- **Mean $**: $17
- **Maximum $**: $121

For all stand-alone PDPs:
- **Minimum $**: $6
- **Mean $**: $41
- **Maximum $**: $205

For PDP-Basic:
- **Minimum $**: $17
- **Mean $**: $40
- **Maximum $**: $100

For PDP-Enhanced:
- **Minimum $**: $6
- **Mean $**: $43
- **Maximum $**: $205


Notes: Amounts represent total Part D premiums, which are the sum of the Basic and Supplemental Premiums. Total premium may be lower than the sum of the basic and supplemental premiums because of negative basic or supplemental premiums. MA-PD average excludes employer-sponsored plans, Part B-only plans, demonstration, cost plans, and plans not offering Part D benefits.
Medicare Part D Benefits

During the past decade, premiums for Part D stand-alone prescription drug plans declined modestly.

Weighted by plan enrollment

Notes: Data represent average plan premiums weighted by plan enrollment and are not adjusted for inflation. Amounts represent total Part D premiums, which are the sum of the basic and supplemental premiums. Total premium may be lower than the sum of the basic and supplemental premiums because of negative basic or supplemental premiums. Employer-sponsored plans and plans under sanction are excluded.
The number of Medicare Advantage enrollees receiving a low income subsidy (LIS) tripled in the past decade.

MA-PD LIS Enrollment  PDP LIS Enrollment  Total LIS Enrollment

MA-PD = Medicare Advantage prescription drug plan; PDP = Stand-alone prescription drug plan.
Note: Enrollment estimates do not include plan records suppressed because of a value of 10 or less. Only includes Medicare Advantage plans with Part D coverage.
In the U.S. Medicare program, private plans offer primary, supplemental, and prescription drug–only coverage, similar to models of private plans in other countries.