

Medicare Advantage

Opportunities and Challenges for Patients with Cancer

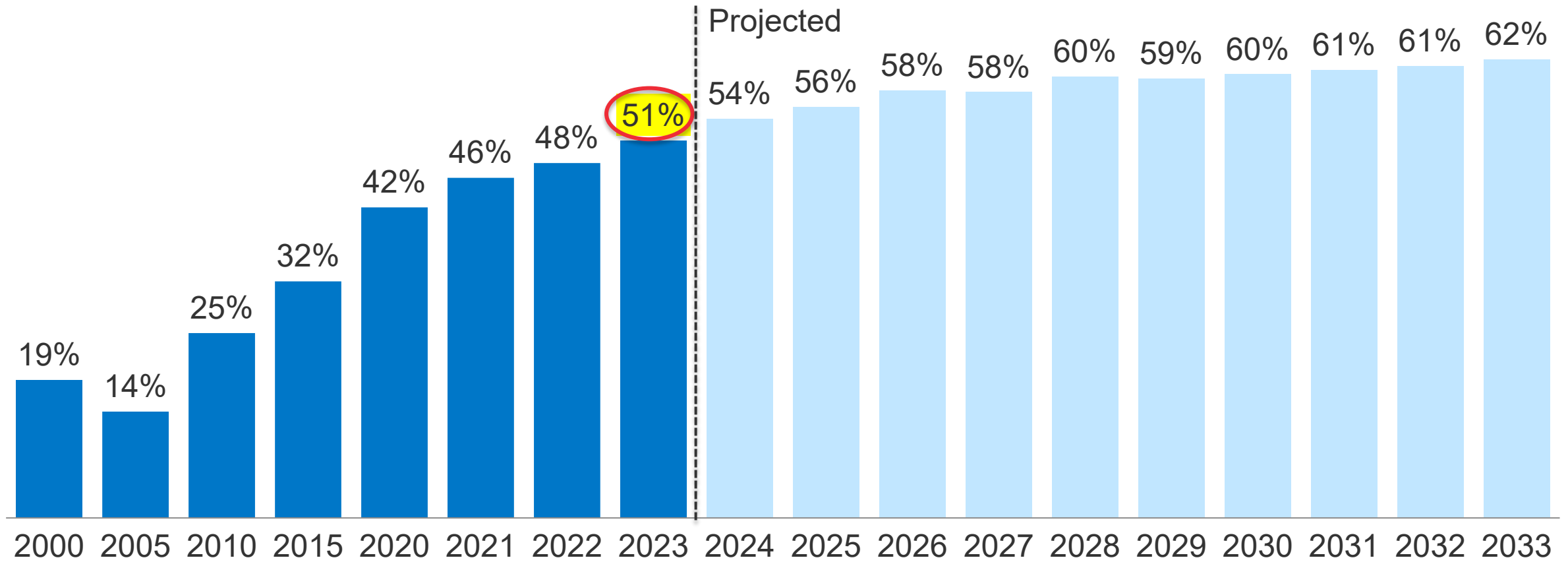
Tricia Neuman, ScD Senior Vice President
Executive Director, Program on Medicare Policy
KFF (formerly Kaiser Family Foundation)
January 17, 2024

For the National Coalition for Cancer Survivorship

KFF

The independent source for health policy research, polling, and news.

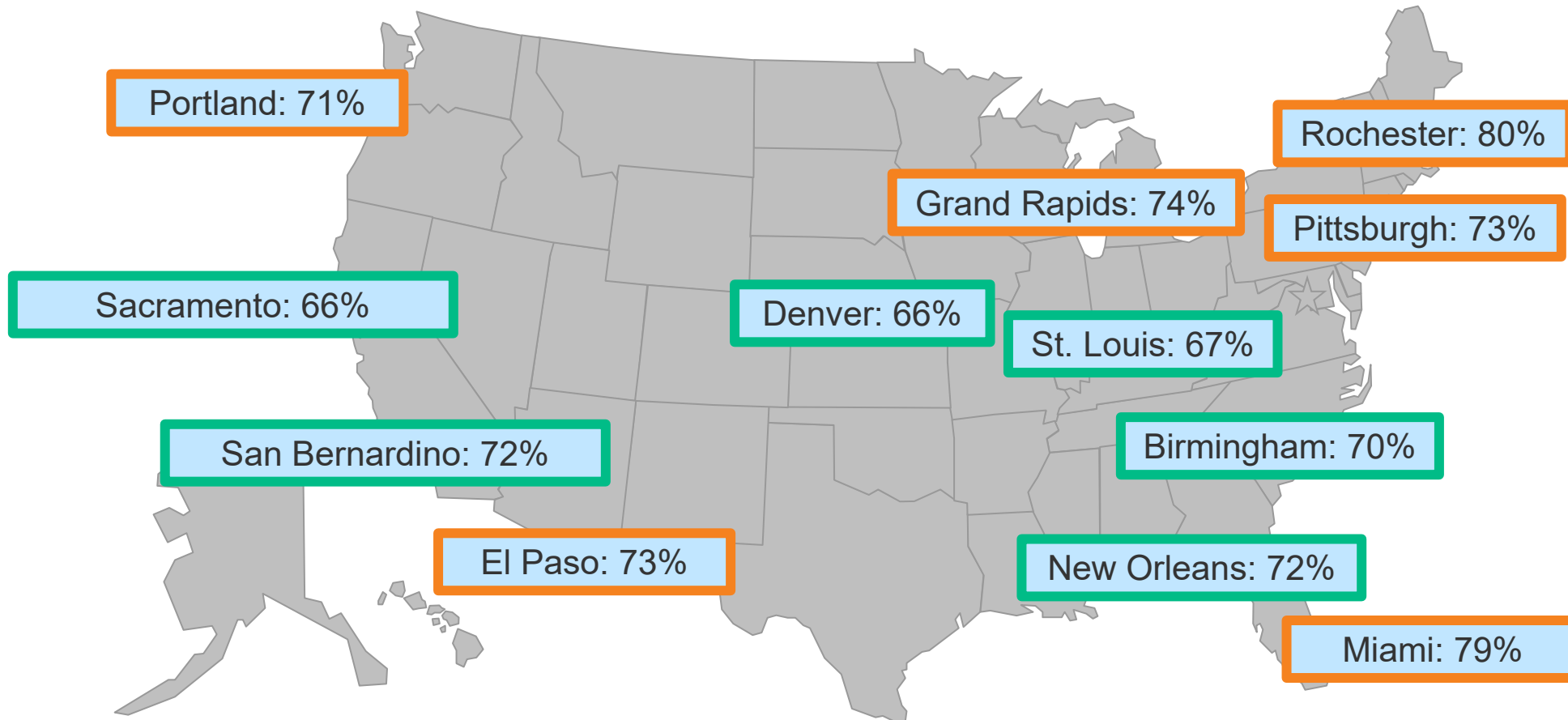
More Than Half of All Eligible Beneficiaries Are Now Getting Medicare Benefits Through a Private Medicare Advantage (HMO or PPO) Plan



KFF

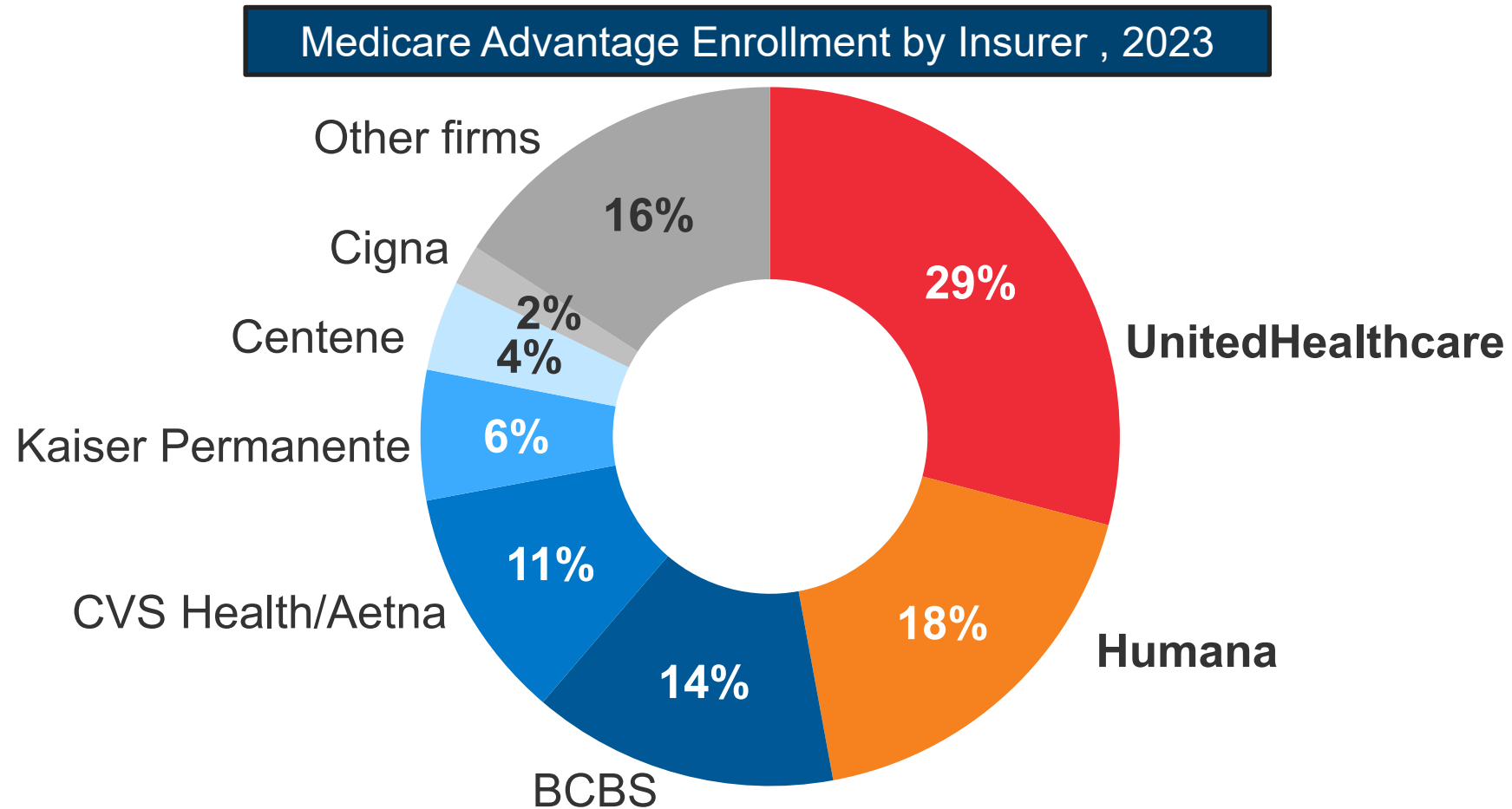
SOURCE: KFF, "Medicare Advantage in 2023: Enrollment Update and Key Trends," August 2023.

In Some Parts of the Country, At Least Two Thirds of All Beneficiaries are Enrolled in a Medicare Advantage Plan



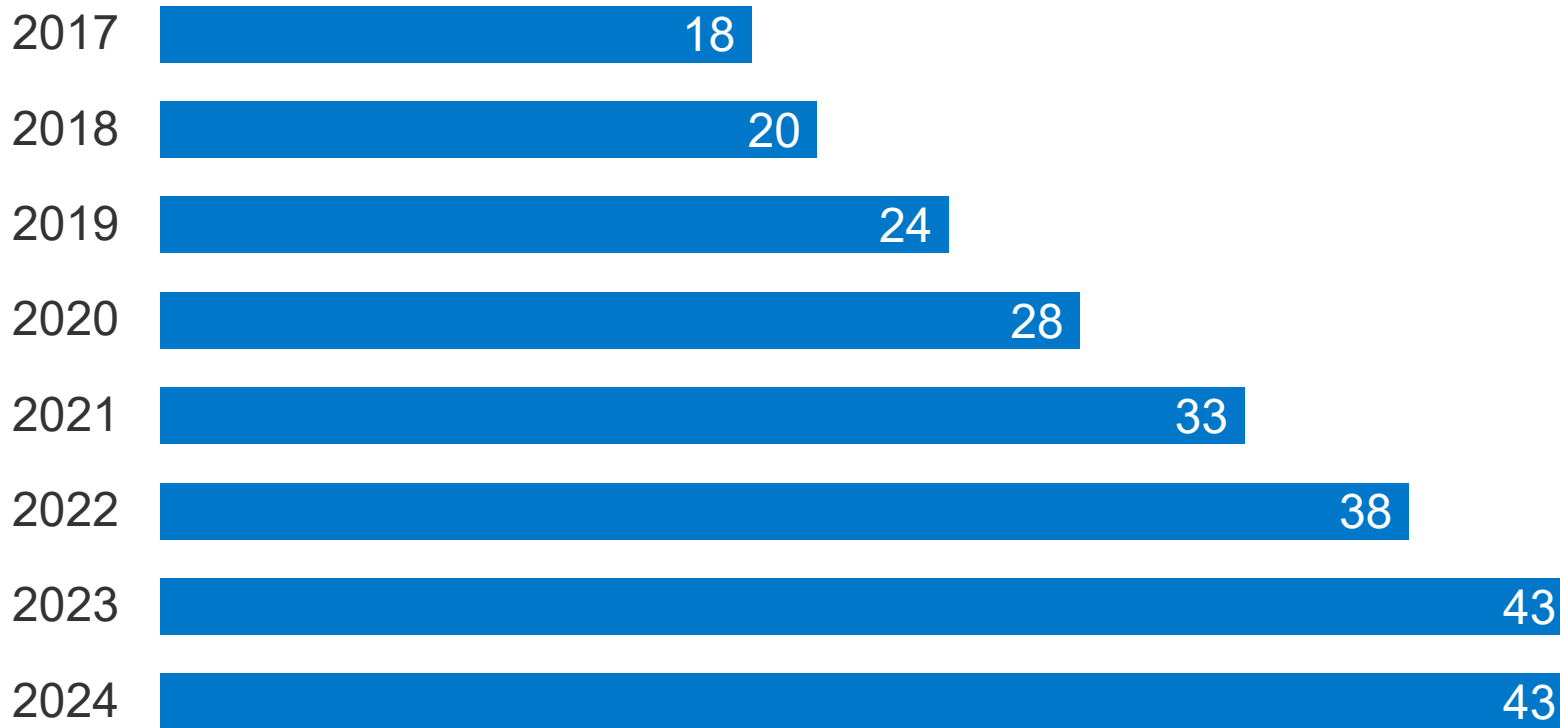
SOURCE: KFF, "Medicare Advantage in 2023: Enrollment Update and Key Trends," August 2023.

UnitedHealthcare and Humana Dominate the Medicare Advantage Market



The Average Medicare Beneficiary Has Access to 43 Medicare Advantage Plans: Plans Vary Widely

Number of Medicare Advantage plans:



SOURCE: KFF, "Medicare Advantage 2024 Spotlight: First Look," November 2023.

Medicare Advantage Plans Differ in Important Ways That May Matter – But Hard for Patients to Decipher

- Cost sharing for Medicare-covered benefits
- Extra benefits offered
- Cost sharing for extra benefits
- Network of doctors, hospitals and other providers (Medicare-covered benefits)
- Network of providers for extra benefits (e.g., dental)
- Prescription drug coverage (Part D)
- Prior authorization rules
- Quality ratings

Why Is Medicare Advantage Enrollment Growing Rapidly?

- Medicare's **payment system is designed to attract insurers** and insurers (and brokers) have a financial incentive to enroll beneficiaries
- Medicare Advantage plans offer **extra benefits**, like some dental, not covered by traditional Medicare, and unlike traditional Medicare, include an out-of-pocket limit
- **Convenience/one-stop shopping** – no need for separate Medigap or Part D plan
- **Aggressive marketing**; higher commissions for brokers/agents
- Medicare-age **retirees are being shifted by employers to Medicare Advantage** plans
- Enrollees with **pre-existing conditions may feel “locked into” Medicare Advantage** – may not be able to purchase Medigap with traditional Medicare
- Beneficiaries may be **unaware of the trade-offs** associated with Medicare Advantage

Some Tradeoffs Associated with Medicare Advantage That Matter Most to People with Serious Illnesses

- **Prior Authorization** — hassles and potential delays in getting needed care
- **Denials** (few appeal, but most appealed denials are overturned)
- **Network restrictions** that may impact access to specialists, academic medical centers, cancer hospitals
- **No choice of formularies**, in contrast to people with traditional Medicare
- **Potentially higher out-of-pocket costs** than traditional Medicare with supplemental coverage



Thank you!

KFF

The independent source for health policy research, polling, and news.