Medicare Advantage
Opportunities and Challenges for Patients with Cancer

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January 17, 2024

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

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

Portland: 71%
Miami: 79%
El Paso: 73%
Pittsburgh: 73%
Grand Rapids: 74%
Rochester: 80%
Sacramento: 66%
Denver: 66%
St. Louis: 67%
Birmingham: 70%
San Bernardino: 72%
New Orleans: 72%
Miami: 79%

UnitedHealthcare and Humana Dominate the Medicare Advantage Market

Medicare Advantage Enrollment by Insurer, 2023

- UnitedHealthcare: 29%
- Humana: 18%
- CVS Health/Aetna: 14%
- Centene: 11%
- BCBS: 10%
- Kaiser Permanente: 6%
- Cigna: 4%
- Other firms: 2%

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

Number of Medicare Advantage plans:

- 2017: 18
- 2018: 20
- 2019: 24
- 2020: 28
- 2021: 33
- 2022: 38
- 2023: 43
- 2024: 43

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!