

Part 1: Why Sell Medicare Advantage Now?



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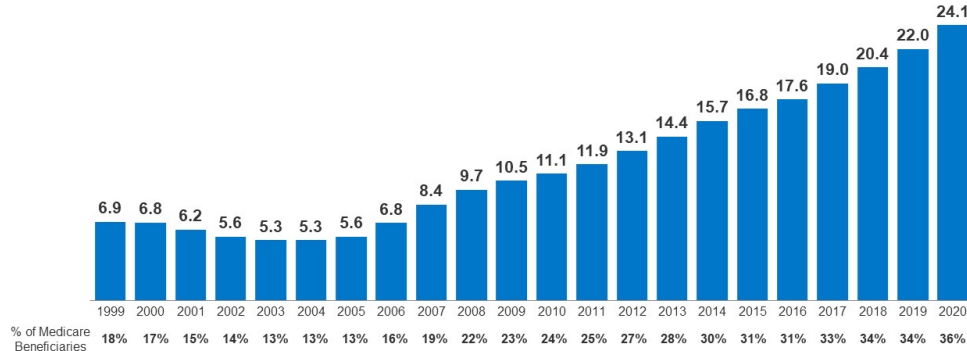
Times are changing

MA Is Booming

- Over 24 million people have Medicare Advantage, which is approximately 36% of Medicare beneficiaries.
- About 60% of all Medicare products sold across the country today are Medicare Advantage.

Figure 1

Total Medicare Advantage Enrollment, 1999-2020
(in millions)

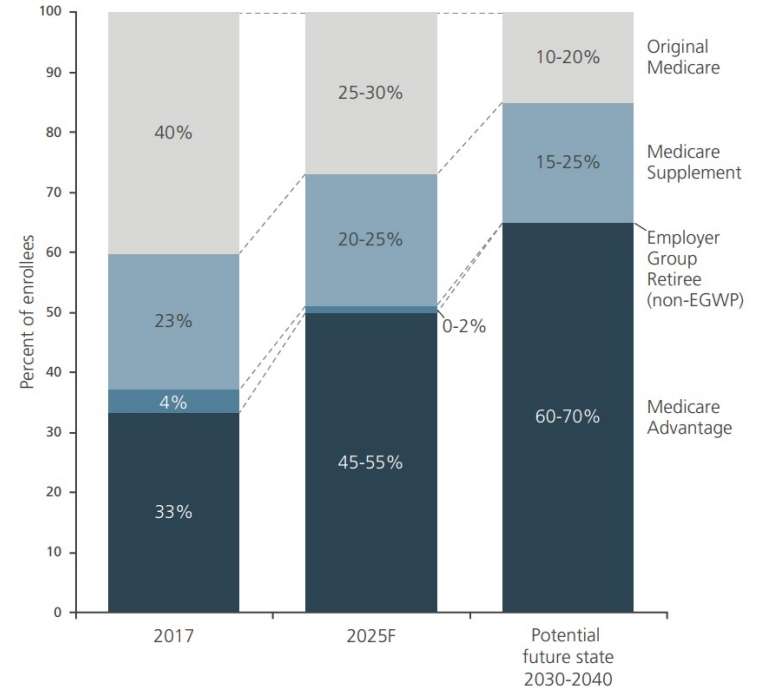


NOTE: Includes cost plans as well as Medicare Advantage plans. About 68 million people are enrolled in Medicare in 2020.
SOURCE: KFF analysis of CMS Medicare Advantage Enrollment Files, 2008-2020, and MPR, 1999-2007, enrollment numbers from March of the respective year, with the exception of 2006, which is from April.



Figure 4
Where are the eligibles?

Estimated distribution of Medicare eligibles*



Note: *The number of original Medicare eligibles — individuals who are either currently or formerly entitled to or are enrolled in either Part A or Part B Original Medicare.

Source: L.E.K. analysis

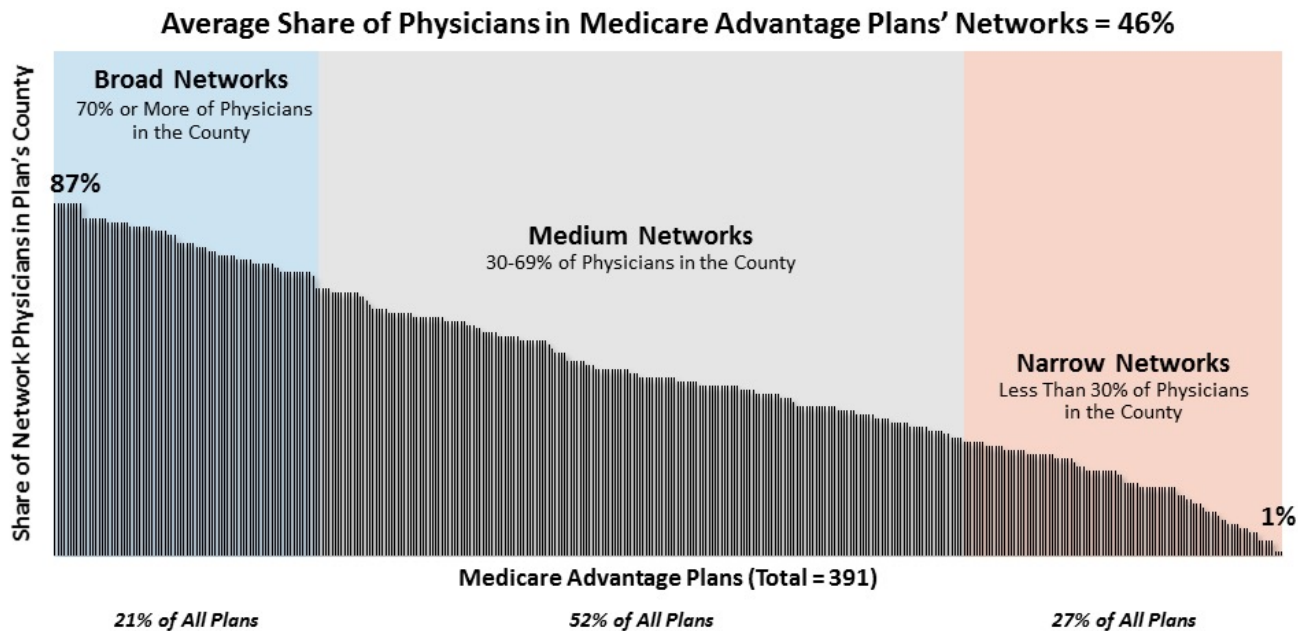
**Are you really willing to
sell to only 64% of the
market today?**

- Provider acceptance is on the rise – as MA grows, providers can't afford to send away patients.
- National carriers have national networks
- Be mindful of regional players – powerful products, but restrictive networks
- According to a KFF report, only 27% of MA plans have narrow networks (or areas where less than 30% of physician in the county accept the plan).

Figure 2

Medicare Advantage plans included 46% of physicians, on average, ranging from 87% to 1% of physicians in the plan's county

Distribution of Medicare Advantage Plans' Physician Networks, By Plan, 2015



SOURCE: Kaiser Family Foundation analysis of 2015 Medicare Advantage plans' networks in 20 counties, 2017.

- No underwriting questions
- Opens up opportunities for Med Supp clients who can't health qualify but have sky-high premiums

Clients like simplicity

All-in-one plan with extras

- One plan card is attractive to seniors
- MA plans have more extra benefits & perks than ever before
- OTC drugs, telehealth, transportation, healthy food, dental, vision, hearing, gym memberships, gift card rewards, nurse hotlines, and so much more

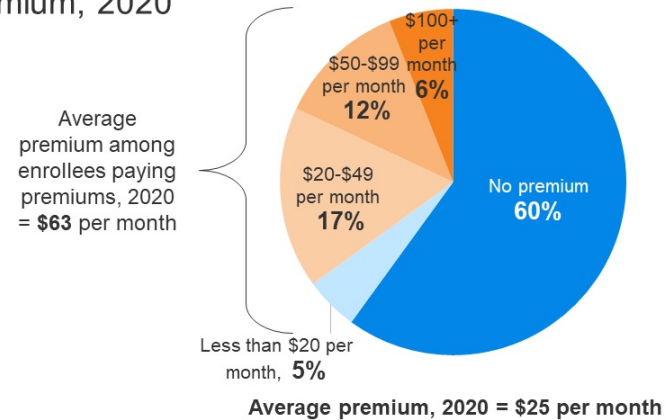
**Did you say
\$0 premium?**

Low and \$0 premiums

- Medicare Supplement premiums go up over time, while Medicare Advantage premiums are going down over time.
- The average 2021 MA premiums declined over 34% from 2017 while plan choice and benefits actually went up.
- Healthy people don't want to sink money into a premium when they know there's a good chance they won't utilize the plan.

Figure 6

Distribution of Medicare Advantage Prescription Drug Plan Enrollees, by Premium, 2020



NOTE: Excludes SNPs, employer-sponsored group plans, demonstrations, HCPPs, PACE plans, and plans for special populations, and Medicare Advantage plans that do not provide prescription drug coverage. Premiums were missing for less than 1% of enrollees.

SOURCE: KFF analysis of CMS Medicare Advantage Landscape and Enrollment Files, 2020.

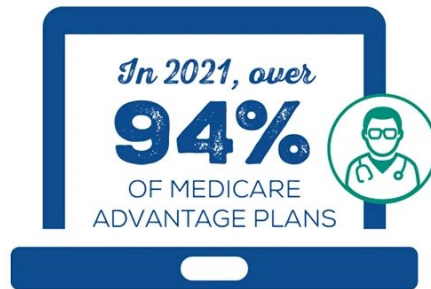
CMS Is on a Mission: Make MA Coverage as Attractive as Possible

For the first time, seniors who use insulin will have
**OVER 1,600 MEDICARE ADVANTAGE AND PART D
PRESCRIPTION DRUG PLANS TO CHOOSE FROM**
that will offer



INSULIN
at no more than a
\$35

MONTHLY COPAY
BEGINNING IN JANUARY 2021.



WILL OFFER ADDITIONAL TELEHEALTH BENEFITS
reaching 20.7 million beneficiaries, allowing many to
access telehealth from the convenience of their homes.

For the first time in Medicare's history,
53 Medicare Advantage plans
WILL OFFER

INCREASED ACCESS
TO PALLIATIVE CARE AND
INTEGRATED HOSPICE CARE

to their enrollees through the
Medicare Advantage Value-
Based Insurance Design Model.



In 2021, about 730 plans will provide about
3 MILLION Medicare Advantage enrollees with

**EXTRA
HEALTHCARE
BENEFITS**
SUCH AS:

- ✓ ADULT DAY HEALTH SERVICES
- ✓ CAREGIVER SUPPORT SERVICES
- ✓ IN-HOME SUPPORT SERVICES
- ✓ THERAPEUTIC MASSAGE
- ✓ HOME-BASED PALLIATIVE CARE



ABOUT 500 PLANS IN 2021
will offer up to 2.5 million Medicare Advantage enrollees with particular conditions with access to

 **LOWER
COPAYMENTS**

or additional benefits such as meals and transportation.



About 920 plans reaching 4.3 million beneficiaries will offer non-primarily health related benefits tailored to people with

CHRONIC CONDITIONS

THAT MAY HELP THEM BETTER
MANAGE THEIR DISEASE(S).



Examples of these benefits include
**PEST CONTROL, HOME CLEANING SERVICES, MEAL
HOME DELIVERY, AND TRANSPORTATION FOR NON-
MEDICAL REASONS** such as trips to the grocery store.

More than
**440 MEDICARE
ADVANTAGE PLANS**

will be participating in the 2021 Medicare
Advantage Value-Based Insurance Design Model,

with over *1.6 million* beneficiaries
PROJECTED TO RECEIVE **ADDITIONAL BENEFITS**



such as healthy foods and meals, transportation support, reduced cost-sharing and rewards and incentives aligned with Part D drugs.

Commissions

Great commissions

- Medicare Advantage compensation is higher than a Medicare Supplement.
- Comp is for the life of the policy – unlike supplements



Next Up: Training & Certifications

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