



American Association
for Medicare Supplement Insurance™

Market Overview: The Latest Data for Medicare Supplement and Medicare Advantage Sales

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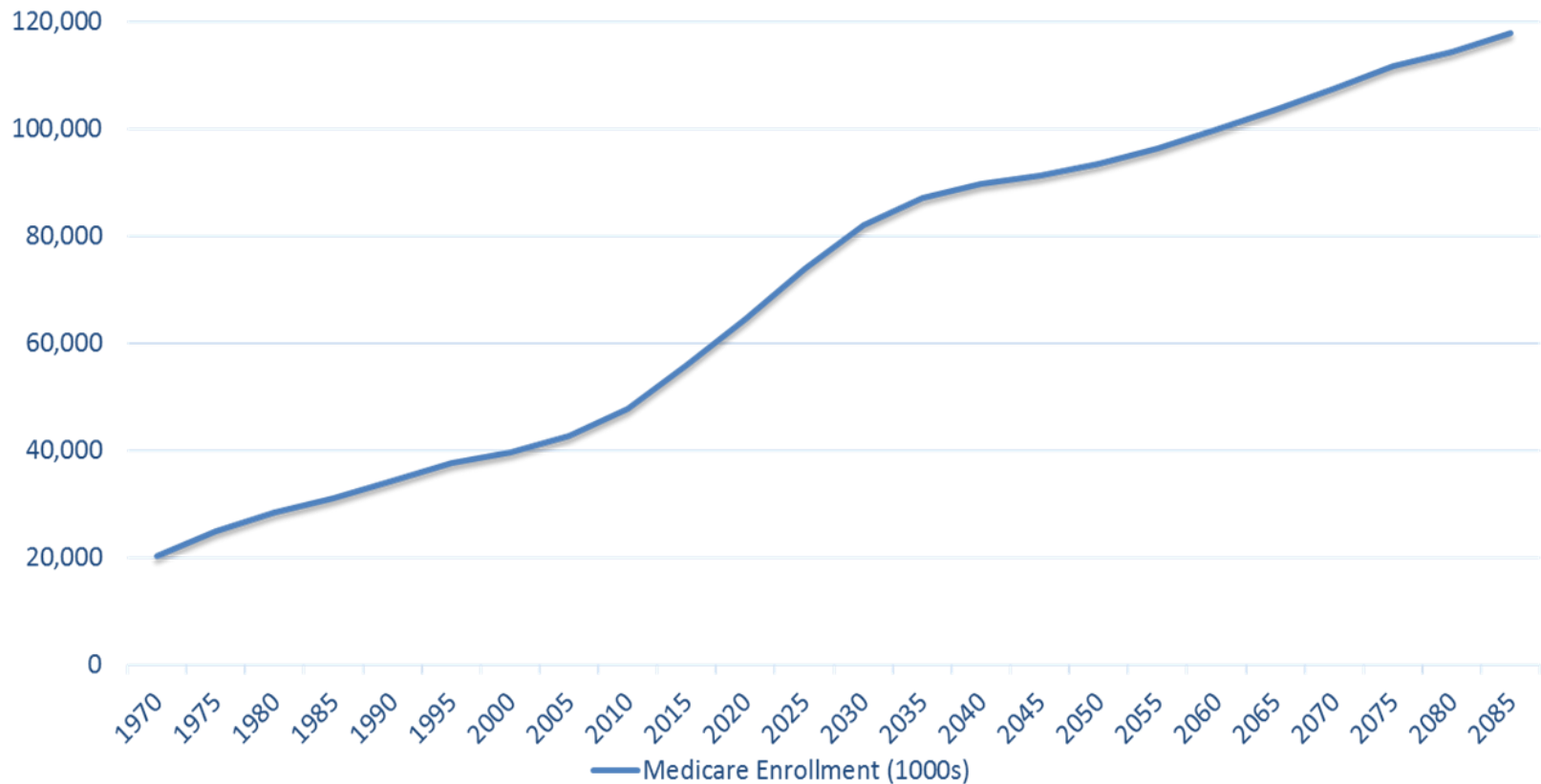
Market Overview: Medicare Supplement and Medicare Advantage Sales

Market Overview: The Latest Data for Medicare Supplement and Medicare Advantage Sales

- **How many?**
- **When?**
- **Where?**

Market Overview: Medicare Supplement and Medicare Advantage Sales

Past and Projected Medicare Enrollment

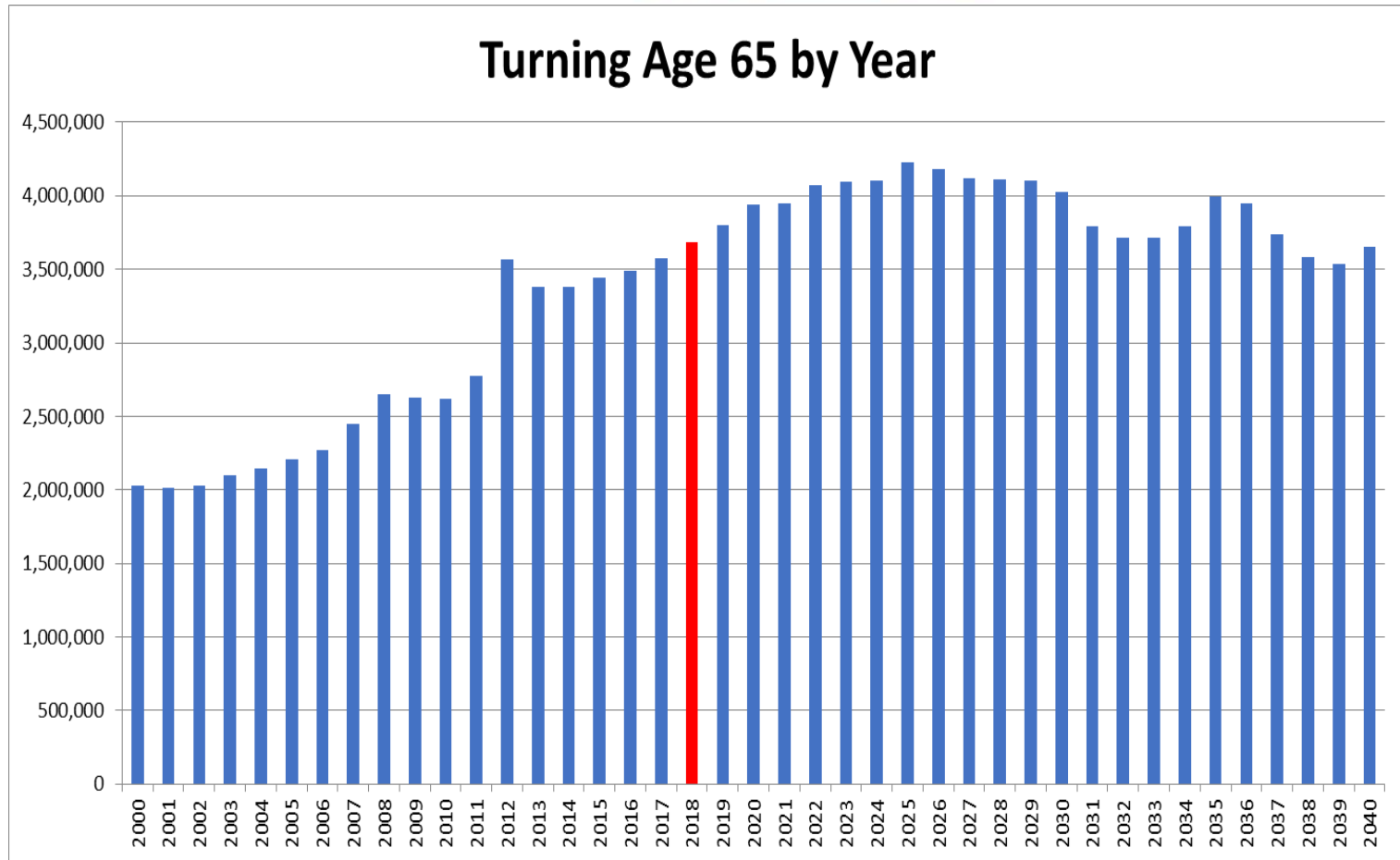


Source: 2017 Medicare Trustees Report

Market Overview: Medicare Supplement and Medicare Advantage Sales

- 2008 = 45 million individuals on Medicare
- 2018 = 60 million individuals on Medicare
- 33% increase in 10 years

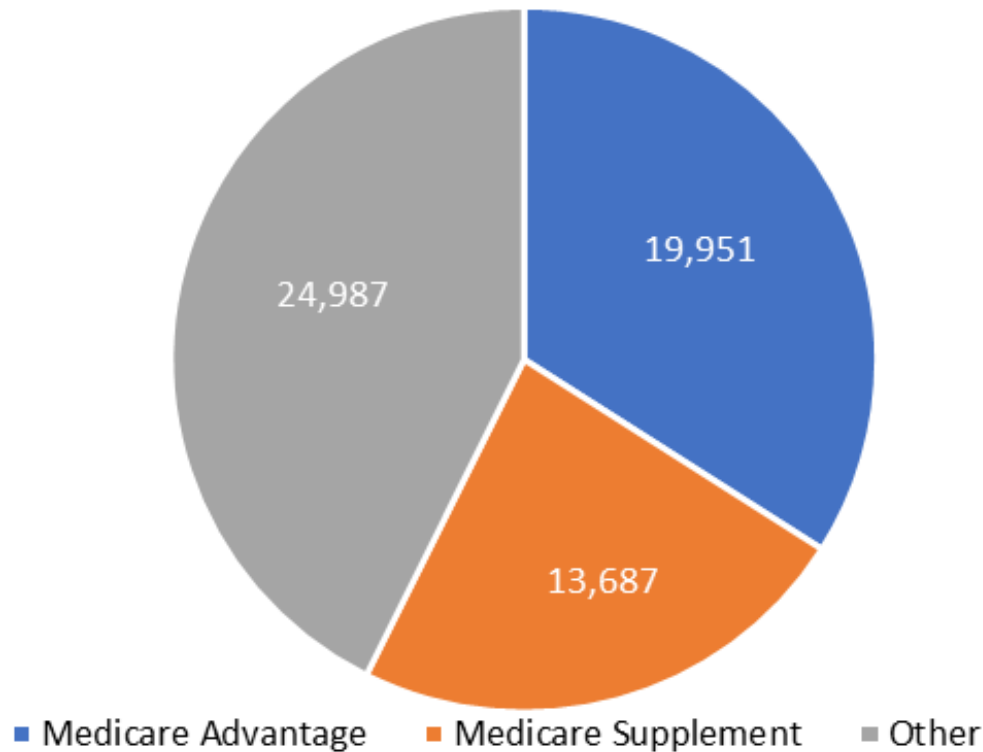
Market Overview: Medicare Supplement and Medicare Advantage Sales



Source: census.gov – 2000 and 2010 census information

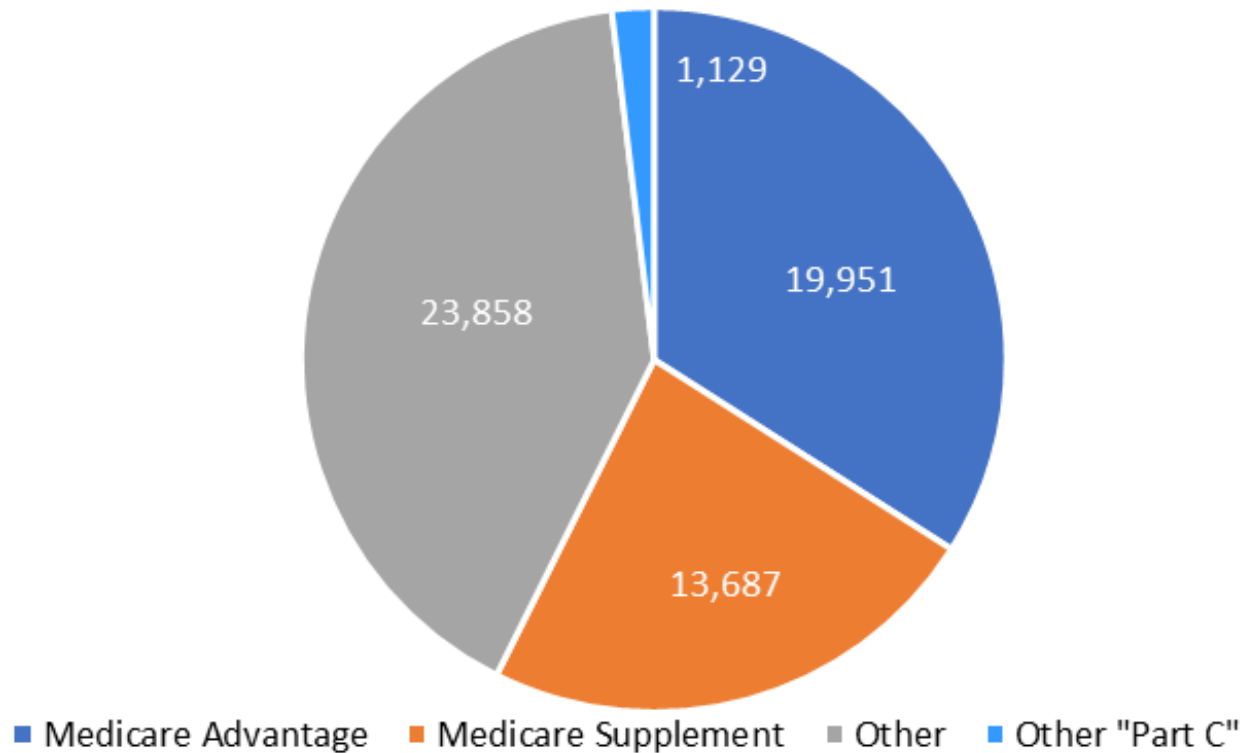
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Jan 2018 Medicare Enrollment by Type of Coverage (1000s)



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Jan 2018 Medicare Enrollment by Type of Coverage (1000s)



Market Overview: Medicare Supplement and Medicare Advantage Sales

Medicare

- Part A – Hospital Inpatient
- Part B – Physician & Hospital Outpatient
- Part C – Privatized Medicare (Medicare Advantage)
- Part D – Prescription Drugs

Medicare Supplement fills in many of the benefit gaps of Part A and Part B

The diagram consists of a large white oval with a black border. Two black arrows originate from the left side of the oval and point towards the first two items in the Medicare list: 'Part A – Hospital Inpatient' and 'Part B – Physician & Hospital Outpatient'.

Market Overview: Medicare Supplement and Medicare Advantage Sales

Medicare Supplement & Medicare Advantage both provide medical coverage in the Medicare market, but do it differently

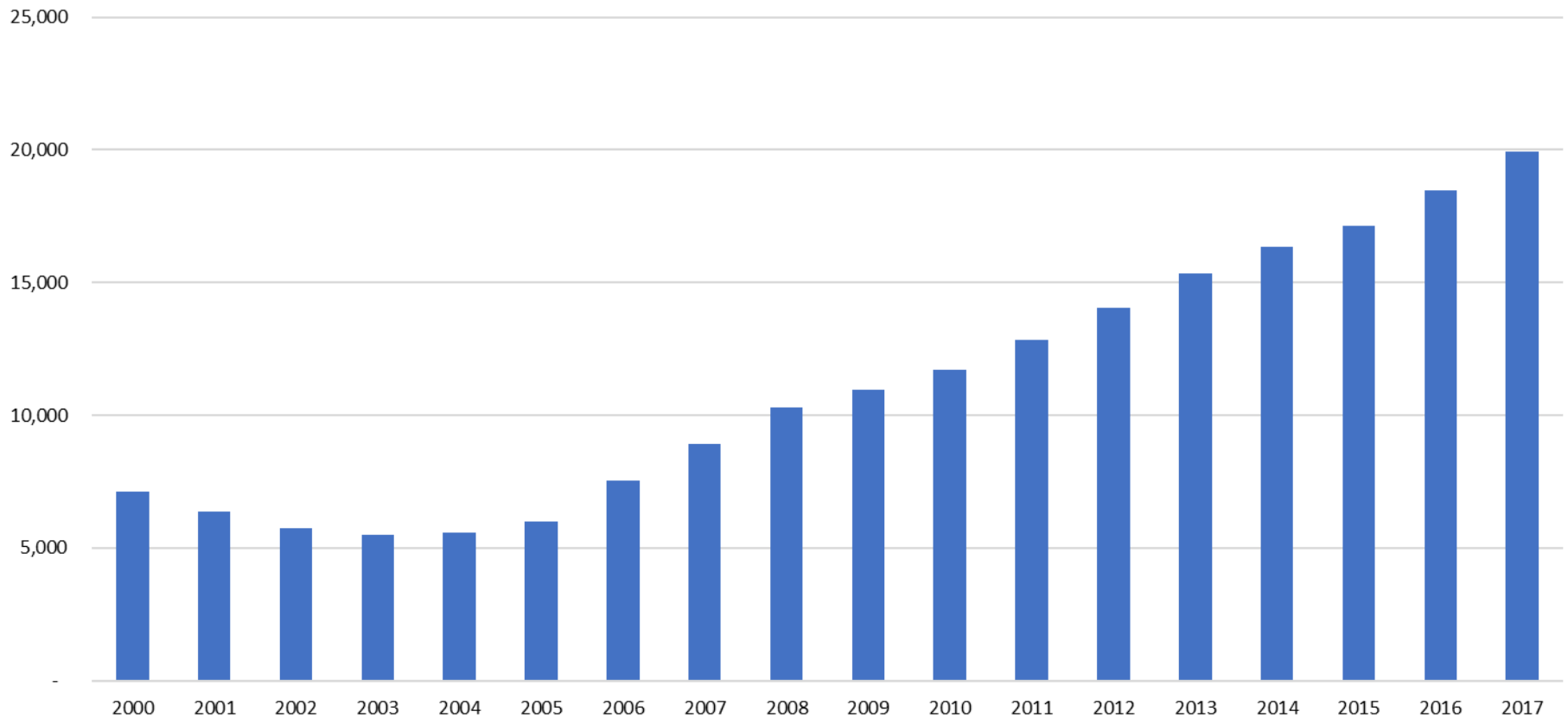
Market Overview: Medicare Supplement and Medicare Advantage Sales

Medicare Supplement (MS) & Medicare Advantage (MA) – the same, but different

- Intent – MS fills in Medicare gaps, MA “replaces” Medicare
- Regulation - MS states, MA federal gov’t
- Benefits - MS standardized, MA varied
- Renewability - MS guaranteed, MA annual
- Portability – MS year-round (if healthy), MA during AEP
- Providers – MS “all”, MA networks

Market Overview: Medicare Supplement and Medicare Advantage Sales

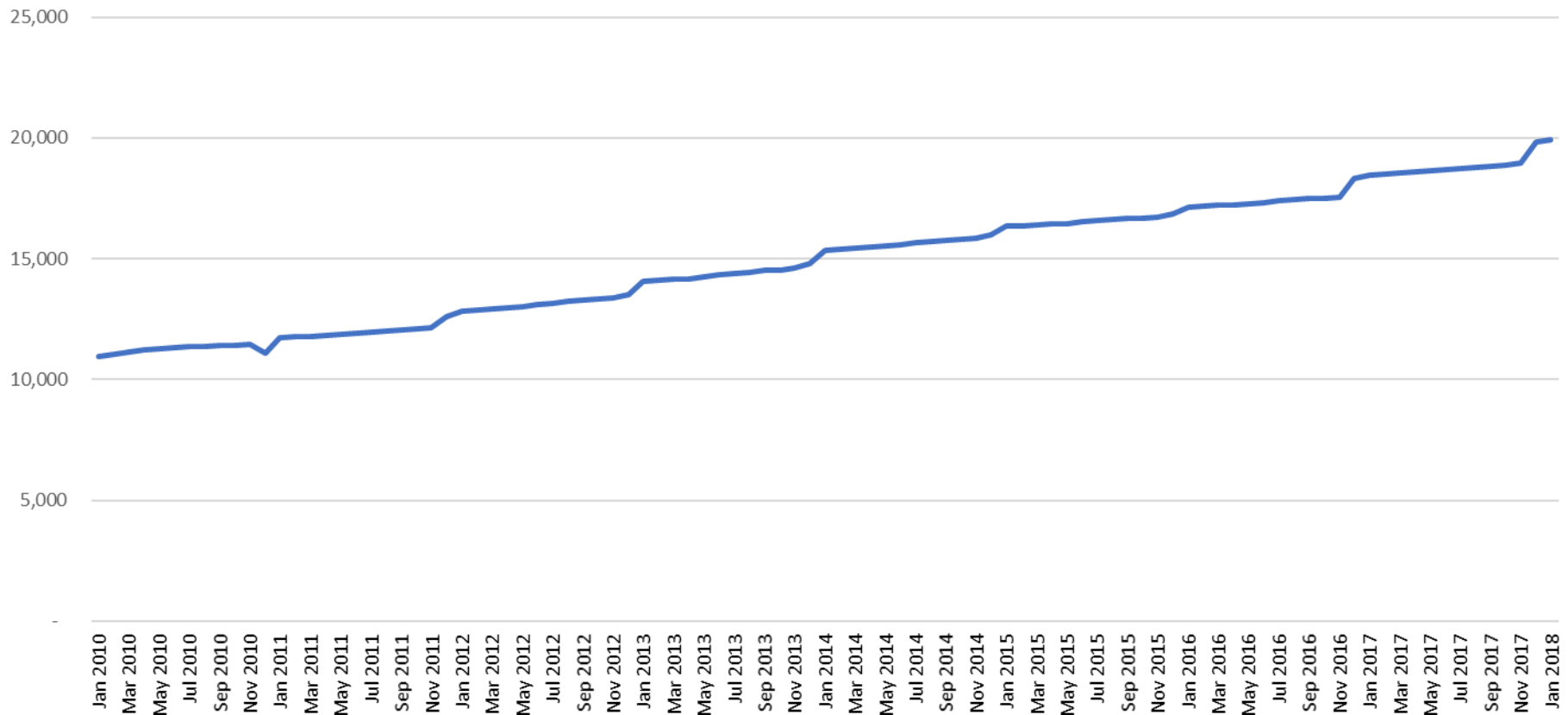
Medicare Advantage Enrollment as of Year-end (1000s)



Source: CMS Medicare Advantage enrollment reporting

Market Overview: Medicare Supplement and Medicare Advantage Sales

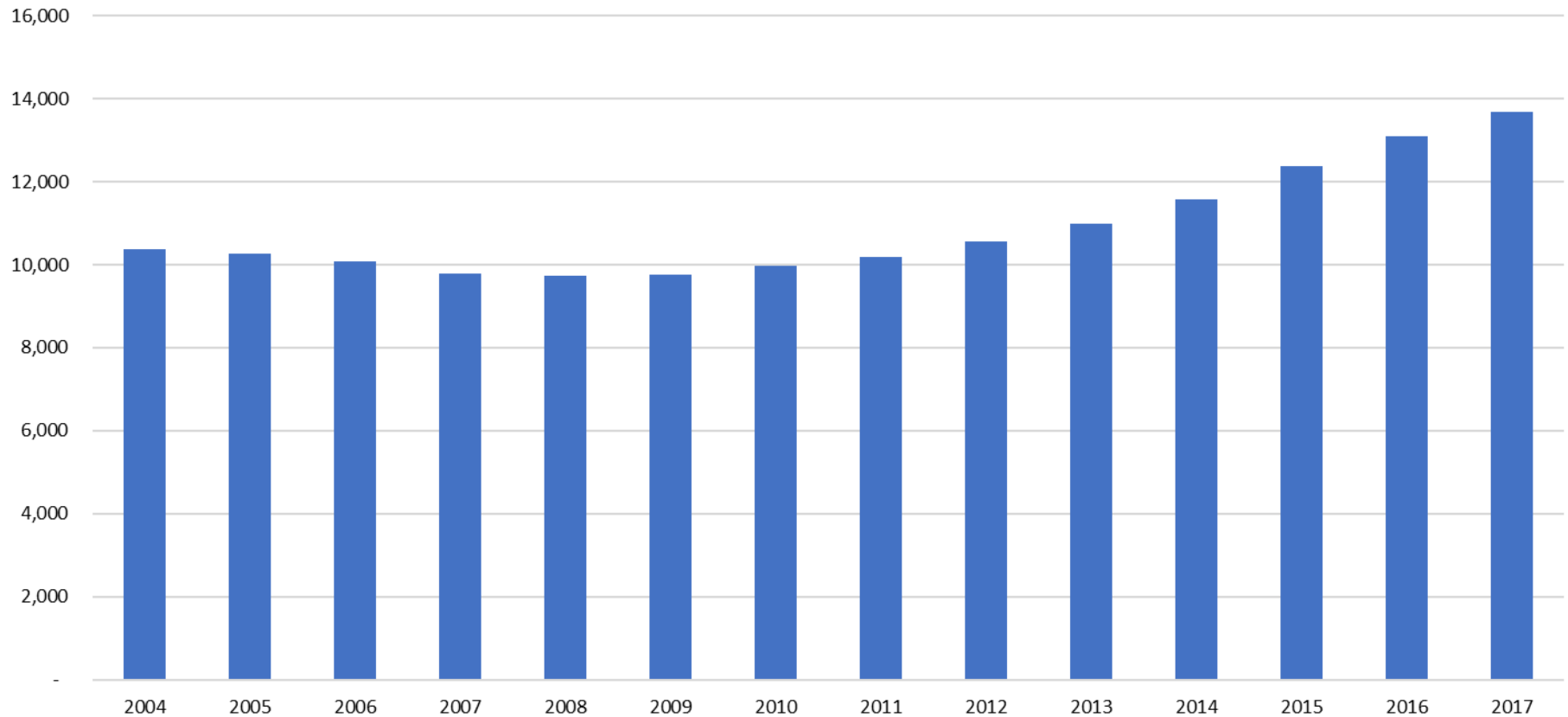
Medicare Advantage Enrollment by Month (1000s)



Source: CMS Medicare Advantage enrollment reporting

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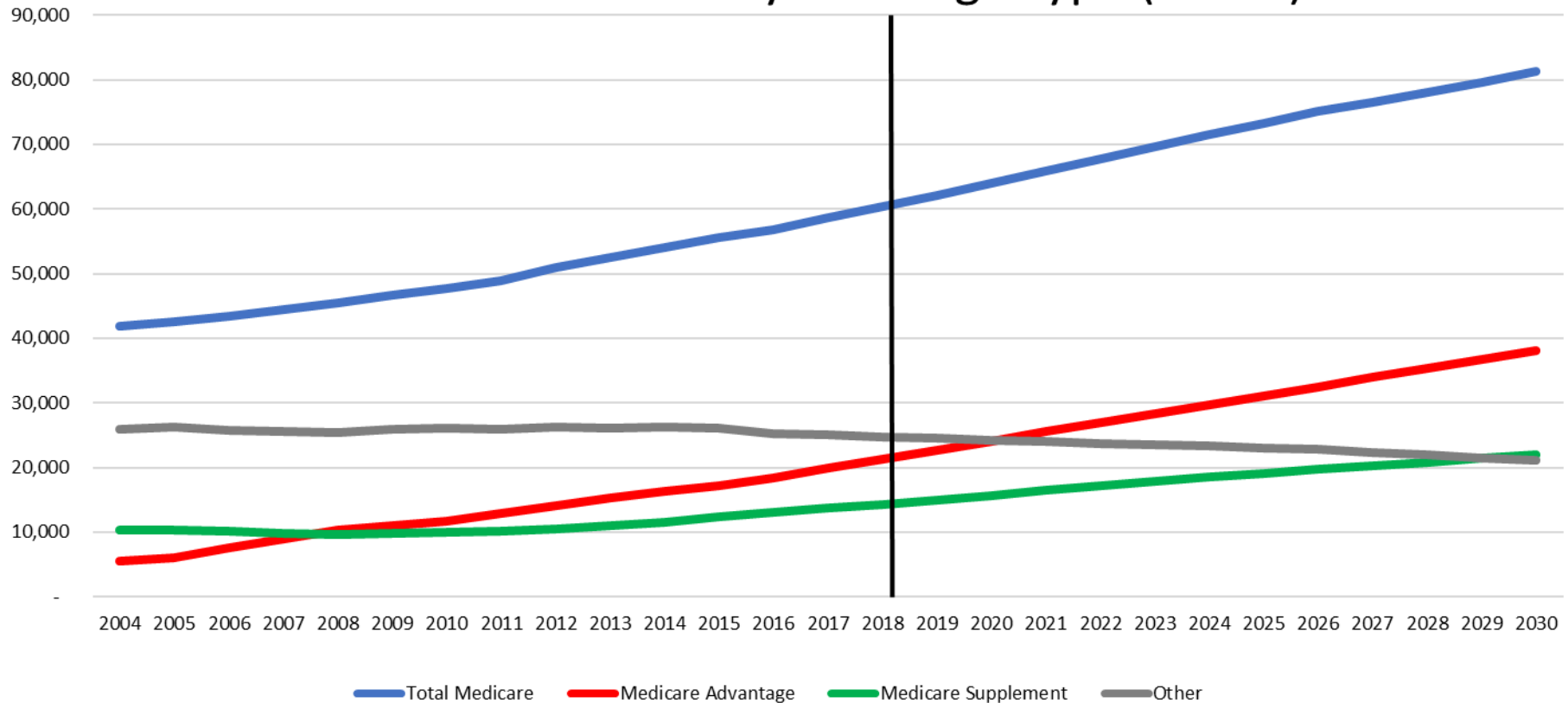
Medicare Supplement Enrollment as of Year-end (1000s)



Source: CSG Actuarial market reporting

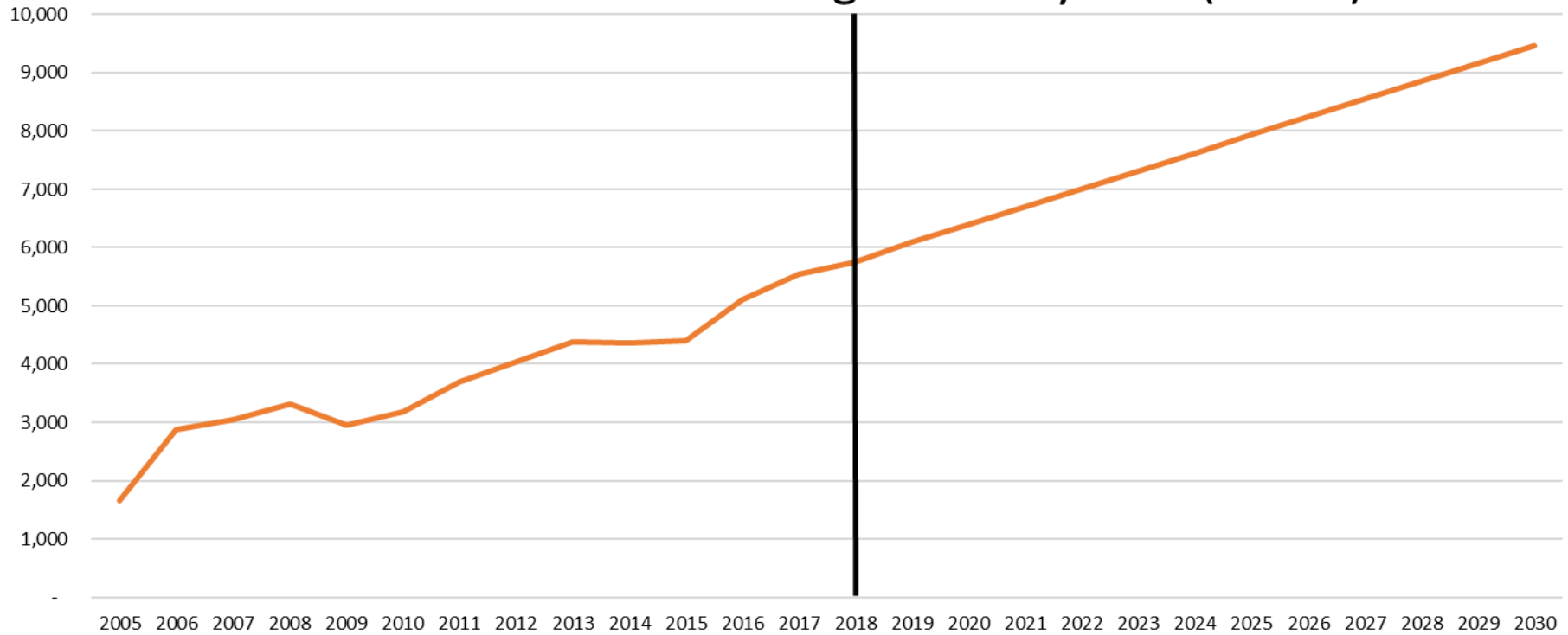
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Medicare Enrollment by Coverage Type (1000s)



Market Overview: Medicare Supplement and Medicare Advantage Sales

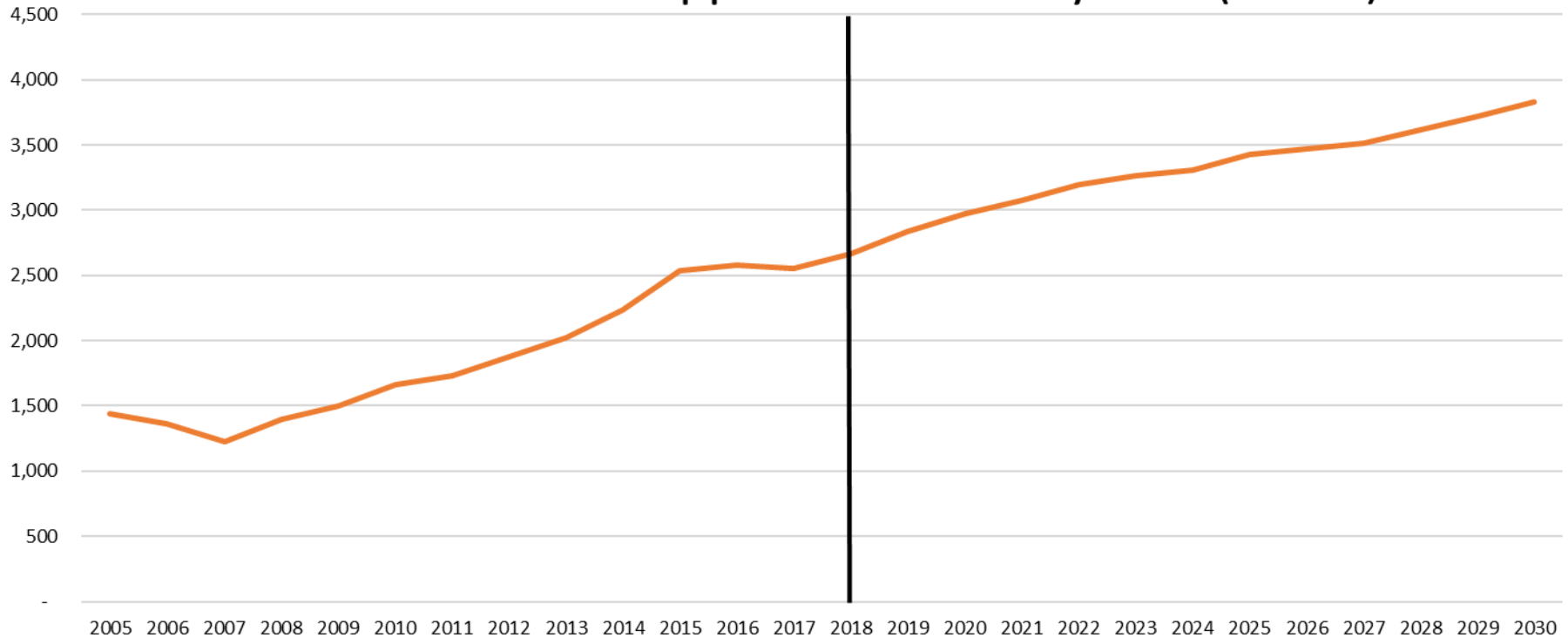
Estimated Medicare Advantage Sales by Year (1000s)



Source: CSG Actuarial projections

Market Overview: Medicare Supplement and Medicare Advantage Sales

Estimated Medicare Supplement Sales by Year (1000s)



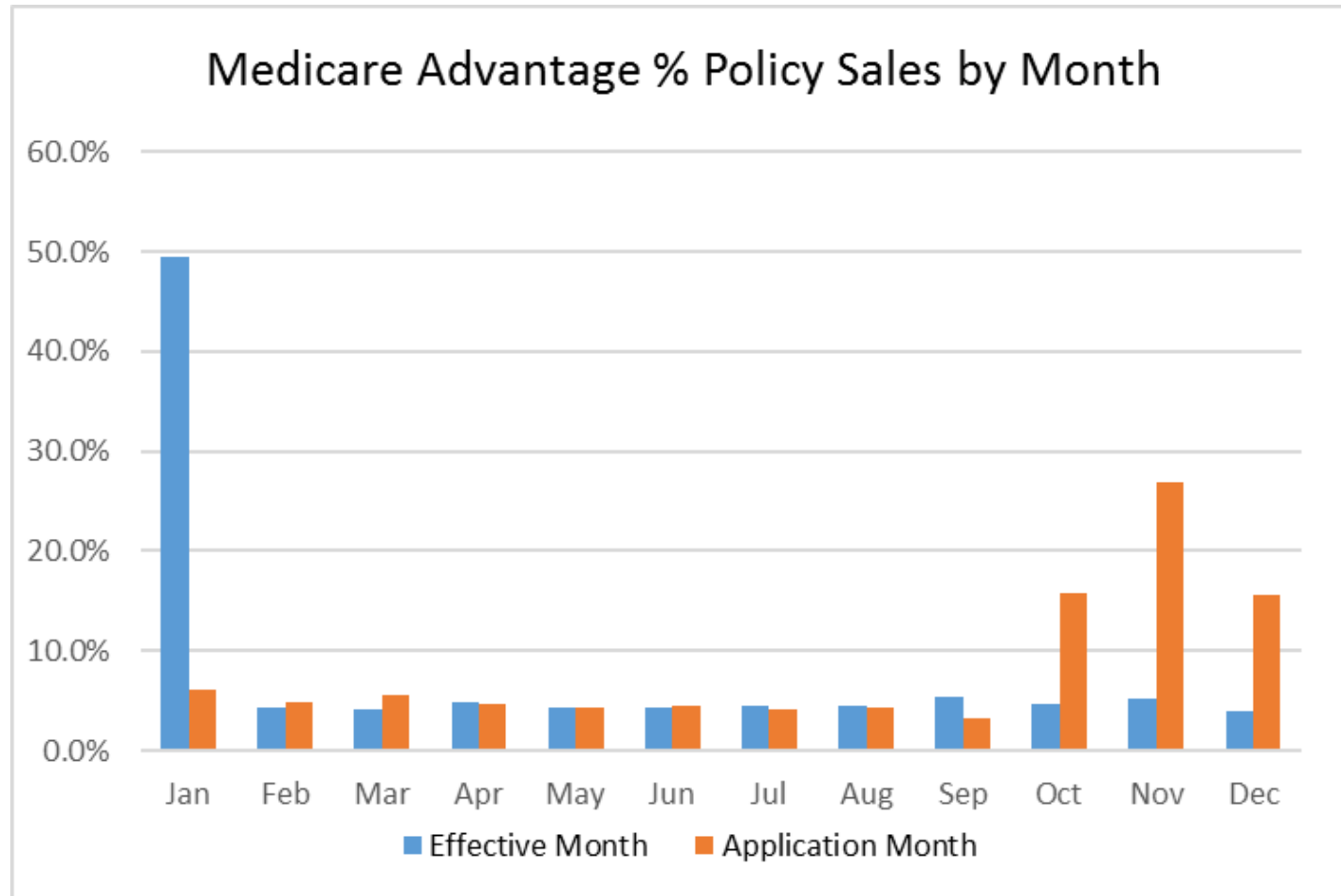
Source: CSG Actuarial projections

Market Overview: Medicare Supplement and Medicare Advantage Sales

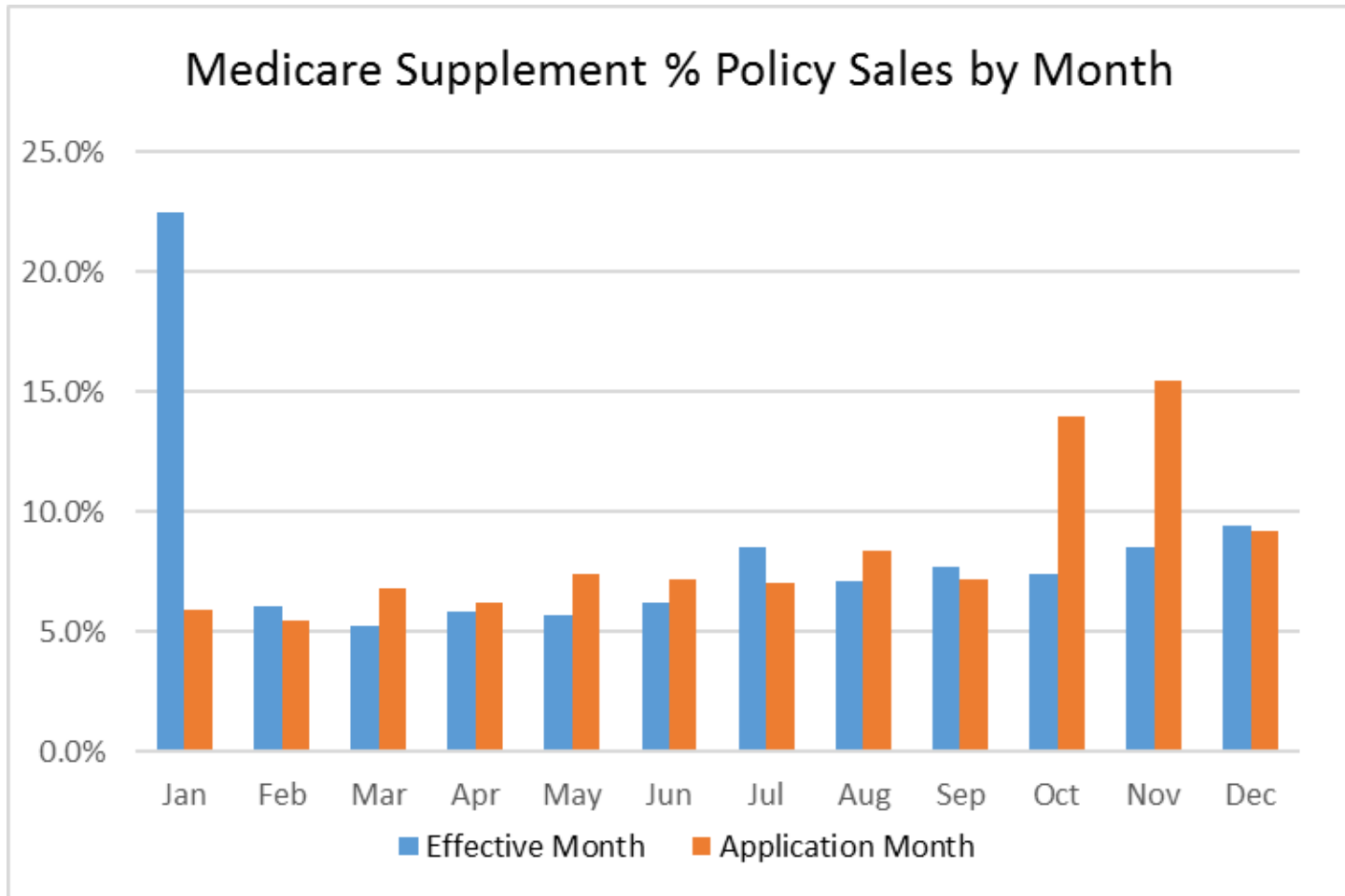
Medicare Supplement (MS) & Medicare Advantage (MA) – the same, but different

- Portability – MS year-round (if healthy), MA during AEP

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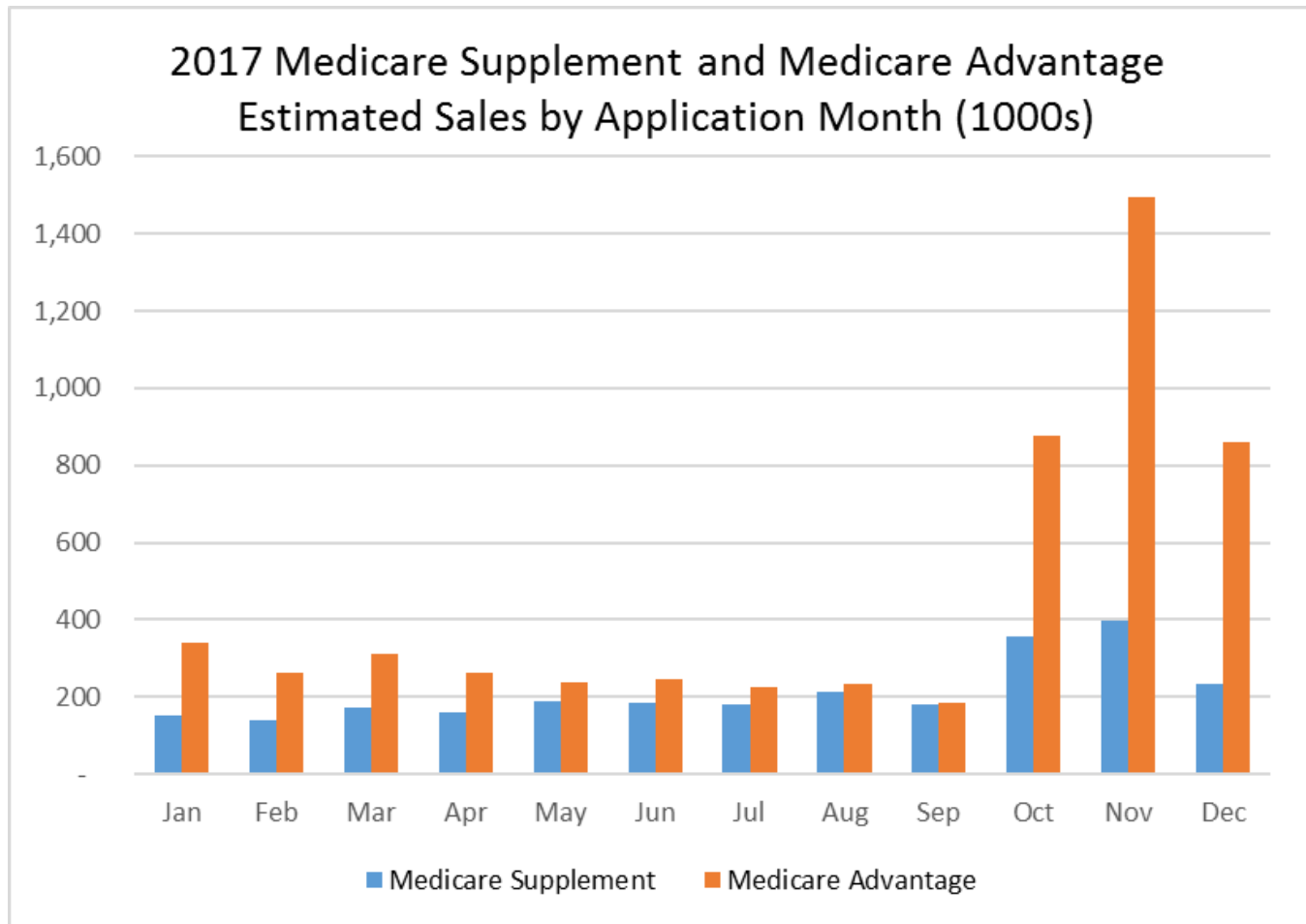


Market Overview: Medicare Supplement and Medicare Advantage Sales



Source: CSG Actuarial client data

Market Overview: Medicare Supplement and Medicare Advantage Sales



Source: CSG Actuarial client data and projections

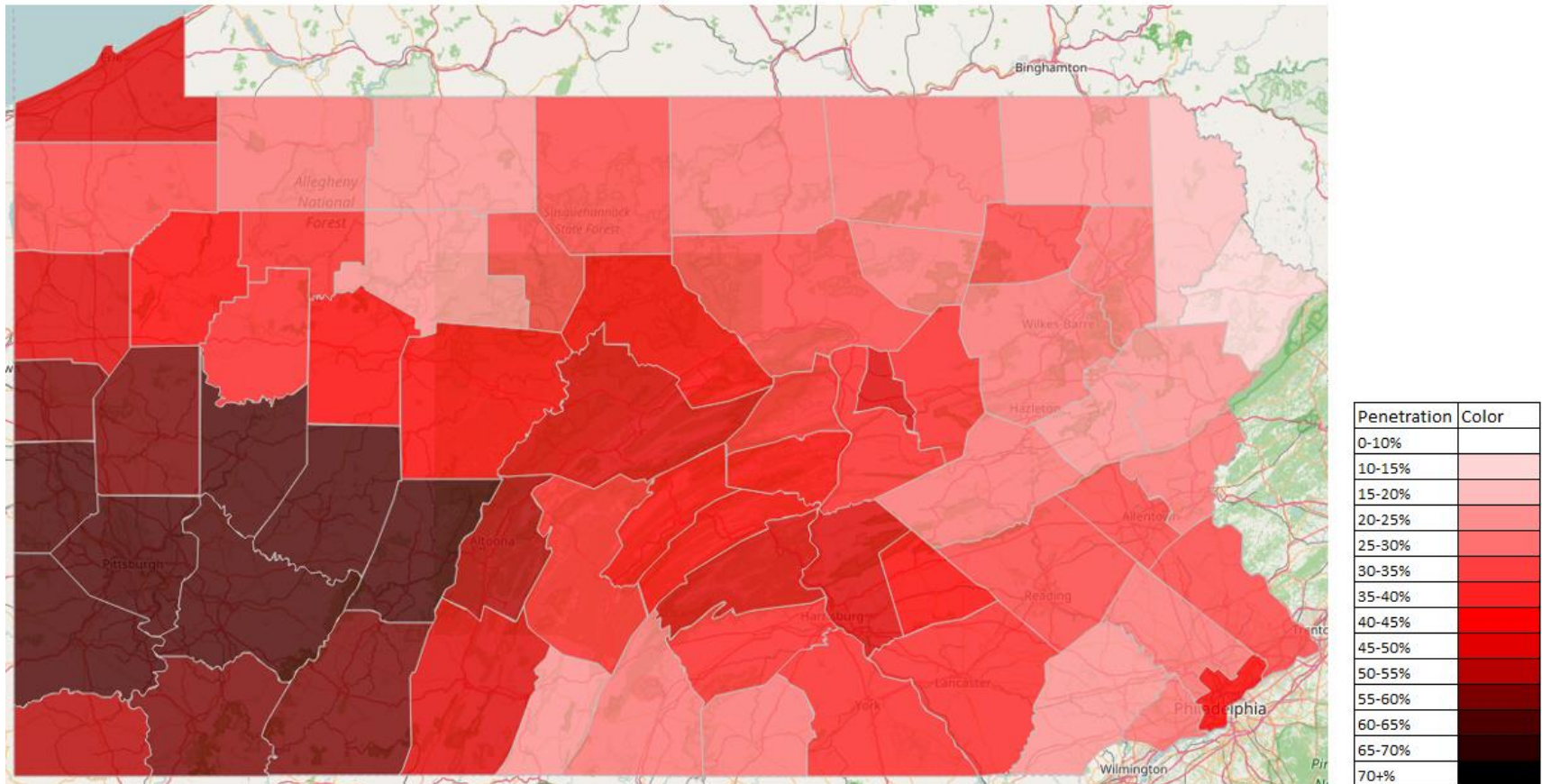
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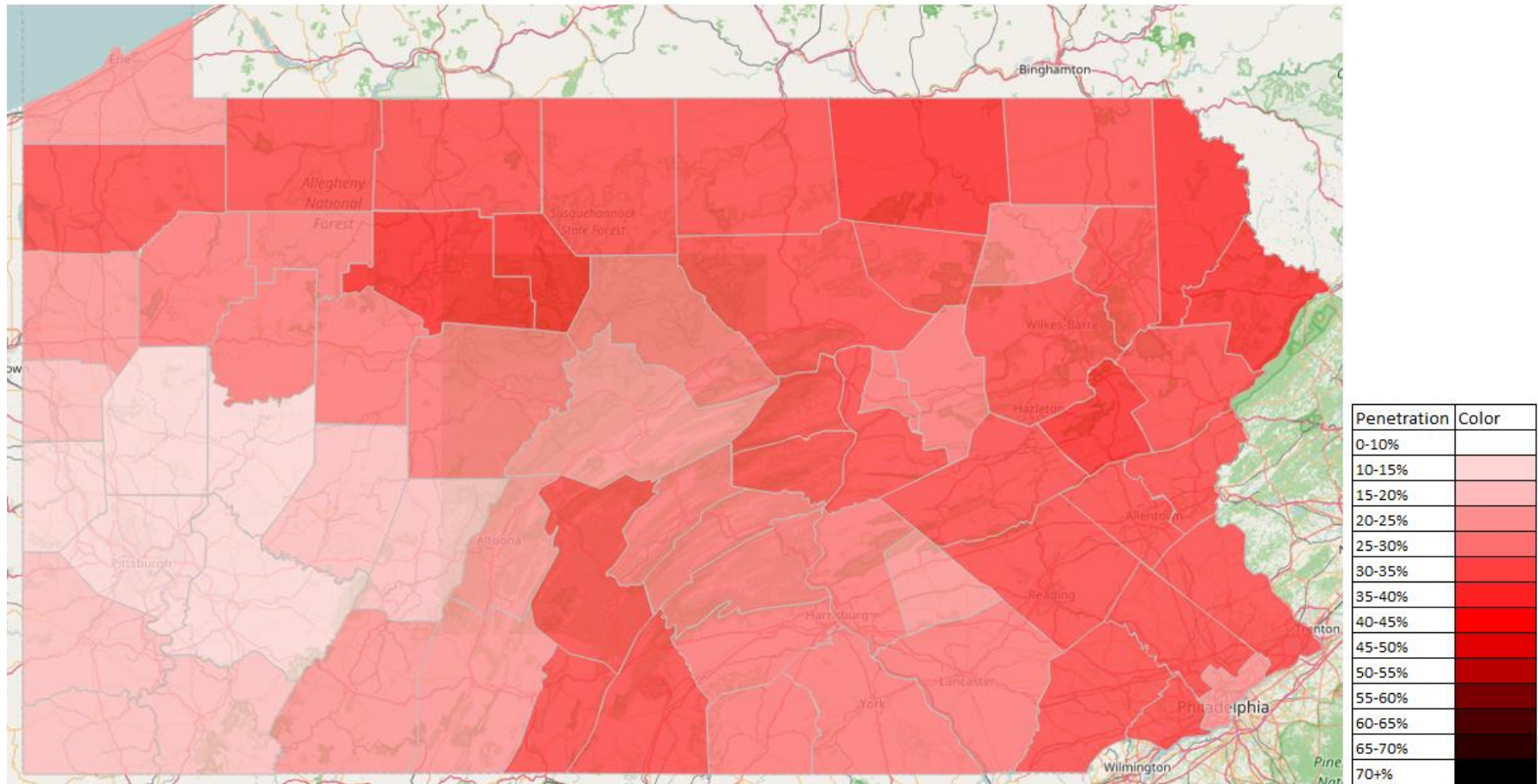
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Jan 2018 Medicare Advantage (incl other Part C) Penetration by County - PA



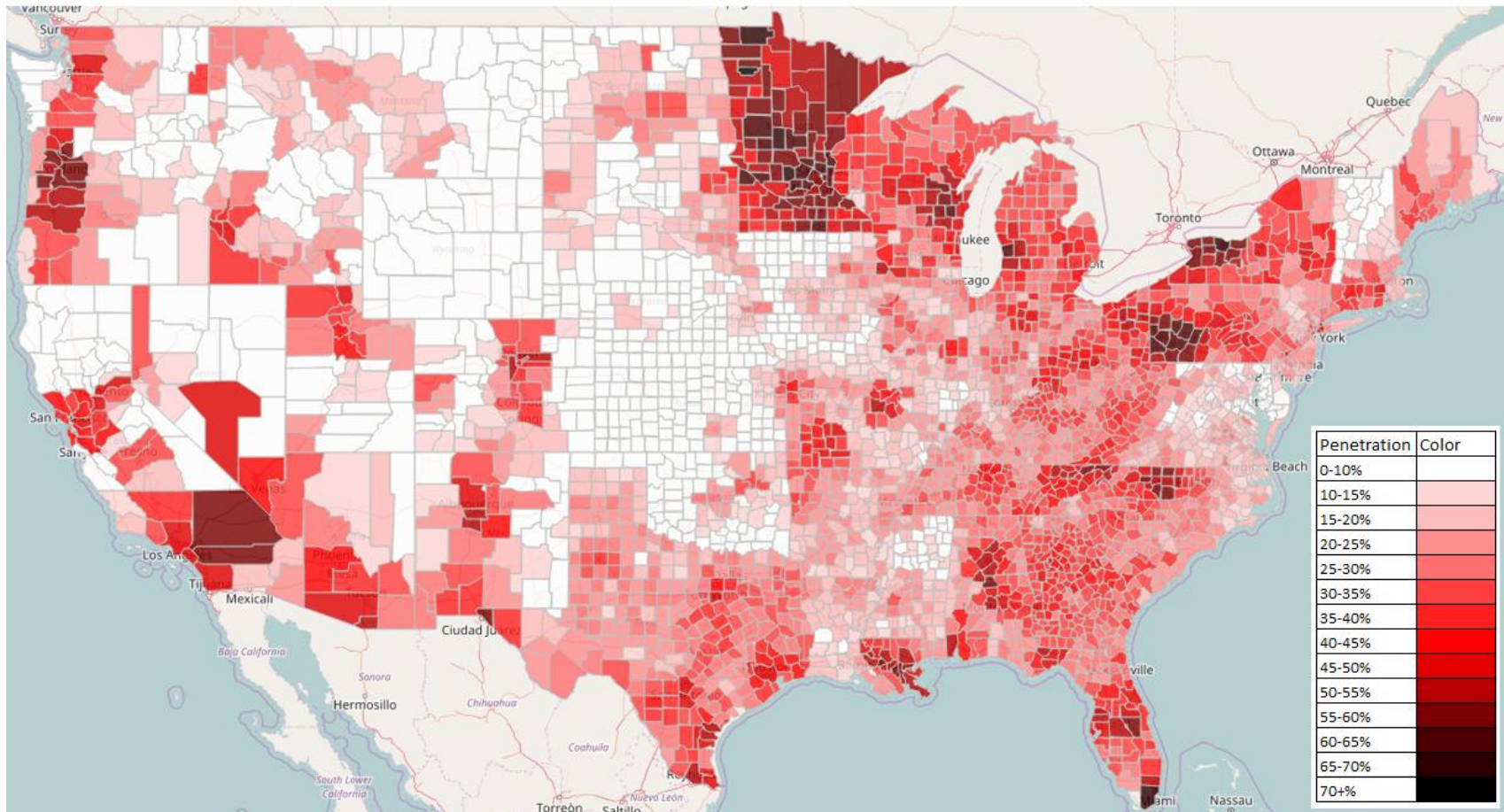
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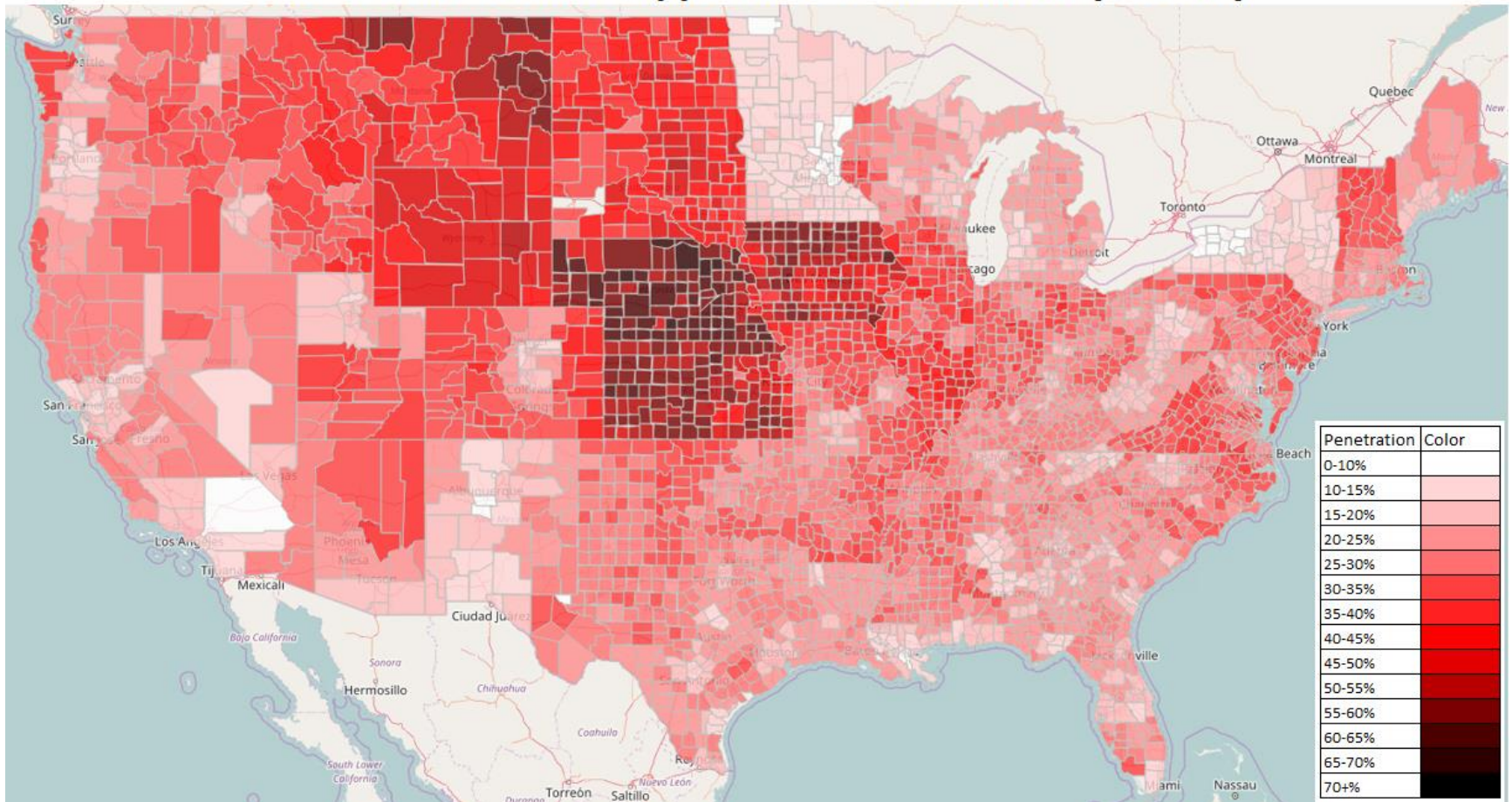
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Jan 2018 Medicare Advantage (incl other Part C) Penetration by County



Market Overview: Medicare Supplement and Medicare Advantage Sales

Jan 2018 Medicare Supplement Penetration by County



Market Overview: Medicare Supplement and Medicare Advantage Sales

- Medicare enrollment ~ 60 million
 - 35% Medicare Advantage (including other Part C)
 - 22% Medicare Supplement
 - Medicare Advantage enrollment 60% higher than Medicare Supplement enrollment
- Medicare Supplement enrollment outnumbers Medicare Advantage enrollment in 56% of counties

Market Overview: Medicare Supplement and Medicare Advantage Sales

- 58% of Medicare Supplement enrollment is in counties where Medicare Supplement enrollment is outnumbered by Medicare Advantage enrollment
- 16% of Medicare Advantage enrollment is in counties where Medicare Advantage enrollment is outnumbered by Medicare Supplement enrollment

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Questions?

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