Why Is Medicare Advantage the Future of Medicare?

Medicare Advantage is leading the innovative use of value-based care which delivers better health outcomes, through better quality care at a better cost for Medicare beneficiaries. Medicare Advantage is Modern Medicare for Seniors, Better Outcomes for Our Nation. Medicare Advantage is the Future of Medicare.

Modern Medicare for Seniors
Medicare Advantage offers beneficiaries the choice of an integrated care plan, with a focus on delivering patient-centered primary care, early intervention and care coordination.

Wellness Programs

- 2/3 People agree wellness programs available through Medicare Advantage help seniors live healthier lives
- 92% of seniors on Medicare Advantage are satisfied with the quality of care received
- 89% are satisfied with their selection of available doctors provided with their Medicare Advantage plan where they live
- 99% of Medicare beneficiaries have access to at least one Medicare Advantage health plan
- More Than 90% of people with Medicare will have access to 10 or more Medicare Advantage plans

Learn more at bettermedicarealliance.org/futureofmedicare

1. Morning Consult, Medicare Advantage Beneficiary Survey, September 2018
2. Medicare Baseline Estimates, Congressional Budget Office, January 2017
Better Choice, Better Value

Medicare Advantage is increasingly the preferred option for high-cost, high-need beneficiaries.

Medicare Advantage has a higher proportion of low-income beneficiaries

- Medicare Advantage: 46%
- FFS Medicare: 38%
- Medicare Advantage: 21%
- FFS Medicare: 17%

Medicare Advantage is the preferred option for minority populations

- Medicare Advantage: 14%
- Traditional Medicare: 6%

Compared to FFS Medicare, Medicare Advantage beneficiaries with multiple chronic conditions have higher rates of clinical and social risk factors

- 64% more likely to have enrolled in Medicare due to disability
- 57% higher rate of serious mental illness
- 16% higher rate of alcohol/substance abuse

4. Analysis of 2016 Medicare Current Beneficiary Survey (MCBS) Data, Provided by Anne Tumlinson Innovations
5. Medicare Advantage Achieves Cost-Effective Care and Better Outcomes for Beneficiaries with Chronic Conditions Relative to Fee-for-Service Medicare. Avalere Health, July 2018.

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Better Cost

29%
On average, beneficiaries in MA pay 29% lower out-of-pocket costs than beneficiaries in FFS.

$4,474
Average total per-beneficiary out-of-pocket costs

$1,276 higher
Traditional Medicare

$3,198
Medicare Advantage

94%
of Medicare beneficiaries have access to an MA plan with a $0-premium.

A smaller percentage of Medicare Advantage beneficiaries are burdened by their out-of-pocket expenses.

Compared to FFS Medicare, beneficiaries in Medicare Advantage have lower average out-of-pocket expenses.

Percentage of Low-Income (<200% FPL) Non-Medicaid Beneficiaries Who Are Cost-Burdened (Spend 20%+ of Income on Out-of-Pocket Costs + Premium) in 2016

35.6%
Medicare Advantage

53.4%
Fee-for-Service Medicare

Better Outcomes

23%
Fewer ER visits than Traditional Medicare beneficiaries

33%
Lower rate of potentially avoidable hospitalizations than Traditional Medicare beneficiaries

29%
Patients with five or more chronic conditions are 70% more likely to enroll in Medicare Advantage compared to those with no chronic conditions.

Compared to Traditional Medicare patients, Medicare Advantage patients who received care in a skilled nursing facility had a shorter course of rehabilitation, were more likely to be discharged to the community successfully and were less likely to experience a 30-day hospital readmission.

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6. Analysis of 2016 Medicare Current Beneficiary Survey (MCBS) Data, Provided by Anne Tumlinson Innovations
7. Medicare Advantage Achieves Cost-Effective Care and Better Outcomes for Beneficiaries with Chronic Conditions Relative to Fee-for-Service Medicare. Avalere Health, July 2018.
8. Analysis of 2018 CMS Medicare Advantage Enrollment Files