



# Medicare Snapshot: Open Enrollment Costs and Trends

*November 2019*

## Study Overview

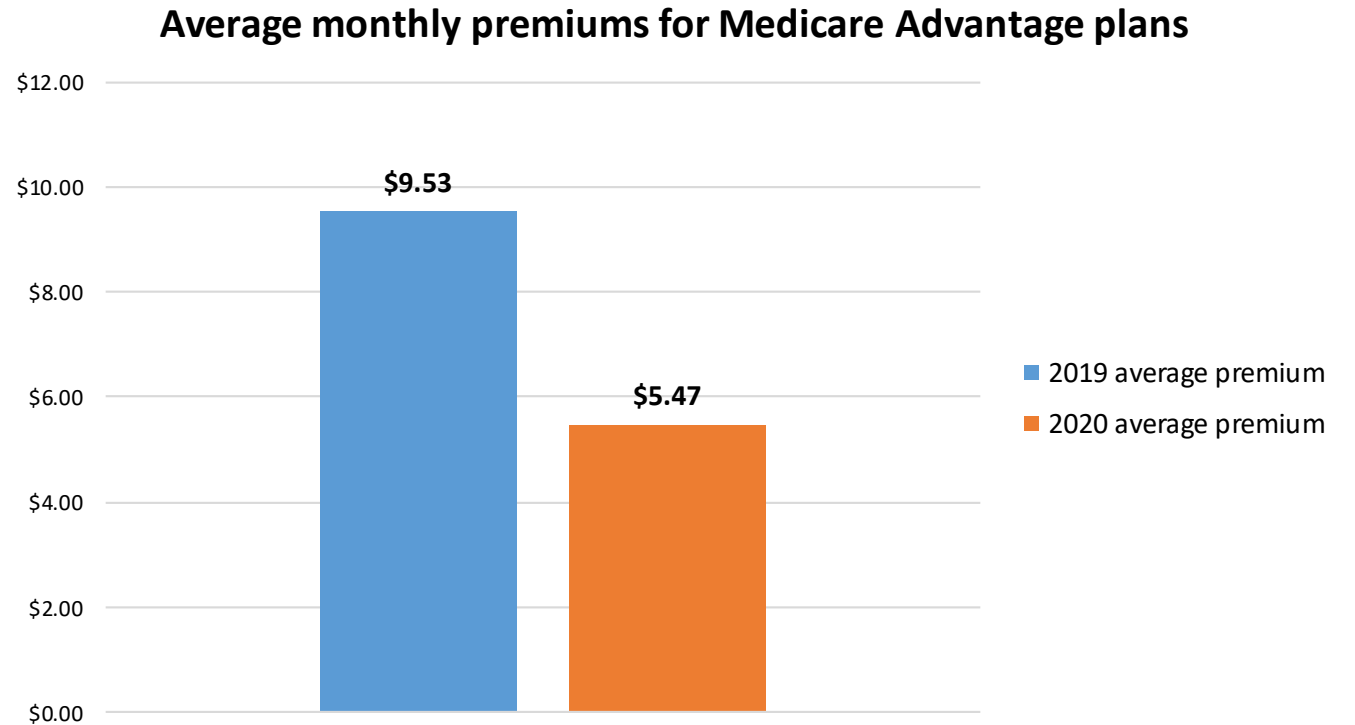
This report presents an analysis of costs and trends among consumers who selected Medicare insurance products through eHealth during the first half of Medicare's annual open enrollment period for 2020 coverage, which ends December 7, 2019. Data presented in this report is drawn from October 15 through November 8, 2019.

Rather than presenting a view of costs across all available products, this report presents costs based on products actually chosen by Medicare insurance shoppers. Highlights:

- **Medicare Advantage premiums are down year over year:** \$5.47 was the average monthly premium for Medicare Advantage plans selected by eHealth customers, down 43% from \$9.53 in the same period last year.
- **Zero-dollar premium Medicare Advantage plans are increasingly popular:** 83% of all eHealth Medicare Advantage customers selected \$0 premium plans, compared to 76% from the same period last year.
- **Part D plan premiums are down year over year:** \$19.76 was the average monthly premium for stand-alone Part D prescription drug plans selected by eHealth customers, a decrease of 15% from the same period last year (\$23.34).
- **Medicare Supplement premiums show a modest increase:** \$157.48 was the average monthly premium for Medicare Supplement plans selected by eHealth customers, an increase of 8% from the same period last year (\$145.62).

### A 43% decline in average Medicare Advantage premiums year over year

- \$5.47 was the average premium for Medicare Advantage plans selected in the first half of open enrollment for 2020 coverage.
- \$9.53 was the average month premium for Medicare Advantage plans selected in the same period last year.

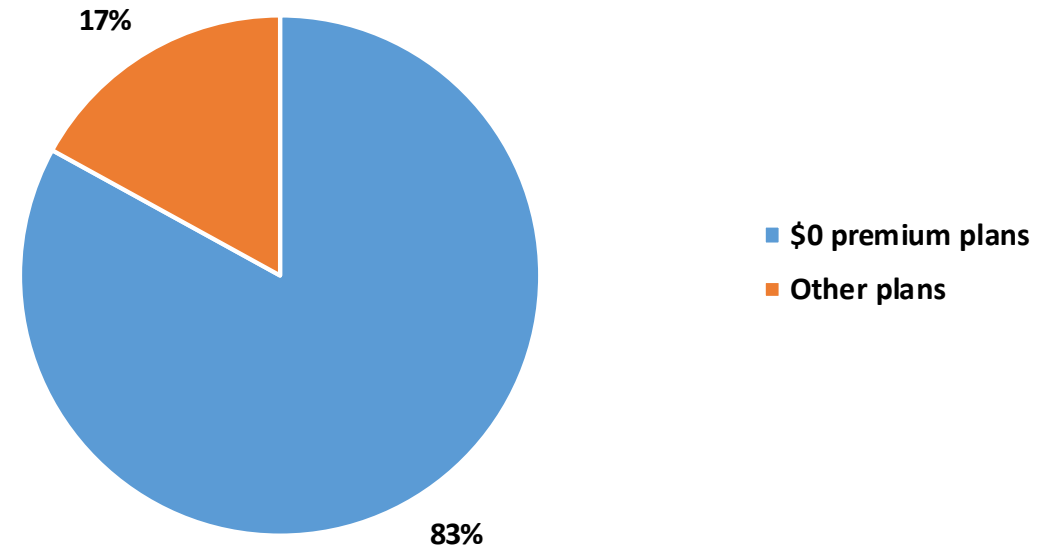


**Premiums for plans selected by consumers are significantly lower than “on the shelf” averages:** In September 2019 the Centers for Medicare and Medicaid Services (CMS) announced that the average monthly premium for 2020 Medicare Advantage plans was expected to be \$23.00. The lower average premiums reported by eHealth may illustrate the effects of significant numbers of consumers selecting \$0 premium plans.

### More than eight in ten Medicare Advantage enrollees select \$0 premium plans

- 83% of those selecting Medicare Advantage coverage chose plans with \$0 monthly premiums in the first half of open enrollment.
- By comparison, 76% of those selecting Medicare Advantage chose plans with \$0 monthly premiums in the same period last year.

### Percentage of Medicare Advantage enrollees selecting \$0 premium plans for 2020

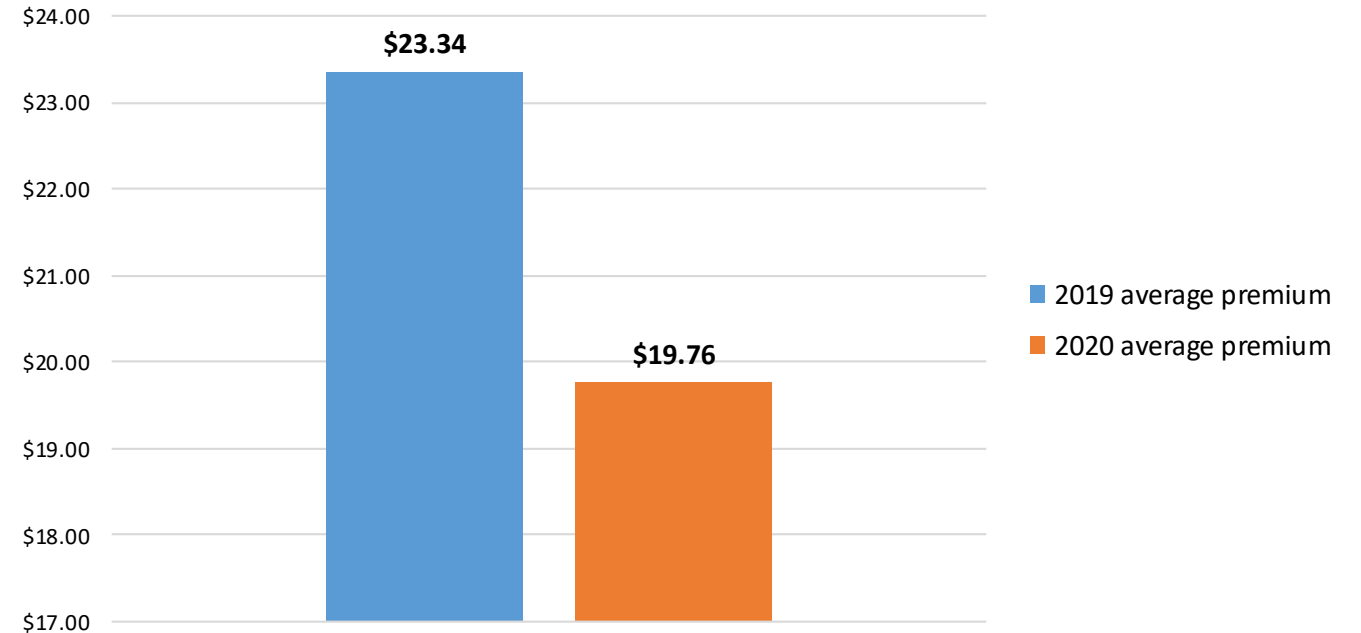


**Most consumers now have access to Medicare Advantage plans with \$0 premiums:** CMS has reported that 90% or more of Medicare beneficiaries in 46 states have access to Medicare Advantage plans for 2020 with a \$0 monthly premium.

### A 15% decline in average Medicare Part D plan premiums year over year

- \$19.76 was the average premium for Medicare Part D plans selected in the first half of open enrollment for 2020 coverage.
- \$23.34 was the average month premium for Medicare Part D plans selected in the same period last year.

### Average monthly premiums for stand-alone Medicare Part D plans



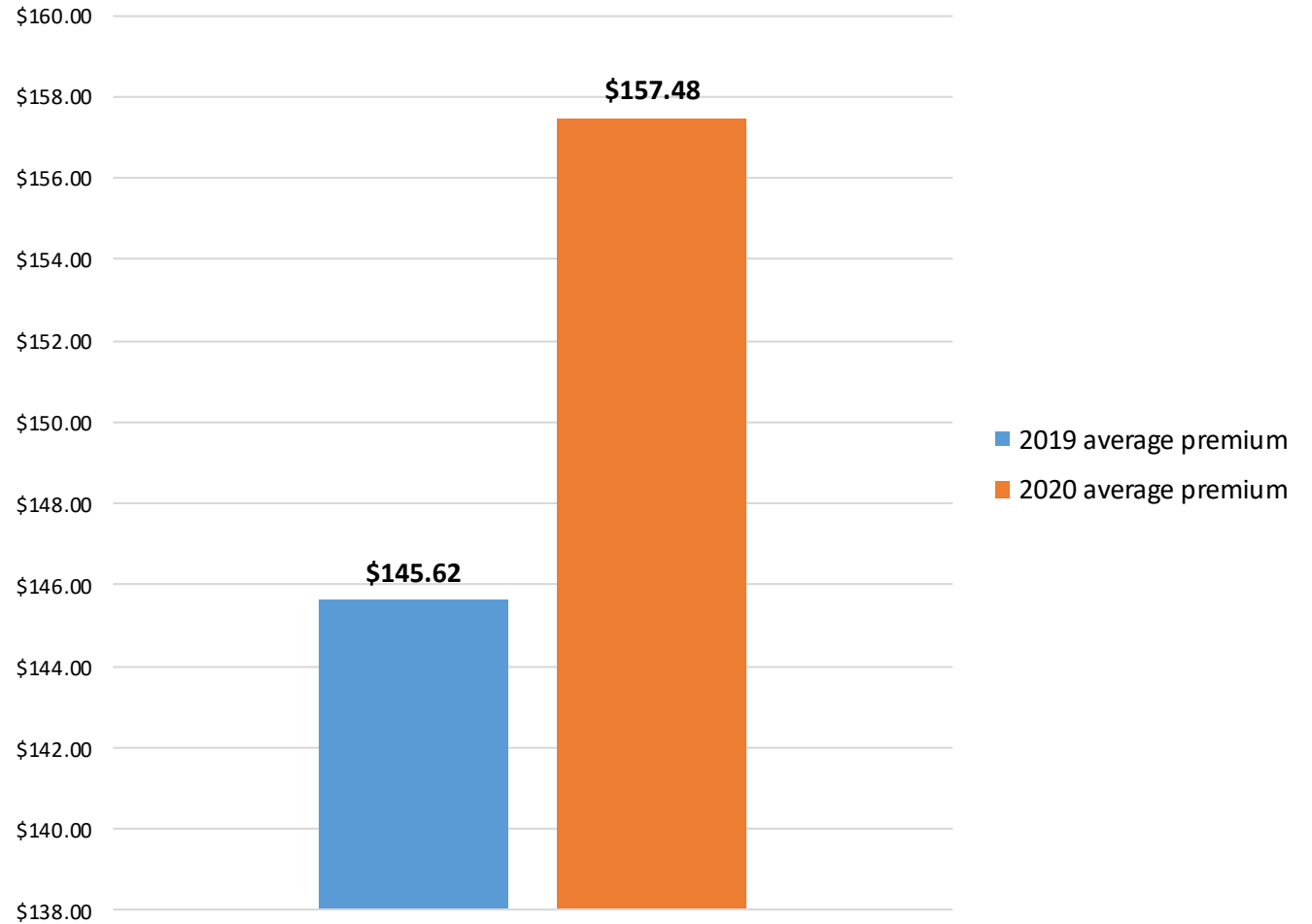
**Millions of Part D enrollees could see premiums increase if they stay put:** The Kaiser Family Foundation [has reported](#) that millions of current stand-alone Part D plan enrollees will see their monthly premiums increase in 2020 if they keep the same plan they had for 2019.



**An 8% increase in average Medicare Supplement plan premiums year over year**

- \$157.48 was the average premium for Medicare Supplement plans selected during the first half of open enrollment.
- \$145.62 was the average premium for Medicare Supplement plans selected in the same period last year.

**Average monthly premiums for Medicare Supplement plans**



**Methodology Note**

This report's findings are based solely on submitted applications for Medicare Advantage, stand-alone Medicare Part D prescription drug plans, and Medicare Supplement plans received by eHealth between October 15 and November 8, 2019, with a comparison to the same period from the prior year. Included in "Medicare Advantage" figures are plans Medicare Advantage plans offering prescription drug coverage as well as those not offering prescription drug coverage. All figures have been rounded to the nearest full percentage point.

Similar to other insurance brokers, eHealth is compensated on a fixed per-member basis for Medicare Advantage and Part D plans as regulated by CMS, and on a percentage of premium basis for most Medicare Supplement plans.

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