



Spotlight on Medicare Advantage: *An eHealth Survey*

June 2022

SPOTLIGHT ON MEDICARE ADVANTAGE: AN EHEALTH SURVEY ~ JUNE 2022

Introduction

Medicare Advantage has been in the spotlight recently. A government report criticized private insurers administering Medicare Advantage plans, and media scrutiny has followed. Yet Medicare Advantage is enormously popular with beneficiaries. Enrollment in Medicare Advantage plans has more than doubled since 2011, totaling more than 29 million in 2022*.

As a licensed broker of Medicare insurance plans, eHealth surveyed more than 2,800 Medicare Advantage enrollees in late May of 2022. We wanted to know: Are they satisfied with their coverage? What has their experience of Medicare Advantage been, and how does it compare to other forms of Medicare insurance (like Medigap) that they may have had in the past?

As demonstrated in this report, we found that a striking majority of Medicare Advantage enrollees are satisfied with their plans. Many find in it precisely the affordable, comprehensive, all-in-one coverage they value and need. In fact, most feel that Medicare Advantage offers a commendable example of cooperation between government and private enterprise.

**According to the federal Centers for Medicare and Medicaid Services.*

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Analysis & Highlights

Medicare Advantage enrollees are overwhelmingly happy with their coverage: 88% of enrollees express satisfaction with their Medicare Advantage plan, and 86% would recommend Medicare Advantage to family or friends; only 6% express dissatisfaction with their plan.

Most of those previously enrolled in Medicare Supplement (Medigap) prefer Medicare Advantage: 59% of beneficiaries previously enrolled in Medigap say they are “more satisfied” with their Medicare Advantage plan; an additionally 23% are “equally satisfied.”

Most Medicare Advantage enrollees can't afford the alternatives: Two thirds (67%) of those who chose Medicare Advantage over Medigap did so because Medigap was too expensive. If forced to look for similar coverage elsewhere, 73% of Medicare Advantage enrollees say they could afford monthly premiums of no more than \$50.

Most feel that Medicare Advantage is a good example of public/private cooperation: More than six in ten (61%) say Medicare Advantage is a good example of cooperation between government and private enterprise; only 5% disagree. Only 13% feel regulation of Medicare Advantage plans should be increased.

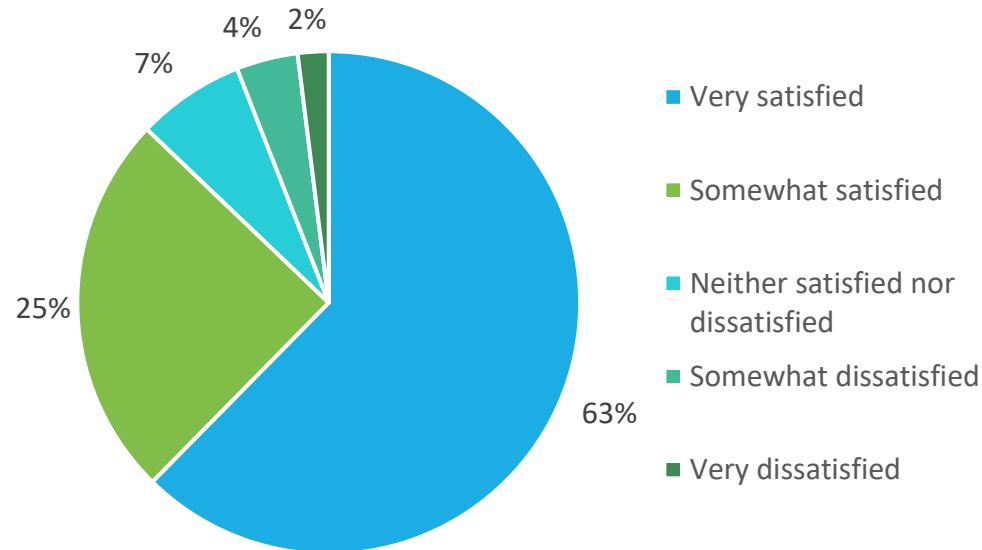
Medicare Advantage enrollees value assistance from licensed agents more than government help: 65% feel they're more likely to get good advice from a licensed agent than from a government employee; 55% would prefer to shop from a curated supply of Medicare plans with personal help from an agent rather than choose from among all plans without such help.

Satisfaction with Medicare Advantage

About 9 in 10 Medicare Advantage enrollees (88%) express satisfaction with their coverage

- Nearly two thirds (63%) say they are “very satisfied” with their Medicare Advantage plan.
- A quarter (25%) say they are “somewhat satisfied.”
- 7% are neither satisfied nor dissatisfied.
- Only 6% express dissatisfaction with their Medicare Advantage plan.

“How satisfied are you with your Medicare Advantage plan?”



Among those dissatisfied, complaints focus on doctor networks, out-of-pocket costs, and prescription drugs

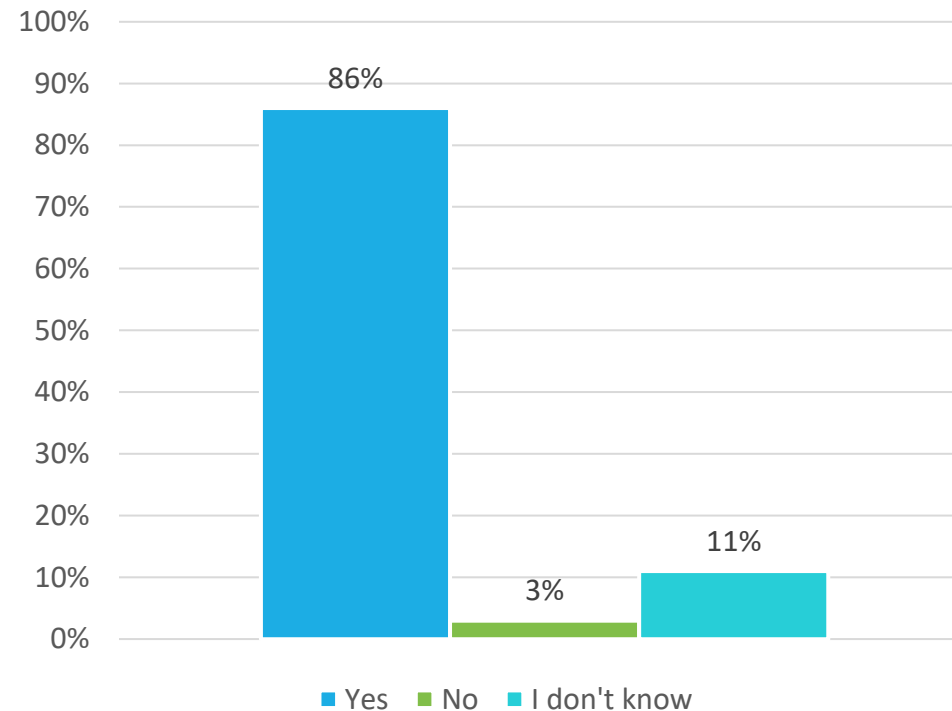
- Among those who express dissatisfaction with their Medicare Advantage plan, 29% cite lack of coverage for their preferred doctors, hospitals, or pharmacies.
- 25% cite dissatisfaction with their out-of-pocket costs.
- 22% cite dissatisfaction with their prescription drug coverage.

Satisfaction with Medicare Advantage (cont.)

A strong majority of enrollees would recommend Medicare Advantage

- 86% of Medicare Advantage enrollees would recommend it to family and friends in need of Medicare coverage.
- Only 3% would not recommend it.
- 11% are uncertain.

“Would you recommend Medicare Advantage to family or friends?”



Enrollees cite broad range of reasons they chose Medicare Advantage

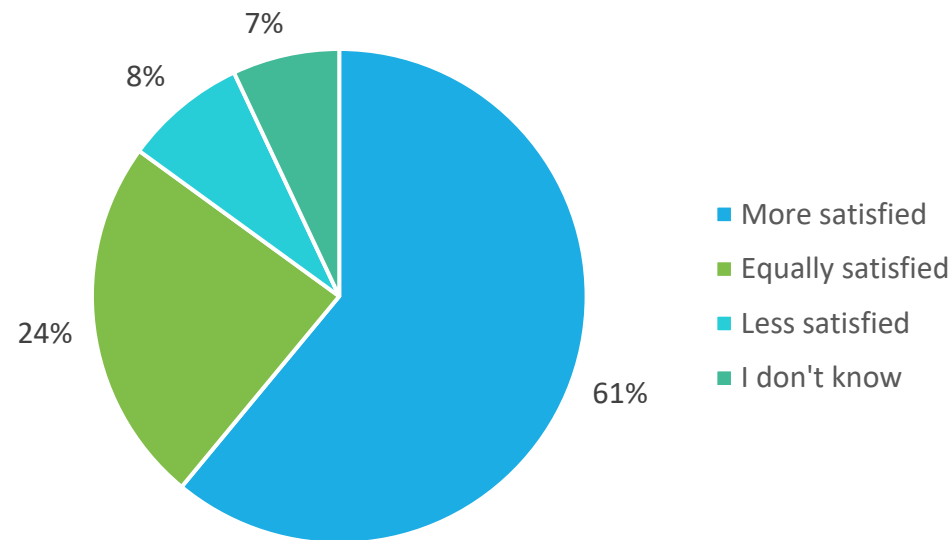
- The top three reasons enrollees say they chose Medicare Advantage include: “It covers my preferred doctors, hospitals, and pharmacies” (cited by 51%); “Affordable monthly premiums” (49%); and “It covers my prescription drugs at a price I can afford” (49%).
- 46% say they chose Medicare Advantage because they wanted all their Medicare benefits wrapped up in a single plan.

Satisfaction with Medicare Advantage (cont.)

Most of those previously enrolled in other forms of Medicare insurance still prefer Medicare Advantage

- Overall, 61% of those who were previously enrolled in other forms of Medicare insurance say they are more satisfied their Medicare Advantage plan.
- 24% say they are equally satisfied with their Medicare Advantage plan.

How satisfied are you with Medicare Advantage compared to other forms of Medicare coverage you've had in the past?



Most of those formerly covered by Medicare Supplement prefer Medicare Advantage*

- Among those who were formerly covered by a Medicare Supplement (Medigap) plan, 59% say they are more satisfied with their Medicare Advantage plan; 23% are equally satisfied.
- Most (67%) of those who chose Medicare Advantage over Medigap say they did so because Medigap was too costly; 25% chose Medicare Advantage because Medigap plans do not offer drug coverage.

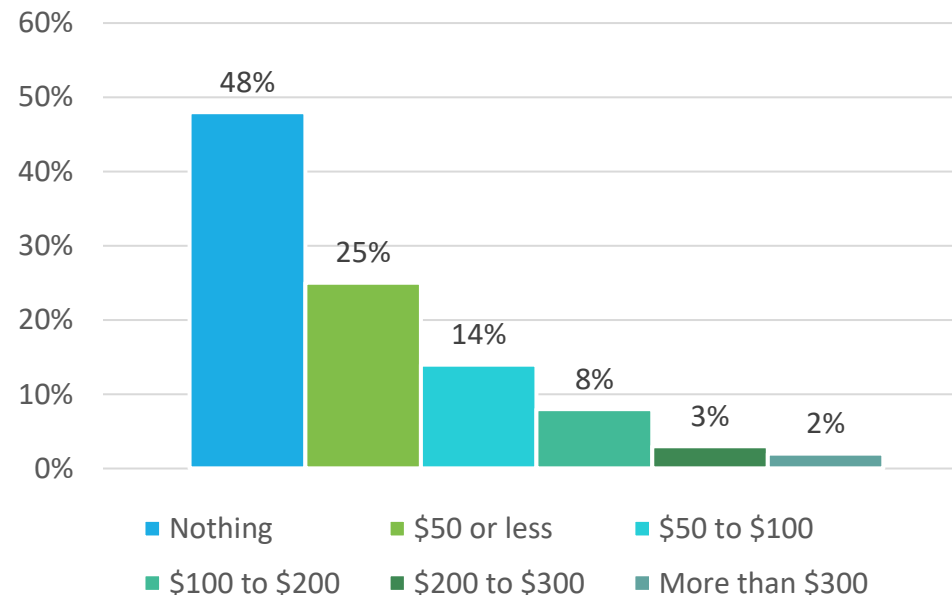
**Medicare Advantage plans provide coverage for Medicare Parts A and B while also typically filling in gaps in Parts A and B coverage and providing Part D benefits for prescription drugs. Medicare Supplement (Medigap) plans fill in gaps in Parts A and B coverage but typically cost significantly more than Medicare Advantage and do not provide Part D benefits.*

Affordability Key for Medicare Advantage Enrollees

Nearly three quarters (73%) can only afford monthly premiums of \$50 or less

- 48% say they could not afford to pay anything at all in monthly premiums for similar coverage if Medicare Advantage wasn't available to them.*
- 25% say they could afford monthly premiums of less than \$50.
- 14% say they could afford monthly premiums of \$50 to \$100.

“If Medicare Advantage wasn't an option, how much could you afford in monthly premiums for similar coverage?”



Medicare Advantage enrollees are sensitive to out-of-pocket costs as well

- 74% say they could only afford annual out-of-pocket costs of \$1,000 or less.

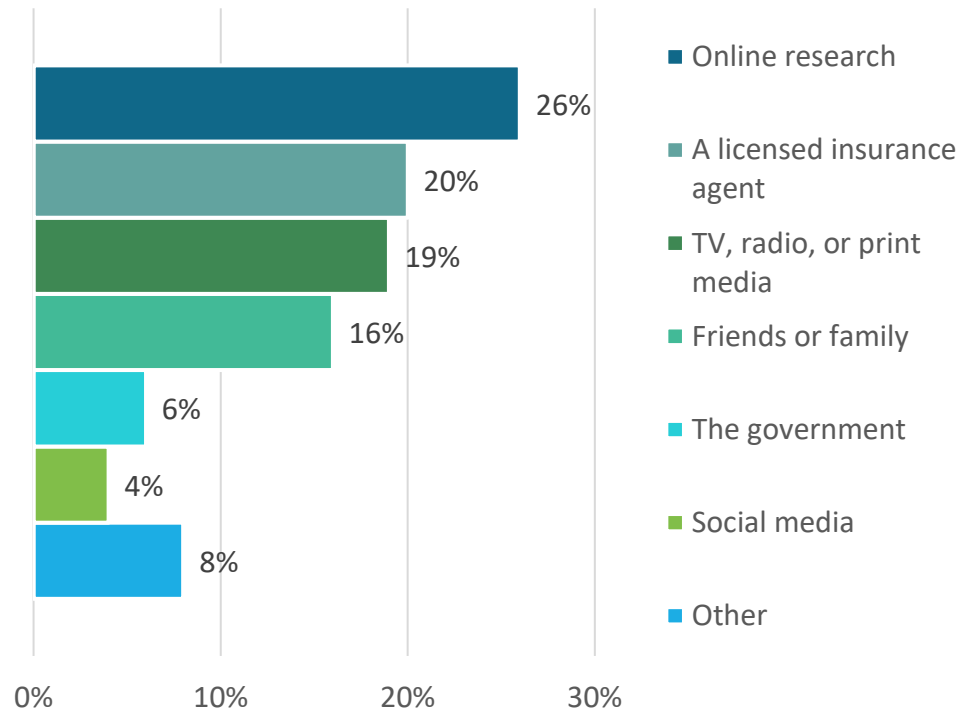
* According to eHealth's [Medicare Index Report for 2022 Coverage](#), \$6 was the average monthly premium for Medicare Advantage plans selected by eHealth shoppers. Most (87%) of the Medicare Advantage plans selected by eHealth customers have a \$0 premium, though Medicare Part B premiums are still typically withdrawn from enrollees' Social Security income.

How Seniors First Learn About Medicare Advantage

Nearly 7 in 10 enrollees (69%) learn about Medicare Advantage through online research, media, and licensed agents

- 26% say they first learned about Medicare Advantage through researching their options online.
- 20% first learned about it through a licensed agent.
- 19% first learned about it through TV, radio, or print media.
- 4% say they first heard of Medicare Advantage through social media.

“How did you first learn about Medicare Advantage?”



Few learn about Medicare Advantage through government sources

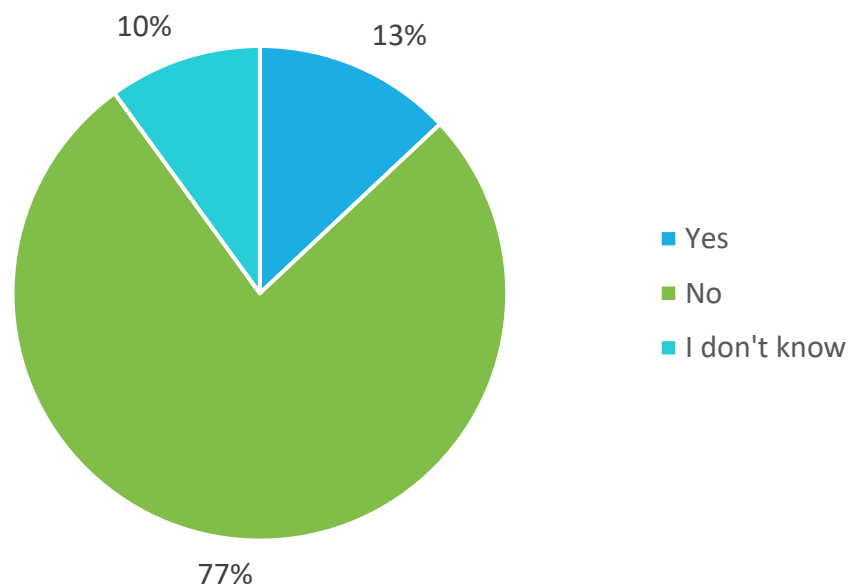
- Only 6% say they first learned about Medicare Advantage through government channels.

Spotlight on Claim and Pre-authorization Denials

Few were denied coverage based on formulary or provider network limitations

- Overall, 13% say they have had a claim or pre-authorization request denied.
- Only 3% say they were denied coverage for a specific prescription drug; 2% were denied coverage for visits with specific doctors; less than 1% were denied coverage for inpatient hospital care.
- Those who experienced a self-reported denial of coverage include many who were declined for things like dental and vision care, which aren't typically covered by Medicare.

While enrolled in Medicare Advantage, have you ever had a medical claim or pre-authorization request denied?



Plan exclusions and lack of medical necessity are the most cited reasons for denials

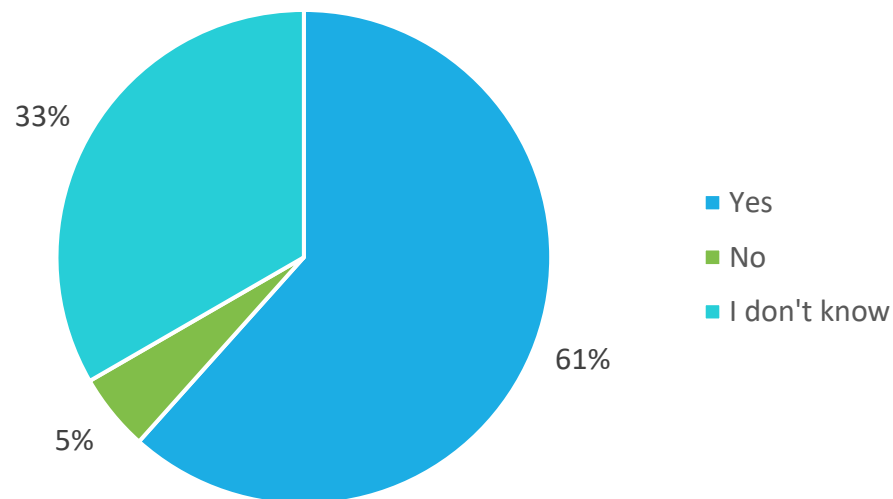
- 43% of those who had a claim or pre-authorization request denied say they were informed it was excluded from coverage under their plan; 15% say their coverage was denied because the service or supply was determined to be not medically necessary.
- 15% of those who had a claim or pre-authorization request initially denied say it was eventually paid by their insurer.

Government and Private Enterprise in Medicare

Most enrollees see Medicare Advantage as the right kind of cooperation between government and private enterprise

- More than six in ten (61%) say Medicare Advantage is a good example of public/private cooperation.
- Only 5% do not consider it a good example of such cooperation.
- 33% are unsure.

In your opinion, is Medicare Advantage a good example of cooperation between government and private enterprise?



Few Medicare Advantage enrollees are calling for more government regulation

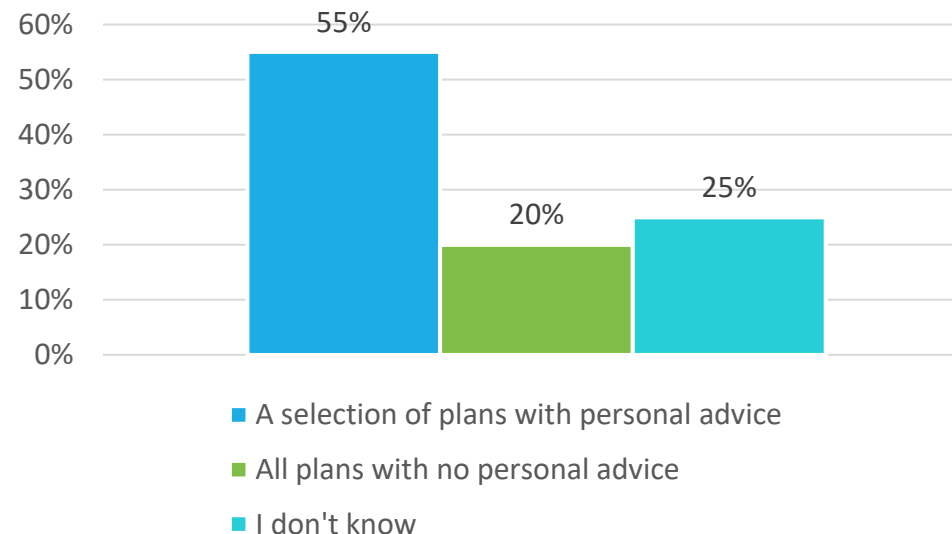
- 46% say government regulation of Medicare Advantage is fine as it is or should be reduced
- 13% say it should be increased.

Licensed Agents vs. Government Employees

Enrollees value the personal help and advice provided by licensed Medicare agents

- Most (55%) say they would rather shop from a limited selection of plans if their choice was supported by personal help and advice from an agent.
- 20% would rather choose from among all plans available to them, even if it meant they got no personal help or advice.
- 25% are uncertain.

“Would you prefer to shop from a limited selection of health plans with an option to get personal advice, or to shop from among all plans with no option for personal advice?”



Most enrollees feel they will get better help from licensed agents than from government

- 65% believe they are more likely to get good coverage advice from a licensed health insurance agent than from an unlicensed government employee.
- 5% think they are more likely to get good advice from a government employee.
- 30% are uncertain.

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Methodology Note

The findings presented in this report are based on a voluntary survey of Medicare beneficiaries enrolled in Medicare Advantage plans purchased through eHealth's website. The survey was conducted online in late May of 2022 and a total of 2,848 responses were collected. Percentages have been rounded to the nearest full percentage point and may add to slightly more or less than 100% due to rounding.

About eHealth

eHealth, Inc. (NASDAQ: EHTH) operates a leading health insurance marketplace at eHealth.com and eHealthMedicare.com with technology that provides consumers with health insurance enrollment solutions. Since 1997, we have connected more than 8 million members with quality, affordable health insurance, Medicare options, and ancillary plans. Our proprietary marketplace offers Medicare Advantage, Medicare Supplement, Medicare Part D prescription drug, individual, family, small business and other plans from over 200 health insurance carriers across fifty states and the District of Columbia.