

News Release

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Medicare Advantage remains strong

Enrollment in the Medicare Advantage (MA) program is projected to increase by 11 percent in the next year and premiums will remain steady, Health and Human Services Secretary Kathleen Sebelius announced today. Since the Affordable Care Act was passed in 2010, Medicare Advantage premiums have fallen by 10 percent and enrollment has risen by 28 percent.

"Thanks to the Affordable Care Act, the Medicare Advantage and Prescription Drug programs have been strengthened and continue to improve for beneficiaries," said Secretary Sebelius. "Since the law was enacted in 2010, average premiums have gone down, enrollment has gone up, and new benefits and lower drug costs continue to help millions of seniors and people with disabilities."

For the third year in a row, the Centers for Medicare & Medicaid Services (CMS) used authority provided by the Affordable Care Act to protect beneficiaries from significant increases in costs or cuts in benefits. Access to supplemental benefits remains steady and beneficiaries' average out-of-pocket spending remains constant.

The average MA premium in 2013 is projected to increase by only \$1.47 from last year, coming to \$32.59. However, if beneficiaries choose lower cost plans at the same rate in 2013, as they did in 2012, the average premium is expected to increase by only 57 cents. Access to the Medicare Advantage program will remain strong, with 99.6 percent of beneficiaries having access to a plan. Additionally, the number of plan choices will increase by 7 percent in 2013.

Last month, CMS announced that the average estimated basic Medicare prescription drug plan premium was projected to be \$30 in 2013, holding steady from last year. Today's projections show that access to a Medicare prescription drug plan will remain strong in 2013. Everyone with Medicare will have access to a wide range of plan choices.

As a result of the Affordable Care Act, coverage for both brand name and generic drugs in the Part D donut hole coverage gap will continue to increase until 2020, when the donut hole will be closed. This year, people with Medicare received a 50 percent discount on covered brand name drugs and 14 percent coverage of generic drugs in the donut hole. In 2013, Medicare Part D's coverage of brand name drugs will begin to increase, so people with Medicare will receive approximately 53 percent off the cost of brand name drugs, and coverage for 21 percent of the cost of generic drugs, in the donut hole.

Since the law was enacted, 5.4 million people with Medicare have saved over \$4.1 billion on prescription drugs in the donut hole. An estimated 37 million people with Medicare received a preventive benefit free of charge in 2011.

For last month's announcement about Part D premiums, please visit:

<http://www.cms.gov/apps/media/press/release.asp?Counter=4425&intNumPerPage=10&checkDate=>

[&checkKey=&srchType=1&numDays=3500&srchOpt=0&srchData=&keywordType=All&chkNewsType=1%2C+2%2C+3%2C+4%2C+5&intPage=&showAll=&pYear=&year=&desc=&cboOrder=date](#)

The Annual Open Enrollment Period for health and drug plans begins on October 15 and ends December 7. Each year plans change what they cost and what they cover. To find helpful Medicare tools and information, and compare the cost or benefits of 2013 Medicare health plans in your area, please visit: <http://www.cms.gov/center/openenrollment.asp>

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