

News Release

U.S. Department of Health & Human Services
News Division

Contact: HHS Press Office
202-690-6343
media@hhs.gov

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More, higher quality options for seniors in Medicare Advantage

More beneficiaries are choosing higher quality Medicare Advantage (MA) plans, and for the fourth straight year enrollment is projected to increase, Health and Human Services (HHS) Secretary Kathleen Sebelius announced today.

The average MA premium in 2014 is projected to increase by only \$1.64 from last year, coming to \$32.60. Access to the Medicare Advantage program will remain strong, with 99.1 percent of beneficiaries having access to a plan. The average number of plan choices will remain about the same in 2014 and access to supplemental benefits remains stable. Since passage of the Affordable Care Act, average MA premiums are down by 9.8 percent.

MA quality continues to improve as over one-third of MA contracts will receive four or more stars, which is an increase from 28 percent in 2013. Over half of MA enrollees are enrolled in plans with four or more stars, a significant increase from 37 percent of enrollees last year. The Centers for Medicare & Medicaid Services (CMS) calculates star ratings from 1 to 5 (with 5 being the best) based on quality and performance for MA and Medicare prescription drug plans to help beneficiaries, their families, and caregivers compare plans.

“As a result of the Affordable Care Act, Medicare Advantage and Prescription Drug Plans remain strong and continue to provide improved benefits and low premiums for beneficiaries,” said Secretary Sebelius. “And as a reminder, it is business as usual when it comes to their Medicare benefits: people with Medicare do not need to enroll in the new Health Insurance Marketplaces.”

Earlier this year, CMS [announced](http://www.hhs.gov/news/press/2013pres/07/20130730c.html) (<http://www.hhs.gov/news/press/2013pres/07/20130730c.html>) that the average estimated basic Medicare prescription drug premium plan in 2014 is projected to be \$31 per month, holding steady for four years in a row. 100 percent of people with Part D will have access to a plan with lower premium than what they paid in 2013. More than 6.6 million people with Medicare have saved over \$7 billion on prescription drugs as a result of the [Affordable Care Act](http://www.hhs.gov/healthcare/rights/index.html), (<http://www.hhs.gov/healthcare/rights/index.html>) an average of \$1,061 per beneficiary. The Affordable Care Act closes the “donut hole” over time. This news comes on the heels of historically

low levels of growth in Medicare spending. From 2010 to 2012, Medicare spending per beneficiary grew at 1.7 percent annually, substantially more slowly than the per capita rate of growth in the economy.

The Annual Open Enrollment period for health and drug plans begins on October 15 and ends December 7. Each year plans costs and covered benefits can change, and Medicare beneficiaries should look at their Medicare coverage choices and decide what options best meet their needs. For more information on Medicare Open Enrollment and to compare benefits and prices of 2014 Medicare health and drug plans, please visit: <http://www.cms.gov/Center/Special-Topic/Open-Enrollment-Center.html>.

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