Medicare Advantage (MA) is a shining example of a successful public-private partnership meeting the needs of millions of seniors and Medicare beneficiaries with disabilities. Congress and CMS should take steps to ensure year-over-year stability in the MA program so it can continue being a high-value option meeting the needs of Medicare beneficiaries. As policymakers continue important health care reform discussions, they should look at MA as an example of how to provide affordable and stable health care coverage to Americans.

**Fast Facts About MA**

- **26.3M Americans**
  (or 42%) have chosen to enroll in MA, in 2021.
  (BMA as of Feb. 2020)

- **94% of Enrollees**
  in MA have access to at least one $0 premium plan and 46% of enrollees are in a zero-dollar premium plan.
  (BMA)

- **80%+ of Enrollees**
  in MA have access to a plan with some dental, vision, hearing, or fitness benefits. (More than half of plans provide all four.)
  (BMA)

- **$1,598 less spending**
  in total reported by MA enrollees than by beneficiaries in FFS Medicare.
  (BMA)

- **98% Beneficiaries**
  The program is popular; 98% of MA beneficiaries are satisfied with their quality of care, according to a Morning Consult poll.
  (2020 Morning Consult Poll)

**MA plans provide important benefits and cost protections not available in FFS Medicare:**

- **Vision, hearing, and dental benefits**, as well as new supplemental benefits such as health and wellness programs, transportation, and meals.

- **Annual Maximum Out-of-Pocket (MOOP) Cost Protections**
  - 2021 MOOP of $7,550 (CMS) / Voluntary MOOP of $0 - $3,450 (CMS)
  - 2020 average MOOP is $4,925 (KFF) for in-network services

Through our Aetna business, CVS Health offers a full range of products and services to meet the needs of Medicare beneficiaries: MA, Part D prescription drug plans, and Medicare Supplemental plans.

3.16.2021
Aetna’s Medicare Business by the Numbers

83% of Beneficiaries
Aetna’s MA plans are available to 83% of Medicare beneficiaries across the US.

83% of Members
We are a leader in providing high quality MA plans: 83% of members are in 4+ star (out of 5) plans.

5.6M Members
The largest Part D plan in the country

1 Million Members
Growing Medigap business

2.8 Million MA Members

1.7 Million
In the individual market

1.11 Million
In MA Employer Group Waiver Plan market

MA Provides Value to Diverse Communities Who are Often Lower Income

Minority Beneficiaries in MA
(Milliman Oct. 2020 for BMA)

<table>
<thead>
<tr>
<th></th>
<th>Hispanic beneficiaries</th>
<th>African-American beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>MA</td>
<td>32%</td>
<td>47%</td>
</tr>
<tr>
<td>FFS Medicare</td>
<td>21%</td>
<td>42%</td>
</tr>
</tbody>
</table>

MA plans enrollment
(Milliman Oct. 2020 for BMA)

<table>
<thead>
<tr>
<th></th>
<th>MA Enrollees</th>
<th>Medicare FFS population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual incomes of less than $24,523 (200% FPL)*</td>
<td>50.3%</td>
<td>40.1%</td>
</tr>
</tbody>
</table>

Low income beneficiaries are most likely to enroll in MA than higher income beneficiaries.

* Household of 1 in 2019.

MA Provides High Quality Care and Performs Better than FFS Medicare

Lower hospital readmission rates
The risk-adjusted 30-Day readmission rate among MA enrollees was 13% to 20% lower than the rate in traditional FFS Medicare.

More preventive care/tests
MA enrollees use preventative care at a 20% higher rate than FFS enrollees.

(2015, Health Affairs)

A comprehensive claims-based comparison on outcomes between MA and FFS Medicare beneficiaries with chronic conditions shows that, despite having a higher proportion of beneficiaries with other clinical and social risk factors, **MA beneficiaries achieved:**

<table>
<thead>
<tr>
<th>Benefit</th>
<th>MA Advantage</th>
</tr>
</thead>
<tbody>
<tr>
<td>10% fewer inpatient hospital stays</td>
<td>57% lower rate of avoidable hospitalizations for acute conditions for beneficiaries with major complex chronic conditions</td>
</tr>
<tr>
<td>15% lower combined medical and prescription drug costs</td>
<td>43% lower rate of potentially avoidable hospitalizations</td>
</tr>
<tr>
<td>49% received a pneumonia vaccine</td>
<td>41% higher primary care services for beneficiaries with major complex chronic conditions</td>
</tr>
<tr>
<td>43% lower rate of potentially avoidable hospitalizations</td>
<td>41% higher primary care services for beneficiaries with major complex chronic conditions</td>
</tr>
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