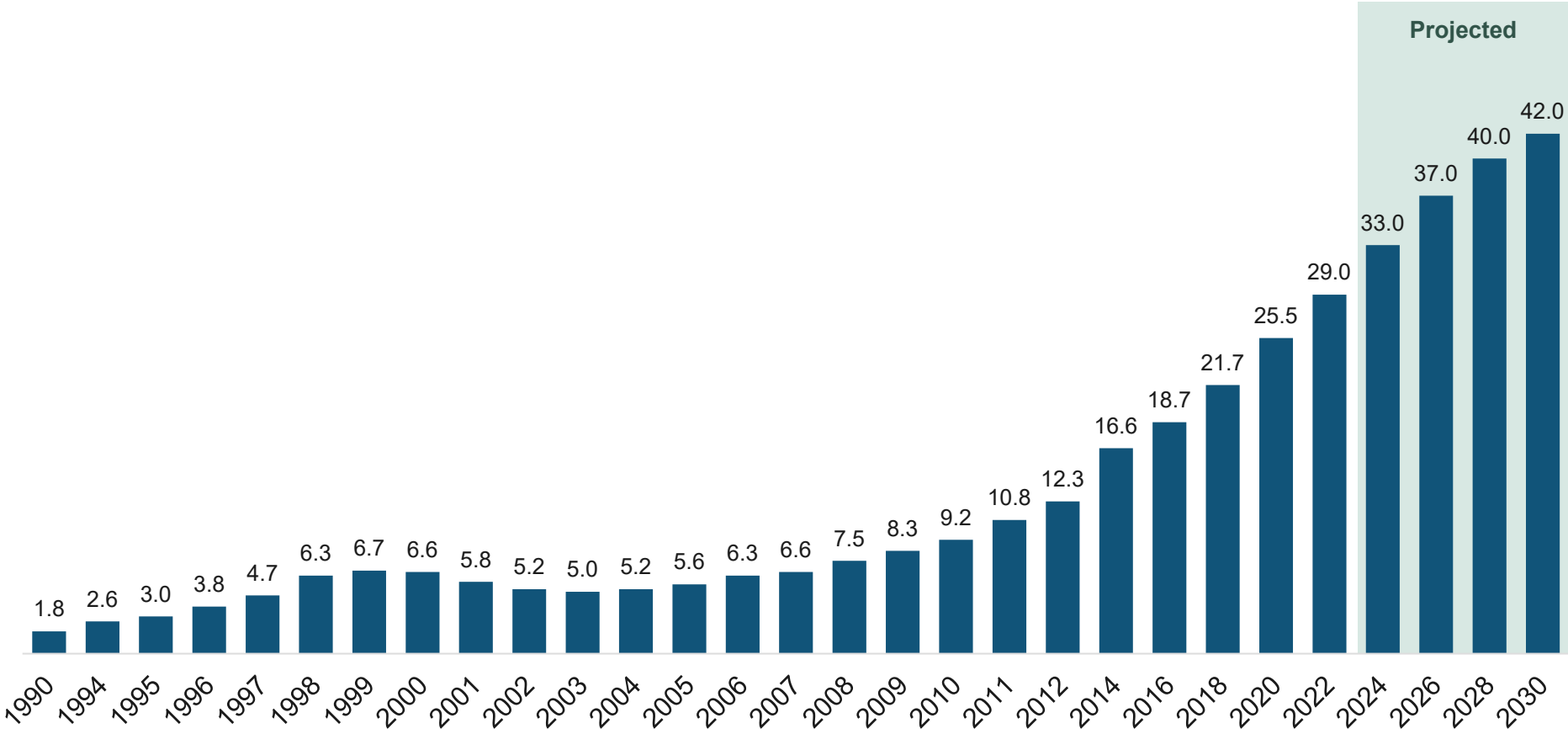


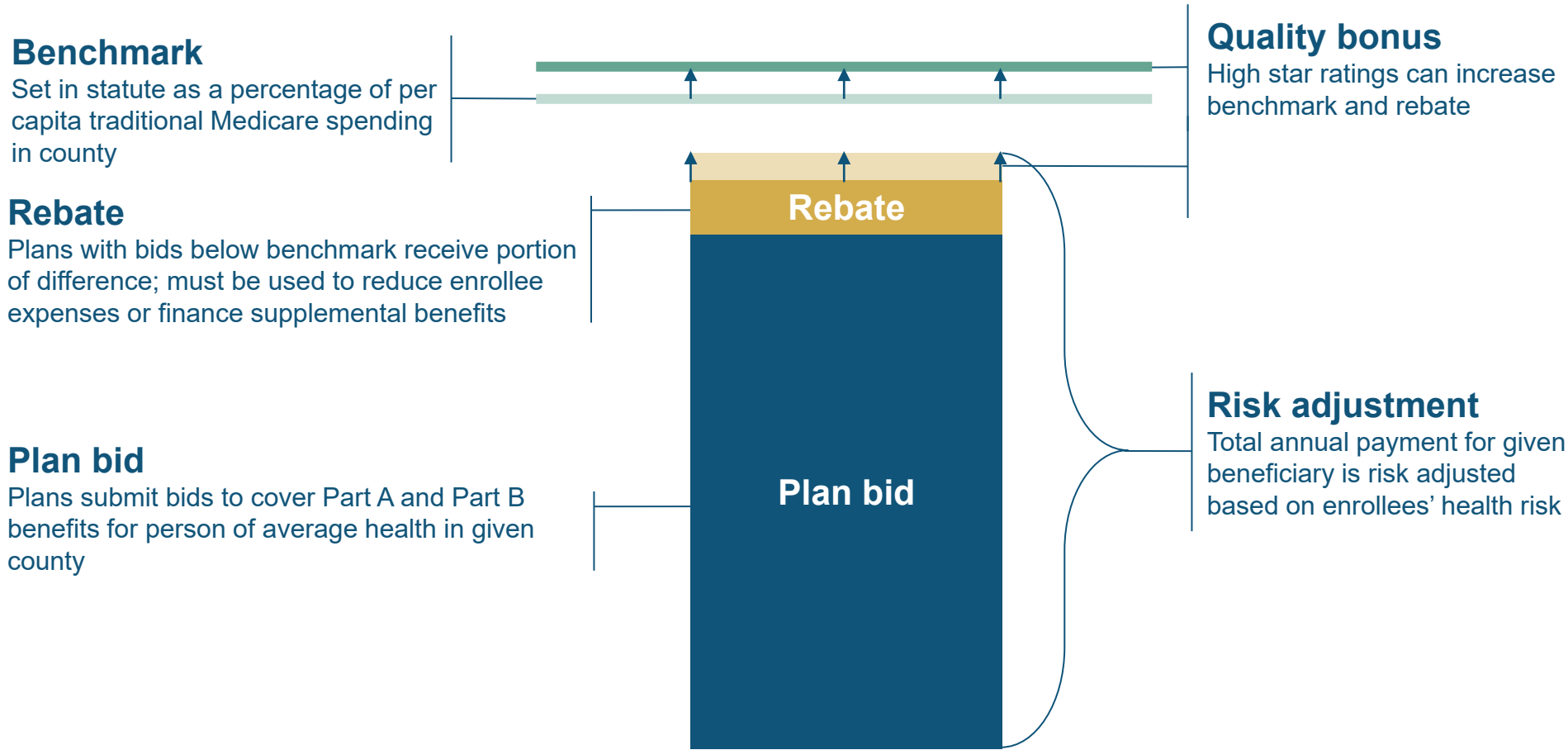
Medicare Advantage enrollment has grown rapidly in the past decade.

Medicare Advantage enrollment, past and projected (millions)



Data: 2013 Edition of Medicare and Medicaid Statistical Supplement, [Table 12.1 - Health Maintenance Organization \(HMO\) and Cost Contract Enrollment Growth: Selected Calendar Years 1990-2012](#), for years 1990-2012; Centers for Medicare and Medicaid Services, [Medicare Advantage State/County Penetration Files](#), for Dec. 2014, 2016, 2018, and 2020; Congressional Budget Office, [Medicare Baseline Projection](#), May 2023.

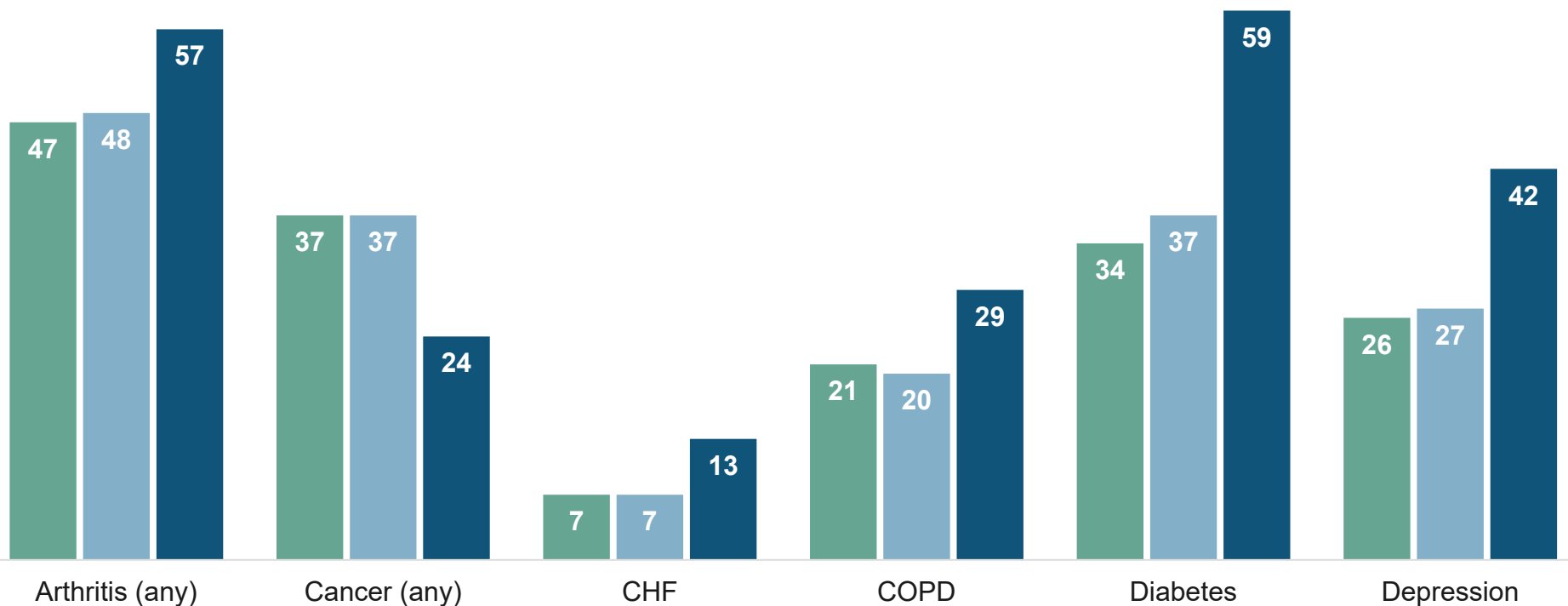
Medicare Advantage payments are based on a system of benchmarks, bids, and quality incentives.



The prevalence of many chronic conditions is similar for enrollees in traditional Medicare and Medicare Advantage, after separating out Special Needs Plans.

Percentage of beneficiaries with chronic condition

■ Traditional Medicare ■ Medicare Advantage ■ Special Needs Plans



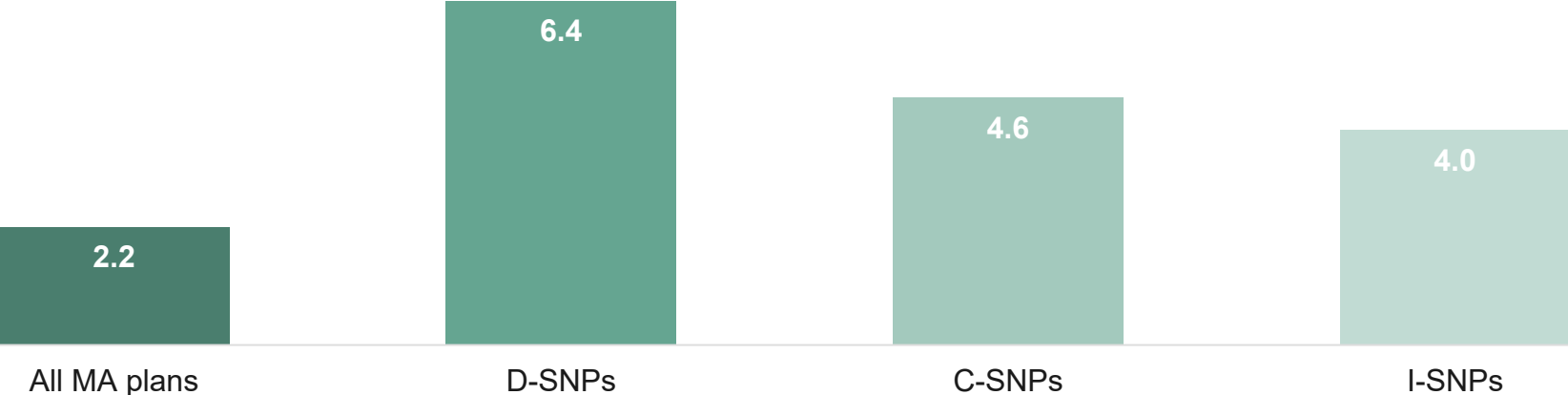
Notes: Medicare Advantage plans as shown do not include Special Needs Plans (SNPs). CHF = congestive heart failure; COPD = chronic obstructive pulmonary disease, emphysema, and/or asthma. Across all listed chronic conditions, differences between SNPs and other types of Medicare coverage are significantly different, $p < .05$. Data represent community-dwelling beneficiaries. Beneficiaries in SNPs were determined using plan identifiers reported in the Medicare Current Beneficiary Survey.

Data: Analysis of the Medicare Current Beneficiary Survey, 2018, as cited in Gretchen Jacobson et al., *Medicare Advantage vs. Traditional Medicare: How Do Beneficiaries' Characteristics and Experiences Differ?* (Commonwealth Fund, Oct. 2021).

EXHIBIT 4

Margins for dual-eligible and chronic-condition Special Needs Plans are higher compared to other Medicare Advantage plans.

Medicare Advantage plans' margins, by plan type, 2021 (%)



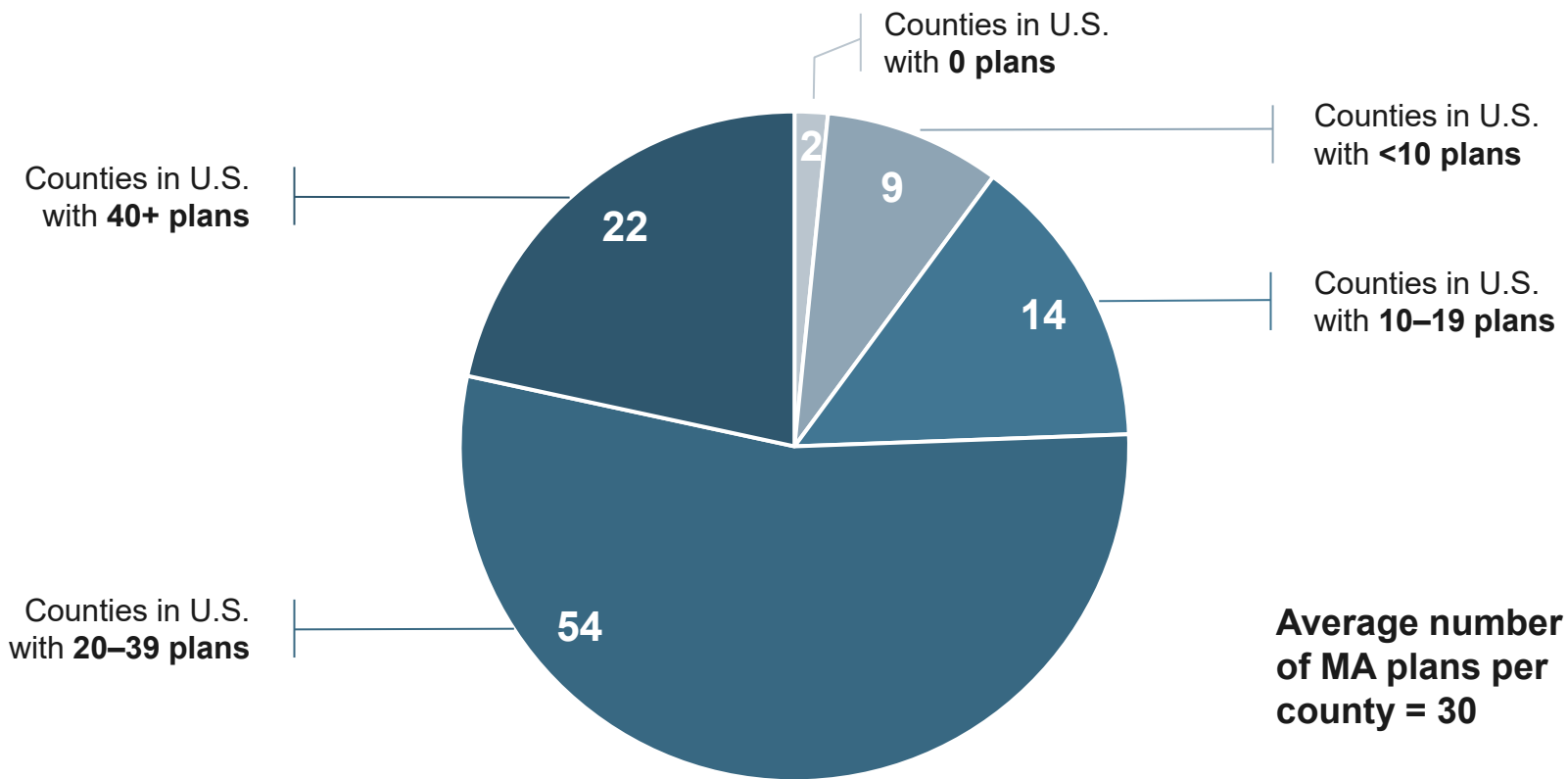
Notes: MA = Medicare Advantage; SNP = Special Needs Plan; D-SNP = dual-eligible SNP; C-SNP = chronic condition SNP; I-SNP = institutional SNP. Margin calculation excludes quality improvement and fraud reduction activities as medical expenses. This figure excludes Part D and the following plan categories: employer group plans, the Medicare–Medicaid demonstration plans, cost-reimbursed plans, Program of All-Inclusive Care for the Elderly, and medical savings account plans.

Data: Medicare Payment Advisory Commission, "[The Medicare Advantage Program: Status Report](#)," in *Report to the Congress: Medicare Payment Policy* (MedPAC, Mar. 2023).

EXHIBIT 5

In about 75 percent of U.S. counties, beneficiaries have a choice of 20 or more Medicare Advantage plans.

Percentage of U.S. counties with selected number of available Medicare Advantage (MA) plans



Notes: Includes all 50 states, the District of Columbia, and Puerto Rico. Data for the following organization types are included: cost, local HMO, local PPO, MSA, PFFS, and regional PPO. PACE, Special Needs Plans, Part B Only Plans, and Employer sponsored plans (800 series) are excluded.

Data: Centers for Medicare and Medicaid Services, [Medicare Advantage Landscape Source File](#), CY2024; U.S. Census.