

What is the Impact of Expanded Supplemental Benefits in Medicare Advantage?

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Beginning in performance year 2019, CMS awarded Medicare Advantage Organizations (MAOs) greater benefit flexibility through the creation of newly accepted (or expanded) supplemental benefits. Many health plans approached 2019 product design with a “wait and see” mentality, as most wanted to evaluate how competitors may incorporate these benefits before taking action. January 2019 enrollment provides our first look into how the market reacted to the new benefit offerings.

Pareto Intelligence Analysis: 2019 Medicare Advantage Supplemental Benefits

[View the Interactive Dashboard →](#)

Below are a few insights gained from compiling, analyzing, and studying the available data within these dashboards:

1. The Over-the-Counter (OTC) Items benefit is the most widely accepted of the new/expanded benefits across entity types, but the level of offering and coverage varies significantly by entity type. Close to 60% of National MAO covered members have a product with OTC benefits. In contrast, under 20% of Blue-Plan-members have an OTC covered product. Transportation Services and Support for Caregivers of Enrollees are 2nd and 3rd most popular. All others have limited offerings and adoption.
2. UnitedHealthcare is the only MAO to launch products with the Support for Caregivers of Enrollees benefit covering over 3.8M lives in 2019, making it the 3rd most popular supplemental benefit nationally.
3. California and Florida lead the way with the most covered members and products offered with supplemental benefits. In Florida and California respectively, 72% and 55% of members have an OTC benefit, and 48% and 35% of members have Transportation Services.
4. MAOs are using Supplemental Benefits to strengthen current product offerings as well as differentiate new PBPs in the market. Over 88% of new products include an OTC benefit, 48% include Transportation Services and 14% include Support for Caregivers of Enrollees.

Pareto Intelligence’s MA market intelligence solution, Pareto Spotlight, was used to generate the above insights. For more granular insights in supplemental benefits and the MA competitive landscape, please reach out to Duncan Wierengo at dwierengo@paretointel.com for more information and to schedule a demo.

Note: This analysis was based on conservative assumptions and interpretations of the CMS PBP benefits dataset. Different sets of assumptions could potentially create different results.