



2023 AEP

Performance
Highlights



Key Highlights



For the fifth straight year, Unite Us Insights Growth customers outperformed their competition through the 2023 Annual Enrollment Period (AEP).

With inflation-related challenges, shifting consumer behaviors, and intensified competition, the Medicare Advantage (MA) landscape continues to increase in complexity. Health plans must have a granular understanding of market dynamics, competitor strategies, and opportunities for growth.

Powered by Unite Us Insights Growth, our solution for market insights and outreach, this report will help health plans quickly understand key trends from AEP results and develop more clarity around market dynamics that will drive future decisions on product design, business development, and marketing and engagement strategies.

Our 2023 AEP Performance Highlights E-Book:

- 1** Helps plans understand current market dynamics, trends, and insights on where to focus their AEP efforts in the coming year
- 2** Highlights high-performing strategies and how Unite Us customers outperformed competitors by using Unite Us Insights Growth

2023 Medicare Advantage Plan Benefits

- The number of MA plans continues to grow (by three percent in 2023), although at a slower rate. New regional plans declined by seven percent, while new national plans increased by nearly 50 percent.
- Dual Eligible Special Needs Plans (D-SNPs) offerings continue to increase year over year —by almost 70 percent from 2019 to 2023.
- Supplemental benefit coverage has grown richer each year. More national plans offer routine meals than regional plans.
- Premium amounts continue to trend downward. Seventy-three percent of beneficiaries are enrolled in a zero-dollar premium plan in 2023. Health plans need dedicated strategies to respond to competitive pressure and find a balance between growth and long-term profitability.

2023 AEP Enrollment Trends

- MA enrollment growth slowed to +1.4 percent, down from +3.8 percent during 2022 AEP, continuing a downward trend since 2021. Special Needs Plans enrollment grew by 5.9 percent from 2022.

- PPO plans continued their rise in popularity, with above six percent enrollment growth during AEP. PPOs make up 36.5 percent of total MA enrollments now, up from 24.5 percent in 2019. HMO-POSs now make up 24.6 percent of enrollments, up from 12.8 percent last year.

- Supplemental benefits are becoming a standard offering. However, winning plans tend to offer better coverage and benefit levels, such as routine meal benefits (82.8 percent vs. 75.7 percent) and higher hearing aid allowance (26.9 percent higher).

- Regional plans lagged behind Nationals' AEP growth for 2023 plan year. Unite Us Insights Growth customers, with an average 2.3 percent net growth, experienced nearly six times higher net growth than other regional plans and performed nearly 20 percent better than national plans in the market.



Market Dynamics

2023 Industry Update

As illustrated below, MA enrollment has continued to grow year-over-year (YoY). However, the rate of growth slowed to +1.4 percent compared to +3.8 percent last year. This continues a downward trend that started in 2021.

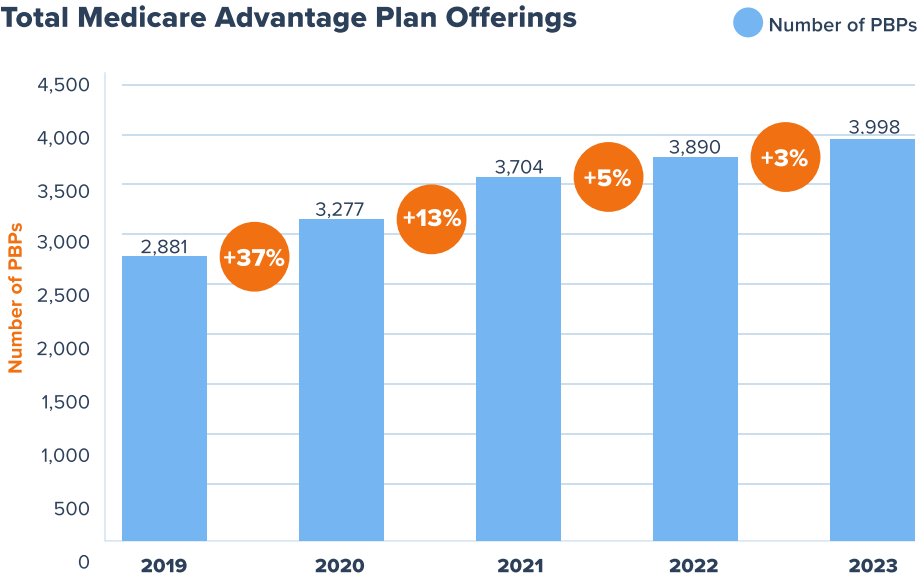
Declining growth rate is likely due to the overall decline in member population as the earlier wave of Baby Boomer enrollees recedes, and delays in retirement due to the COVID-19 pandemic, stock market declines, and inflationary pressures.

Historic Market Enrollment in 2019–2023

JAN 2019	DEC 2019	JAN 2020	DEC 2020	JAN 2021	DEC 2021	JAN 2022	DEC 2022	JAN 2023
14,193,879	14,788,218	15,581,873	16,305,346	17,198,696	17,895,465	18,578,249	19,152,067	19,420,657
AEP% Change		+5.4%		+5.5%		+3.8%		+1.4%

The number of MA plans has also continued to grow (by three percent in 2023), although at a slower rate than the past few years. With market saturation intensifying, enrollees have more choices and MA plans face more competition.

Total Medicare Advantage Plan Offerings

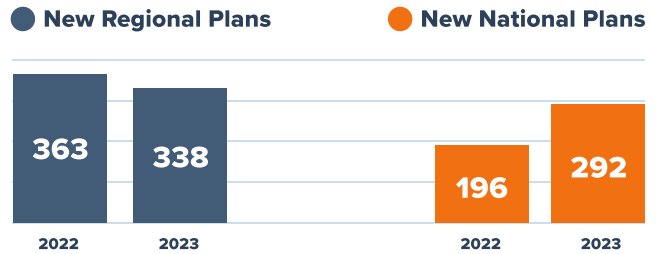


Health plans must differentiate themselves strategically to grow in their markets. Successful strategies are based on a clear understanding of their enrollees, the benefits those enrollees will find most compelling, and effective outreach and engagement strategies.

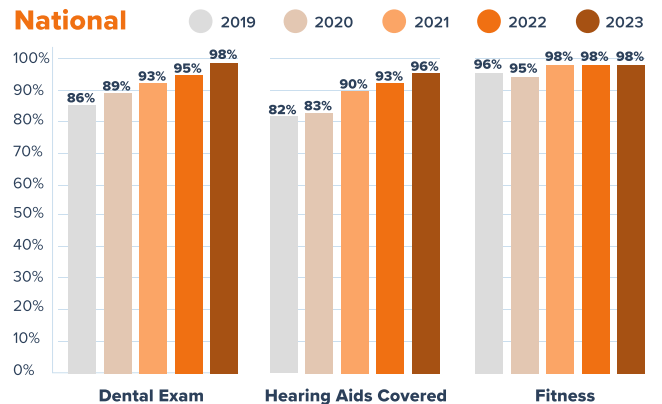
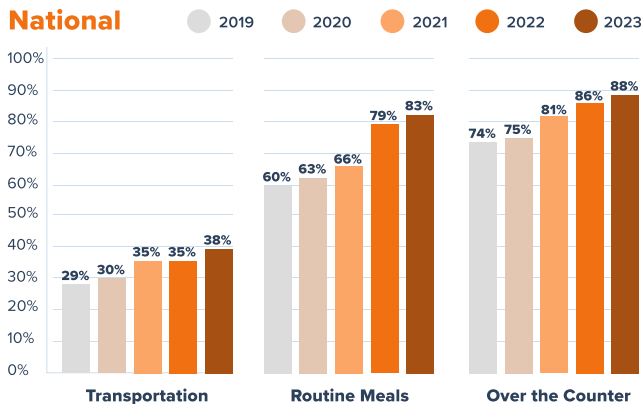
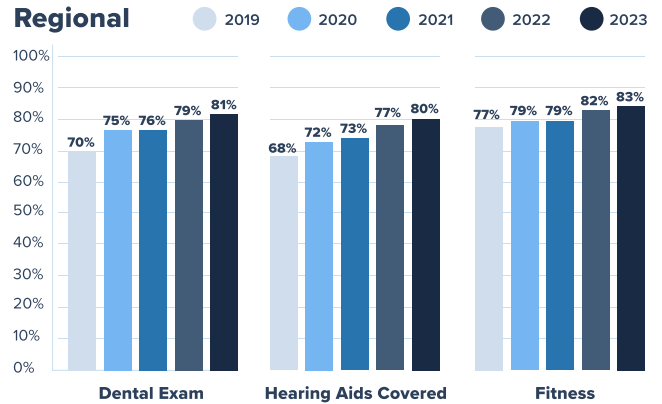
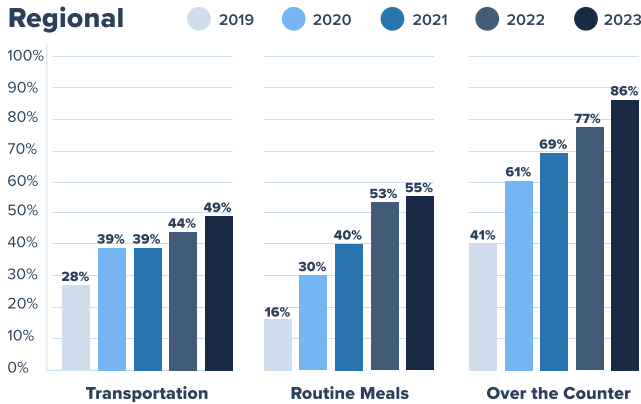
National vs. Regional Growth Trends

In recent years, growth in regional plans has outpaced national plans. In 2023, however, national plans expanded into more counties and increased the number of plans in many counties, while the rate of growth among regional plans declined.

- The number of new national plans increased by 50% (from 196 in 2022 to 292 in 2023).
- The number of new regional plans decreased by seven percent from 363 in 2022 to 338 in 2023.



National vs. Regional Supplemental Benefits





Supplemental benefits are becoming a key distinctive feature in MA offerings. In 2023, dental exam, hearing aid, and fitness benefits are standard offerings across both national and regional plans. Regional plans are catching up on over-the-counter (OTC) benefits (86 percent vs. 88 percent of national plans) and health-related benefits—such as meals and transportation—which, though expensive, are increasingly recognized for their importance in driving better health outcomes and improving value. More regional plans offer transportation benefits (49 percent vs. 38 percent in national plans) while more national plans offer routine meals benefits (83 percent vs. 55 percent in regional plans).

➤ **It's important to note that, if national plans can leverage their scale to integrate more expensive offerings, regional plans can leverage their knowledge of local needs and preferences to offer benefits that outperform in those markets.**

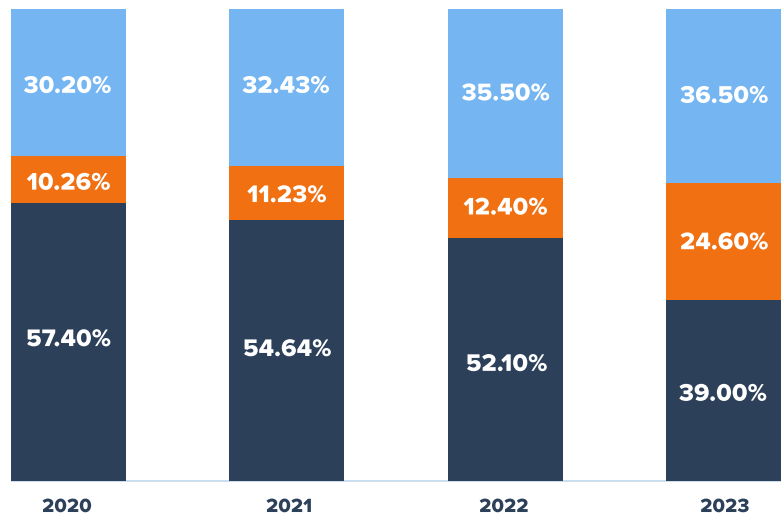
MA Enrollment by Plan Type

Growth in PPO and HMO-POS plans shows rising consumer demand for network flexibility. PPO plans continued their surge in popularity: PPOs now make up 36.5 percent of total MA enrollments in 2023, up from 30.2 percent in 2020.

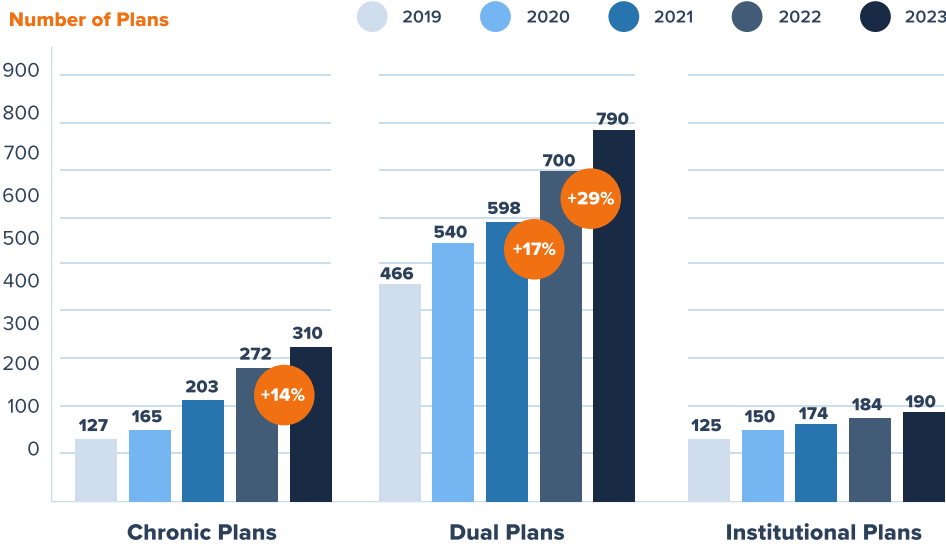
Growth in HMO-POS plans nearly doubled YoY from 12.4 percent in 2022 to 24.6 percent in 2023, with large national plans in particular shifting HMOs to HMO-POS offerings, potentially anticipating the demand for network flexibility from consumers. The number of HMO plans continues to fall.

Plan Type Market Share YoY

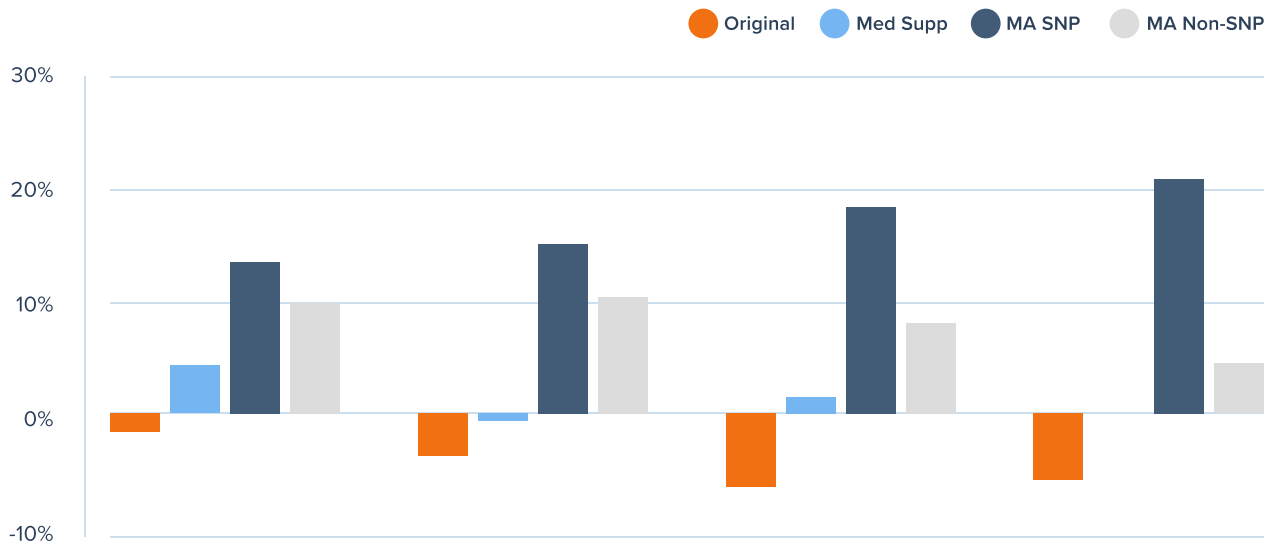
● HMO ● HMO-POS ● PPO



Special Needs Plans (SNPs)



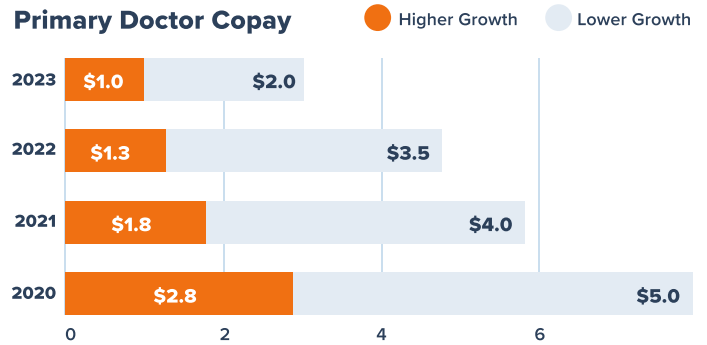
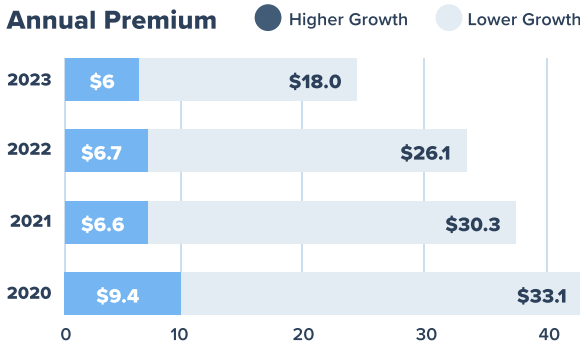
SNP offerings are becoming more prevalent year over year. Most notably, the number of D-SNPs has steadily increased over the past five years, from around 465 plans in 2019 up to 790 D-SNPs in 2023. C-SNP and I-SNP plans have also steadily increased year over year, though at a slower rate than D-SNPs plans.



Enrollment in SNPs continued an upward trajectory, with a 5.9 percent growth rate during this AEP season, outpacing MA enrollment (1.40 percent) and general Medicare enrollment.

Growth Drivers

On average, enrollees select plans that have lower annual premiums (\$6 vs. \$18), primary doctor copays (\$1 vs. \$2), and specialist copays (\$29 vs. \$33), and lower out-of-pocket maximums (OOPs) (\$4,579 vs. \$5,085) than average market value.

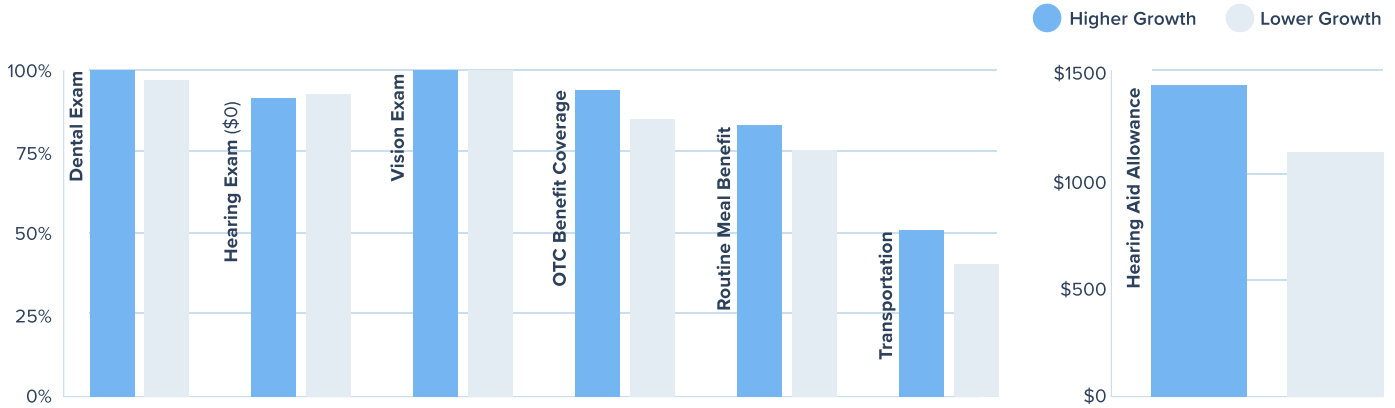


National vs. Regional Trends

Zooming in on trends across national and regional plans, we can identify in more detail the trends and features of plans that experienced high growth this year, including cost-sharing and supplemental benefits offerings.

	National Plans		Regional Plans	
	Higher Growth	Lower Growth	Higher Growth	Lower Growth
Premium	\$12.6	\$6.5	\$39.2	\$12.2
Primary Doctor Copay	\$1.54	\$0.61	\$6.65	\$4.01
Transportation	39%	46.6%	43.4%	58.9%
Routine Meal	83.4%	87.6%	57.3%	64.8%

In general, **supplemental benefit coverage** has grown richer each year. However, higher growth plans offer better coverage and benefit levels. Dental, hearing, and vision offerings are consistent across all plans. OTC benefit coverage (95 percent vs. 85 percent), routine meal benefit (83 percent vs. 76 percent), and transportation (51 percent vs. 40 percent) are more prevalent in higher growth plans, as well as larger OTC credit amount (14 percent higher) and hearing aid allowance (26 percent higher).



New to Medicare

In 2022, around 68 percent of enrollment happened outside of the AEP with the new-to-Medicare market and age-ins. For those members, our data reveals an even larger gap in annual premiums (\$7 vs. \$31) between plans with higher and lower growth.

New Plans Entering the Market

The number of new plans is increasing every year. At first, new plans tend to focus less on richer benefits and more on providing lower costs (with an average premium of \$9) when they enter markets to gain market share. This is expected as part of the business life cycle. As these plans become more established in their markets, they tend to focus on richer offerings to increase retention.

New Plans	All Plan PBPs	New Entrant PBPs	Existing PBPs
Avg. Monthly Premium	\$20	\$9	\$22
Routine Meal Benefit	71%	68%	72%
Transportation Benefit	43%	41%	43%
OTC Benefit	87%	84%	88%

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How to Maintain a Sustainable Competitive Advantage

MA health plans face increasing pressure to lower premiums to stand out and maintain market share.

By looking beyond high-level trends, regional plans can gain valuable insights toward more tailored and cost-effective strategies with a granular understanding of local market variations, consumer needs and preferences, and population segments. Such understanding will help them drive business development, product design, and outreach that helps them reach consumers and manage their needs throughout the year.

Unite Us Findings to Drive Growth

1 Digital Takes the Lead

This year, more than ever, beneficiaries chose to research and select plans online. This makes savvy digital marketing and well-designed website user interface integral for success. Consumers also engaged more with direct-to-consumer email marketing. In the future, plans may see a reduction in leads through traditional channels such as phone calls.

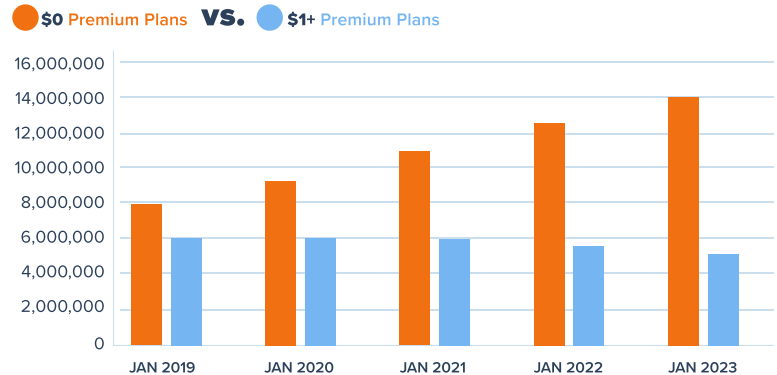
2 Consumerism on the March

Consumers continue to prioritize network flexibility with PPOs now making up 36.5 percent of total MA enrollments, up from 30.2 percent in 2020. Consumers are also drawn to lower premiums and lower cost-sharing, with more successful plans offering 66 percent lower premiums on average and 50 percent lower primary doctor copay, as well as higher hearing aid allowance (26.9 percent higher).

3 Competitive Pressure on Premiums Intensifies

Zero-dollar premiums are becoming the norm.

Enrollment



As of January 2023, 73 percent of beneficiaries were enrolled in a zero-dollar premium plan and paid no premium other than the Part B premium, while some beneficiaries even received rebates.

However, plans that offer zero-dollar premiums tend to perform lower in star ratings. About **32 percent of plans** that offered zero-dollar premiums did not achieve a four-star rating in 2023. This reinforces the necessity of finding balance between attracting enrollees while still achieving high levels of performance.

That's what we help our customers do. **Seventy-seven percent of Unite Us customers achieved quality bonuses for the fifth straight** year compared to 51 percent of non-Unite Us customers. Learn how to leverage our data to drive quality improvements [here](#).



Developing Competitive Advantage

Success now requires a data-driven strategy. Plans incorporating industry insights and individual-level analytics can design and develop offerings that help them address the specific needs of distinct population subsets, ensuring relevance and resonance.

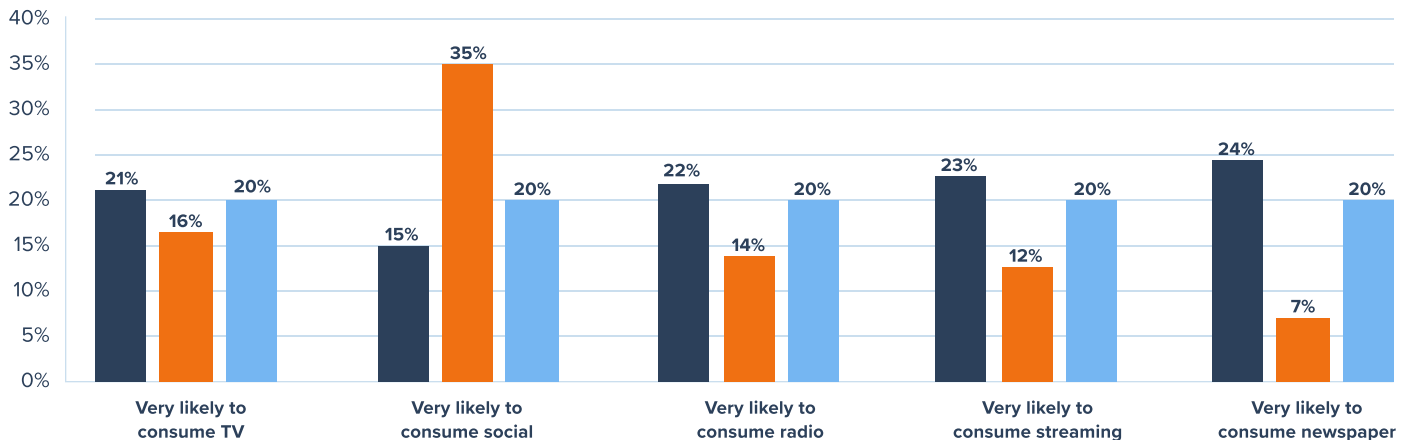
This table shows how to use visibility on channel preferences to tailor outreach and engage population subsets more effectively.



Using data collaboratively across departments helps drive overall organizational performance and financial success. Robust analytics tools provide a deeper understanding of individual member preferences, circumstances, communication styles, and needs that inform plan design and marketing strategies, enabling plans to forecast and achieve performance goals.

MA-Eligible Population, Primary Media Preference

● Urban ● Rural ● USA



Our Customer Success Stories

2023 Medicare Advantage AEP Results: Unite Us Customers Are Six Times More Successful

Powered by Unite Us Insights Growth, health plans are driving cost-effective and sustainable growth in the Medicare Advantage market.

Despite competitive pressure and inflation-related challenges, the 2023 Annual Enrollment Period (AEP) marked the **fifth straight year** that Unite Us Insights Growth customers outperformed their competition.

With an average 2.3 percent net growth this year, Unite Us customers:

-  Experienced nearly **six times higher net growth than other regional plans** in the market
-  Performed nearly **20 percent better than national plans** in the market (1.9 percent net growth)
-  Performed **64 percent better than growth average for all plans** in the market (1.4 percent net growth)

Additionally, Unite Us customers' conversion rates doubled through more effective, tailored campaigns enabled by Unite Us Insights Growth.

Increase Efficiency and Drive Sustainable Growth

The Medicare Advantage (MA) landscape continues to increase in complexity. Health plans must have a granular understanding of market dynamics, competitor strategies, and opportunities for growth.

Unite Us Insights Growth provides a single, intuitive analytics platform for an on-demand, deeper understanding of each specific local market, including market landscape, products, prospects, and members.

Health plans can answer critical questions, optimize product offerings, and prioritize engagement strategies by leveraging market and consumer insights, our proprietary models, and healthcare-industry-leading best practices.

Customer Examples

A customer used a **Unite Us Insights Growth list** and achieved a **22 percent** increase in list effectiveness against non-prioritized prospects. **Eighty-nine percent** of AEP sales were matched to those prioritized lists.

A better understanding of **Member Profiles** thanks to **Insights Growth** enabled our customer to dedicate specific initiatives to retention programs by shifting members internally to plan options more aligned to their needs and preferences rather than losing them to competitors.

About Unite Us

[Unite Us](#) is the nation's leading software company enabling collaboration across sectors to improve the health and well-being of communities. Unite Us' secure solutions establish a new standard of care that identifies and predicts social care needs, helps connect people to services, and leverages meaningful outcomes data to further drive community investment. Through Unite Us' national network and software, community-based organizations, government agencies, health plans, and healthcare providers are all connected to better collaborate and meet the needs of the individuals in their communities. Follow Unite Us on [LinkedIn](#), [Twitter](#), [Instagram](#), and [Facebook](#).



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[Contact our team](#) to learn more about how your organization can leverage comprehensive data and analytics to improve AEP performance.